

REGIONAL PROFILES

INDICATORS OF DEVELOPMENT

2019

IME

Institute for Market Economics

Sofia • 2019

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Abbreviations used

AIP	Access to Information Program Foundation
BLL	Bulgarian Language and Literature
FDI	Foreign Direct Investment
FTA	Fixed Tangible Assets
GDP	Gross Domestic Product
GH	General Hospital
MES	Ministry of Education and Science
NSI	National Statistics Institute
p.p.	percentage point
SJC	Supreme Judicial Council

Preface

The Institute for Market Economics presents the eighth annual issue of *Regional Profiles: Indicators of Development*, the only almanac of its kind on regional development in Bulgaria. The book, better known as *The Regional Profiles*, has now become an established trade mark of the IME.

The study is based on 62 indicators evaluating the economic and social environment in the country's 28 regions. All data presented in it are available at www.regionalprofiles.bg, the Institute's specialized web page. Being organized around specific indicators allows data to be observed in its dynamics as well as to make comparisons between individual regions. Access to the most complete recent mass of statistical data at the regional level is thus facilitated.

Thanks to the work of the institutions collecting and providing statistics, with each successive year, we have been able to include more relevant and wide-ranging statistics on each district's socio-economic environment. In the present edition most data are for 2018. Exceptions are few in number and are limited to several indicators, which get published with a delay of over a year: district figures on GDP per capita, those on salaries, and some indicators in investment, the environment, infrastructure, and education. Where possible, for example, in fields such as administration, local taxes and fees, as well as matriculation exam results, analysis also rests on 2019 figures.

This study can benefit national and local government, business and the media, as well as academics, experts and people in the non-governmental sector, in their work on regional development. We also believe that everyone could find something of interest on the performance of their own region in comparison with other regions in a variety of spheres of economic and social life.

The IME team wishes to express their gratitude to the *America for Bulgaria* Foundation for their partnership and lasting support in making and publishing *The Regional Profiles*.

We hope this year's edition will be once again interesting and beneficial to all readers. Enjoy reading it!

The IME team

Regional Profiles 2019: Summary

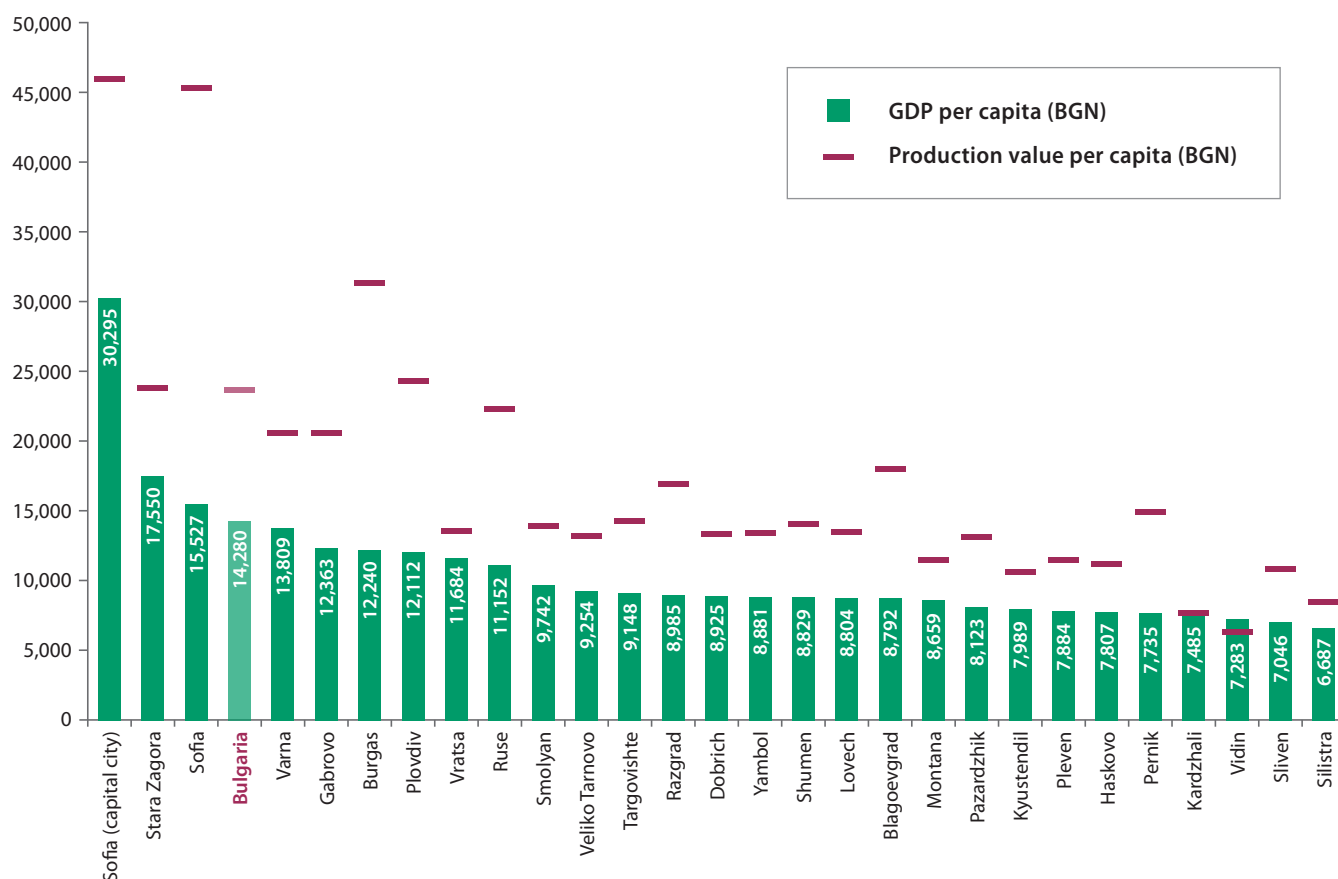
ECONOMIC DEVELOPMENT

Between 2017 and 2019 the country went through a period of notable economic growth: real GDP growth was over 3% during each of those three consecutive years, the population economic activity rate has risen, and unemployment rates in 2019 were significantly below 5%. Such positive developments have also been visible at the level of individual districts: each one has shown some positive tendencies. In 2017 production value per capita grew by almost 12%, and the districts with the most significant increase were those neighboring the capital city, namely, Pernik and the district of Sofia.

Sofia (capital city) doubtlessly has remained the wealthiest district with a GDP per capita amount-

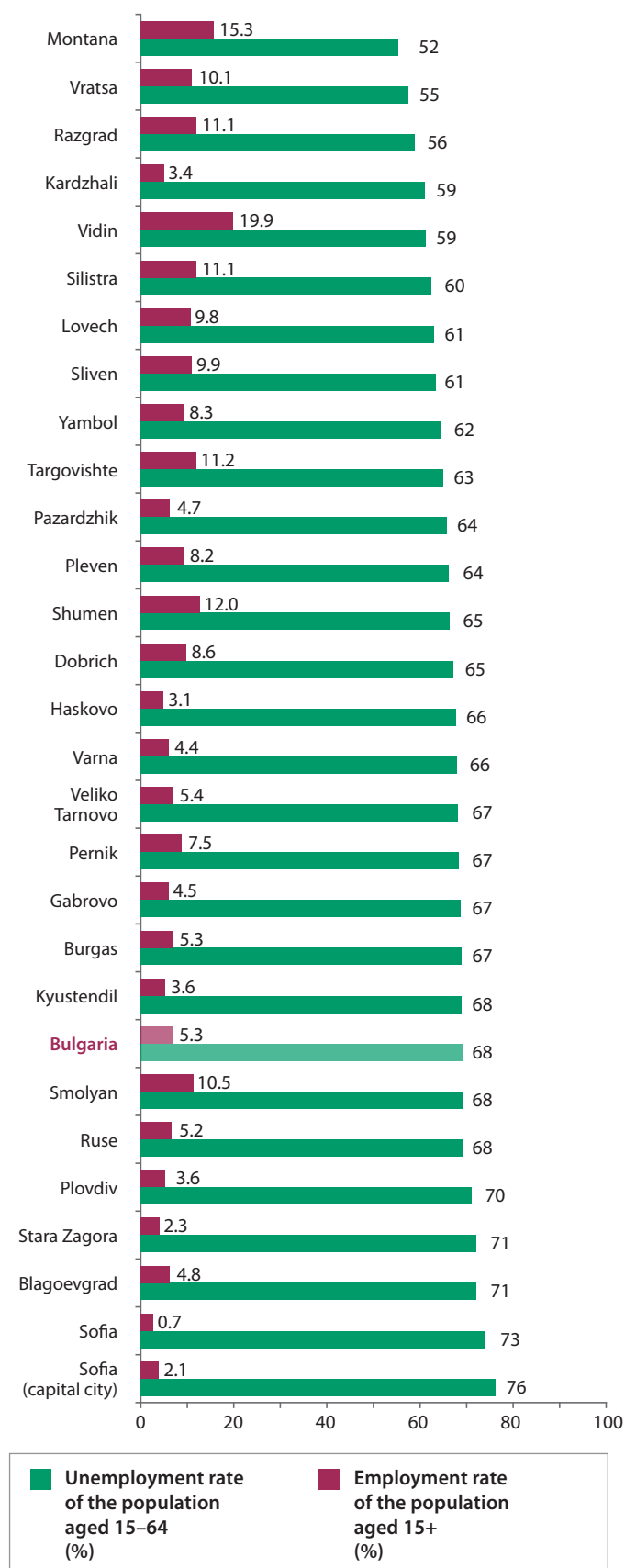
ing to 30,295 BGN in 2017, while Stara Zagora, with 17,550 BGN, took a second place way behind the first. The district of Sofia ranked third with 15,527 BGN. It has profited from being the periphery of the big center, hosting the capital's industrial zones, and turning into one of the fastest developing districts in the country in recent years. Among the remaining districts which had GDP per capita between 10 and 15,000 BGN are Varna, Burgas, Plovdiv, and Ruse, as well as Gabrovo and Vratsa – districts with more visible industrial profiles. In the lower part of the chart we can see Silistra with 6,687 BGN and Sliven with 7,046 BGN, with Vidin and Kardzhali slightly above them with GDP per

Figure 1. GDP and production value per capita in 2017



Source: NSI, calculations by IME

Figure 2. Employment and unemployment rates in 2018



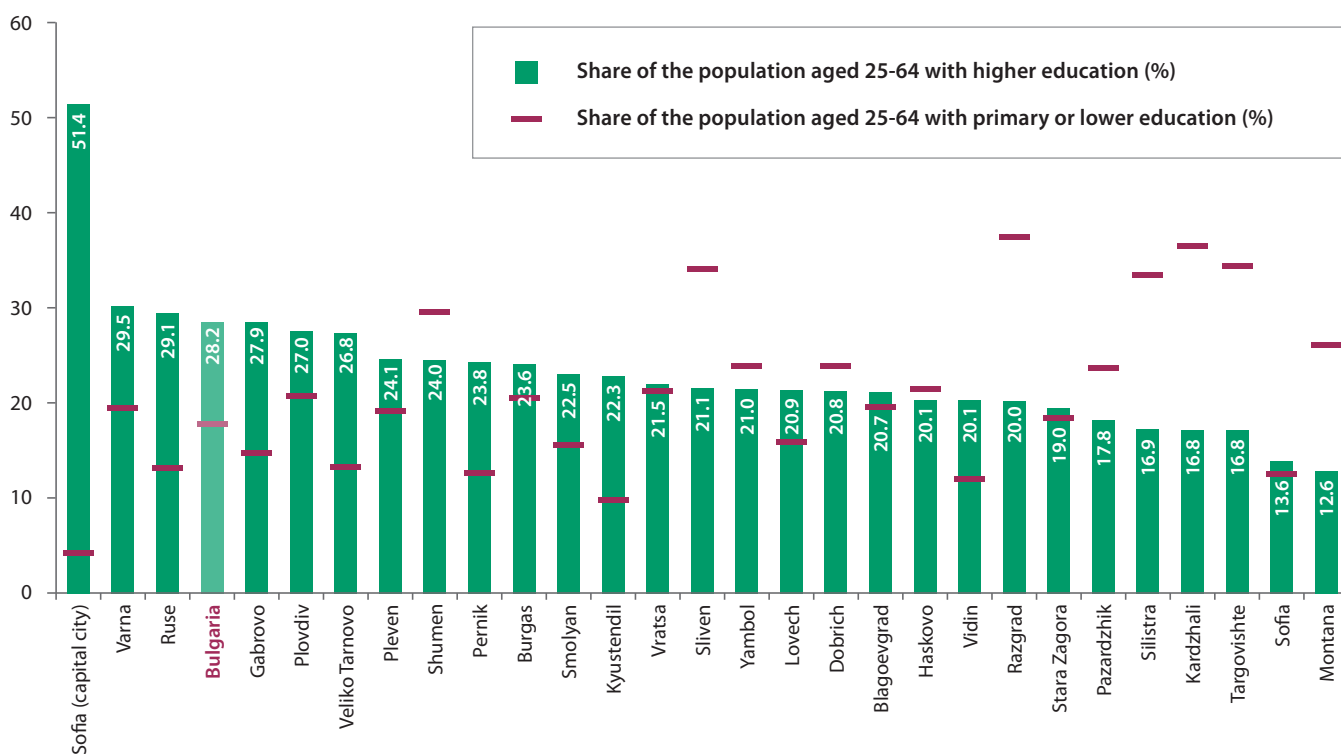
Source: NSI, calculations by IME

capita below 7,500 BGN. The districts with weakest economies lag behind the large centers with twice lower GDP figures and over four times lower GDP in comparison with the capital (Figure 1).

Regional differences can also be seen in the 2018 labor market statistics, where employment rates (age 15–64) vary from over 75% in the capital to about 52% in Montana – a difference of about 25 p.p. in the country as a whole. Employment figures make the lag in the North-Western region even more visible, as Vidin and Vratsa have also registered employment rates below 60%. In addition, the region has the greatest number of small municipalities with dwindling population and exceptionally high unemployment levels – over 25% according to the National Employment Agency figures. Other regions with significant labor market problems tend to have a deteriorating workforce structure too: in Razgrad, Kardzhali, Targovishte, Sliven, and Silistra over 30% of the population aged 25–64 has primary or lower education. While in those districts there are two people with primary or lower education for every person with higher education, in most of the other districts the number of people with higher education exceeds that of the people with primary or lower education – unlike the capital city where the ratio is 12 people with higher education to one with primary or lower education (Figure 3).

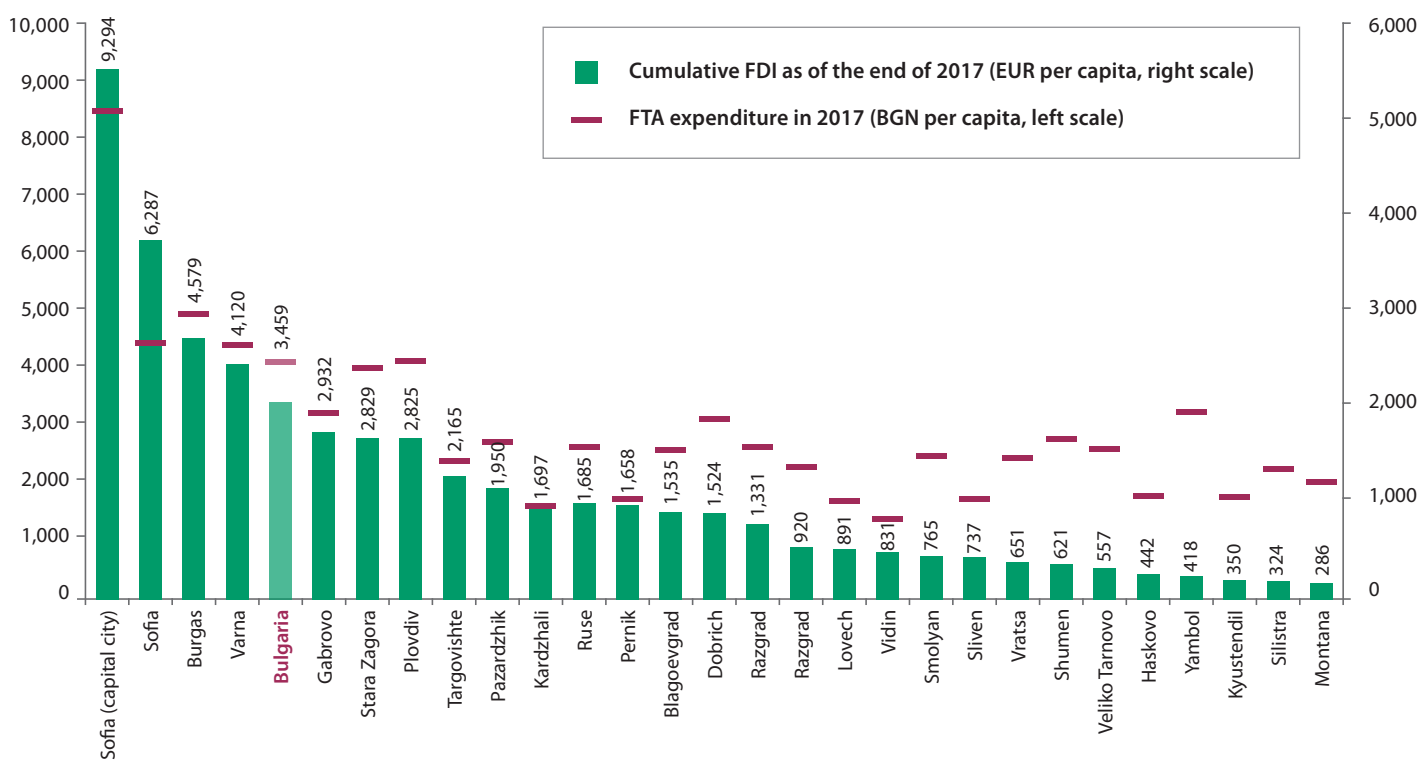
Investment activity on district levels delineates very clearly the leading economic centers in the country. Half of the cumulative FDI as of 2017 has been concentrated in the capital: 12.3 bn EUR, to which we could add investment worth about 1.5 bn EUR in Sofia district. The other big business centers, namely, the districts of Burgas, Varna and Plovdiv, had 1.9 bn EUR cumulative foreign investment each, followed by Stara Zagora with 900 m EUR. There is a clearly noticeable north – south division: practically, almost all of the above-mentioned centers are located in the south and are connected with each other via the *Trakiya* highway along the Sofia – Plovdiv – Stara Zagora – Burgas axis; Varna being the only center north of the Balkan Range. Another positive example of investment in the north is provided by Gabrovo, though it should be noted that this is one of the smallest districts in the country, and therefore less significant compared with the large investment centers in the south (Figure 4).

Figure 3. Educational structure of the population in 2018



Source: NSI, calculations by IME

Figure 4. Foreign direct investment and fixed tangible assets expenditure in 2017



Source: NSI, calculations by IME

SOCIAL DEVELOPMENT

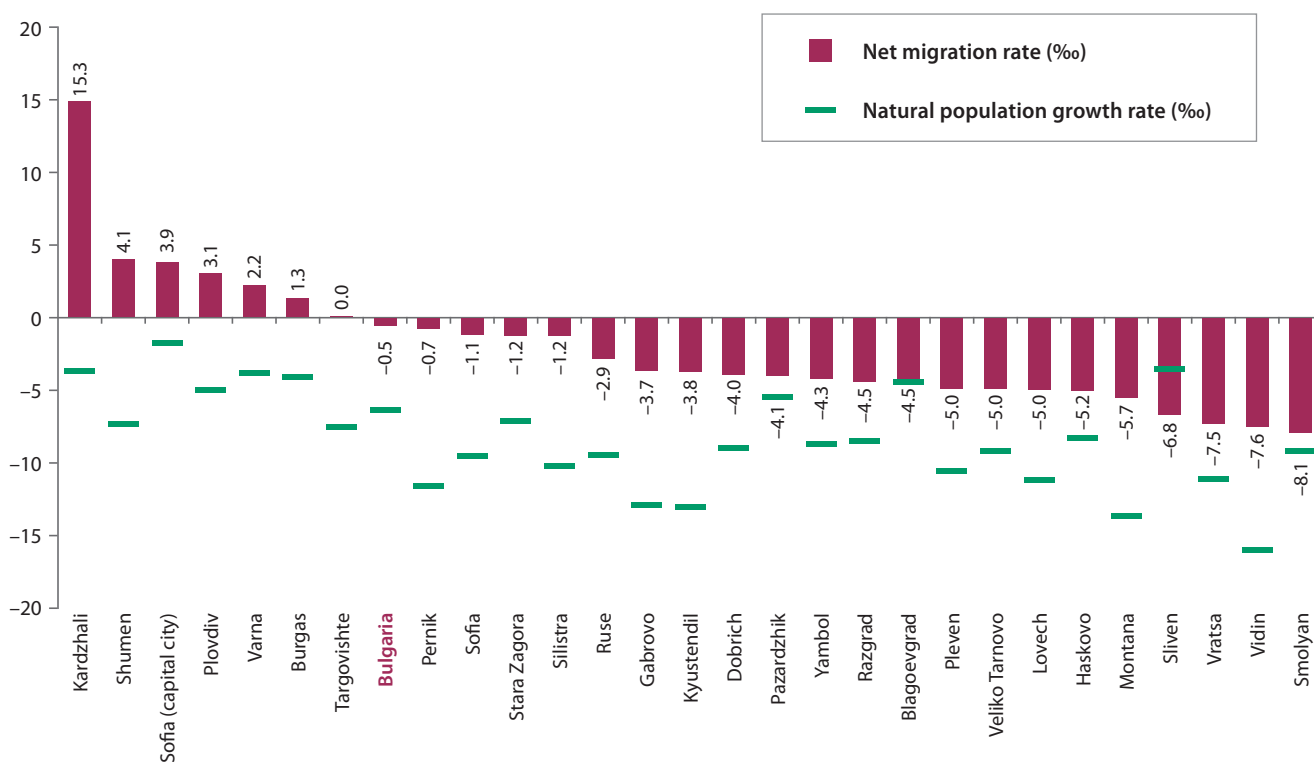
Demographic processes in the country have remained strongly negative. In 2018 the population aged 65+ was already exactly 1/3 of the working age population (aged 15–64), where rates of elderly people 65+ vary between 25% of the working age population in the capital to 50% in Vidin. As a result of the negative natural growth and emigration almost all districts have been steadily losing population. As a whole, the country lost 51,000 people in 2018. Sofia (capital city) is the only district where population has traditionally increased, though by only 3,000 people in 2017 and 2018.

Natural population growth has been negative in all districts and strongly deteriorating in the districts of north-western Bulgaria, whereas net migration is positive in some districts. More people move to Sofia (capital city) and to the districts of Plovdiv, Burgas and Varna than the ones moving out of those districts. The districts of Stara Zagora and Shumen have already managed to retain a relatively balanced in- and out-migration, while Kardzhali ranked first in positive net migration in certain years, such as 2018.

Net migration has traditionally been worst in Smolyan, though it has been improving in the last three years (Figure 5).

