

Lovech District

| | |
|---------------------------------|---------|
| ▶ Population (2014) | 134,546 |
| ▶ Area (sq. km) | 4,128.8 |
| ▶ Number of settlements | 149 |
| ▶ Share of urban population (%) | 62.6 |



Overview

Lovech District lags considerably behind in economic development. The average annual income grew more slowly than it did nationwide between 2008 and 2013, and the labour market remained in deep crisis. Investment activities have gradually intensified after the crisis, but their levels have been low compared to the country average. The number of households with Internet access has remained low. The level of local taxes and fees is somewhat high for the district. Administrative services have developed relatively well. The demographic situation has rapidly deteriorated mainly due to the negative rate of natural

increase. School education is good in the district, the grades of school-leavers have been higher than the country average in recent years. The availability of health professionals is relatively good, but the number of beds in multi-profile hospitals is limited. Lovech is one of the districts where judges' workload at the Criminal Division of the District Court has been low, and trial duration has been relatively short in comparison with the country. There is no cinema in the district, and the number of visits to local theatres and libraries is lower than the country average.

ECONOMIC DEVELOPMENT



Income and Living Conditions



Labor Market



Investment



Infrastructure



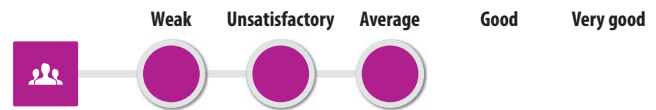
Taxes and Fees



Administration



SOCIAL DEVELOPMENT



Demography



Education



Healthcare



Security and Justice



Environment



Culture



ECONOMIC DEVELOPMENT ●●

Income and Living Conditions ●●

Lovech was one of the seven districts in Bulgaria where the average annual income per household member was below 4,000 BGN in 2014 despite the fact that salaries accounted for the main part of incomes (57%). The average salary was about 25% lower in the district than the country average in 2013. The average annual income per household member and the average salary grew more slowly than the country average throughout the entire period from 2008 to 2013.

GDP per capita amounted to 6,908 BGN in 2012 compared to the national average of 10,958 BGN. The share of people living in households with low work intensity was 13.5% compared to 11.6% nationally. 70.6% of the population lived in material deprivation – the highest share among all districts. Although the relative poverty line was among the lowest (2,542 BGN compared to the country average of 3,431 BGN), 20.9% of the population lived below it.

Labour Market ●

The labour market in Lovech District has been in severe crisis since 2010. Unemployment in the district was lower in 2013 and 2014, but this was due to the low economic activity of the population and not to an increase in the employment rate. The employment rate of the population 15+ fell in 2014 for the sixth successive year and dropped to 36.9% – the lowest nationwide level. Economic activity is the lowest among all districts – barely 41.1% of the population aged 15+ sought jobs or worked compared to the national figure of 54.1%.

In 2014 there were 58.6 individuals aged 15–19, who were to join the labour market, per 100 individuals aged 60–64, who were to leave it, compared to the country average of 61.9.

Investment ●●●

Lovech is one of the few districts in the country where there has been no FDI outflow since 2007. Relative to the population, the cumulative FDIs, totalling 134.8 m euros, equalled 1,002 euros per capita as at the end of 2013 compared to the country average of 3,231 euros per capita. Companies' investment in FTAs has gradually increased, reaching 155 m BGN in 2013, but has still remained far below the 2006–2008 levels.

Municipalities have achieved very good results in utilising funds under the EU operational programmes. As of 31 January 2015, they drew down a total of 132 m BGN – Lukovit and Yablanitsa utilised the most (1,875.6 BGN per capita, and 1,462.3 BGN per capita respectively), while Apriltsi and Ugarchin utilised the least – 18.2 BGN per capita, 206.6 BGN per capita respectively.

Infrastructure ●●

The district's road network density is 18.1 km per 100 sq. km of territory compared to the country average of 17.7 km per 100 sq. km. The share of roads in good condition was the highest in North Bulgaria in 2014, reaching 47.8% compared to 40.5% nationally. The railway network density was 2.6 km per 100 sq. km compared to the country average of 3.6 km per 100 sq. km.

45.8% of households had Internet access in 2014 compared with 56.7% for Bulgaria. The share of Internet users was also below the country average, but the difference was much smaller – 54.6% for Lovech District compared to the national average of 59.2%.

Taxes and Fees ●●

The level of most local taxes and fees is relatively high in Lovech District, and the immovable property taxes for legal entities and the annual waste collection charge are even higher than nationwide.