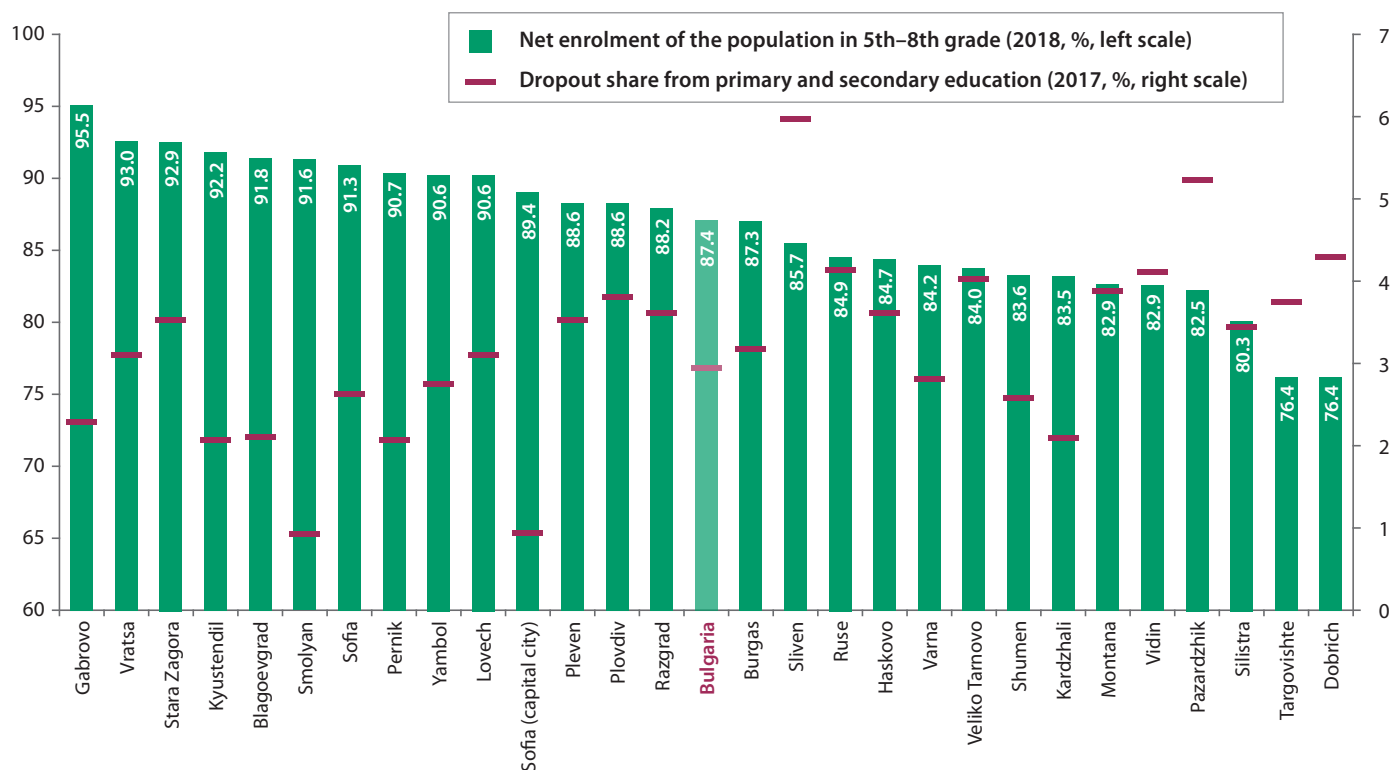
In terms of education, the regional map looks different. The capital is once again in a leading position, but the districts following closely, such as Gabrovo, Smolyan, Varna and Veliko Tarnovo have good results in some categories. The district of Gabrovo has registered the highest enrolment rate in 5th–8th grade: over 95% in 2018, while Dobrich and Targovishte had only about 76% (Figure 6). The district of Smolyan had the lowest school dropout rate from primary and secondary education (below 1%) as well as the lowest rate of repeaters (only 0.1%). Its school graduates perform well at matriculation exams in Bulgarian language and literature (the average grade for 2019 was 4.19) but the leaders are Sofia (capital city) with (4.53), Varna with (4.26), and Plovdiv with (4.25). Average grades below “good” 4 at the exam in Bulgarian language and literature were characteristic of Silistra, Kardzhali, Razgrad, Yambol, Haskovo, Shumen, Targovishte, and the district of Sofia (Figure 7). Though Veliko Tarnovo could

Figure 5. Natural population growth rate and net migration rate in 2018



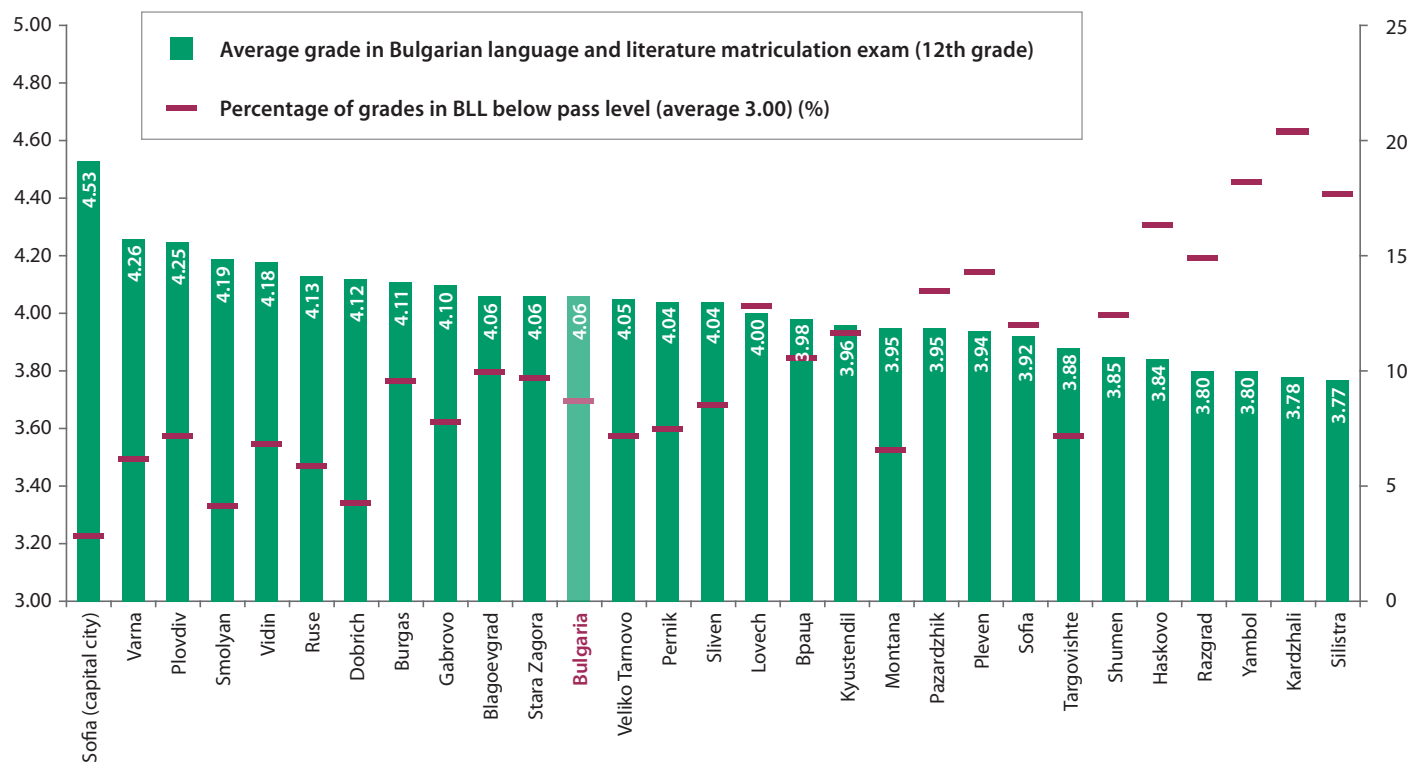
Source: NSI, calculations by IME

Figure 6. School net enrolment and dropout share in 2017 and 2018



Source: MES, calculations by IME

Figure 7. Matriculation exam results in Bulgarian language and literature 2018

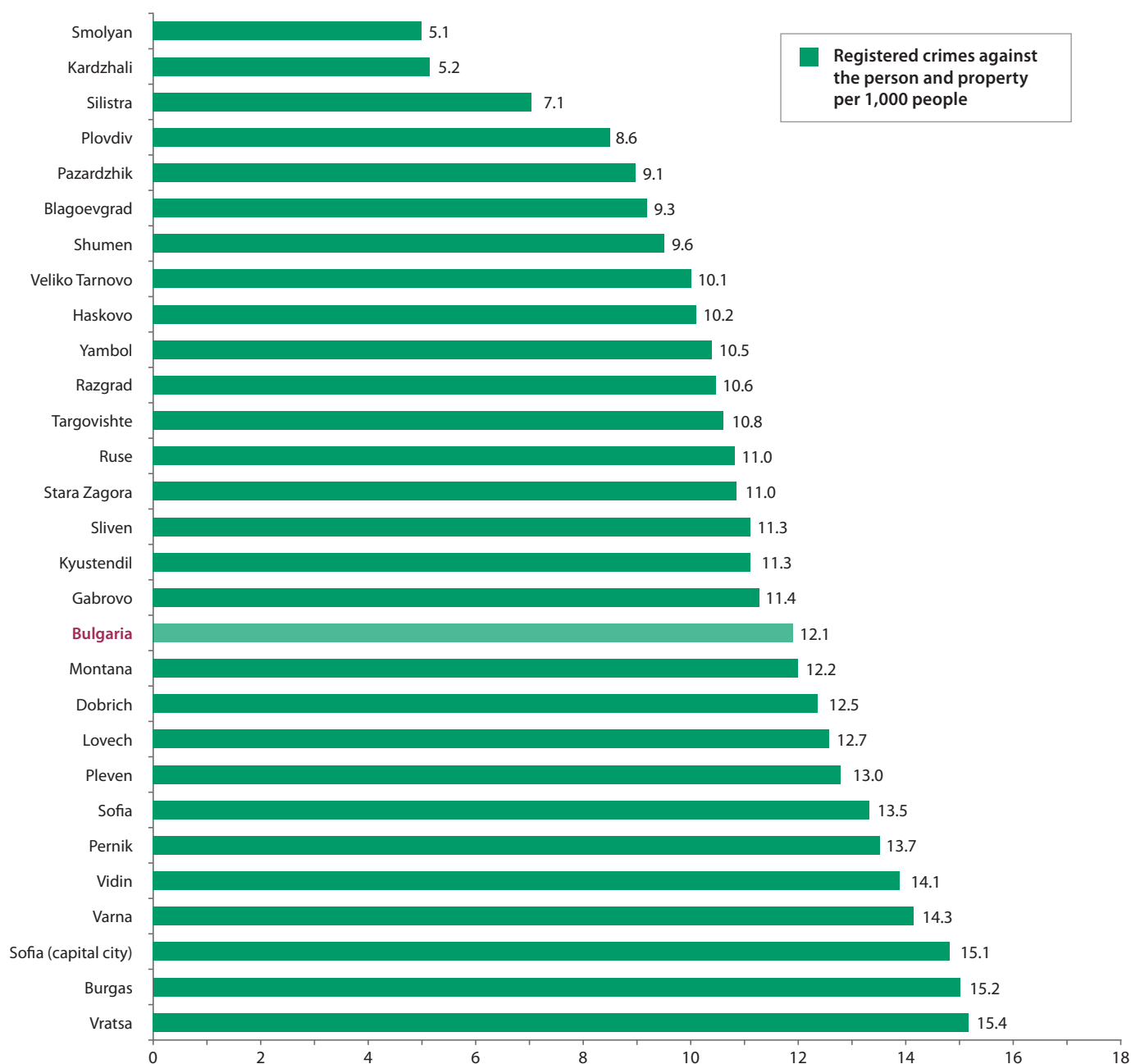


Source: MES, calculations by IME

not boast high results in school education, it has retained its top position, alongside Sofia (capital city), in terms of the highest number of university students per 1,000 people: 69 and 73 students, respectively. Smolyan and Kardzhali have the fewest registered crimes against the person and property with 5 cases per 1,000 inhabitants each, while Burgas, Varna and Sofia have registered three times more crimes: about 15 cases per 1,000 people (Figure 8). Varna and Sofia have also registered the lowest crime detection rate: only 1/3 of the cases were cleared. Smolyan ranks first

in environmental quality with the smallest amount of generated household waste per capita and the cleanest air. The capital on its part is the undisputed leader with the intensity of its cultural life: cinema visits per capita are three times the national average while theater visits are twice the national average. In more general terms, the picture of social development is relatively more varied than that of the economy but income and opportunities for realization on the job market traditionally dominate migration motivations among the population.

Figure 8. Registered crimes against the person and property in 2018



Source: SJC, calculations by IME

Blagoevgrad District

► Population (2018)	306,503
► Territory (sq. km)	6449.5
► Number of settlements	281
► Share of urban population (%)	60

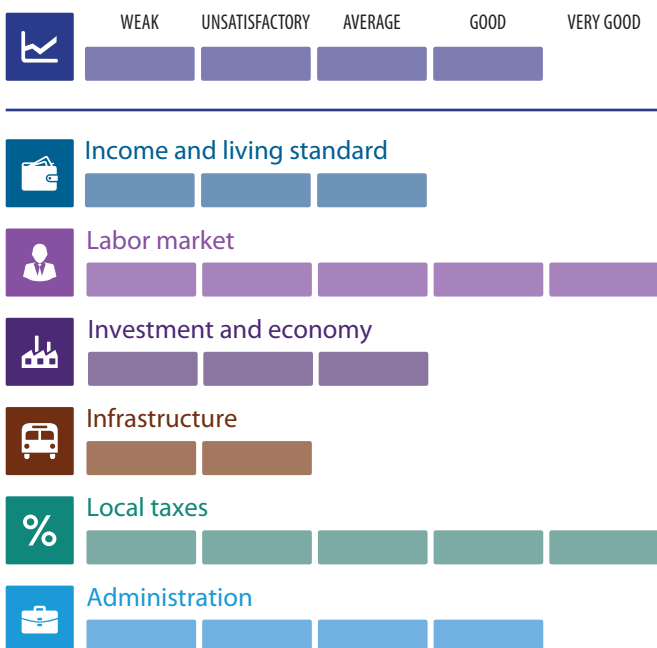


The past year was one of considerable improvement in Blagoevgrad district's economy. GDP per capita grew to reach 8,792 BGN in 2017, compared to 8,290 BGN in 2016. There was also a significant improvement in salaries and household incomes, though the district was still catching up with national average figures. The labor market performed well and reached a record high employment rate: the fourth highest in the country. Unemployment rates registered a slight increase, which implies a certain mobilization of the economically inactive population. Thanks to impressive infrastructural projects, Blagoevgrad is also one of the leaders in the country in EU funds absorption, but foreign investment and fixed tangible asset expenditure are more modest. The district's geographical peculiarities are the reason for its infrastructure's low coverage,

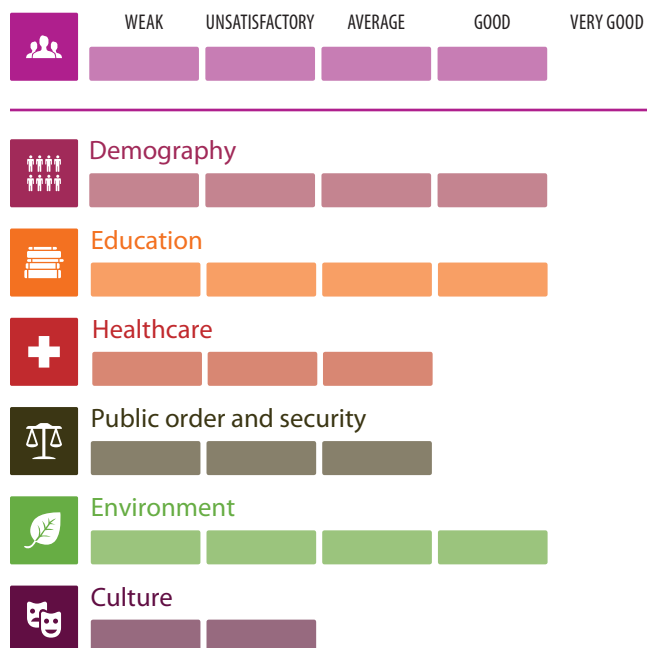
though it has been gradually improving in quality. An overview of local taxes and fees points to favorable and improving conditions during the last year; the local administration's evaluation is similar to that of most districts.

Demographic tendencies have been less negative on the whole, compared with most other districts, especially where natural population growth is concerned; however, there is a clearly noticeable problem with net migration. Blagoevgrad has good results in education, partially due to well-performing higher education establishments. In healthcare the district is very close to national average figures, while it has much better ratings in environment evaluations. From all the considered thematic clusters, its poorest results are in the area of culture.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■■

Income and living standard ■■■■

The last five years have seen a considerable increase in GDP per capita in Blagoevgrad, with a peak between 2016 and 2017: from 8,290 to 8,792 BGN. Despite this considerable rise, the value of that indicator has remained below the national average of 14,280 BGN/person. There has been also an increase in the average annual salary of employed people, which reached 8,297 BGN in 2017, rising by over 8% within that year. However, nominal salary levels in the district have remained considerably below the national average: about 67% of the Bulgarian average, with a tendency for the difference to grow.

The relative share of people living in material deprivation, however, is lower than the national average: 18.1% relative to an average of 20.9%. At the same time, 26% of the district's population is below the poverty line compared to 22% for Bulgaria. As for the average household income, it covers 93% of the average for Bulgaria.

Labor market ■■■■■■

Though the overall estimate of the district's labor market was positive compared to many other districts, 2018 has triggered some concerns. Unlike most regions, the unemployment rate during last year grew by c 0.3 p.p. to reach 4.8%, still a long way from its pre-crisis levels. Against the background of minor unemployment increase, the employment rate of the population aged 15–64 reached 71% – a record for this district, as well as the fourth highest employment rate in the country. As a result of these two opposite tendencies Blagoevgrad ranks third after Sofia and Smolyan in economic activity rate at 75%.

The main indicators, which allow for some prognosis concerning the labor market do not give much ground for optimism either. The population replacement ratio (63.8%) of those aged 60–64 by those aged 15–19 is slightly lower than the national average level, which means that in the near future the workforce will be shrinking at a faster pace than that in other districts. Meanwhile, the relative share of working age people with higher education remains low (20.7%) despite a slight improvement compared with the previous year.

Investment and economy ■■■■

In 2017, the number of non-financial enterprises in the district rose slightly to reach 70 per 1,000 people, which placed it fourth in the country on this indicator and way above the average 57 per 1,000 people. On the whole, though, Blagoevgrad cannot boast particularly high investment figures: FTA expenditure have been around 1,500 BGN/person, way below national average levels.

At the same time, the district is one of the leaders in utilization of EU funds with 2,132 BGN/person starting at the begin-

ning of the present program period and halfway into 2019. The considerable amount of EU fund payments is due mostly to the construction of the Struma highway, one of the largest national projects financed with structural funds. The cumulative FDI was also at a relatively high level: 1,535 EUR/person at the end of 2018, though this figure ranks the district far behind the most economically developed ones, and over two times lower than the national average level. An indicator, revealing a much more favorable for the district dynamics, was the production value per capita, which reached 18,050 BGN in 2017 compared with 16,652 BGN in 2016. Still, gross production value remained below the national average.

Infrastructure ■■■

The past year saw no significant changes in the state of infrastructure in the district of Blagoevgrad. There was no change in 2017 in the share of highways and first class roads, which has remained as low as 13.8% of its total road network. At the same time, there was a modest improvement by 1.5 p.p. in the share of the roads in good condition, which reached 47.5% of all roads in the district. Along with the launching of Lot 3.3 of the Struma highway in the Kresna – Sandanski section at the end of 2018, roads in good condition reached 62.5%. The density of the road and railroad networks has remained practically unchanged with 10.5 and 2.5 km/100 sq. km territory. Blagoevgrad ranked among the last in the country on both indicators, which is to a considerable extent a consequence of the large proportion of mountainous terrains in the district.

Local taxes ■■■■■■

Blagoevgrad municipalities have some of the more favorable local tax rates. Data collected by the IME on the size of tax rates point to a slight increase of two monitored taxes: in 2019 the tax on the non-residential property for legal entities rose from 1.66 to 1.68‰, while the annual license tax for retailers was raised from 11.72 to 11.74 BGN/sq. m. The annual average tax for taxi services dropped to 409 BGN.

Administration ■■■■■■

During the last year there was some improvement on all administration quality indicators in the district. Cadastral maps have by now covered over half of its territory. This coverage is still below the country average of 72% but it went up from 29.3 to 51.2% in a year. Evaluations on one-stop shop administrative services, electronic administration and the AIP Active transparency rating have also improved to reach figures close to the national average.

SOCIAL DEVELOPMENT ■■■■■

Demography ■■■■■

Compared to the negative demographic tendencies in almost all districts in the country, Blagoevgrad achieved relatively good results in 2018. The natural increase rate in the district was -4.5% (an improvement of 0.1% on 2017). It is still too early to speak of a trend, though. The net migration of -4.5% , however, is one of the lower figures in the country, which means that a greater number of people have left the district in 2018 than settled in it.

The district's geographic features predetermine to a considerable extent the low share of urban population: though registering a slow rise, in 2018 it was barely 59.9% of Blagoevgrad's total population, far below the national average figure of 73.6% . At the same time, the density of population in urban areas was among the higher densities in the country. As far as population age structure is concerned, the district's age dependency ratios have deteriorated, though they are far from the least favorable ones in the country.

Education ■■■■■

The state of the district's educational system is determined to a considerable extent by The Southwestern University: the latter places it in the sixth position nationally in university student number: 31 students per 1,000 people. However, this indicator has a downward tendency, which speaks of a gradually declining interest in that university. Blagoevgrad has also been doing better than most districts in keeping children in school: in 2018, almost 92% of children in the respective age cohort were enrolled in 5th–8th grade. Though lagging far behind the leading districts of Sofia and Smolyan, Blagoevgrad also had a relatively small share of dropouts from primary and secondary education – 2.1% , while almost all other districts showed a tendency for its increase. Conversely, the relative share of repeating students was on the decline with 0.61% in 2018.

The remaining indicators of the educational environment rank Blagoevgrad very close to Bulgaria's average values: in 2019, there were 82 teachers per 100 pupils relative to the national average of 84; the average grade from the matriculation exam in Bulgarian language and literature was the same as the national average – “good” 4.06, and the share of poor grades was slightly higher at 10% compared with 8.7% .

Healthcare ■■■■■

In 2018 there were 1,732 patients per GP compared with an average of 1,673 – this indicator deteriorated as it did in the rest of the country. Besides, the district had fewer specialist

physicians than average: there were 566 people per specialist relative to the country average of 424. However, its healthcare coverage was better than it was in most other districts as the number of people with health insurance reached 89% compared with 86% earlier during the decade.

As for morbidity rates, the number of hospital admissions in the district's general hospitals was 138 in comparison with 175 per 1,000 people a year earlier, significantly below the national average figure. The infant mortality rate of 4.5% was also well below the country average.

Public order and security ■■■■

2018 brought a significant security improvement to the district. During that year 88% of criminal cases were closed within 3 months compared with 84% a year earlier, while the share of pending cases dropped to 10% . At the same time, the rate of registered crimes against the person and property dropped to 9.3 per 1,000 people relative to the national average rate of 12.1, while the rate of detected crimes reached 57% .

Environment ■■■■■

The indicators for environmental quality in Blagoevgrad district have remained practically unchanged. The amount of household waste (an annual 345 kg/person) that was generated in the district was relatively low – the figure has been gravitating towards 350 kg for about a decade. However, the share of people with access to wastewater treatment plants has gone down to 29.6% compared to 63.4% on average for Bulgaria. The share of population with access to sewerage systems is higher and rising: 81.9% , compared with the national average of 76% . The district's air quality measured on the basis of carbon dioxide emissions ranked sixth in the country with only 10 t/sq. km.

Culture ■■■■

Blagoevgrad has done relatively poor in the area of culture. Cinema visits per 1,000 people were 363 or half the national average in 2018 but this indicator has shown some increase in the last decade. Theater visits dropped to 96 per 1,000 people, though. Museums enjoyed greater popularity with 423 visits per 1,000 people and so did libraries with 459 visits per 1,000 people, though here, too, the district was lagging well behind average figures.

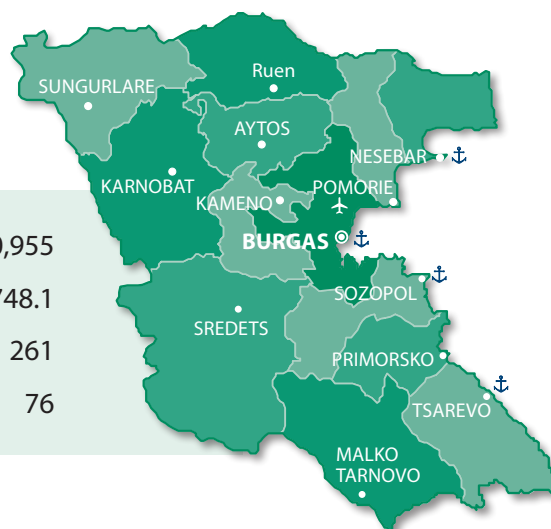
Key indicators for the district of Blagoevgrad

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	7,589	7,889	8,290	8,792	n.a.
Average annual income per household member (BGN)	4,181	4,502	4,461	5,193	n.a.
Average annual gross salary per employed person (BGN)	6,818	7,181	7,658	8,297	n.a.
Share of the poor relative to the country poverty line (%)	18.2	16.0	23.6	22.2	26.0
Economic activity rate of the population aged 15–64 (%)	73.0	70.8	69.8	72.6	74.6
Employment rate of the population aged 15–64 (%)	62.6	63.4	64.0	69.2	71.0
Unemployment rate of the population aged 15–64 (%)	14.1	10.3	8.3	4.5	4.8
Share of people with tertiary education aged 25–64 (%)	19.6	19.5	19.4	19.9	20.7
Number of non-financial enterprises per 1,000 people	58	40	67	70	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,563	1,799	1,377	1,576	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	1,214	1,433	1,556	1,535	n.a.
Share of households with Internet access (%)	61.9	63.3	64.0	63.3	71.4
Share of roads in good condition (%)	49.1	59.7	46.0	47.5	62.5
Cadastral map coverage (%)	12.9	13.8	13.8	29.3	51.2

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–3.6	–3.4	–3.5	–4.6	–4.5
Net migration rate (‰)	–4.5	–5.3	–4.5	–3.4	–4.5
Average grade at the matriculation exam in Bulgarian language and literature	4.41	4.24	4.04	4.12	4.04
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	2.7	6.1	10.5	8.4	7.5
Net enrolment of the population in 5th–8th grade (%)	82.9	84.0	84.1	92.6	91.8
Share of people with health insurance (%)	86.3	88.9	88.8	88.4	88.8
Hospitalizations per 1,000 people	143.5	182.8	179.5	174.9	137.6
Registered crimes against the person and property per 1,000 people	11.1	11.0	9.9	10.9	9.3
Clearance rate for crimes against the person and property from those registered in the current year (%)	40.6	49.3	59.1	50.2	56.6
Share of pending criminal cases from those registered in the current year (%)	10.5	15.4	11.2	11	10.1
Share of the population with access to sewerage connected to wastewater treatment plants (%)	26.8	31.2	30.0	29.6	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	11.3	14.1	10.0	10.0	n.a.
Visits to the cinema per 1,000 people	307	318	345	343	363
Visits to the theater per 1,000 people	124	138	108	111	96

Burgas District

► Population (2018)	410,955
► Territory (sq. km)	7748.1
► Number of settlements	261
► Share of urban population (%)	76

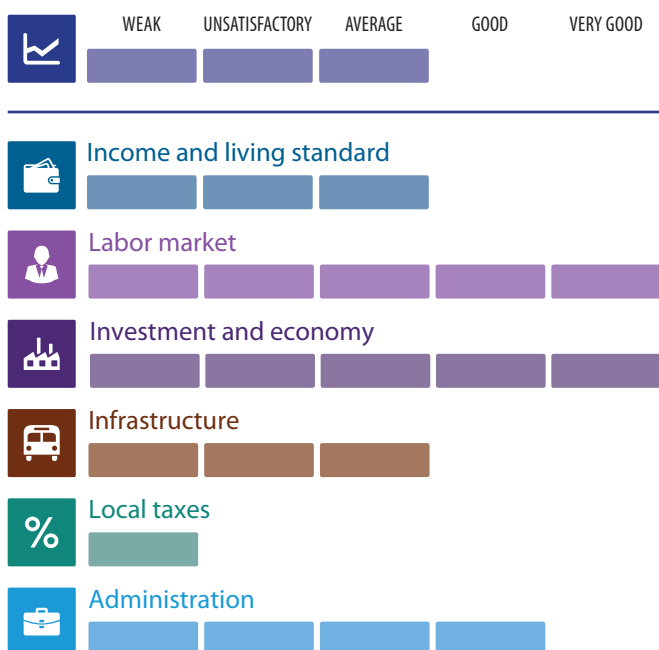


During the last few years, the district of Burgas continued its positive development, though at a slower pace. GDP per capita went up to 12,240 BGN, though it has stayed below national average values. Incomes have increased, too, though they have been affected negatively by the population's relatively unfavorable educational structure. The labor market has shown some very good results with unemployment shrinking to a rate below the national average of 5.35%, with the population's economic activity being on the increase and coming close to the national average. The district is among the leaders in economic development and investment. Business activity ranks among the first in the country with a great number of enterprises per person; direct foreign investment is above the national average at 4,579 EUR per capita. These positive tendencies can be further limited by the relatively underdeveloped infrastructure and the high local tax rates. The work of the local administration also needs improve-

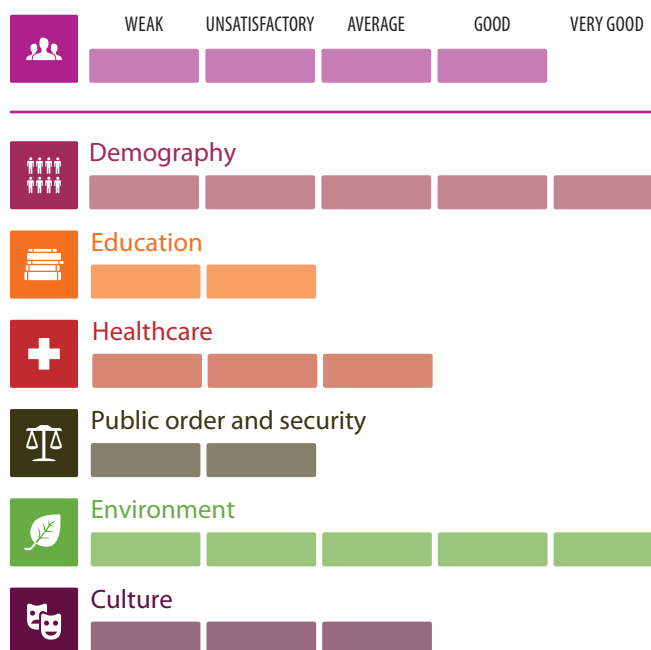
ment, especially in terms of one-stop-shop services and cadastral coverage.

Statistics show that the district is affected by the population's general tendency to ageing, albeit to a lesser extent than the other districts in the country. The natural population growth rate is higher than the national average, while the net migration has been positive as a result of high economic and investment activity. Social development is limited by the relatively low level of social services, especially education, healthcare and the judicial system, which have all performed poorly. All three systems are characterized by a relatively good infrastructure but their performance indicators are below national average values, and this poses a risk for the district's future development. On the other hand, the environment is very clean which is important for the development of tourism and an improved quality of life for the local population. The development of local cultural life contributes to that as well.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■

Income and living standard ■■■

In 2017, GDP per capita kept growing in Burgas to reach 12,240 BGN but it was still unable to reach the national average of 14,280 BGN. The annual average salary of an employed person went up to 10,276 BGN but still lagged behind the national average of 12,448 BGN. The annual average income per household member also went up by about 10% to reach 5,037 BGN or 90% of the national average. This increase was held back by the very income structure in the district, where pensions constitute a considerable part. In 2018 the living standard improved with a relative share of people living under the poverty line of 19.6% – lower than the national average of 22%. Simultaneously, the share of people living in material deprivation remained above the national average by 4.1 p.p.

Labor market ■■■■■

In 2018, there were some positive tendencies in the state of the labor market: the unemployment rate sharply declined to 5.3%, thus coming level with the national average. Despite this serious drop Burgas has not managed to reach the lowest unemployment levels of the pre-crisis years. The population's educational structure has not contributed to the growth of the labor market and that of the local economy: the share of people with higher education (23.6%) is still lower than the national average share of 28.2%, while the share of people with primary and lower education (20.1%) is above the national average of 17.4%.

Similar to the unemployment indicators, in 2018 the indicators for employment and economic activity of the population were very close to national average figures: the employment rate in Burgas was 67.4% compared to the national average of 67.7%, while the economic activity rate was 71.1% compared to the average of 71.5%. That shows a considerable stir in investment and business activity on the part of local enterprises in recent years despite the educational structure of the working age population.

Investment and economy ■■■■■

In 2017, Burgas remained among the leading districts in investment and business activity. The number of non-financial enterprises per person (73) was still among the highest in the country (57 on average). In this respect Sofia was the only district outranking Burgas with its 89 enterprises per person.

Foreign direct investment (4,579 EUR/person cumulative) was also considerably above the national average of 3,459 EUR/person, and has been on a constant rise since 2014. Ex-

cept for Sofia, the district had the highest rate of FTA expenditures: 3,002 BGN/person relative to the national average of 2,491 BGN.

As a result of these positive tendencies, in 2017 the production value per capita in Burgas reached 31,395 BGN while the national average was 23,764 BGN.

Infrastructure ■■■

Despite its geographic advantages (a flat territory without any big relief limitations) the district of Burgas is still lagging behind the other districts in the country in terms of infrastructure. The road network and the railroads have below-average density. In 2018, road surface quality was not good enough: 36% of it being qualified as good compared with a national average of 40.5%. The Trakiya highway, connecting Burgas with the rest of the country, was a positive factor as well as the reason why the district's share of highways and first class roads (25.8%) exceeds the national average of 18.4%.

Local taxes ■■

District local tax rates in Burgas are higher than elsewhere in the country. Although there were practically no raised local taxes in the district's municipalities in 2019 (probably due to the forthcoming local elections), their rates remained relatively high, which could slow down investment activity in the future.

Administration ■■■■■

The work of the local administration in the district has received a relatively high rating. The Active transparency rating of local government reached 68% compared to the national rate of 70.1%. The municipal authorities' self-evaluation on the introduction of electronic government went up, remaining above average for the country. Better results are needed in terms of one-stop-shop services as well as increasing the cadastral map coverage in the district. In 2018 it reached 67.8% of the district's territory – almost double the 2017 figures, but still below the national average level.

SOCIAL DEVELOPMENT ■■■■■

Demography ■■■■■■

Demographic development in the district of Burgas is good regardless of the general ageing tendencies in the country. The natural growth rate of the district registered no change in 2018 and remained at -4.3‰, still better than the national average (-6.5‰). Burgas has been one of few districts in Bulgaria with a positive net migration rate (1.3‰), probably because of the strong economic activity in the district and the development of tourism. Age dependency ratios were higher than the national average ones in 2018, and the density of population (2,247.5 people/sq. km) was above the country average (1,526 people/sq. km). Burgas is also one of the most urbanized districts with 76.4% of the population living in urban areas relative to 73.6% on average for Bulgaria.

Education ■■

The district's educational system has failed to create sufficient conditions for good social development. The net enrolment rate in 5th–8th grade has risen to 87.3%, almost equal to the national average of 87.4%, and so did the share of repeaters (0.9% compared with 0.91% on average). Still, the share of school dropouts in 2017 (3.22%) kept going up and over the national average of (2.98%), a continued tendency since 2014.

The number of teachers in primary and secondary education went up in 2018 to reach 73 per 1,000 pupils but still remains below the national average of 84. The results of the secondary education system can be seen in the matriculation exam average grades in Bulgarian language and literature from 2019, which were slightly over the national average (4.11 compared to 4.06). Simultaneously, 9.6% of students in the Burgas district got grades below pass ("average" 3) relative to the national average of 8.7%.

University student numbers are also low in the district: 14 per 1,000 people relative to the national average of 32. The reason is the small number of universities, characterized by relatively low quality education.

Healthcare ■■■■

Healthcare in the district has been performing poorly. The rate of health-insured people is low at only 84.1%. Statistics are similar to those of Varna district and one possible explanation could be the seasonal employment in the tourism sector. The number of GPs in the district is below average with 1,976 people per GP compared to 1,673 nationally. Specialists on their part serve an average of 494 people.

The number of beds in general hospitals is almost half the national average (3.42 compared with 5.34), but even that does not explain the exceptionally low number of hospitalizations

in the district – 96.2 per 1,000 people compared to 171.4 on average. It is probably the low quality of hospital care that makes the population look for treatment in other districts.

Public order and security ■■

The work of the judicial system in Burgas has yet to achieve good results. Although there was a slight drop in crime rates measured by the number of registered crimes against the person and property per 1,000 people (down to 15.2 in 2018) as well as a rising detection rate (41.4%), indicators remain far from the national average figures (12.1 and 48.9%, respectively). The workload of criminal judges (7.8 cases per month per judge) has dropped while staying below the national average of 9.2 cases a month; 10.2% of cases were pending, compared with the country average of 8.7%. This indicator seriously deteriorated in 2018 as did the indicator of criminal cases cleared within 3 months.

Environment ■■■■■■

The environment in the district was in a relatively good condition: generated household waste per person dropped considerably during the last 10 years to reach an annual 392 kg/person in 2017 – less than the country average of 435 kg. The district's carbon dioxide emissions into the atmosphere were 83.3 t/sq. km – much below the average of 389.1 t/sq. km. The district's high urbanization also implies a high level of connectedness with sewage and access to wastewater treatment plants. The share of the population living in settlements with access to public sewage systems is 79.6% (with the national average rate at 76%) in 2017, while the share of the population connected to wastewater treatment plants is 65.7%.

Culture ■■■■

The development indicators for cultural life in Burgas district are below average. Cinema visits have registered the fastest increase: over 22 times in the last 9 years. Despite the slight drop in the last two years they reached 800 per 1,000 people in 2018 – higher than the national average of 695. Theater and museum visits were fluctuating around national average figures. Burgas ranked last among all districts in library visits with only 132 per 1,000 people compared with the national average of 650 for the same period. The reason may have been that there are only two libraries with more than 200,000 library units at their disposal in the district.

Key indicators for the district of Burgas

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	8,714	10,310	11,372	12,240	n.a.
Average annual income per household member (BGN)	4,182	4,275	4,592	5,037	n.a.
Average annual gross salary per employed person (BGN)	8,834	9,102	9,540	10,276	n.a.
Share of the poor relative to the country poverty line (%)	22.4	19.5	23.8	n.a.	19.6
Economic activity rate of the population aged 15–64 (%)	67.8	69.4	69.9	71.0	71.1
Employment rate of the population aged 15–64 (%)	60.3	62.2	63.6	64.8	67.4
Unemployment rate of the population aged 15–64 (%)	11.0	10.3	9.0	8.6	5.3
Share of people with tertiary education aged 25–64 (%)	18.8	19.3	23.1	24.8	23.6
Number of non-financial enterprises per 1,000 people	69	71	73	73	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	4,471	3,578	2,357	3,002	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	2,262	4,124	4,231	4,579	n.a.
Share of households with Internet access (%)	51.6	63.2	60.3	60.0	68.9
Share of roads in good condition (%)	35.0	39.5	42.0	40.1	36.9
Cadastral map coverage (%)	16.3	20.7	22.0	31.1	67.8

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–3.2	–3.4	–3.6	–4.3	–4.3
Net migration rate (‰)	2.5	2.7	0.8	1.6	1.3
Average grade at the matriculation exam in Bulgarian language and literature	4.26	4.22	4.08	4.1	4.06
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	6.14	7.05	10.13	9.8	5.8
Net enrolment of the population in 5th–8th grade (%)	78.5	79.0	77.7	87.7	87.3
Share of people with health insurance (%)	83.8	85.2	84.3	83.9	84.1
Hospitalizations per 1,000 people	102.4	166.9	178.1	182.3	96.2
Registered crimes against the person and property per 1,000 people	19.2	20.2	18.8	18.1	15.2
Clearance rate for crimes against the person and property from those registered in the current year (%)	28.1	33.5	38.4	35.3	41.4
Share of pending criminal cases from those registered in the current year (%)	8.9	6.5	8.8	7.4	10.2
Share of the population with access to sewerage connected to wastewater treatment plants (%)	61.4	64.9	65.0	65.7	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	74.7	76.8	85.0	83.3	n.a.
Visits to the cinema per 1,000 people	927	873	880	855	800
Visits to the theater per 1,000 people	361	333	312	340	349

Dobrich District

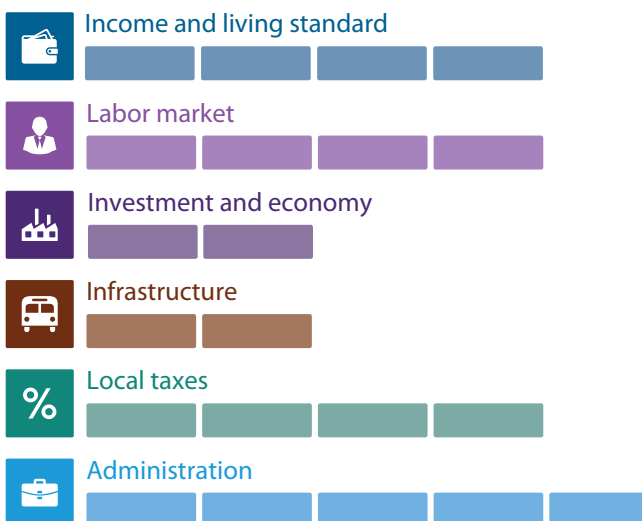
► Population (2018)	174,988
► Territory (sq. km)	4719.7
► Number of settlements	215
► Share of urban population (%)	69



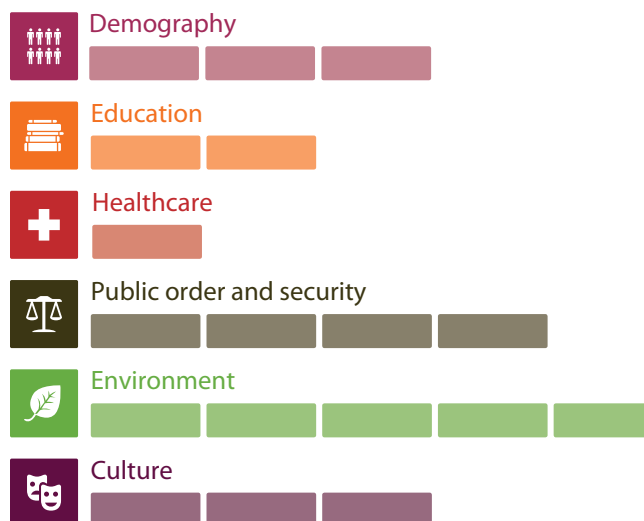
Dobrich is making efforts to catch up with the average rates in most indicators for economic development of the country. The living standard and the population's income are on the rise but are still below average, while poverty is diminishing. GDP per capita is only 63% of the national average. The labor market's development is positive, though it is still characterized by above average unemployment rates. Economic development has been negatively affected by the relatively poor investment activity, the unfavorable educational structure of the population, and the low quality of technological infrastructure. Regrettably, the low level of local taxes, the development of local administrative services and the high transparency in the work of local government have still failed to attract foreign investment capable of leading to improved economic activity and quality of life for the population.

The demographic picture of deteriorating net population growth and net migration has determined the slow pace of social development in the district of Dobrich. Population density is low whereas age dependency ratio is high – both hindering significant economic progress. Education, though registering a certain progress in quality indicators, is still at an unsatisfactory level. The healthcare system is characterized by a relatively stable infrastructure, fewer hospitalizations in general hospitals, and a downward trend in infant mortality. The judicial system is functioning relatively well, though workloads are relatively low. Indicators for environmental conditions are above the average level in the country probably due to the relative absence of significant industrial activity. Cultural life is not very active, being contingent upon the poor cultural infrastructure.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■■

Income and living standard ■■■■

In 2017, GDP per capita rose to 8,925 BGN, or 62.5% of the national average. The gross annual average salary per person (9,539 BGN) kept its level of about 77% of the national average in 2017. Income structure in the district has traditionally been dominated by a share of the income from salaries lower than other types of income mostly because of people working in agriculture and tourism, which implies that incomes increase at a slower pace compared to the average in the country.

At the same time, the share of the population living in material deprivation (12.2%) was considerably below the respective national average share (20.9%) as was that of the population living below the poverty line. The reasons behind the lower poverty levels include the relatively higher economic activity rate of the district's population and its relatively good age structure.

Labor market ■■■■

Though the unemployment rate (8.6%) was still above national average (5.3%) in 2018, the employment and economic activity rates were close to national average ones. In comparison with the previous year, the indicators of the labor market have deteriorated: the unemployment rate rose from its lowest level of 6.4% in 2017 to 8.6% in 2018, while the employment rate dropped from 69.8 to 65.3%. This shows that the labor market in Dobrich has not yet reached a level of stability and is probably affected by seasonal factors.

The demographic replacement ratio which shows the ratio of the population aged 15–19 to the population aged 60–64 increased to 66.8% in 2018 to surpass the national average rate of 65.7%. A slightly larger share of young people shows that the labor market in Dobrich will be affected by the ageing trend to a lesser extent in the coming years.

The population's educational structure has had a negative effect: the share of people with university education remained lower than the national average rate by about 7 p.p., while that of people with primary or lower education remained higher by about 6 p.p.

Investment and economy ■■

Investment activity in the district of Dobrich is characterized by low intensity, still far from the national average figures. The number of nonfinancial enterprises per person (53) is close to the average number in Bulgaria (57) but apparently that is not a good stimulus for the development of the local economy. In 2017 cumulative FDI per person grew to 1,524 EUR in Dobrich

but that figure was still twice lower than the national average at 3,459 EUR/person. FTA expenditure was also lower (1,894 BGN/person compared with the national average rate of 2,491 BGN), and so was the level of EU funds utilization (1,299 BGN/person compared to the average rate of 1,803 BGN/person). That also predetermined the low level of production value per person: 13,392 BGN in the district relative to 23,764 BGN in the country as a whole.

Infrastructure ■■

The infrastructure in the district of Dobrich is not in good condition. Its density, particularly that of railroads, remains poor in comparison with the average levels in the rest of the country. The unsatisfactory condition of infrastructure is also related to the small share of highways and first class roads. Even so, in 2018 the quality of road surfaces improved to surpass national average levels by about 6 p.p. The share of households with Internet access (75.2%) also surpassed the national average rate (72.1%) for the first time in 2018.

Local taxes ■■■■

In 2019 the average rates of monitored local taxes in Dobrich municipalities once again retained their levels; not one municipality raised any of the monitored local taxes. The rates of the taxes on retail trade, on the immovable property of legal entities and that on taxi transport were below average. The average rates of the taxes for property transfer and vehicles were somewhat above country average. The municipality with the highest tax rates in the district of Dobrich was Shabla.

Administration ■■■■

Self-evaluations of the local administration on the development of electronic government and one-stop-shop services have retained their high levels from the previous year, and have stayed above national average levels. Cadastral map coverage (89.4%) is already considerably above the national average level of 72.4%. In 2019, Dobrich shared the first place in the Active transparency rating of local government with Gabrovo. The highest rating in the district (88.6%) was given to the Dobrich-city municipality and the lowest (59.2%) – to the municipality of Shabla.

SOCIAL DEVELOPMENT ■■■■

Demography ■■■■

In 2018, the demographic conditions in the district once again deteriorated. The natural growth rate continued its downward trend to reach -9.2% while the national average rate was -6.5% ; the net migration rate, though higher than the previous year, stabilized at -4.0% (compared to the national average rate of -0.5%). As a result, the age dependency ratios of the population aged 65+ to that aged 0–14 and 15–64 rose slightly and stayed above the national average ratios. This means that in the coming years the labor market in the district is likely to face some additional tensions due to the increasingly ageing population.

Urbanization in Dobrich has kept a stable level in recent years, albeit lower than the national average level: 69.1% of the population lives in urban areas (the national average level is 73.6%) while Dobrich remains the district with the lowest population density.

Education ■■

Despite a slight improvement, the quality of education in the district remains relatively low. In 2018 the net enrolment rate in 5th–8th grade was 76.4% – the lowest in the country, whereas the shares of repeaters and dropouts retained their high levels. In 2019 the quality of education made some progress as the share of poor grades at the matriculation exam in Bulgarian language and literature was 4.3% compared to the national average share of 8.7%. The average grade at that exam rose to 4.12, higher than the national average of 4.06. Higher education is poorly represented in the region by branches of Shumen University and Varna Technical University, but the proximity of the district of Varna raises additional barriers for opening additional higher education establishments. That inevitably has a negative effect on the population's educational structure and has brought about the low share of people with university degrees who come back to find employment in Dobrich.