The biggest increase in the tax burden has been observed in Lukovit Municipality in recent years. The immovable property tax for legal entities, the tax on the sale of immovable property and the waste collection charge for properties of legal entities were raised there in 2013 (from 2.0 to 3.0‰ regarding the first tax, from 2.0 to 3.0‰ regarding the second and from 6.5 to 8.0‰ regarding the third). There was an increase in the vehicle tax in Lovech Municipality – from 1.10 to 1.21 BGN per kW in 2015. The annual waste collection charge was lowered from 2013 to 2015 in the municipalities of Letnitsa, Lovech and Troyan, and the decrease was considerable in the first municipality – from 10.0‰ in 2014 to 5.0‰ in 2015. The annual license tax for retailers was also lowered in Troyan Municipality.

Administration ●●●●

The cadastral map covered 74% of the district's territory as early as 2009, and Yablanitsa was the only municipality that was not included there in 2014. The only district in Bulgaria, where the cadastral map has included more territories, is Sofia (capital city). The development of e-services is best in Troyan, and the municipalities of Apriltsi, Lovech, Teteven and Troyan have declared a high level of functioning integrated one-stop shop services.

The average grade the municipalities in Lovech District received in 2015, in the annual Active Transparency Rating of local government bodies by the AIP Foundation, was 53.8 out of 88.4 points compared to the country average of 54.5 points. The municipalities of Troyan and Letnitsa received the highest grades (63.4 points, and 62.7 points respectively), and Lukovit and Lovech received the lowest ones (42.0, and 48.3 respectively).

SOCIAL DEVELOPMENT ●●●●

Demography ●

Lovech is one of the districts facing the least favourable demographic conditions. The rates of natural increase and net migration of the population have been negative, and the number of the population shrank from 169,100 to 134,500 from 2001 to 2014, which constituted a drop of 20.42% compared to the country average of 8.71% for the same period.

Lovech has been one of the five districts in Bulgaria where the ratio of people aged 65+ to those aged 15–64 is over 40%, reaching 41.8% in 2014. The other districts with such a demographic burden are Vidin (46.6%), Gabrovo (43.0%), Kyustendil (40.2%) and Montana (40.7%), and the country average is 30.2%

Education ●●

The development indicators for school education in Lovech District are relatively favourable. The net enrolment rate (grades 5th through 8th) (80.0%) was higher than the country average (78.6%), and the relative share of repeaters (0.9%) was lower than the country average in 2014 (1.4%). School-leavers from the district achieved results higher than the country average from 2012 to 2015 at state matriculation exams in Bulgarian language and literature. The share of fail grades at this exam has traditionally been low.

Simultaneously, Lovech is one of the districts with the lowest share of the population aged 25–64 with university degrees – 18.6% in 2014 compared to the national average of 27.0%. 238 students attended lectures in the district during the academic 2014/2015. The ratio of their number to the local population (1.77 students per 1,000 people) is the second lowest among all districts where institutions of higher education are located, after Haskovo (1.21).

Healthcare ●●●●

Favourable ratios of the number of general practitioners and internists to the population have been observed in Lovech District. The ratio pertaining to cardiologists is 7,475 people per cardiologist compared to the country average of 5,765 people, but it is better than that in 16 other districts. 89.7% of the district's citizens were health insured in 2014, the average for Bulgaria being 87.1%.

The ratio of the local population to the number of beds in multi-profile hospitals for active treatment has been less favourable since 2007 compared to the country average figures, and the gap has gradually increased. The infant mortality rate has steadily remained above the country average since 2007, though it plunged in 2014 compared to one year earlier – from 16.5 to 8.4‰.

Security and Justice ●●●●

Lovech is one of the districts with the highest share of criminal cases tried by the District Court to be closed in the first 3 months – 96% in 2013 compared to the national average of 88.4%. Similar levels were registered in the districts of Gabrovo, Pleven and Smolyan, and higher ones – only in Kardzhali and Ruse. The share of pending criminal cases is also low – 6.1% compared to the national average of 8.5%. There were 6.8 cases per month, per judge, compared to 8.3 cases per month, per judge for Bulgaria.

The number of registered crimes against the person was the lowest in 2014, relative to the population, and it has been the lowest since 2005: 4.5 crimes per 10,000 people compared to the country average of 5.9 crimes per 10,000 people. The number of registered crimes against property has quickly diminished since 2011 reaching their lowest number in 2015 relative to the population – 50.5 crimes per 10,000 people compared to the country average of 89.0 per 10,000 people.