Healthcare ■■

The healthcare system in the district of Dobrich has the lowest share of medical specialists (738 people per specialized physician, compared to an average of 424 in the country) and a relatively good coverage with GPs (1,496 people per GP compared to 1,673 in the country as a whole).

The number of beds in general hospitals per 1,000 people (2.8) is smaller than the national average (5.34); combined with the proximity of Varna, this accounts for the small number of hospitalizations in 2018 (124 per 1,000 people relative to 171.4 nationally). In 2018 the infant mortality rate in the district dropped from 12.9‰ to 7.7, though still higher than the national average level of 5.8‰.

Public order and security ■■■■

Criminal judges in Dobrich have a relatively low workload (an average of 6.1 cases a month per judge compared to 9.2 nationally). As a result of the work of the judiciary the share of detected crimes against the person and property (52%) was above the average level (48.9%) for the country. In the last two years the share of pending cases went up to 6.1%, though it is still below the national average (8.7%). In 2018, 94.2% of criminal cases were closed within three months.

Environment ■■■■■■

The share of the population living in settlements with public sewerage, though slightly below the national average (70.8% and 76%, respectively) has remained relatively high despite the poor urbanization in the district because a considerable part of the sewerage system is connected with wastewater treatment plants (67.6%). In 2017 Dobrich generated household waste below the national average level (386 tons relative to 435 tons nationwide) and was one of the districts with the lowest quantity of carbon dioxide emitted into the atmosphere (3,8 t/sq. km versus the national average of 389,1 t/sq. km).

Culture ■■■■

Cultural life is relatively poorly developed in the district of Dobrich: the number of visits to local theaters, cinemas and libraries is below the national average level. Only the annual average number of museum visits (1,135 per 1,000 people) is higher than the average number for the country as a whole (724). The reason lies in the small number of theaters in the district – only two – and the respective performances during the year, as well as the diminishing number of film shows in the district. In 2018 the interest of foreign tourists in the district's six museums was higher than in the previous year.

Key indicators for the district of Dobrich

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	7,827	8,002	8,332	8,925	n.a.
Average annual income per household member (BGN)	4,091	4,049	4,901	5,234	n.a.
Average annual gross salary per employed person (BGN)	7,581	8,084	8,705	9,539	n.a.
Share of the poor relative to the country poverty line (%)	16.8	17.8	20	19.9	n.a.
Economic activity rate of the population aged 15–64 (%)	71.5	70.8	69.2	74.6	71.4
Employment rate of the population aged 15–64 (%)	61.2	60.9	62.6	69.8	65.3
Unemployment rate of the population aged 15–64 (%)	14.3	13.8	9.5	6.4	8.6
Share of people with tertiary education aged 25–64 (%)	18.4	19.4	22.1	20.9	20.8
Number of non-financial enterprises per 1,000 people	51	53	53	53	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	2,026	2,172	1,636	1,894	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	607	1,130	1,360	1,524	n.a.
Share of households with Internet access (%)	49.6	58.5	65.6	62.3	75.2
Share of roads in good condition (%)	39.3	40.0	42.1	43.0	46.9
Cadastral map coverage (%)	32.1	32.1	32.1	61.9	89.4

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–7.4	–8.5	–7.3	–8.8	–9.2
Net migration rate (‰)	–2.8	–3.7	–4.7	–4.2	–4.0
Average grade at the matriculation exam in Bulgarian language and literature	4.29	4.26	4.25	4.16	3.98
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	2.9	2.9	3.8	4.3	3.2
Net enrolment of the population in 5th–8th grade (%)	76.4	74.6	68.3	76.8	76.4
Share of people with health insurance (%)	84.6	85.9	85.3	84.8	85.2
Hospitalizations per 1,000 people	134.5	128.5	125.5	123.7	124
Registered crimes against the person and property per 1,000 people	13.7	13.1	12.0	12.5	12.5
Clearance rate for crimes against the person and property from those registered in the current year (%)	32.8	36.5	56.0	54.9	52.0
Share of pending criminal cases from those registered in the current year (%)	11.2	7.0	3.6	4.7	6.1
Share of the population with access to sewerage connected to wastewater treatment plants (%)	70.9	70.7	67.5	67.6	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	5.9	4.8	5.0	3.8	n.a.
Visits to the cinema per 1,000 people	125	120	219	255	187
Visits to the theater per 1,000 people	261	240	232	251	227

Gabrovo District

► Population (2018)	109,329
► Territory (sq. km)	2023.0
► Number of settlements	356
► Share of urban population (%)	82



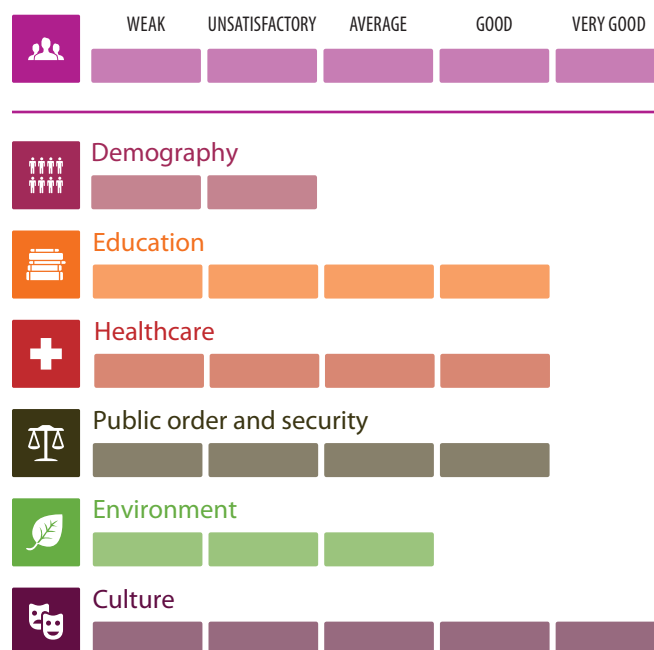
Incomes and living conditions in the district of Gabrovo have approached the national average levels with GDP per capita reaching 87% of the national average rate and the annual average salary already above 10,000 BGN. Besides, the district has a share of population living below the national poverty line as well as people living in material deprivation considerably below the national average. The labor market is recovering after the crisis at a relatively fast pace with unemployment already very low, though employment has not yet reached its peak levels of 2008. The Gabrovo workforce has a high share of people with university degrees, the most serious threat it is faced with being demographic processes. The district has traditionally been a top performer in EU fund utilization, but it seems that the total investment activity is past its peak for this economic cycle. Gabrovo enjoys a relatively high density and quality of infrastructure; local taxes have retained relatively low rates. The level of administrative development is good, too.

The district offers relatively good conditions for education as school enrollment covers almost all students in the relevant cohorts; the exam results achieved by pupils are slightly above the national averages. There is notably high health insurance coverage – almost 96% of the total population, while the number of doctors is comparable with national average levels. Though the district's performance with regard to demographic tendencies is not the worst in the country, the tendencies are emphatically negative, especially in population growth, which is two times below the national average rate. The net migration is also negative, and the decrease in population numbers is apparent in its diminishing density. Ageing of the population is yet another strong tendency. Thanks to the low workloads of judges, the judicial system is considerably more efficient than those of most other districts. Environmental conditions in Gabrovo are also favorable, the only cause for concern being the growth of generated household waste. Thanks to the high visit rates to the district's museums, its rating on culture is also high.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT

Income and living standard

Between 2010 and 2017, GDP per capita in the district rose from 79 to 87% of the national average rate, reaching 12,363 BGN. The annual average salary, though 85% of the national average, has grown at the average pace for the country as a whole, rising above 10,000 BGN for the first time in 2017. In 2018 the relative share of the population living below the poverty line dropped to 14.6% relative to the national average rate of 22%. The share of people living in material deprivation – 9.6% – was even lower: twice below the national average.

Labor market

The labor market in Gabrovo has been recovering from the crisis faster than those in many other districts in the country. In 2018 the annual average unemployment rate dropped to 4.5% – its lowest level since 2009. Employment of the population aged 15–64 remained below the 2008 record high of 69.4% but quite close to the national average rate of 67.7%.

The educational structure of the workforce is relatively more favorable than the national average, particularly where the low share of people with primary and lower education in the district (barely 14.5%) is concerned. The relatively low ratio of demographic replacement remains a major challenge to the future development of the labor market. In 2018 it was 50.7%, which means that for every 100 people aged 60–64 ready to leave the workforce there were 50 people aged 15–19 to take their place. The national average ratio is 65.7%.

Investment and economy

As of 15 June 2019 the district of Gabrovo ranked first in the country in EU funds utilization (3,234 BGN/person, compared to 1,803 BGN/person in the country). The highest utilization rate was achieved in the municipality of Gabrovo (4,264 BGN/person), and the lowest – in the municipality of Dryanovo (779 BGN/person).

After reaching record highs in 2014 and 2015, enterprises' FTA acquisition expenditure dropped visibly. In 2017 it amounted to 1,965 BGN/person, which is lower than the national average level by 21%. Still, investment activity in the district was relatively high, which could be seen in the investment interest from abroad. Gabrovo is the fifth most active district in terms of FDI in the country after the districts of Sofia (capital city), Sofia, Burgas, and Varna. As of the end of 2017 the nominal FDI in the district amounted to 326 m EUR, and its constant growth has continued steadily since 2013.

Infrastructure

To a considerable extent, Gabrovo's good rating in infrastructure has been due to its relatively small territory. Thus, the density of both the road and railroad networks is above average, while the relative share of road surfaces in good condition (39%) is close to the national average. The low share of first-class roads (17.1% compared to 18.4% in the country as a whole) is a disadvantage to the district, as well as the absence of a highway.

In 2018 the relative share of households with Internet access reached 70.6%, slightly lower than the national average figure of 72.1%.

Local taxes

The district of Gabrovo is characterized by a favorable tax environment, which has rarely changed, especially in property tax rates. The raised tax on the immovable property of legal entities from 1.50 to 2.20‰ in 2016 in the Sevlievo municipality has been the single significant change in recent years.

The district average rate of the property transfer tax (2.21%) is the third lowest in the country after those of Blagoevgrad and Kyustendil. Two additional tax rates are below average: the annual tax on the immovable property of legal entities (1.75‰, compared to the country average of 1.95‰) and the license tax for retailers (8.88 BGN/sq. m compared to the average rate for the country of 12.94 BGN/sq. m).

Administration

The average rating of municipal administrations in the AIP Active transparency rating in 2019 was 80%. It gave them the first place for highest transparency, shared with the municipalities in Dobrich district.

Gabrovo has been one of the districts with cadastral map coverage of territories higher than the average rate for the country. In 2018 that was 77.5% of the district's territory, whereas the national average was 72.4%.

The local administration's self-evaluation on providing one-stop-shop services to individuals and businesses reached 3.12 points out of 5, while the national average was 3.07 out of 5 points. The only area where indicators showed some lagging behind concerned the quality and range of electronic services offered.

SOCIAL DEVELOPMENT ■■■■■

Demography ■■■

Gabrovo is the district with the most negative demographic indicators after Vidin and Kyustendil. In 2018 the natural population increase rate improved slightly to reach -13.2‰, twice the national average rate of -6.5‰; as a result, its population has been shrinking very fast. This trend was made worse by the negative net migration rate of -3.7‰, even though in recent years the economic development has helped the decrease of population outflow from the district. The shrinking population can also be seen in the decreasing density of population in urbanized areas – from 1,514 to 1,253 people/sq. km within the last decade.

The district has a high share of urban population: 82% of the total population in 2018; the only districts with higher shares were Varna and the capital. The district's significant ageing trend is visible in the age dependency ratios: for every 100 people in the 15–64 age group there were 48 in the 65+ age group, while for every 100 people aged 0–14 there corresponded 247 people aged 65+. Vidin is the only district with a more negative ratio in the first indicator, while Gabrovo has the top negative ratio in the second.

Education ■■■■■

Gabrovo is one of the districts with a large number of university students: 47 per 1,000 people in 2018. Their share was considerably higher than that in the country as a whole (32 per 1,000 people), but similar to student number trends in other districts with universities, in recent years it has been going down due to the general shrinking of the population in the respective age cohort. In terms of secondary education, Gabrovo is doing very well in enrolling pupils. In 2018 the enrolment rate in 5th–8th grade was 95.5% relative to 87.4% for the country as a whole; it has been on an improvement trend in the last two years. This is the best result in the country.

The share of repeaters – below 1% – is also below the national average rate. The same can be said of the share of dropouts: 2.33%, but deteriorating in recent years. The district's performance at matriculation exams was somewhat above national average levels with an average grade in Bulgarian language and literature of 4.10 in 2019, while the share of poor grades was 7.8%. One problem in education stands out in Gabrovo – the number of available teachers: only 80 per 1,000 people, though with a tendency to improve after 2103.

Healthcare ■■■■■

Access to GPs in the district of Gabrovo is somewhat better than it is elsewhere in the country with an average of 1,518 people per GP in 2018; unlike most districts there has been no deterioration lately. However, the number of medical specialists is smaller: one for 450 people (one for 424 people on

average in the country). The district has the best health insurance coverage in the national healthcare system with 96% of the population having health insurance (an average of 88% in Bulgaria). General hospitals in the district have fewer beds: 4.6 per 1,000 people compared with the national average of 5.3. In 2018 hospitalizations in general hospitals were 240 per 1,000 people (versus 171 per 1,000 for the country as a whole). The infant mortality rate is also relatively low in the district – 5.4‰.

Public order and security ■■■■■

Gabrovo is characterized by an efficient judicial system where the share of criminal cases closed within three months was 94% in 2018 compared to the national average rate of 90%. The share of pending criminal cases was also relatively small: 6.5% compared to 8.7%. That efficiency, however, was the result of the relatively low workloads of judges as each heard 6.1 criminal cases a month relative to the national rate of 9.2. During the last two years the number of cases has been gradually decreasing.

Yet, crimes were not significantly fewer in number: in 2018 the rate of registered crimes against the person and property per 1,000 people was 11.4. The district's crime detection rate was also good as 65% of crimes registered in 2018 were detected compared to 49% on average for the country.

Environment ■■■■

In 2018, the quantity of household waste in the district – 580 kg/person a year – was the highest in the country, following a strong upward trend for several years. Access to public sewerage in 2017 was relatively good (85% of households compared to an average rate of 76% in Bulgaria); 74% of households' sewerage systems were connected to wastewater treatment plants relative to the national average of 63%. The district was among those with the cleanest air: 23.8 t/sq. km carbon dioxide emissions despite the strong processing industry.

Culture ■■■■■

Gabrovo attained a very good rating in the category due to its first place in museum visits with 3,553 annually per 1,000 people or almost five times above the national average rate. Interest in theaters was somewhat lower with 405 (compared to 340) visits on average per 1,000 people. However, cinema visits (339) and library visits (595) were relatively fewer.

Key indicators for the district of Gabrovo

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	9,833	10,358	11,152	12,363	n.a.
Average annual income per household member (BGN)	4,787	5,102	5,728	6,937	n.a.
Average annual gross salary per employed person (BGN)	8,283	8,826	9,498	10,522	n.a.
Share of the poor relative to the country poverty line (%)	13.0	14.9	15	14.6	n.a.
Economic activity rate of the population aged 15–64 (%)	72.1	73.0	72.2	70.8	70.4
Employment rate of the population aged 15–64 (%)	66.1	67.4	67.6	67.1	67.2
Unemployment rate of the population aged 15–64 (%)	8.1	7.5	6.3	5.1	4.5
Share of people with tertiary education aged 25–64 (%)	26.3	26.8	25.9	26.5	27.9
Number of non-financial enterprises per 1,000 people	48	51	52	54	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	2,598	2,648	2,029	1,965	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	2,261	2,510	2,671	2,932	n.a.
Share of households with Internet access (%)	64.4	49.4	54.3	66.9	70.6
Share of roads in good condition (%)	41.5	42.2	34.1	34.4	39.0
Cadastral map coverage (%)	21.3	21.3	21.3	55.9	77.5

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–11.6	–12.5	–12.7	–14.4	–13.2
Net migration rate (‰)	–4.8	–5.5	–4.4	–4.4	–3.7
Average grade at the matriculation exam in Bulgarian language and literature	4.37	4.23	4.12	4.17	4.11
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	4.3	6.6	7.1	6.8	7.8
Net enrolment of the population in 5th–8th grade (%)	77.6	78.7	77.5	91.9	95.5
Share of people with health insurance (%)	94.0	95.5	96.1	95.4	95.9
Hospitalizations per 1,000 people	246.2	258.4	256.1	244.1	240.8
Registered crimes against the person and property per 1,000 people	12.7	13.5	13.8	12.6	11.4
Clearance rate for crimes against the person and property from those registered in the current year (%)	52.2	51.2	61.7	62.0	65.3
Share of pending criminal cases from those registered in the current year (%)	12.1	6.2	8.2	8.9	6.5
Share of the population with access to sewerage connected to wastewater treatment plants (%)	66.8	74.4	74.3	74.4	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	31.0	25.7	18.0	23.8	n.a.
Visits to the cinema per 1,000 people	145	379	391	351	339
Visits to the theater per 1,000 people	399	370	405	442	405

Haskovo District

► Population (2018)	229,709
► Territory (sq. km)	5533.3
► Number of settlements	261
► Share of urban population (%)	72



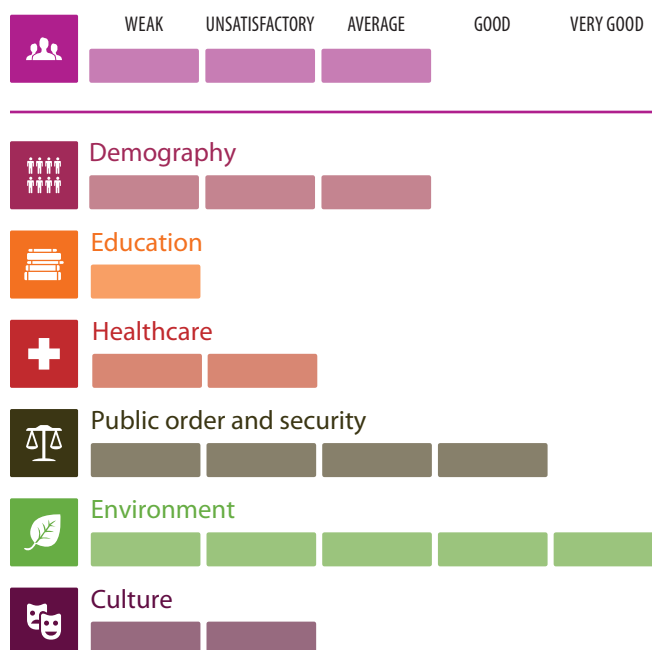
Economic development in the district of Haskovo slightly accelerated according to the latest data; still, income levels were low. In 2017 GDP per capita was almost half the national figure, while incomes were increasing at a slower pace than the national average. The share of population living below the poverty line was above average, though the difference was not huge mainly due to positive developments in the labor market. Unemployment rates in the district were low, while employment rates were close to average. Investment activity in Haskovo district was considerably less intensive than elsewhere in the country. Both foreign direct investment and capital formation of local companies had levels among the lowest in Bulgaria. As a result, production volume per capita was less than half the volume produced in the country. The prospects for economic development are connected with the relatively good infrastructure and the relatively low levels of local tax-

es. Municipal administrations need to improve the quality of their work if they want to attract more investment. Population ageing and depopulation have had a negative impact on the district's social development. In recent years there was also increasing emigration, which reached record peaks in 2018. One of the factors with significant negative impact was the unfavorable state of education in the district, which yielded some of the poorest results in the country. The rising rate of poor grades and the falling average grades provide no good prospects for demographic development. The healthcare system is limited by the lack of medical staff: GP availability is below average. On the other hand, the district of Haskovo has relatively low crime levels and a well-functioning judicial system. Registered crimes are on the decline, while their detection is high. Environmental conditions are also good. The intensity of cultural life is low.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■

Income and living standard ■■■■

In 2017 GDP growth in Haskovo accelerated to reach 7.807 BGN/person. Still, it was rising more slowly than the average rates for Bulgaria, which has widened the gap between the district and national average rates. Salaries in the district were among the lowest in the country: in 2017 the annual average gross salary of an employed person was 8,537 BGN or 69% of the national average rate. The average income per household member was 5,119 BGN or 92% of the national average rate: the district's score was relatively good in this indicator. A partial explanation for this discrepancy could be found in the fact that pensions provide a serious share in the structure of income at the expense of salaries.

The comparatively higher household income level in Haskovo entailed a lower level of poverty in the district. The share of the population living in material deprivation (20.2%) was slightly below the national average rate of 20.9% in 2018.

Labor market ■■■■

In 2018 the district of Haskovo reported a record low unemployment: 3.1%, the lowest value since 2011 when the unemployment rate was 16.1%. Improved conditions in the labor market were also visible in a rising employment rate of the working age population (66%) as well as a recovering economic activity, which reached 68.1% – indicators approaching national average rates.

In 2018 population ageing in the district was apparent in the relatively unfavorable demographic replacement ratio (61%), despite its slight improvement after 2016. That meant the future development of the labor market was faced with certain risks. Educational structure also improved in the last few years: the share of people with university education rose to 20.1% (compared to an average of 28.2% in the country), while the share of people with primary or lower education declined to 21% (compared to an average of 17.4% in the country).

Investment and economy ■■

Poor investment activity was a strong obstacle to the district's economic development. Despite the constantly increasing number of non-financial enterprises, which were already 51 per 1,000 people in 2017, FTA expenditure remained very low: only 1,094 BGN/person (compared to an average of 1,491 BGN/person in the country). FDI was also very low in the district: it went down after slightly increasing in the previous two years to 442 EUR/person in 2017 or almost 8 times lower than the average rate for Bulgaria. As a result, production value that year was only 11,211 BGN/person or slightly less than half the country average of 23,764 BGN.

The district of Haskovo has reported a rise in sums paid for European projects, which reached 1,188 BGN/person as of mid-2019. In terms of this indicator Haskovo was also among the districts with poor results and remained far from the national average rate of 1,803 BGN.

Infrastructure ■■■■

The local infrastructure is in good condition as Haskovo district is well equipped with roads and railroads. The density of the railroad network is similar to national average levels (3.7 km/100 sq. km versus 3.6 km in the country). The road network's density is higher: 20.7 km versus 17.9 km for the country with only three districts scoring higher on this indicator. The district has 93 km of highways and 155 km first class roads; their share is 21.6% versus 18.4% in the country.

Road quality has remained below the national average level: only 33.7% of surfaces were reported to have good quality, while that share for the country was 40.5% with a downward tendency in the last two years.

Local taxes ■■■■

All average tax rates in Haskovo's municipalities were very close to the national average levels except the tax on taxi services, which was lower. None of the municipalities made changes in tax rates in 2019. On the whole, the municipality of Madzharovo had relatively higher rates while that in Lyubimets had relatively lower ones.

Administration ■■

In 2019 the Active transparency rating of municipalities in the district of Haskovo dropped slightly to 63%, considerably below the national average level of 70.7%. The only districts with lower ratings were those of Kardzhali, Kyustendil, and Sofia district. The most transparent municipality in 2019 was that of Harmanli whose rating rose from 60 to 74.3%, while the least transparent one was that in Ivaylovgrad whose rating dropped from 65 to 46%.

Similar to all other districts in the country, cadastral map coverage of Haskovo district increased in 2018 to reach 80.4% compared to an average of 72.4% nationwide. On the other hand, self-evaluations of municipal administrations in the district remained below average both in development of electronic government and in offered one-stop-shop services.

SOCIAL DEVELOPMENT ■■■■

Demography ■■■■

The natural population growth rate in the district of Haskovo reached -8.5% , whereas the national average rate was -6.5% . This was attributed equally to both the lower birth rate as well as the higher death rate in the district. At the same time, there was a relatively high outmigration in the district and the net migration rate strongly deteriorated in 2018 to reach -5.2% , its highest value for the last eight years.

The district suffers from population ageing with tendencies similar to the nation as a whole. The age dependency ratio rose to 155.5% versus 148.6% for the country. The share of population living in towns is 72.5% or almost identical to the average rate for the country, though population density in the district is below average.

Education ■■

Educational results in the district of Haskovo were among the lowest in the country. The share of grades lower than “average” at the matriculation exam in Bulgarian language and literature reached a district record of 16.4% in 2019. Higher shares of poor grades were only registered in Kardzhali, Silistra, and Yambol. The average grade at that exam kept falling and is now “good” 3.84 versus the average of “good” 4.06 in the country as only four districts had had lower results.

The low results have been accompanied by a lower net enrollment rate of primary school pupils – 84.7% versus 87.4% country average. Repeaters were 1.14%, whereas dropouts from primary and secondary education increased to 3.66%. The number of teachers in the district rose slightly to 77 per 1,000 pupils, versus 84 for the country. Data shows no positive effect of the higher number of teachers on educational results.

Healthcare ■■

GP availability in the district of Haskovo was below average. There were 1,809 people per GP versus an average of 1,673 people for the country. The same refers to specialist doctors: they served 577 people versus the national average rate of 424. The 88.5% share of people with health insurance in the district was slightly higher than the national average rate. Beds in general hospitals per 1,000 people were 3.49, significantly lower than the country average of 5.34, showing no serious change in recent years. In 2018 hospitalizations dropped to 187.1 patients per 1,000 people versus a national average rate of 171.4.

Infant mortality in the district of Haskovo increased relative to the previous year from 4.9 to 6.6‰ and is now above the national average rate of 5.8‰.

Public order and security ■■■■

In 2018 registered crimes against the person and property declined to 10.2 per 1,000 people with a high detection rate: 60.6% of them were detected. The work of the judicial system yielded relatively good results: criminal judges' workloads were very close to the national average rate at 9.1 cases a month per judge. Cases closed within 3 months were 93% in the district versus an average of 90.2%. The only indicator with worsening results was the share of pending criminal cases, which grew in 2018 from 5.8% to 8.2%.

Environment ■■■■■■

Data indicates that generated household waste per person of 327 kg was considerably below the national average amount of 435 kg. Harmful carbon dioxide emissions into the atmosphere were 124 t/sq. km versus a national average level of 389.1 t. The population has relatively good access to sewerage: 72.6% (versus 76% nationally). The share of population with access to sewerage connected with wastewater treatment plants is relatively low, only 54.2%. It has not changed significantly in the last three years, which means investment in wastewater treatment plants has ceased for the time being.

Culture ■■

The district's cultural life is of very low intensity. Cinema visit rates dropped to 72 visits per 1,000 people or nine times lower than the national average rate. Theaters in the district did not enjoy any significant interest, either: an average of 291 per 1,000 people visited theater performances in 2018. Museum visits were 224 per 1,000 people versus an annual average of 724 visits per 1,000 people in the country. Libraries on the other hand, enjoyed high popularity: visits in 2018 reached 1,218 per 1,000 people or the highest number after Veliko Tarnovo and Sofia (capital city).

Key indicators for the district of Haskovo

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	6,412	7,001	7,276	7,807	n.a.
Average annual income per household member (BGN)	4,157	4,321	4,861	5,119	n.a.
Average annual gross salary per employed person (BGN)	6,947	7,422	7,964	8,537	n.a.
Share of the poor relative to the country poverty line (%)	31.3	29.8	30.2	28.5	n.a.
Economic activity rate of the population aged 15–64 (%)	69.2	69.0	69.2	67.5	68.1
Employment rate of the population aged 15–64 (%)	61.9	63.1	64.2	64.3	66.0
Unemployment rate of the population aged 15–64 (%)	10.4	8.6	7.1	4.7	3.1
Share of people with tertiary education aged 25–64 (%)	19.3	18.7	17.2	17.3	20.1
Number of non-financial enterprises per 1,000 people	47	48	50	51	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,347	1,227	961	1,094	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	257	448	513	442	n.a.
Share of households with Internet access (%)	57.5	54.2	66.9	66.1	72.3
Share of roads in good condition (%)	30.0	33.1	34.2	34.8	33.7
Cadastral map coverage (%)	3.8	3.8	5.9	13.6	80.4

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–8.0	–7.9	–7.7	–8.3	–8.5
Net migration rate (‰)	1.0	2.5	–4.9	–0.9	–5.2
Average grade at the matriculation exam in Bulgarian language and literature	4.13	4.14	3.98	4.03	3.87
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	7.5	9.2	12.6	13.3	10.4
Net enrolment of the population in 5th–8th grade (%)	80.5	77.8	79.0	84.4	84.7
Share of people with health insurance (%)	87.3	89.1	88.8	88.2	88.5
Hospitalizations per 1,000 people	188.1	198.0	202.5	201.2	187.1
Registered crimes against the person and property per 1,000 people	11.2	12.1	11.1	11.5	10.2
Clearance rate for crimes against the person and property from those registered in the current year (%)	41.9	48.4	56.9	53.4	60.6
Share of pending criminal cases from those registered in the current year (%)	13.3	7.1	6.8	5.8	8.2
Share of the population with access to sewerage connected to wastewater treatment plants (%)	46.7	54.5	54.1	54.2	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	183.2	125.8	127.3	124.0	n.a.
Visits to the cinema per 1,000 people	46	105	145	103	72
Visits to the theater per 1,000 people	221	302	228	258	291

Kardzhali District

► Population (2018)	151 993
► Territory (sq. km)	3209,1
► Number of settlements	472
► Share of urban population (%)	41



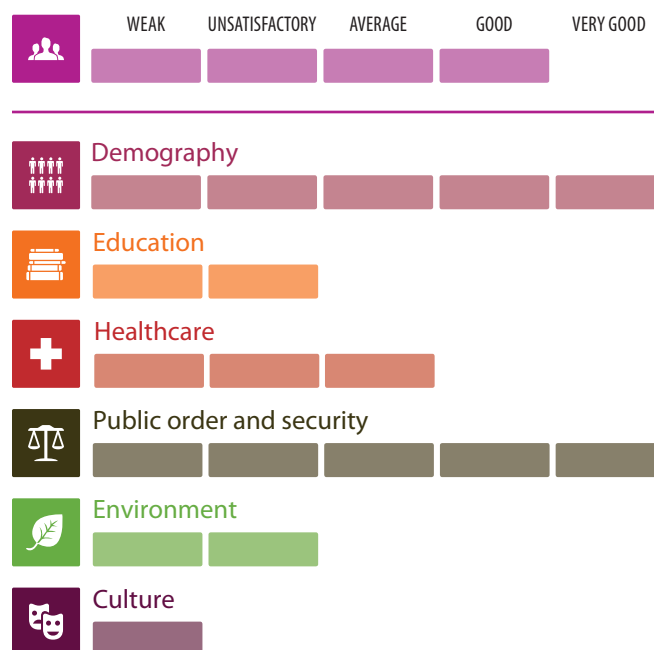
The GDP per capita of 7,485 BGN/person in the district of Kardzhali is still half the national average rate. It is accompanied by lower incomes and higher poverty levels in the district. One of the reasons is the underdeveloped labor market, characterized by very low employment and weak economic activity of the population. Active enterprises are few in number, and the production value amounts to 1/3 of the national average. Due to visible ageing tendencies, population age structure has failed to create favorable conditions for labor market development in the future. A great number of people have primary or lower education, almost twice the national average. Under these circumstances the low investment figures in the district are not surprising. During the last year some growth in FDI was noticeable but the level they reached is still below average.

Unlike economic conditions, the social development in Kardzhali looks much better. Natural population growth, albeit negative, is more favorable compared to most districts, whereas net migration has reached a positive record high. The population's age dependency ratio is also relatively favorable. The quality and access to healthcare seem relatively good. There is a speedy justice administration, with one of the lowest crime rates. What creates long term risks is the poor development of education. The high percentage of poor grades at the matriculation exams in Bulgarian language and literature and the low average grade indicate poor literacy and a need to reconsider the quality of the local educational system. The district of Kardzhali needs to invest resources in improving its sewerage systems and the construction of new wastewater treatment plants in the municipalities where they are absent or insufficient.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■

Income and living conditions ■

Despite the nominal growth in GDP per capita of slightly over 9%, in 2017 it reached 7,485 BGN, or half the national average of 14,280 BGN. Only the districts of Vidin, Silistra, and Sliven had lower relative gross domestic product. The population's incomes were also lagging behind the national average rates, though to a lesser extent. The annual average salary per employee reached 9,285 BGN, compared to the national average figure of 12,448 BGN; the average income per household member was 4,057 BGN while the national average was 5,586 BGN. Income from salaries has dominated the structure of the population's incomes.

The low GDP and the relatively low salary levels in the district have impacted negatively poverty levels despite an improvement in those indicators in recent years. The share of population living below the poverty line has dropped to 37.7%, still much higher than the national average of 22%. In 2018, people living in material deprivation made up 25.6% of the population (compared to 20.9% nationwide).

Labor market ■

In 2018 the economic environment was negatively impacted by the state of the labor market in the district. Despite the relatively low unemployment rate of 3.4% (compared to 5.3% nationally) the population's economic activity remained very low and went further down compared with the previous year. The annual average employment rate reached 58.6% compared to a country average of 67.7%, while the population's economic activity reached 60.7% with the national average rate at 71.5%; the only district with a lower rate was Vratsa. The population's age structure was among the worst in the country. The demographic replacement ratio, which indicates the ratio of the population aged 15–19 to that aged 60–64 was low: 53.2% compared to 65.7% nationally). The implication is that the tendencies in labor market development for the next five years are not favorable.

Educational structure has shown no serious perspectives for positive influence on the labor market in the future. Only 16.8% of the population have university degrees (compared to 28.2% nationally) while 35.7% have primary or lower education, and the latter figure has an upward trend; the national average share of 17.4% is about two times lower.

Investment and economy ■

Investment activity remains low in the district of Kardzhali. The number of active nonfinancial enterprises per person (33 compared to the national rate of 57) remains the lowest in the country despite its slight increase in the last five years. FTA acquisition expenses per person went down in 2015 and 2016,

and their slight increase in 2017 failed to compensate the previous drop. Despite the relatively unfavorable labor market condition, in 2017 cumulative FDI per person grew significantly to reach 1,697 EUR (versus 3,459 EUR nationally). Payments within the framework of European projects also increased and reached 1,203 BGN/person by mid-2019.

Regrettably, production value per person remained very low in the district – less than a third of the national average. Its average rate reached 7,687 BGN (versus 23,764 BGN for the country). The district of Kardzhali is faced with the serious challenge of catching up in economic development.

Infrastructure ■■■

Railroad infrastructure density remained unchanged in the last four years as did that of the road network. Highways and first-class roads make up 11.1% of the road network, a share below the national average of 18.4%. The rate of high quality road surfaces remained unchanged in the last year: 30.5%, i.e., 10 p.p. below the national average rate.

2018 marked the highest rate of registered households with Internet access: 84.4% versus 72.1% in the country as a whole.

Local taxes ■■■■

Without any significant changes local taxes in the district's municipalities remained close to national average rates. The rates of the license tax for taxi transportation and that for retail trade were lower. On the whole, the Ardino municipality had relatively higher tax rates, while the Kardzhali municipality had lower ones. None of the municipalities raised their tax rates in 2019.

Administration ■■

The AIP rating gave the local administration in the district the lowest transparency rating of only 54%. The Kardzhali city municipality was rated lowest (only 45.6%) for the work of its administration, while that of Chernoochene got the highest rating (74.3%), which was also the most significant improvement in the district compared with the previous year.

The self-evaluation of municipal administrations for providing one-stop-shop services was below average in the country, registering a further drop in 2019. The development of electronic government was comparable to the national average. Cadastre map coverage kept its upward trend and came close to full coverage with 95.9% of the district's territory.

SOCIAL DEVELOPMENT ■■■■■

Demography ■■■■■■

The district of Kardzhali has the most favorable rate of natural population growth in the whole country. Though negative, it was only -3.7‰ while the national average rate was -6.5‰ . The main reason is a mortality rate lower than the national average rate. The net migration registered a record increase and reached 15.3‰ in 2018. This shows a serious population influx in the district, part of which most likely came from abroad. The age dependency ratios were also more favorable in Kardzhali than they were elsewhere in the country. Kardzhali was the least urbanized district in Bulgaria (with 41.3% of the population living in cities, while the national average rate was 73.6%).

Education ■■■

The poor quality of education in the district poses serious risks to social and economic development. In 2018, the net enrolment rate of 83.5% in primary education was below the national rate of 87.4%. The share of dropout students from primary and secondary education went down in 2017 to reach 2.13%, slightly below the national average rate of 2.98%. In 2019 Kardzhali registered the highest share, 20.4%, of poor grades at the matriculation exam in Bulgarian language and literature. In 2019, the average grade at that exam improved to 3.78; still, the district ranked last but one in this indicator after Silistra.

Healthcare ■■■■

The healthcare infrastructure in the district is rather underdeveloped compared to the average level in the country but results are relatively good.

The district suffers from a shortage of doctors. In 2018 one GP served an average of 2,576 people – the highest figure in comparison with the remaining districts in the country. A medical specialist served 673 people compared with an average of 424 in Bulgaria. There were also fewer beds in general hospitals relative to the average number for the country. Following the national trend, hospitalizations in the district dropped to reach 146.1 per 1,000 people relative to the national average rate of 171.4.

Infant mortality registered a sharp decline in 2018, reaching 2.9‰, one of the lowest rates in the country: only Smolyan and Sofia (capital city) had lower levels. One possible reason, besides the good quality of healthcare in the district, is the

likelihood for parents to take their children for treatment to other districts.

Public order and security ■■■■■■

The crime rate is very low in Kardzhali district. The rate of registered crimes against the person and property per 1,000 people is 5.2 compared to an average of 12.1 in the country. Smolyan is the only district to have registered a lower crime rate. Crime detection rate is way above average: 65.8% versus 48.9% on average in the country.

The district's judicial system is characterized by very low workloads for judges, this is why some optimization in its work is possible. A criminal judge works 5.1 cases a month compared to an average of 9.2 in the country. Judge workloads are lower only in the districts of Smolyan, Targovishte, and Pernik. That may be the reason why 94.4% of the cases are closed in 3 months, while the share of pending cases, 8.4%, remains slightly below the national average rate.

Environment ■■■

A relatively small share of the population in the district of Kardzhali lives in areas with public sewerage: 44.8% (versus 76% on average). In 2017 the population in settlements with sewerage systems connected to wastewater treatment plants was only 38.7%; only the districts of Blagoevgrad, Vidin and Montana had lower shares.

Generated household waste in the district is much less than the national average levels: 253 kg/ person versus 435 kg/ person, respectively. Carbon dioxide emissions into the atmosphere at 4.6 t/sq. km are among the lowest in the country.

Culture ■■

The intensity of cultural life is very low in the district. After the *Royal* movie theater was opened at the end of 2017, the rate of cinema visits rose from 0 in 2016 to 100 per 1,000 in 2018. Still, it remained relatively low compared to the national average rate of 696 visits per 1,000 people. The annual average number of theater visits was 164 per 1,000 people compared to an average of 340 nationally. Kardzhali registered the lowest interest in museums in the country: 104 visits per 1,000 people as well as a library visit rate half the national average rate.

Key indicators for the district of Kardzhali

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	6,067	6,472	6,854	7,485	n.a.
Average annual income per household member (BGN)	3,762	3,393	3,887	4,057	n.a.
Average annual gross salary per employed person (BGN)	7,222	7,648	8,335	9,285	n.a.
Share of the poor relative to the country poverty line (%)	54.8	43.3	39.5	37.7	n.a.
Economic activity rate of the population aged 15–64 (%)	64.3	60.3	61.0	61.5	60.7
Employment rate of the population aged 15–64 (%)	61.1	58.8	60.0	60.5	58.6
Unemployment rate of the population aged 15–64 (%)	4.9	2.3	1.7	1.6	3.4
Share of people with tertiary education aged 25–64 (%)	19.8	17.2	15.0	13.8	16.8
Number of non-financial enterprises per 1,000 people	30	31	32	33	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,240	1,332	935	984	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	951	1,167	1,015	1,697	n.a.
Share of households with Internet access (%)	65.8	51.2	57.1	67.3	84.4
Share of roads in good condition (%)	31.3	27.5	30.0	30.4	30.5
Cadastral map coverage (%)	3.4	3.4	3.4	67.8	95.9

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–2.6	–3.4	–3.3	–3.9	–3.7
Net migration rate (‰)	12.1	–1.4	0.1	5.7	15.3
Average grade at the matriculation exam in Bulgarian language and literature	4.71	4.06	3.85	3.77	3.56
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	3.0	11.4	16.9	20.7	16.3
Net enrolment of the population in 5th–8th grade (%)	78.3	77.6	77.8	87.0	83.5
Share of people with health insurance (%)	101.5	103.5	104.4	105.5	106.7
Hospitalizations per 1,000 people	165.0	177.4	167.7	164.2	146.1
Registered crimes against the person and property per 1,000 people	5.7	5.6	6.1	5.3	5.2
Clearance rate for crimes against the person and property from those registered in the current year (%)	49.4	56.5	63.0	57.1	65.8
Share of pending criminal cases from those registered in the current year (%)	8.7	10.0	6.4	6.5	8.4
Share of the population with access to sewerage connected to wastewater treatment plants (%)	3.9	37.7	39	38.7	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	5.8	6.5	4.0	4.6	n.a.
Visits to the cinema per 1,000 people	0	0	0	41	100
Visits to the theater per 1,000 people	131	150	149	165	164

Kyustendil District

► Population (2018)	120,070
► Territory (sq. km)	3051.5
► Number of settlements	183
► Share of urban population (%)	70



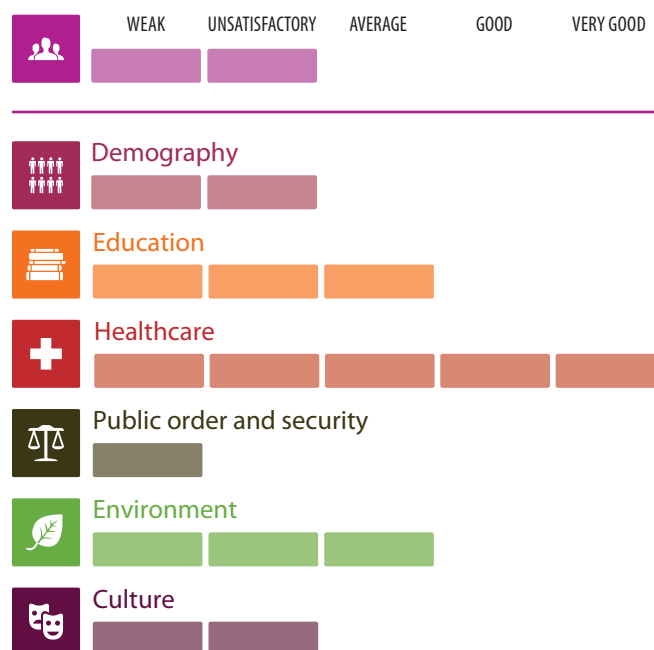
The economic condition of Kyustendil improved in 2018 but the district has been developing more slowly than the rest of the country, which poses the risk of continued lagging behind the leading economic centers. Salaries and household incomes have approached the national average levels at a relatively faster pace. The development of the labor market in the district allows for some optimism, with an unemployment rate of 3.6% – way below the national average as well as relatively high employment. Nevertheless, demographic processes have continued their negative influence on the working age population. Kyustendil is one of the districts with lowest investment rates and the lowest utilization of EU funds, which is a threat to the future development of its economy. The development of infrastructure and the quality of administrative services in the district are quite close to the national average rates, while

municipal tax rates are the most favorable in the country. Kyustendil is among the districts with markedly negative demographic trends, especially in terms of the natural population growth rate (–13.4‰ in 2018). Because of that and the negative net migration, population density in the district has been on a gradual decline. The district's educational system is doing better in comparison with most districts in terms of both enrolment and keeping children in school, but has achieved relatively lower exam results. The better results in healthcare are mostly due to the relatively high number of GPs along with a low morbidity and infant mortality. Public order and security are gradually improving in the district, though their indicators remain relatively lower compared to many other districts. Interest in cultural life remains low in Kyustendil, probably because of its proximity to Sofia (capital city).

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■

Income and living standard ■■■

In 2017 the district remained once again among the lower ranking ones in GDP rates per capita (7,989 BGN). The growth rate was 7% relative to the previous year, slightly slower than the national average. According to the most recent data the district's GDP per capita is about 56% of the national average, but this gap is gradually increasing, which indicates economic divergence between Kyustendil and the leading districts.

The average salary of employees in the district marked a smaller divergence: it corresponded to 69% of the national average or 8,642 BGN in 2017. Yet, the annual increase rate of this indicator is slower by over 0.5 p.p. The difference in income per household member is less significant, the average income in the district being 88% of the national average, but, once again, its growth rate is slower. Notably, Kyustendil is among the districts with high poverty indicators.

Labor market ■■■■

The development of the labor market has been among the district's strong points of late. In 2018 unemployment dropped to 3.6% – considerably below the national average rate of 5.3% (provided that the data is not sufficiently representative), while the employment rate (for those aged 15–64) reached 67.5%, the same as the country average. The low unemployment can be explained to a considerable extent with the relatively low economic activity rate (70% compared to 71.5% on average in the country).

The demographic replacement ratio of the age groups which enter and leave the labor market (ages 15–19 and 60–64, respectively) is only 51.6, implying that the workforce will shrink significantly in the near future. There is also a marked decline in the share of university graduates in the workforce: from 25.2 to 22.3% within a single year.

Investment and economy ■■

Though the number of companies in Kyustendil has grown from 35 to 47 per 1,000 people within a decade, investment interest in the district is relatively low. That shows in the low expenditure for equipment, buildings etc.: in 2017 the net FTA expenditure was 1,077 BGN/person, over twice lower than the national average, with a downward trend during the last two years.

The district is nearing the bottom in terms of FDI per person: as of December 2017 it was 350 EUR/person. That was about ten times less than the national average figure, only the district of Silistra had lower rates. In addition, Kyustendil failed in attracting EU funds: by mid-2019 their cumulative amount was 952 BGN/person; the only district with a lower value being Sliven. Predictably, the combination of these indicators led to

lower economic activity as seen in the production value per person – 10,656 BGN in 2017 or over twice lower than the national average value.

Infrastructure ■■■

In 2017 Kyustendil's road network had a slightly higher density than most districts: 20.6 km/100 sq. km compared to 17.9 km on national average. Similar to other districts, that indicator has gradually increased. The railroad density was also slightly above average: 4 km compared to 3.6 km/100 sq. km though that figure has stayed the same for several years in a row. Due to the construction of the Struma highway, the share of highways and first-class roads in the overall road network has been on a gradual increase: from 14.7% in 2009 to 20.5% in 2017. The fact that road quality is worsening is worth noting: the share of roads in good condition dropped from 56.3 to 51.8% between 2017 and 2018. The share of households with Internet access also dropped from 65.6 to 59.8%.

Local taxes ■■■■■

The annual survey of municipal authorities concerning the levels of local tax burdens has shown that the municipalities in the Kyustendil district offer the most favorable tax rates in the country. The district's average rate of the tax on non-residential property of legal entities was only 1.6‰ compared to the national average rate of 1.95‰. The rate of the license tax for retail trade (9.97 BGN/sq. m annually) relative to the national average rate of 13 BGN/sq. m was also among the lowest. The average property transfer tax and the license tax for taxi transportation had the lowest rates in the country, namely 2.06% of the respective appraisal value and 300 BGN annually. It should be noted, however, that certain taxes have had an upward tendency so it is not clear how much longer Kyustendil will be in the lead in this rating.

Administration ■■■

Cadastral map coverage figures from 2018 point to a district map practically completely covered at 99.9%, especially in comparison to only 18.9% coverage in 2017. The local administration's ratings placed the district close to the national average figures with the rating for electronic government in the district reaching 3.00 out of 5.00, whereas the rate for providing one-stop-shop services reached 2.57 out of 5.00. However, the districts municipalities were at the bottom of the list according to the AIP transparency rating of local government, where the district average was estimated at 57%, with only the district of Kardzhali performing worse.