Environment ●●●

About 64.0% of the population lived in settlements with public sewerage systems, and 41.1% of the citizens with access to sewerage were connected to waste water treatment plants in 2013. The district has lagged in terms of both indicators when compared to the country. The tertiary treatment section of the waste water treatment plant in the town of Lovech, which will increase the share of the connected population, was opened in July 2015. Expenditure on environmental protection amounted to 33.5 m BGN in 2013 or 245.5 BGN per capita compared to the country average of 288.9 BGN per capita.

Emissions of carbon dioxide decreased for a second successive year in 2013, totalling 93.8 t/sq. km: that means concentration three times lower than the country average.

Culture ●●

The number of visits to local theatres decreased in 2014 by 33% compared to the previous year, reaching 17,000. Relative to the population, this equalled 124 visits per 1,000 people, which was 2.5 times lower than the country average number of visits. Visits to libraries have gradually increased, but have remained far below the national figures. Lovech is one of the five districts in Bulgaria featuring no cinema, though films are shown to the public in summer.

Only local museums have registered a high number of visits – 115,200 in 2014, or 857 visits per 1,000 people compared to the country average of 662.

Key Indicators for the District of Lovech

| Economic Development | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|--|-------|-------|-------|-------|-------|-------|
| GDP per capita (BGN, current prices) | 6,038 | 5,897 | 6,889 | 6,908 | n.a. | n.a. |
| Average annual income per household member (BGN) | 3,124 | 3,037 | 2,825 | 2,963 | 3,134 | 3,788 |
| Average annual gross salary (BGN) | 5,715 | 5,936 | 6,184 | 6,509 | 6,940 | n.a. |
| Relative share of people living below the district's poverty line (%) | 23.9 | 18.0 | 15.7 | 20.9 | n.a. | n.a. |
| Annual average economic activity rate of the population 15+ (%) | 49.3 | 47.6 | 46.4 | 44.2 | 42.3 | 41.1 |
| Annual average employment rate of the population 15+ (%) | 47.8 | 43.8 | 40.7 | 38.3 | 37.8 | 36.9 |
| Annual average unemployment rate (%) | 3.0 | 8.0 | 12.2 | 13.4 | 10.7 | 10.2 |
| Number of non-financial companies per 1,000 people | 39 | 39 | 39 | 39 | 40 | n.a. |
| Expenditure on the acquisition of fixed tangible assets per capita (BGN) | 852 | 901 | 1,094 | 1,076 | 1,136 | n.a. |
| Cumulative FDI to non-financial enterprises per capita (EUR) | 735 | 816 | 946 | 959 | 1,002 | n.a. |
| Relative share of households with Internet access (%) | 21.8 | 25.2 | 30.3 | 33.7 | 34.6 | 45.8 |
| Share of roads in good condition (%) | n.a. | 36.1 | 40.1 | 43.0 | 44.8 | 47.8 |
| Share of territory included in cadastral maps (%) | 74.0 | 74.0 | 74.0 | 74.0 | 74.0 | 74.0 |

| Social Development | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|-------|-------|-------|-------|-------|-------|
| Rate of natural increase (‰) | -7.9 | -9.4 | -9.7 | -10.2 | -10.2 | -11.2 |
| Net migration rate (‰) | -7.4 | -12.2 | -4.1 | -3.5 | -5.3 | -4.2 |
| Relative share of the population aged 25–64 with tertiary education (%) | 19.6 | 21.6 | 21.6 | 16.4 | 15.8 | 18.6 |
| Average grades at state matriculation exams | 4.3 | 4.3 | 4.5 | 4.3 | 4.5 | 4.4 |
| Percent of failed students at state matriculation exams | 4.9 | 5.3 | 2.9 | 3.6 | 2.5 | 3.0 |
| Health insured persons as share of the population (%) | 87.7 | 86.2 | 89.5 | 88.9 | 88.5 | 89.7 |
| Cases of hospitalization in general hospitals | 209.7 | 199.3 | 204.9 | 210.2 | 220.1 | 213.4 |
| Crimes against the property per 10,000 people | 68.3 | 86.4 | 70.3 | 57.5 | 54.1 | 50.8 |
| Share of pending criminal cases (%) | 3.7 | 4.1 | 4.4 | 4.4 | 6.1 | n.a. |
| Expenditure on environmental protection per capita (BGN) | 168.1 | 227.8 | 380.6 | 249.5 | 245.5 | n.a. |
| Share of the population living in settlements with public sewerage systems, connected to WTPP (%) | 14.5 | 40.2 | 40.9 | 41.1 | 41.1 | n.a. |
| Number of visits to cinemas per 1,000 people | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Number of visits to theatres per 1,000 people | 112.1 | 92.4 | 140.8 | 148.1 | 186.3 | 124.4 |