SOCIAL DEVELOPMENT ■■

Demography ■■■

The demographic development in the district of Kyustendil is among the most negative nationwide. In 2018 the natural population growth rate was -13.4‰, or two times lower than the national average rate. Probably due to the closeness to the capital, net migration was less unfavorable which made labor migration easier; the difference between the numbers of people moving in and moving out of Kyustendil was -3.8‰. While the migration difference has gradually declined, the dynamics of the natural increase has been deteriorating since the beginning of that decade.

The district's population density is below average and is further shrinking; down from 1,399 people/sq. km of populated area to 1,140 between 2008 and 2018 – yet another sign of its depopulation. The age dependency indicators are also among the most negative in Bulgaria: for every person aged 0–14 there are 2.26 people aged 65+.

Education ■■■■

As there is no university or university branch in the district, there are no students in it. However, its results in indicators concerning school education were relatively good in 2018 when the net enrolment rate in 5th–8th grade was 92.2% versus 87.4 on average in the country. A possible explanation is the district's depopulation, entailing a smaller number of children in the respective age group. The share of high school student repeaters was 0.29% in 2018 versus 0.91% for the country as a whole. The share of school dropouts – 2.1% – was also below national average that year but it has considerably risen compared to the previous year.

The matriculation results in the district are alarming indeed. In 2019 they were lower by 0.10 than the country average ones, with practically no annual dynamics. The share of fail grades was relatively high: 11.7% in 2019 compared to the national average of 8.7%, with an upward trend.

Healthcare ■■■■■■

Kyustendil has a tradition of ranking high in evaluations of its healthcare system. In 2018 the district had the second smallest number of patients per GP – 1,429 people, right after the district of Pleven. The distribution of specialist physicians was not so good, though, with 513 people per specialist compared

to the national average of 424 for the same year. The share of people with health insurance is also very high: 94.9% of the population, an indicator that has gradually been improving.

Within three years, the infant mortality rate in the district shrank significantly: from 12.6‰ in 2016 to 4.8‰ in 2018, which is a sign of improvement of the quality of health services. At the same time, the indicator used in the present study for population morbidity – the number of hospitalizations in general hospitals – dropped to 156 per 1,000 people versus 171 on average in 2018.

Public order and security ■■

In 2018 the crime rate indicators in the district improved but remained above the national average level. The most significant shrinkage was registered in the share of pending cases by 2 p.p., making 9.5% of all cases. The district also had the second highest workloads for courts in the country: criminal judges saw an average of 12.8 cases a month – the only district with a higher figure was Sofia (capital city). At the same time, the detection rate of crimes against the person and property gradually increased to reach 46.7% while their total number dropped to 11.3 per 1,000 people in the district.

Environment ■■■■

In 2017 generated household waste in Kyustendil increased to reach 447 kg/person annually, an amount slightly higher than the national average of 435 kg. The share of the population with access to sewerage connected to wastewater treatment plants has also increased (62%), as well as that with access to public sewerage systems (75.2%).

Culture ■■■

The low interest in cultural life in the district of Kyustendil has remained unchanged. Of the four indicators that make up the rating in culture, the interest in theaters is lowest (133 visits per 1,000 people in 2018), whereas it is highest in museums (979 visits per 1,000 people, the only above-average figure for the district).

Key indicators for the district of Kyustendil

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	6,683	7,274	7,440	7,989	n.a.
Average annual income per household member (BGN)	3,966	4,587	4,555	4,773	n.a.
Average annual gross salary per employed person (BGN)	7,091	7,486	7,942	8,642	n.a.
Share of the poor relative to the country poverty line (%)	14.0	17.4	17.7	15.8	n.a.
Economic activity rate of the population aged 15–64 (%)	66.9	69.2	69.9	70.2	70.0
Employment rate of the population aged 15–64 (%)	57.4	60.2	64.1	67.1	67.5
Unemployment rate of the population aged 15–64 (%)	14.2	13.1	8.2	4.3	3.6
Share of people with tertiary education aged 25–64 (%)	23.7	23.7	24.8	25.2	22.3
Number of non-financial enterprises per 1,000 people	41	44	45	47	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,076	1,280	1,095	1,077	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	337	337	351	350	n.a.
Share of households with Internet access (%)	39.9	50.3	55.4	65.6	59.8
Share of roads in good condition (%)	46.4	50.5	52.8	56.3	51.8
Cadastral map coverage (%)	18.9	18.9	18.9	18.9	99.9

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–11.4	–12.2	–13.0	–13.5	–13.4
Net migration rate (‰)	–6.7	–3.2	–7.8	–5.6	–3.8
Average grade at the matriculation exam in Bulgarian language and literature	4.30	4.07	3.97	4.12	3.95
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	4.0	10.0	12.5	9.0	11.7
Net enrolment of the population in 5th–8th grade (%)	78.3	79.3	81.1	92.3	92.2
Share of people with health insurance (%)	92.1	94.2	95.2	94.6	94.9
Hospitalizations per 1,000 people	165.3	232.6	227.4	222.1	155.6
Registered crimes against the person and property per 1,000 people	15.8	15.8	14.1	13.5	11.3
Clearance rate for crimes against the person and property from those registered in the current year (%)	29.8	34.4	44.2	41.9	46.7
Share of pending criminal cases from those registered in the current year (%)	9.5	9.8	9.2	11.5	9.5
Share of the population with access to sewerage connected to wastewater treatment plants (%)	61.0	61.9	61.8	62	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	690	690	690	690	n.a.
Visits to the cinema per 1,000 people	201	187	217	230	286
Visits to the theater per 1,000 people	146	155	112	170	133

Lovech District

► Population (2018)	125,917
► Territory (sq. km)	4128.8
► Number of settlements	149
► Share of urban population (%)	63



The economic development of the district has a lasting tendency of lagging behind the general trends in the country. Due to that, the GDP per capita is only 61.7% of the national average rate: this is the lowest rate for the district in the last two decades. In 2018 unemployment grew for the third year in a row, though one of the reasons behind it was a rise in economic activity. Lovech has remained not particularly attractive for foreign investment – as of the end of 2017 its size was below the 2015 record levels by 21%. Though the level of local taxes was relatively high compared to neighboring districts, it was in line with national average levels. However, the quality of administrative services was high, with municipal administrations reaching an average of 74% in the Annual active transparency rating of AIP. The unfavorable demographic processes in the district

have led to a rapidly deteriorating age structure: since 2015 the number of people aged 65+ has been twice that of those aged below 15. The school system in the district is successful in enrolling the majority of pupils but in the last three years, matriculation exam results in Bulgarian language and literature have worsened. Despite a certain shortage of specialist doctors, the population's access to GPs is above average. Criminal judges at the District court are among those with the highest workloads in the country but justice administration remains efficient. Crime rates are above average but detection rates are among the highest, reaching 62.4% in 2018. The district is characterized by good environmental conditions but also by a low intensity of cultural life, the above-average museum visits being an exception.

ECONOMIC DEVELOPMENT



Income and living standard



Labor market



Investment and economy



Infrastructure



Local taxes



Administration



SOCIAL DEVELOPMENT



Demography



Education



Healthcare



Public order and security



Environment



Culture



ECONOMIC DEVELOPMENT ■■■

Income and living standard ■

The 2017 GDP per capita value at 8,804 BGN was only 61.7% of its national average value, the lowest rate for the last two decades.

The level of the annual average gross salary in the district (9,474 BGN) is comparable with that in the neighboring district of Pleven but far from the national average figure of 12,448 BGN. At the same time, because of the unfavorable conditions and tendencies on the labor market, household incomes are among the sixth lowest in the country because there are no working persons in many households.

As a result, there is a relatively high share of the population living below the poverty line (38.3%), while there are only three districts with higher figures such as Montana (45.7%), Pazardzhik (41.4%), and Vidin (39.0%). The relative share of people living in material deprivation in Lovech (28.7%) is considerably higher than the national average rate (20.9%).

Labor market ■■■■

In 2018 the annual average unemployment rate in the district of Lovech rose for the third year in a row to reach 9.8%. The parallel rise in employment and economic activity in 2018, however, imply rather positive processes on the labor market, such as the registered employment of 61% of people aged 15–64 – the highest since the beginning of that decade. Despite that improvement, all three leading indicators on the state of the labor market remain less favorable than national average figures.

Though the relative share of people with university education (20.9%) in the district is below the national average share of 28.2%, the educational structure of the local population is relatively favorable because of the prevalence of people with secondary education. Only 15.6% of the population has primary or lower education: a rate more favorable than the national average of 17.4%.

Investment and economy ■■

The district of Lovech has remained rather unattractive to foreign investment: as of the end of 2017 its cumulative sum was 891 EUR/person, or lower than the record high levels of 2015 by 21%. After three years of growth between 2013 and 2015, enterprise investment in FTA have slumped by half. Relative to the population, the size of 1,040 BGN/person registered in 2017 were the lowest since 2010. Only Kardzhali and Vidin had lower values on this indicator (984 BGN/person and 846 BGN/person, respectively).

As of 15 June 2019, the district's municipalities had utilized 1,688 BGN/person of EU funds, lagging behind national average levels (at 1,803 BGN/person). The highest rates were in the municipalities of Yablanitsa and Lukovit, whereas the lowest were in those in Letnitsa and Ugarchin.

Infrastructure ■■

The density of the road network in the district of Lovech is similar to the national average, though only 15% of it consisted of first-class roads and highways. In 2018, the relative share of road surfaces in good condition dropped to 37.8% (or almost 8 p.p., relative to 2017), which took it below the national average rate of 40.5%. The density of the railroad network was 2.6 km/100 sq. km, considerably below the national average of 3.6 km/100 sq. km.

In 2018, 67.8% of households had Internet access, compared to 72.1% on average in Bulgaria.

Local taxes ■■■■

Though the level of local taxes in Lovech is higher compared to those in neighboring districts with similar socio-economic profiles, it is much lower than the national levels.

Only the annual tax on the immovable property of legal entities had rates above average ones (2.23‰ versus 1.95‰ in 2019). It was precisely this tax that was raised last in 2017, after the Yablanitsa municipality raised its rate from 2.0 to 2.75‰.

Administration ■■■■

In 2019 the district's municipalities reached an average of 74% in the Annual active transparency rating published by AIP. The municipalities of Troyan and Ugarchin got the highest ratings (88% and 79%, respectively), while Apriltsi (50%) got the lowest. The municipalities' self-evaluation on providing one-stop-shop services (3.45 from 5.00) was considerably above the national average (3.07 from 5.00), while that for electronic services development was close to the national average.

Lovech is among the districts with traditionally high map coverage. In 2018 the relative share of included territories (89.3%) was considerably higher than the national average (72.4%).

SOCIAL DEVELOPMENT ■■■■

Demography ■■■

Since 2001, the population in the district of Lovech has dropped by 26%, which is comparable to the decline in other districts in north-western Bulgaria, such as Vratsa, Montana, and Pleven. That entailed a deteriorated age structure of the population; in 2016 the number of people aged 65+ living in the district was twice that of people below 15. There are only five districts with similar rates: Vidin, Gabrovo, Kyustendil, Pernik, and Smolyan.

Despite a slight improvement relative to 2016 and 2017, Lovech had the sixth least favorable rate of natural population growth in the country in 2018.

Education ■■■

The school system in the district of Lovech has managed to enroll a significant portion of the local pupils. In 2018, the net enrolment rate in 5th–8th grade reached 90.6%. The relative share of school repeaters (1.7%) and that of dropouts from primary and secondary education (3.15%) were slightly above average rates for the country. Yet, trends can be seen as relatively positive.

At the same time there were clear signs of deterioration in the results of the educational process, which could partly be attributed to the shortage of teachers: in 2018 there were 79 teachers per 1,000 pupils while the national average was 84. The district average grade of school leavers at the matriculation exam in Bulgarian language and literature was below the national average grade in three of the last four years. In 2018 and 2019 the district registered the lowest average grades so far: “good” 3.98 and “good” 4.00, respectively. 2019 also saw the highest relative share of fail grades so far, 12.8%, – considerably higher than the national average rate of 8.7%.

In the district, there is no tradition established in higher education; the number of college students in it is only 200.

Healthcare ■■■■■

Lovech has good rating in this category due to its close-to-average figures in most indicators. Though there is a certain shortage in specialist doctors, the population's access to GPs is better than national average rates.

The ratio of beds in local general hospitals to the local population (4.56 beds per 1,000 people) is less favorable than the national average ratio of 5.34 beds per 1,000 people. Population morbidity, measured by the number of hospitalizations in general hospitals is similar to the national average rate of 171 people per 1,000 people.

In 2018, 90.5% of the district population had health insurance relative to the national average rate of 87.9%.

Public order and security ■■■■

The workloads of criminal judges in the District court are the third highest in the country, each seeing an average of 12 cases a month versus the national average of 9.2 cases a month. There are only two districts with higher judge workloads, Sofia (capital city) and Kyustendil. Unlike the latter two districts, administration of justice in Lovech remains efficient despite high workloads. Cases closed within 3 months make up 95.8% (versus 90.2% on average in the country), while the relative share of pending cases is only 6.6%, considerably below the average of 8.7%.

Though the crime rate is slightly above the national average with 12.1 crimes per 1,000 people, detection rate (62.4%) is one of the highest.

Environment ■■■■■

In 2017 Lovech was once again among the districts with the lowest volume of carbon dioxide emissions: about ten times below the national average rates. Despite a slight increase of generated household waste, from 324 to 354 kg/person annually, it also remained below average.

69.0% of the district's population live in areas with public sewerage; in 2017, 56.7% of those were connected to wastewater treatment plants. In both indicators, the district has lagged behind national average levels (76.0 and 63.4%, respectively), though it has caught up to some extent in comparison with previous periods (after 2015 when the third stage of the Lovech wastewater treatment plant was launched).

Culture ■■■

In 2018 the district of Lovech registered a greater than average number of museum visits (906 visits per 1,000 people) relative to the national average rate (724 per 1,000 people). The visit rates of local libraries and theaters were almost three times below average, with a downward trend.

Until 2015, Lovech was one of the four districts without a single cinema. One was opened in 2016 but it triggered little interest, which decreased further in the following two years.

Key indicators for the district of Lovech

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	7,666	7,759	8,674	8,804	n.a.
Average annual income per household member (BGN)	3,788	4,084	4,123	4,303	n.a.
Average annual gross salary per employed person (BGN)	7,487	8,033	8,604	9,474	n.a.
Share of the poor relative to the country poverty line (%)	31.2	29.2	31.6	38.3	n.a.
Economic activity rate of the population aged 15–64 (%)	56.9	60.2	56.9	61.3	67.5
Employment rate of the population aged 15–64 (%)	51.0	54.6	52.4	55.8	60.9
Unemployment rate of the population aged 15–64 (%)	10.2	9.2	7.9	8.7	9.8
Share of people with tertiary education aged 25–64 (%)	18.6	20.5	17.3	17.8	20.9
Number of non-financial enterprises per 1,000 people	41	42	43	43	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,388	2,316	1,258	1,040	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	996	1,131	1,067	891	n.a.
Share of households with Internet access (%)	45.8	50.8	51.0	54.8	67.8
Share of roads in good condition (%)	47.8	43.7	44.7	45.8	37.8
Cadastral map coverage (%)	74.0	80.4	80.5	80.5	89.3

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–11.2	–11.0	–11.9	–13.2	–11.5
Net migration rate (‰)	–4.2	–4.2	–5.6	–4.5	–5.0
Average grade at the matriculation exam in Bulgarian language and literature	4.35	4.26	4.12	4.26	3.98
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	3.0	6.2	9.9	8.4	7.0
Net enrolment of the population in 5th–8th grade (%)	80.0	81.2	82.5	92.4	90.6
Share of people with health insurance (%)	89.7	91.1	91.3	90.4	90.5
Hospitalizations per 1,000 people	213.4	208.8	205.2	193.2	170.6
Registered crimes against the person and property per 1,000 people	9.4	10.1	12.5	12.8	12.7
Clearance rate for crimes against the person and property from those registered in the current year (%)	49.2	45.4	58.8	56.7	62.4
Share of pending criminal cases from those registered in the current year (%)	7.6	6.5	7.7	7.9	6.6
Share of the population with access to sewerage connected to wastewater treatment plants (%)	41.2	56.6	56.6	56.7	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	93.8	93.8	38.4	38.4	n.a.
Visits to the cinema per 1,000 people	0	0	150	114	112
Visits to the theater per 1,000 people	124	119	101	94	96

Montana District

► Population (2018)	130,926
► Territory (sq. km)	3635.6
► Number of settlements	131
► Share of urban population (%)	64



This is the district with the worst state and tendencies in the labor market. The falling economic activity, the high unemployment, and the unfavorable educational structure of the workforce are serious obstacles to a rise in incomes and living standard. In 2017 Montana once again, for the fifth year in a row, remained the least attractive district for foreign investment. The poor condition of the infrastructure also had a role to play. No highway passes through the district and first-class roads are only 10.3% of the total length of the road network. Like other districts with similar socio-economic profiles, Montana has a relatively low tax burden. Municipal administrations declare a relatively high readiness for providing one-stop-shop service to individuals and businesses but the development of electronic services is still below national average levels. The demographic processes on the district's territory are

almost analogous to those in Vidin, the district with the worst demographic conditions. The educational system has failed to enroll and keep pupils in schools, while the average grade of students at the matriculation exams in Bulgarian language and literature has been below-average for quite some time. Against the backdrop of this overall lagging behind in the social sphere, the relatively good access to health services makes a good impression; the shortage of specialists is almost compensated by the closeness of Pleven. The court system in the district of Montana can be described as one of the least efficient in the country: despite the low workloads, the speed of judicial administration is low, while the share of pending cases is high. The environment is in good condition, the main challenge being the low share of population connected with wastewater treatment plants. In 2018 Montana was the district with the lowest intensity of cultural life in the country.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■

Incomes and living standard ■■

In the period after 2014 GDP per capita in the district grew faster than the national average to reach 8,659 BGN in 2017. Still, the local population's welfare did not improve much because the labor market was not in a good state. The gross annual average salary of 9,297 BGN in 2017 amounted to 75% of the county average with no visible prospects for catching up.

Though the relative share of the population living in material deprivation (22.5%) was slightly higher than the national average of 20.9%, the district of Montana had the highest share of population living below the poverty line: 45.7%, or twice the national average; the only other district with a share of the poor over 40% is Pazardzhik.

Labor market ■■

The district of Montana demonstrates the worst performance in this category. Contrary to the general tendencies in Bulgaria, the unemployment rate rose significantly both in 2017 and 2018 to reach 15.3%, the second highest rate in the country after the neighboring district of Vidin. Montana is one of the few districts where rising unemployment is not connected with rising economic activity. Quite the opposite: in 2018 the latter dropped to 61.7%, the third lowest rate in the country after Kardzhali and Vratsa. After the employment situation worsened in 2018, the district of Montana reached the bottom of the list.

The serious challenges the labor market had faced were further complicated by the exceptionally unfavorable educational structure of the workforce. Only 12.6% of people aged 25–64 have higher education (2.2 times below the national average rate) while the share of people with primary and lower education is 25.6%.

Investment and economy ■■

In 2017 Montana was again the least attractive district in the country for foreign investment, a position it occupied for the fifth successive year. Relative to the number of people in the district, FDI amounted to 286 EUR/person. The only positive development in 2017 concerned the expenses of enterprises for FTA acquisition. They reached 1,234 BGN/person or half the average size for the country, 2,491 BGN/person.

The only indicator where the district is doing better than average national levels is EU funds utilization. As of 15 June 2019, payments reached 1,993 BGN/person, with 65% of those utilized by the municipality of Montana. In municipalities such as Yakimovo, Brusartsi, and Valchedrum utilization levels were very low (below 400 EUR/person).

Infrastructure ■■

The district's infrastructural development hardly contributes to the local socio-economic development. Both road density (17.1 km/100 sq. km) and the density of railroads (3.1 km/100 sq. km) are close to the national average rates of 17.9 and 3.6 km/100 sq. km, respectively. Still, there is no highway in the district, while first-class roads make up only 10.3% of their total length. Dobrich and Vratsa are the only districts with lower shares in the country. The share of roads in good condition is 30.5%, lower than average by 10 p.p. The 67.8% rate of household connectivity to the Internet in 2018, though a record high for the district, was also lagging behind average rates.

Local taxes ■■■■■■

The district of Montana is characterized by the second most favorable tax environment: local taxes have low rates and changes have been extremely rare. Kyustendil was the only district in the country where the tax burden was estimated to be lower in 2019.

The tax rate closest to average levels was the property transfer tax but even that tax had no upward trend, unlike taxes in most Bulgarian municipalities. Vidin was the only district with an average size of the retail license tax lower than that in Montana, while in both districts it was below the average rate in the country as a whole.

Administration ■■■■

Municipal administrations in the district of Montana have traditionally had high ratings in the AIP Active transparency rating. That tendency was preserved in 2018, with the average figure improving from 68.8 to 73.0%, and staying above the national average of 70.7%. The highest rating was given to the municipal administration of Berkovitsa (84%), followed by Boichinovtsi and Valchedrum with 80%, whereas the lowest was for Georgi Damyanovo (57%) and Yakimovo (53%).

In 2018 cadastral map coverage increased to 77.7%, thus going over the national average of 72.4% for the first time. Municipal administrations declared a relatively high readiness to provide individuals and businesses with one-stop-shop services but the development of electronic services was still below national average levels.

SOCIAL DEVELOPMENT ■

Demography ■■■

The demographic processes on the territory of Montana were almost analogous to those in Vidin – the district with the worst demographic condition in the country. Between 2001 and 2018 its population shrank by 30.5%, over twice the national average pace. The only districts with a faster population decrease were Vidin (37%), Vratsa (35%), and Razgrad (31%). The natural growth rate dropped for the second year in a row to -14‰ in 2018, the least favorable rate registered in the district up to that moment.

The only demographic indicator, which did not rank the district among the worst performing ones in the country, was the ratio of the population aged 65+ to that aged 0–14. In 2018 Montana was still not among the districts where the ratio was 2:1 or worse (such as Vidin, Gabrovo, Kyustendil, Lovech, Pernik and Smolyan).

Education ■■■

All indicators for the educational system's capability to enroll and keep pupils in schools are unfavorable. The low net enrolment rate of the population in 5th–8th grade has remained a serious problem (82.9% in the 2018/2019 school year). The relative shares of repeaters (1.07% in the 2018/2019 school year) and dropouts from primary and secondary education (3.93% in the 2018/2019 school year) were also relatively high.

Though in 2019 Montana continued its tradition of average grades at the matriculation exam in Bulgarian language and literature below the national average level, in the last three years the relative share of those who failed at the exam was lower than the national average (only 6.6% relative to the national average of 8.7% in 2019). There are no universities or branches thereof in the district of Montana.

Healthcare ■■■■■

Healthcare in the district is characterized by a relatively good accessibility. For every GP there are 1,505 people relative to 1,673 people in the country as a whole. There is a certain shortage of medical specialists but that factor is compensated to some extent by the proximity of Pleven where healthcare is one of the district's strengths.

In 2018 infant mortality rate (3‰) was the lowest so far for Montana and the fourth lowest in the country after Kardzhali, Smolyan, and Sofia (capital city). The same year 87.2% of the district's population had health insurance, a level comparable to national average figures.

Public order and security ■■

Montana's judicial system can be described as one of the least efficient in the country. Though criminal judge workloads of 6.3 cases a month are considerably lower than the national level of 9.2 cases a month per judge, only 82.5% of cases are closed within 3 months, which is the second lowest share in the country. Besides, in 2018 the only district with a higher share of pending criminal cases than those registered in Montana (12.4%) was the district of Sofia with 16.4%.

In comparison with 2017, the detection rate of registered crimes slightly rose to reach 44.7%; still, it remained below the national average rate of 48.9%. The decreasing number of registered crimes has probably helped increase the detection rate: it dropped from 15 to 12.2 per 1,000 people, reaching the national average level.

Environment ■■■■■

The condition of the environment in the district of Montana was evaluated as good primarily due to the low volume of carbon dioxide emissions into the atmosphere (4.8 t/sq. km) and the low level of generated waste (264 kg/person annually). The district ranked third most favorable in the country in both indicators, these figures remaining stable in recent years.

The district continues to face two major challenges: the low share of the population connected with wastewater treatment plants (barely 35.2% versus 63.4% for the country), as well as the low share of population living in settlements with public sewerage systems (59.6% versus the national average of 76%).

Culture ■■

In 2018 Montana was the district with the lowest intensity of cultural life in the country. Interest in local theaters (82 visits per 1,000 people) and museums (138 visits per 1,000 people) was four and five times lower than the national average rates, while it showed a tendency to deteriorate.

Montana was one of the four districts in the country without a single cinema in 2018. The other three were Pernik, Pazardzhik, and Silistra. Also, since 2015 there has been no library big enough to enter the NSI official statistics in the district.

Key indicators for the district of Montana

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	6,642	7,270	7,801	8,659	n.a.
Average annual income per household member (BGN)	4,117	3,021	4,191	4,507	n.a.
Average annual gross salary per employed person (BGN)	7,449	7,971	8,624	9,297	n.a.
Share of the poor relative to the country poverty line (%)	31.5	32.8	39.7	45.7	n.a.
Economic activity rate of the population aged 15–64 (%)	67.1	58.5	56.6	63.4	61.7
Employment rate of the population aged 15–64 (%)	55.9	53.7	53.3	57.3	52.5
Unemployment rate of the population aged 15–64 (%)	16.3	8.2	5.8	9.7	15.3
Share of people with tertiary education aged 25–64 (%)	17.1	17.3	16.4	14.4	12.6
Number of non-financial enterprises per 1,000 people	32	33	34	34	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	999	1,772	1,159	1,234	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	244	201	272	286	n.a.
Share of households with Internet access (%)	47.9	36.8	58.7	51.5	67.8
Share of roads in good condition (%)	31.4	31.4	28.2	28.4	30.5
Cadastral map coverage (%)	12.3	12.3	12.7	15.2	77.7

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–12.8	–13.2	–13.2	–13.5	–14.0
Net migration rate (‰)	–3.2	–2.4	–5.4	–5.0	–5.7
Average grade at the matriculation exam in Bulgarian language and literature	4.19	4.04	3.88	4.04	3.82
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	6.9	10.7	12.4	6.7	5.7
Net enrolment of the population in 5th–8th grade (%)	80.5	80.6	77.5	84.7	82.9
Share of people with health insurance (%)	87.4	89.0	88.6	87.3	87.2
Hospitalizations per 1,000 people	261.5	267.7	276.6	289.4	231.4
Registered crimes against the person and property per 1,000 people	11.9	13.4	12.0	15.0	12.2
Clearance rate for crimes against the person and property from those registered in the current year (%)	43.2	41.5	51.2	44.1	44.7
Share of pending criminal cases from those registered in the current year (%)	11.3	14.5	10.0	8.5	12.4
Share of the population with access to sewerage connected to wastewater treatment plants (%)	34.3	35.1	34.9	35.2	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	7.9	5.0	5.8	4.8	n.a.
Visits to the cinema per 1,000 people	0	0	0	0	0
Visits to the theater per 1,000 people	81	118	301	134	82

Pazardzhik District

► Population (2018)	256,722
► Territory (sq. km)	4456.9
► Number of settlements	117
► Share of urban population (%)	63



The economy of Pazardzhik has been lagging considerably behind other districts with much lower GDP per capita and salaries, alongside low household incomes as well as high poverty and material deprivation levels. Unemployment rates are relatively low but the same can be said of the working age population's employment rate, which means that a considerable part of it remains entirely outside the labor market. To a great extent this is the result of poor education and lack of skills in a considerable portion of the population. The production value is almost half the national average figure and the same can be said of companies' investment activity. In addition, Pazardzhik is doing worse than most districts in EU funds utilization. Despite the highway running through the district, the quality of infrastructural connectivity and the density of the road network remain unsatisfactory. Evaluations of administrative services have been improving in recent years, but their quality remains low.

Similar to demographic tendencies in the rest of the country, those in Pazardzhik remain negative. There are no higher education establishments in the district, while both primary and secondary education have experienced considerable difficulties in the enrolment of school age children. The share of school dropouts is considerable, and so is that of repeaters. Access to healthcare is not particularly difficult, and morbidity is generally low but the high infant mortality in the district is cause for concern. Despite the high workload of the district court, Pazardzhik has one of the speediest judicial systems in the country, and crime detection is high. The last few years have seen a considerable decrease in generated household waste but access to sewerage services connected to wastewater treatment plants remains limited. Museum visits constitute the most active part of cultural life in the district, whereas library visits are half the national average rate.

ECONOMIC DEVELOPMENT



Income and living standard



Labor market



Investment and economy



Infrastructure



Local taxes



Administration



SOCIAL DEVELOPMENT



Demography



Education



Healthcare



Public order and security



Environment



Culture



ECONOMIC DEVELOPMENT ■■

Incomes and living standard ■■

The district of Pazardzhik is lagging far behind most other districts in Bulgaria in economic development. In 2017 GDP per capita was 8,123 BGN or almost half the national average of 14,280 BGN, while its growth pace in recent years has been considerably slower than that of Bulgaria as a whole, especially compared with the neighboring districts of Sofia and Plovdiv. Poor economic development has predictably affected lower salaries in the district: a gross average annual salary of 9,468 BGN versus the national average rate of 12,448 BGN.

Household incomes were also considerably below national average figures: in 2017 they reached an average of 4,592 BGN per household member, or lower by 1,000 BGN (by 22%) than the indicator's national level. Almost a third of the population in the district lives in material deprivation while as much as 41%, or almost twice the national average rate, live below the poverty line.

Labor market ■■■■

In 2018, unemployment in Pazardzhik was 4.7%, slightly less than the average rate for Bulgaria (5.3%); like elsewhere in the country it has been on a gradual decline in recent years. However, that tendency was accompanied by a relatively low general economic activity of the population, while the employment rate of the working age group was barely 63.8%.

The problem of the district's workforce which stands out most clearly is the very low share of active population with tertiary education: only 17.8% or about 2/3 of the country average rate. On the other hand, the share of those with primary and lower education (23.8%) is above the country average. The demographic replacement ratio of the age groups entering (age 15–19) and leaving (60–64) the labor market is also above the national average, which points to a slightly better capacity of the workforce for recovery.

Investment and economy ■■

The fact that Pazardzhik is economically underdeveloped was apparent in its production value, 13,152 BGN/person in 2017 versus 23,764 BGN/person for the country as a whole. However, it has been growing at a slightly faster pace: 76% in a decade compared to the national average of 64%, probably because of the comparatively lower starting point. The number of enterprises registered in the district was also relatively low: 44 non-financial companies per 1,000 people. The district does not boast a particularly vigorous investment activity. In 2017 FTA acquisition expenditure was 1,654 BGN/person – about 2/3 of the national average, albeit with an upward trend. Pazardzhik was also among the districts with the lowest rate of EU funds

utilization: as of mid-2019 it amounted to over 1,000 BGN/person. As of the end of 2017, FDI (1,950 BGN/person) was also below the national average of 1,950 BGN/person.

Infrastructure ■■

Even though the longest highway in the country runs through the district, on the whole, its infrastructure remains inadequately developed. The main reason lies in the low share of highways and first-class roads (15.1%) as well as the total density of the road network (16.3 km/100 sq. km of territory), which is considerably below the average level in the country. Due to its geographic location the district has a well-developed railroad network with a density of 4.2 km/100 sq. km compared to the national average rate of 3.6 km/100 sq. km.

Road quality, measured by the share of roads with surfaces in good condition, (at 41.1% in 2018) was close to the national average, though in recent years it has slowly declined since its peak of 52% in 2015. Broadband Internet coverage has gradually increased to reach about 2/3 coverage of the district according to recent data.

Local taxes ■■■■

The tax environment in the district is one of the most favorable in the country, with most rates below average figures. The annual average license fee for taxi transport in all of Pazardzhik's municipalities is at the minimal level of 300 BGN.

The license tax for retail trade, 8.94 BGN/sq. m a year, is considerably below the national average rate of 12.94 BGN. The average vehicle tax, 1.13 BGN/kW, as well as that on non-residential property of legal entities – 1.80‰ – were both lower. The only tax to surpass average levels was the property transfer tax of 2.74%.

Administration ■■

Despite the significant increase in cadastral map coverage in the whole country, the pace of improvement has been lagging behind in the district of Pazardzhik, as coverage (57.2%) has remained low in the district. The rating for one-stop-shop services is 2.68 out of 5.00, while that for electronic government in municipalities is 2.81 out of 5.00. As for administration transparency, the AIP Rating evaluates it at 68%, below average for the country, though improving significantly relative to previous years.

SOCIAL DEVELOPMENT ■■■■■

Demography ■■■■■

Pazardzhik was among the districts with natural growth rates above the average for Bulgaria (–6.5‰ in 2018); it has retained a relatively stable level between 5 and 6‰ in recent years. The net migration rate in 2018 was also negative (–4.1‰); the two indicators imply a considerably shrinking population in the near future.

Pazardzhik is relatively less urbanized than most other districts: in 2018, 63% of the population lived in cities compared to an average of 74% in the country. However, the population density in urbanized territories was relatively high at 2,113 people/sq. km compared to an average of 1,526 people/sq. km in Bulgaria.

Education ■■■

Though school education has improved significantly in recent years, it still faced considerable difficulties in enrolling children: in 2018 only 82.5% of the respective age cohorts were enrolled (compared to 87% nationally). The low enrolment could explain the high number of teachers, 92 per 1,000 pupils (compared to 84 nationally).

Keeping children at school was also problematic: in 2017 the share of dropouts from primary and secondary education was over 5.29% or higher than the national average rate by more than 3/4. The share of repeaters, 1.17%, was also higher. In view of these figures, the results of 12th grade students at matriculation exams in Bulgarian language and literature surpassed expectations with an average grade in Bulgarian language and literature of 3.95 (versus 4.06 on average in the country). Yet, the share of poor grades (13.5%) was considerably above the national average.

Healthcare ■■■■■

Access to healthcare in the district was quite similar to national average rates: in 2018 there were 1,667 people per GP in Pazardzhik, while a medical specialist was responsible for 512 people. However, the share of people with health insurance was lower, only 85%, while the dynamics of recent years shows no significant improvement in this indicator. The number of beds in general hospitals in the district, 6.7 per 1,000 people, is above the national average rate.

Despite the great number of available beds, hospitals in Pazardzhik are the second least used in the country with only 107 hospitalizations per 1,000 people in 2018, Burgas being the only district with a smaller rate. Though infant mortality in the district shrank considerably to reach 9.1‰ in 2018, that indi-

cator remained considerably higher than other regions; as a result, Pazardzhik ranked third after Pleven and Razgrad.

Public order and security ■■■■■

After Razgrad, Pazardzhik has the speediest justice administration in the country with 96.1% of all criminal cases closed within 3 months. The share of pending cases, 6.6%, is also below average, compared to 8.7% average in Bulgaria in 2018. This high efficiency is all the more remarkable in view of the high workloads of criminal judges in the district: they saw an average of 10.8 cases a month, one of the highest rates in the country.

On the other hand, in 2018 the crime rate in the district was relatively low with 9.1 crimes against the person and property registered per 1,000 people, while the national average rate was 12.1 per 1,000 people. Their detection rate of 59% was also above the national average rate (49%).

Environment ■■■■■

In 2017, generated household waste shrank to reach 338 kg/person annually compared to 750 kg a decade earlier. Although the general tendency in the country was to generate less waste, the pace of improvement was relatively faster in Pazardzhik. A lingering problem was the access and quality of public sewerage: while the share of population in areas with public sewerage (72%) was close to the national average, the district was lagging behind significantly in the share of population with access to sewerage systems connected with wastewater treatment plants – 44% versus the national average of 63%. The amount of harmful emissions in the district, 23 t/sq. km was smaller than the national average rate of 389 t/sq. km in 2017.

Culture ■■■

In 2018 museum visits were the most popular type of cultural activity in the district of Pazardzhik with an annual average rate of 821 per 1,000 people. Theaters, too, attracted relatively little attention with 246 visits per 1,000 people, considerably below the average of 340 visits in the country. Pazardzhik is one of the districts without cinemas. Visits to public libraries were also very few: 310 per 1,000 people versus an average of 650 in the country.

Key indicators for the district of Pazardzhik

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	6,864	7,929	7,493	8,123	n.a.
Average annual income per household member (BGN)	3,570	3,728	4,229	4,592	n.a.
Average annual gross salary per employed person (BGN)	7,650	8,006	8,721	9,468	n.a.
Share of the poor relative to the country poverty line (%)	46.6	43.3	44.0	41.4	n.a.
Economic activity rate of the population aged 15–64 (%)	66.6	65.3	65.3	69	67
Employment rate of the population aged 15–64 (%)	59.6	59.7	60.2	64.6	63.8
Unemployment rate of the population aged 15–64 (%)	10.4	8.6	7.7	6.2	4.7
Share of people with tertiary education aged 25–64 (%)	15.3	16.8	18.8	19.1	17.8
Number of non-financial enterprises per 1,000 people	39	42	43	44	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,512	1,659	1,419	1,654	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	1,762	1,855	1,832	1,950	n.a.
Share of households with Internet access (%)	49.6	50.6	60.7	67.8	67.8
Share of roads in good condition (%)	49.8	51.8	47.0	45.6	41.1
Cadastral map coverage (%)	26.8	26.8	27.1	37.9	57.2

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–5.3	–6.1	–5.8	–7.0	–5.6
Net migration rate (‰)	–4.9	–4.9	–4.9	–4.1	–4.1
Average grade at the matriculation exam in Bulgarian language and literature	4.24	4.21	4.01	3.96	3.84
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	5.8	6.6	14.6	15.3	10.0
Net enrolment of the population in 5th–8th grade (%)	78.9	78.7	77.5	84.2	82.5
Share of people with health insurance (%)	83.6	85.5	85.2	84.4	84.7
Hospitalizations per 1,000 people	152.6	265.8	276.1	318.2	107.2
Registered crimes against the person and property per 1,000 people	10.2	10.1	9.9	9.4	9.1
Clearance rate for crimes against the person and property from those registered in the current year (%)	41.8	46.0	55.4	51.4	59.1
Share of pending criminal cases from those registered in the current year (%)	9.8	6.9	5.1	5.8	6.6
Share of the population with access to sewerage connected to wastewater treatment plants (%)	27.4	44.3	43.8	43.9	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	35.5	32.5	35.6	22.7	n.a.
Visits to the cinema per 1,000 people	0	0	0	61	0
Visits to the theater per 1,000 people	163	154	237	267	246

Pernik District

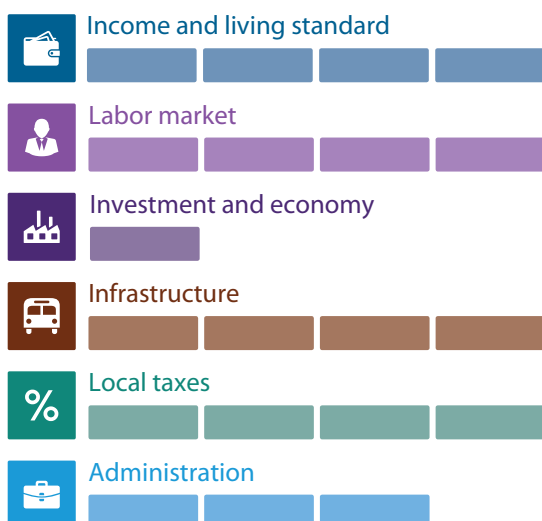
► Population (2018)	121,651
► Territory (sq. km)	2394.2
► Number of settlements	172
► Share of urban population (%)	79



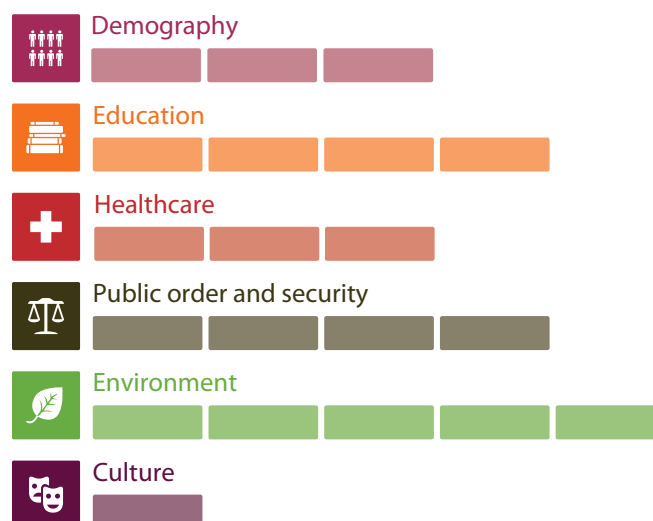
The district's economy has been strongly affected by its proximity to the capital. As a result, Pernik has relatively low production and GDP per capita, though salaries in the districts are close to the average level in the country. Household incomes have already surpassed the average level, which has had a positive effect on indicators of poverty and inequality. The labor market in the district is doing well, too: economic activity and employment have stayed close to national average levels, while the slight rise in unemployment indicates that more and more people are becoming active. Investment activity is at a generally low level in the district, including EU funding absorption. In 2018 infrastructure once again retained a good level but it has experienced little improvement in recent years. The state of the local tax environment as well as that of offered admin-

istrative services is very close to the national average rates. Pernik is one of the districts with the most negative natural population growth rate, which has affected in an exceptionally unfavorable way both population numbers and age structure. On the other hand, there is almost no permanent emigration – probably due to the possibilities for daily commuting to the capital. Education is relatively good, taking into account the great number of teachers as well as enrolled and retained pupils in schools. The provided health services are close to the national average level; the low morbidity may be another consequence of the district's proximity to the capital. Pernik also ranks high in public order and security indicators, particularly where speedy trial process and the small share of pending cases are concerned. The environment in the district is in good condition but cultural life is not too active.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■■

Income and living standard ■■■■

Despite considerable improvement in recent years, Pernik is among the last-ranking districts in the country in GDP per capita. Within a single year, the district's increase in this indicator reached 12%: in 2017, it was 7,735 BGN/person. However, that value was only 54% of the national average rate, with some improvement between 2016 and 2017.

The influence of Pernik's proximity to the well-developed and dynamic labor market of Sofia (capital city) as well as the ensuing labor mobility can be seen in the difference between salaries and household incomes in Pernik versus their respective average levels in Bulgaria. While in the district the salaries of employed people reached 75% of the national average (a nominal gross annual average of 9,321 BGN per annum), in 2017 incomes reached 112% (at 6,269 BGN per household member). The difference is explained by the fact that salary data are based on the place of employment while those of household income are based on the place of residence.

Labor market ■■■■

The labor market in Pernik seems to be in a relatively good condition. In 2018 the annual average employment rate of the population aged 15–64 remained almost unchanged since 2017: a little below the national average, but still the highest value for this indicator in the last 15 years. At the same time, economic activity rose slightly to reach its second highest level for the last decade, overtaking the national average. Against that background, the slight rise in unemployment is not surprising, as it shows an increasingly active working age population looking for employment rather than a deteriorating labor market and/or shedding jobs. The rate reached 7.5% in 2018 – the second lowest figure since 2011, though still above the average of 5.3% for the country.

In 2018 the tendency for increasing the share of economically active population with higher education continued, reaching 23.8%. The most worrisome indicator for the future of Pernik's labor market, however, was the ratio of people aged 15–19 to those aged 60–64. It shows an inability to maintain the size of the workforce: less than one young person for every two senior ones, the only district with a worse ratio in that indicator being that of Smolyan.

Investment and economy ■■

The influence of the capital's economy and the mobility of the workforce is visible in Pernik's investment activity too. In 2017 there were 43 active non-financial enterprises per 1,000 people, a number considerably below the national average of 57; yet their number has registered a slight increase between

2012 and 2016. The absence of any particular investment activity also entailed relatively low FTI acquisition expenditure: in 2017, it amounted to 1,055 BGN/person or over twice lower than that in the country as a whole and three times lower than the 2008 level. The district could hardly boast any particular FDI, either: as of the end of 2017 it amounted to 1,658 BGN/person, about half the national average level with a downward trend for the last three years. As of mid-2019 Pernik was also one of three districts with less than 1,000 BGN per person in utilized EU funds; it is not accidental that the only Bulgarian municipality without a EU-funded project implemented in the new program period was that of Kovachevtsi – a municipality on its territory.

Infrastructure ■■■■

Pernik's infrastructure has remained almost unchanged in the last few years. The district has the second highest-density road network in the country after Gabrovo, 24 km/100 sq. km (with the country average density at 17.9 km/100 sq. km). Still, the share of highways and first-class roads remained unchanged between 2013 and 2017, while the share of road surfaces in good quality deteriorated after 2014. The railroad network also has a relatively high density: 4.8 km/100 sq. km. Household Internet access is below average, too. In recent years there has been an upward tendency, though its pace of catching up is unsteady.

Local taxes ■■■■

Local taxes are among the most favorable in the country and have seen no significant change in recent years. They have stayed relatively lower than national average rates – most visible in the annual license tax for taxi transport in all district municipalities: its rate of 300 BGN is the lowest possible one. The license tax for retail trade is also relatively low and so is that on the non-residential property of legal entities.

Administration ■■■■

Like many other districts, in 2018 the district of Pernik registered a sizeable leap in cadastral map coverage: from 12.4 to 75% of its territory. At the same time, the rating for provided one-stop-shop administrative services went down to 3.01 out of 5.00, whereas that for electronic services at municipal administrations went down to 2.97 out of 5.00. Administration transparency was evaluated by AIP at 63%, below average by 7 p.p., yet it has improved significantly in recent years.

SOCIAL DEVELOPMENT ■■■■

Demography ■■■■

Pernik was among the districts with markedly negative demographic tendencies, particularly in natural population growth. In the last decade the difference between birth rates and death rates seems to have stabilized between –11 and –12‰, yet the rate points to rapid negative changes in terms of both population size and age structure. The net migration rate was less negative (–0.7‰ in 2018) than that in most districts but it, too, contributed to the deteriorating demographic structure in the district. As a result of these two tendencies the age dependency ratio points to a relatively fast ageing of the population: in 2018, there were 4 retirement age persons per 10 working age persons (versus 3 at the beginning of the decade). Another fact worth noting in the district of Pernik is its relatively high share of urban population (79%), while the density of its population is among the lower densities in the country.

Education ■■■■

Although there is a university in the district of Pernik, there is only 1 student per 1,000 people on its territory. This downward trend has continued between 2014 and 2018, which shows little interest in the university and/or a relatively low quality of the education offered. The proximity to the capital, where the greater part of national university infrastructure is concentrated, may once again be a key factor in this respect. The quality of school education, on the other hand, is close to the average levels for the country; the district of Pernik has one of the highest rates of teachers per 1,000 pupils: 90 versus the national average of 84 per 1,000. In recent years, enrolment and keeping children at school has improved considerably; in 2018 the enrolment rate in primary education was 91% compared to 77% in 2013. The share of repeaters also went down significantly from 0.7% in 2016 to 0.3% in 2018. However, there has been an increase in the share of dropouts from primary and secondary education in the last two years. Results at the last matriculation exam in Bulgarian language and literature were almost identical to the national average figures, while the share of poor grades was slightly lower: 7.5% versus 8.7%.

Healthcare ■■■■

Pernik is one of the districts with relatively favorable healthcare conditions. The ratio of population to a GP is below the national average rate, though Pernik is among the districts with the lowest number of medical specialists in the country (611 people per specialist doctor), probably because of the easy access to specialized health services in Sofia (capital city). There has been no change in the share of people with health insurance (about 89–90% of the population) in recent years.

In 2018 the district had the second lowest hospitalization rate in general hospitals – as few as 109 per 1,000 people, but that fact could be attributed to the closeness to the far more developed health infrastructure in the capital. The infant mortality rate in the district was relatively stable between 2013 and 2017 but in 2018 there was a sharp increase.

Public order and security ■■■■

Justice administration is relatively speedy in the district of Pernik with 94% of criminal cases closed within 3 months. Pending criminal cases (5.4% of all cases), on the other hand, are considerably below the average rate for the country (8.7%). That could be due to the low workloads of judges: they work an average of 4.9 criminal cases per month – only Targovishte has lower workloads (3.5 cases per month). Though crimes against the person and property are slightly above average in the district (13.7 per 1000 people in 2018), the tendency has been downward during the last few years. At the same time, crime detection rates went up in 2018 with almost half the crimes against the person and property being detected versus less than a third in 2012.

Environment ■■■■

Between 2009 and 2017 household waste in Pernik shrank almost four times in quantity: from 1,772 to barely 416 kg/person annually. That process went parallel to improving air purity, with carbon dioxide emissions dropping from 298 t/sq. km in 2011 to 228 t/sq. km in 2017. The shares of people with access to public sewerage and those with sewerage connected to wastewater treatment plants have remained almost unchanged since the beginning of the decade, with Pernik ranking above average in both indicators.

Culture ■■

Culture is one of Pernik's greatest weak points. In recent years, interest in theaters has been gradually dwindling with the number of visits shrinking to 15 per 1,000 people – the worst result among districts which have a theater, compared to the average rate of 340 for Bulgaria. The interest in libraries and museums is also low in the district with an average of 317 and 253 visits per 1,000 people, respectively. This modest cultural life can once again be attributed to the proximity of Sofia, which offers a far richer and more attractive cultural life.

Key indicators for the district of Pernik

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	5,936	6,021	6,895	7,735	n.a.
Average annual income per household member (BGN)	5,941	6,093	5,941	6,269	n.a.
Average annual gross salary per employed person (BGN)	7,063	7,514	9,449	9,321	n.a.
Share of the poor relative to the country poverty line (%)	19.1	20.3	15.9	11.9	n.a.
Economic activity rate of the population aged 15–64 (%)	71.0	72.7	70.7	71.4	72.1
Employment rate of the population aged 15–64 (%)	61.6	62.5	61.9	66.5	66.7
Unemployment rate of the population aged 15–64 (%)	13.1	14.0	12.4	7.2	7.5
Share of people with tertiary education aged 25–64 (%)	17.8	22.5	18.6	19.9	23.8
Number of non-financial enterprises per 1,000 people	40	41	43	43	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	992	1,333	1,301	1,055	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	1,713	1,436	1,497	1,658	n.a.
Share of households with Internet access (%)	52.8	53.0	57.2	67.9	67.7
Share of roads in good condition (%)	49.5	49.2	47.0	46.7	46.7
Cadastral map coverage (%)	4.5	4.5	4.5	12.4	75.0

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–11.2	–12.5	–11.6	–12.4	–11.9
Net migration rate (‰)	–1.7	–0.1	–1.9	1.4	–0.7
Average grade at the matriculation exam in Bulgarian language and literature	4.25	4.12	4.06	4.17	4.03
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	5.6	8.1	8.3	9.0	6.4
Net enrolment of the population in 5th–8th grade (%)	76.7	78.9	80.3	90.5	90.7
Share of people with health insurance (%)	88.6	90.0	89.8	89.3	89.7
Hospitalizations per 1,000 people	99.3	97.6	106.1	108.6	109.0
Registered crimes against the person and property per 1,000 people	14.0	15.4	14.2	13.9	13.7
Clearance rate for crimes against the person and property from those registered in the current year (%)	30.6	31.1	42.6	45.5	47.9
Share of pending criminal cases from those registered in the current year (%)	10.0	6.5	5.9	4.9	5.4
Share of the population with access to sewerage connected to wastewater treatment plants (%)	74.1	73.9	73.7	74.0	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	292.8	261.3	256.0	228.4	n.a.
Visits to the cinema per 1,000 people	0	0	0	0	0
Visits to the theater per 1,000 people	55	83	152	61	15

Pleven District

► Population (2018)	242,295
► Territory (sq. km)	4653.3
► Number of settlements	123
► Share of urban population (%)	67



Despite the labor market improvement and the relatively good education structure of the work force, economic growth in the district of Pleven has remained lower than the average rate for the country, which leads to further lagging behind. In 2017 foreign investment in the district recovered after the four-year-long low reached in 2016, but remained considerably lower than national average figures. No highway runs through the district, while first-class roads make up only 12.2% of the total road network, a fact entailing a low rating in infrastructural development. Local tax levels in the district of Pleven are considerably higher than in the rest of North-western Bulgaria, especially those for real estate. At the same time, the quality of administrative services is relatively high, while municipal administrations have good ratings in transparency. Pleven is the district with the best demographic indicators in

North-western Bulgaria. Yet, many of them remain way below the national average levels – to a great extent they resemble tendencies in Vratsa, Vidin, Montana, and Lovech. From 2008 through 2019 there was not a single year with above average results of the district's 12th graders at the matriculation exam in Bulgarian language and literature. The district has strong traditions in healthcare with its easy access to both GPs and medical specialists – the best one in the country. Though crime rates are slightly above average, the tendency seems positive; in 2018, the district registered a record low rate in terms of number of crimes to the population. Most indicators of the environmental conditions in the district of Pleven were close to those typical of the whole country. As far as cultural life is concerned, the only favorable trends noticeable were those in visits to local theaters.

ECONOMIC DEVELOPMENT



Income and living standard



Labor market



Investment and economy



Infrastructure



Local taxes



Administration



SOCIAL DEVELOPMENT



Demography



Education



Healthcare



Public order and security



Environment



Culture



ECONOMIC DEVELOPMENT ■■■

Incomes and living standard ■■■■

Economic growth in the district of Pleven remains lower than the national average rate, which entails further lagging. In 2017 GDP per capita in the district amounted to only 55% of the national average, while in the years before 2006 the rate had been close to 70%. The annual average gross salary of 9,401 BGN was relatively higher (versus 75% of the national average level), while its annual average income per household member – 5,774 BGN – even surpassed that for Bulgaria as a whole. However, the relative share of the population living below the poverty line reached 30.3% versus the country average of 22%.

Labor market ■■■■

The improvement in the district's labor market continued in 2018. The economic activity of the population aged 15–64 reached a district record of 70.1%; the process was accompanied by increase in employment for this age group to 64.4% as well as decrease in unemployment to 8.2%. Though the district's performance in each of these three indicators was below country average, the difference has diminished gradually – something that distinguished Pleven sharply from the other districts in North-western Bulgaria.

The local population's educational structure was also relatively favorable, though the share of people with tertiary education (at 28.1%) went on lagging behind the national average figure by 4 p.p. The relative share of people with primary or lower education followed the national trend of gradual decline but has remained above average.

Investment and economy ■■■

Pleven was not among the districts attractive to foreign investors. In 2017 cumulative FDI rose in the district for the first time after several years of decline and a four-year low in 2016, but remained considerably lower than the national average: 920 EUR/person compared to 3,459 EUR/person nationwide. The district achieved comparatively better results in EU fund utilization with cumulative payments as of mid-2019 per person approaching national average levels. Utilization of funds per person was highest in the municipalities of Belene and Dolna Mitropoliya, and lowest in those of Gulyantsi, Levski, and Pordim.

Company FTA investments peaked in 2015 at 498 m BGN or 1,992 BGN/person, and in 2017 they shrank considerably to go below those in the neighboring district of Vratsa. In 2017

production value in the district of Pleven reached 11,533 BGN/person, or twice lower than the national average.

Infrastructure ■■

The district is characterized by below-average road density, whereas its railroad density is above-average. There is still no highway running through the district, while first-class roads make up barely 12.2% of its road network's total length. Between 2016 and 2018 road surface quality shrank from 40.5 to 33.6% (versus 41.5 to 40.5% for the country as a whole). There were only three districts with more rapidly deteriorating road surface quality in this period: Shumen, Stara Zagora, and Lovech.

Only 63.3% of households in the district have internet access; this is the sixth lowest share in the entire country where the average level is 72.1%.

Local taxes ■■

Local tax rates in the district of Pleven are considerably higher than their levels in the rest of North-western Bulgaria. Real estate taxes on legal entities are particularly high: an average of 2.87‰ for the district compared to 1.95‰ for the country. The same is valid for the property transfer tax: 2.81% versus a national average level of 2.52%. What seems worth noting, however, is the fact that there have been no particular changes in local tax levels in the last five or six years.

The only rates considerably lower than average levels are the license fees for retail trade and taxi transport.

Administration ■■■■

In 2018 cadastral map coverage reached 68.5% of the district's territory, which was below the national average rate of 72.4%. Though the local administration raised significantly its self-rating for readiness to provide one-stop-shop services to individuals and businesses, the development of electronic services remained below average.

Municipalities in the district of Pleven got relatively high ratings in the most recent edition of AIP's Active transparency rating, reaching 75% versus the national level of 70.7%. The highest ratings were given to the municipalities of Dolna Mitropoliya (90%) and Pleven (82%), whereas the lowest went to Levski (39%).

SOCIAL DEVELOPMENT ■■■■

Demography ■■■

Although Pleven got the highest rating in this category among all the districts in North-western Bulgaria, a number of indicators place it closer to the neighboring districts than to the national average levels. Between 2001 and 2018 the district's population declined by 26%, while the general decline in the country was 11.2%.

In 2018 Pleven registered its least favorable natural population growth rate up to that point (−10.8‰). Population age structure keeps deteriorating, partly due to the high negative net migration rate. In 2018, 66.9% of the population lived in cities (versus 73.6% nationally).

Education ■■■

School education in the district of Pleven is characterized by a relatively high net enrolment rate of the population in 5th–8th grade as well as a declining share of repeaters. At the same time, in the 2017/2018 school year the share of school drop-outs went up to 3.58%, the highest figure for the district in the last decade, while the national average repeater rate was 2.98%.

From 2008 through 2019 there was not a single year in which the results of the district's 12th graders at the matriculation exam in Bulgarian language and literature were better than the national average ones. The same can be said of both the grades received and the relative share of failed marks at the exam. In 2019, 14.3% of 12th graders got grades below "average 3.00" (versus 8.7% in Bulgaria).

Pleven is one of the few districts in the country which saw a lasting increase in the number of university students: it doubled between 2012 and 2018 to reach 3,255 people. Still, in terms of its overall population, the share of students remained 2.5 times below the country average.

Healthcare ■■■■■■

Pleven is a district with strong traditions in healthcare. It has the most favorable shares of both GPs (1 GP for 1,205 people) and medical specialists (one doctor for 327 people). One more indicator where the district ranks first in the country is the number of beds in general hospitals: 9.07 beds per 1,000 people versus the national average rate of 5.34 beds per 1,000 people.

In 2018 the share of people with health insurance was 90.3% of the district's population (compared to an average of 87.9% in Bulgaria). In 2018, the number of hospitalizations in local general hospitals, 254 per 1,000 people (versus the national average at 171 per 1,000 people), remained high. The district continued to register relatively high infant mortality rates: in 2018, the latter was 11.3‰ or almost twice the national average rate.

Public order and security ■■■■■■

Although the crime rate in the district of Pleven was slightly higher than the national average rate, there seemed to be a positive tendency for it to decline: the levels registered in 2018 (13 crimes per 1,000 people) have been the lowest up to that point in the district. Crime detection went up for the third year in a row to reach 54.5%, the district's highest level since 2005, versus the average level in the country at 48.9%.

Though criminal judge workloads at the District court were slightly higher than the national average rate, the efficiency of the judicial system was relatively high. In 2018, only three other districts had higher shares of cases closed within 3 months than Pleven's share of 96%. In terms of pending cases, Pleven's share of 0.6% was also below the national average rate of 8.7%.

Environment ■■■■

Most indicators on environmental conditions in the district of Pleven are close to the national average levels. Generated household waste per person went up to 344 kg/person, which was still below the national average amount of 435 kg/person.

In 2018, 56.6% of the district's population lived in areas with public sewerage, while 52.9% of it was connected with wastewater treatment plants. These indicators have shown a noticeable lagging behind the national average figures: 76.0% versus 63.4%, respectively.

In 2017 the carbon dioxide emissions into the atmosphere decreased almost three times in comparison with the levels of 2016; the registered value of 56.9 t/sq. km territory is almost six times lower than the country average.

Culture ■■■

Cultural life in the district of Pleven is characterized by relatively low intensity. Only museum visits achieved levels above the national average ones: 796 visits per 1,000 people compared to 724 visits on average for the country.

A positive tendency was noticeable in theater visits where the number of registered visits rose to the record 50 thousand in 2018. Both theaters and cinemas, however, registered rates lower by 38 to 39% relative to national average levels. The lagging behind national average rates was even bigger in terms of visits to local libraries (45%), though 2018 was a record high year for the district in terms of this particular type of cultural institutions.

Key indicators for the district of Pleven

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	6,734	7,039	7,300	7,884	n.a.
Average annual income per household member (BGN)	5,043	5,645	5,666	5,774	n.a.
Average annual gross salary per employed person (BGN)	7,400	7,892	8,630	9,401	n.a.
Share of the poor relative to the country poverty line (%)	22.9	23.6	20.1	30.3	n.a.
Economic activity rate of the population aged 15–64 (%)	63.7	67.5	66.5	69.2	70.1
Employment rate of the population aged 15–64 (%)	58.0	61.2	59.5	61.7	64.4
Unemployment rate of the population aged 15–64 (%)	9.0	9.2	10.6	10.5	8.2
Share of people with tertiary education aged 25–64 (%)	23.6	24.5	24.1	24.5	24.1
Number of non-financial enterprises per 1,000 people	37	39	39	39	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,473	1,992	1,238	1,388	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	1,191	1,130	750	920	n.a.
Share of households with Internet access (%)	43.8	54.5	50.3	56.9	63.6
Share of roads in good condition (%)	39.0	39.0	40.5	36.7	33.6
Cadastral map coverage (%)	10.0	10.8	12.5	18.5	68.5

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–10.0	–10.0	–9.8	–10.2	–10.8
Net migration rate (‰)	–4.0	–4.9	–5.7	–5.8	–5.0
Average grade at the matriculation exam in Bulgarian language and literature	4.10	4.01	3.96	3.98	3.71
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	7.9	10.2	14.7	13.5	11.5
Net enrolment of the population in 5th–8th grade (%)	82.9	80.4	82.9	89.2	88.6
Share of people with health insurance (%)	89.5	90.8	90.8	90.0	90.3
Hospitalizations per 1,000 people	235.9	323.2	325.2	352.5	254.2
Registered crimes against the person and property per 1,000 people	15.7	16.0	14.5	16.3	13.0
Clearance rate for crimes against the person and property from those registered in the current year (%)	39.2	36.3	48.5	51.6	54.5
Share of pending criminal cases from those registered in the current year (%)	11.0	8.1	5.8	8.1	6.0
Share of the population with access to sewerage connected to wastewater treatment plants (%)	41.3	49.8	52.7	52.9	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	56.7	44.2	162.4	56.9	n.a.
Visits to the cinema per 1,000 people	388	511	507	509	434
Visits to the theater per 1,000 people	138	172	142	157	206

Plovdiv District

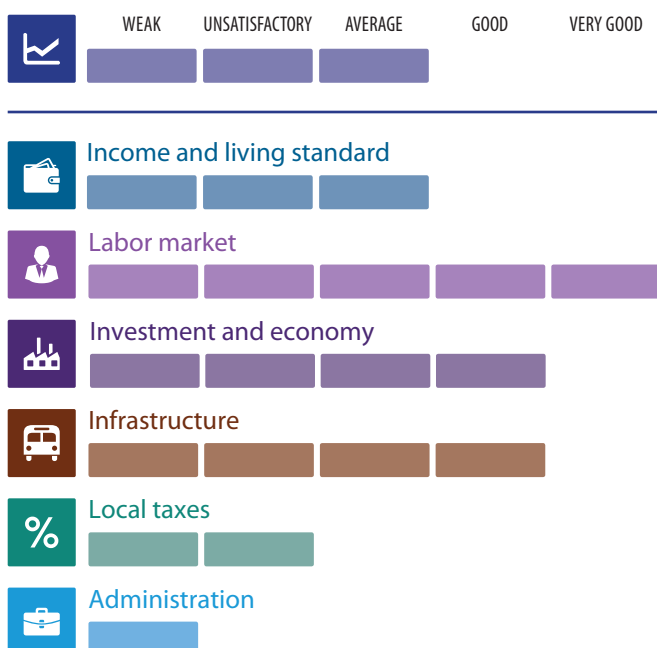
► Population (2018)	669,065
► Territory (sq. km)	5972.9
► Number of settlements	224
► Share of urban population (%)	76



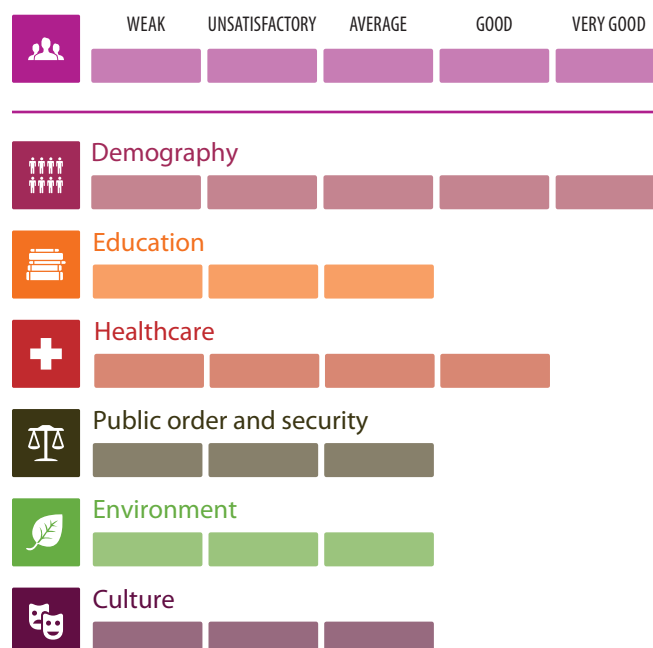
The labor market in Plovdiv offers some of the best conditions in the country; unemployment is low and employment is high. Both indicators have improved significantly in recent years, contributing to the district's superior performance in comparison with other districts. However, the district still has lower average income than other leading economic centers while the indicators for poverty and material deprivation are close to the average. Investment, especially in the industrial sphere, has been considerable in recent years, which is visible in the high levels of both FDI and FTA acquisition expenditure. However, EU fund utilization is relatively poor in comparison with other districts. Plovdiv also has a relatively good infrastructure, especially in railroad transport and high quality of roads. However, the high rates of local taxes in municipalities, as well as the relatively low quality of the services offered by their administrations continue to be problematic. From the perspective of demographic indicators, Plovdiv has

been performing very well during the entire post-crisis period: the district has enjoyed positive net migration, while its population is more urbanized than that in many other districts. The education system experiences some difficulties in student enrolment and the relatively high share of dropouts, but the results of 12th graders at matriculation exams are among the best in the country. There are quite a few physicians in Plovdiv, both GPs and specialists, but the district has a relatively high morbidity rate and an infant mortality rate that is cause for concern. The judicial system is characterized by relatively speedy process and a crime detection rate close to the national average level. The amount of household waste generated by residents is high, but despite the development of industry, the district registered a relatively low carbon dioxide emission rate. Excluding cinema visits, interest in other cultural events is relatively low.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■■

Incomes and living standard ■■■■

The last five years saw a relatively fast growth in GDP per capita in Plovdiv, which reached 12,112 BGN/person in 2017. Though the district remained below the national average level, the difference kept slowly shrinking. Salaries grew faster than GDP and the annual average gross salary reached 10,771 BGN in 2017, or about 87.6% of the national average of 12,448 BGN.

Despite some significant improvement in recent years, Plovdiv has remained one of the districts with a relatively high share of the population living in material deprivation, 23% in 2018 compared to an average of 21% in Bulgaria. At the same time, thanks to the good conditions on the labor market, the share of population living below the poverty line was less than 20%, considerably less than the national average rate of 22% with a tendency to improve in recent years.

Labor market ■■■■■■

The vigorous development of the processing industry in Plovdiv has led to a very good performance in the labor market since the crisis. In 2018 the unemployment rate reached 3.6%, considerably less than the national average rate of 5.3%, and registered an impressive decline from the 13.4% of only five years earlier. On the other hand, the higher employment rate of 69.9% of the working age population in 2018, was quite close to the national average rates. The reason is the share of inactive people, still high, especially among the young, who have so far remained outside the labor market.

The share of working age population with higher education is also below average: 27% for the age group 25–64, though in view of the industrial profile of Plovdiv this is not such a big hindrance as it is in other districts. The demographic replacement ratio is also slightly more favorable than the average ratio: 68 versus 65%; still, in the medium term, the district will be facing problems with the renewal of the work force.

Investment and economy ■■■■■■

Predictably, Plovdiv was among the districts with the highest FTA acquisition expenditures in 2017: 2,511 BGN/person, with only Sofia, Varna, and Burgas ahead of it. Similarly, the district attracted relatively large foreign investments, which reached a cumulative value of 2,825 BGN/person to rank the district seventh in the country. The amount of payments from EU funds was relatively smaller at 1,426 BGN/person versus the national average rate of 1,803 BGN/person.

Thanks to higher value-added industry Plovdiv had above-average production value of 24,260 BGN/person in 2017; that indicator was double its 2009 value. The decidedly industrial focus of the local economy can also be seen in comparison with other districts: Sofia and Burgas are the only districts with

registered higher production figures. The greater number of companies in the district are larger in size, though relatively fewer in number: 56 per 1,000 people of the population.

Infrastructure ■■■■■■

The road network in the district of Plovdiv is slightly less dense than the national average level: 17.1 km/100 sq. km compared to the country average of 17.9 km/sq. km. On the other hand, there are numerous railroads passing through its territory: the density of its railroad network reached 5.4 km/100 sq. km in 2017, when the only districts with higher densities were Ruse and the capital. Although the Trakiya highway passes through the district, the share of first-class roads and highways is relatively low: 17.5%.

However, a little over half (50.3%) of the district's roads are in good condition, with a tendency for this share to increase in recent years, while the national average rate is slightly over 40%. The share of households with access to broadband Internet increased considerably in 2018 to reach the above-average 74.4%.

Local taxes ■■■■

Municipalities in the district of Plovdiv have relatively high tax rates. In 2018, the annual average tax rate for taxi transport in them was 559 BGN, almost twice the legal minimum of 300 BGN. The rate of the retail trade patent tax of 13.1 BGN/sq. m was close to the national average rate. 2018 registered a slight decline of the average tax rate for motor vehicles to 1.39 BGN/kW.

The property transfer tax of 2.5% remained unchanged; that was the only type of tax for which Plovdiv registered a value below the national average rate of 2.52%. The tendency in real estate tax was also upwards; the rate for legal entities was 2.01% in 2018.

Administration ■■■■

Unlike most districts, Plovdiv did not register a particular increase in cadastral map coverage. In 2018, it reached 33.7%, considerably lower than the national average rate of 72.4%. Among the administration quality indicators only the transparency of local government is above average – at a 75% rate in the AIP Active transparency rating. The district is lagging behind in both electronic government (self-evaluation 2.7 out of 5.00) and in one-stop-shop services offered (2.7 out of 5.0), though the self-evaluation of municipal administrations has been improving.

SOCIAL DEVELOPMENT ■■■■■

Demography ■■■■■

Plovdiv is one of six districts in Bulgaria to enjoy positive migration processes with only three districts having higher net migration rates. In 2018, Plovdiv's rate was 3.1‰; it has remained positive during the entire post-crisis period. Similar to all other districts, the natural population growth rate was negative, though slightly above the national average rate (−5.2‰ versus −6.5‰).

In addition, one of the demographic peculiarities of Plovdiv is the higher concentration of population in towns: 76% live in urban areas with density of 2,512 people/sq. km – a figure rivalled only by the density in the capital and Sliven.

Education ■■■■

Plovdiv has a considerably smaller number of teachers in secondary education than the country as a whole: an average of 78 teachers per 1,000 students, versus 84 per 1,000 nationally. However, that rate has been improving gradually in recent years. The smaller number of teachers has not affected the achievements of students in the district: they have traditionally earned some of the highest grades in the country at matriculation exams. Their average grade at the exam in Bulgarian language and literature for the school year 2018/2019 was 4.25: only Varna and Sofia had higher average grades. The share of fail grades was only 7.2%, though it showed a rising tendency.

What gives cause for greater concern is the high share of drop-outs from secondary education, almost 4% versus less than 3% on average in the country. On the other hand, the enrolment rate in primary education of 88.6% is slightly above the national average rate. Thanks to the 9 universities in the district, the number of university students is high, too: 51 per 1,000 people, higher concentration is observed only in Sofia and Veliko Tarnovo.

Healthcare ■■■■■

The district has had a relatively easier access to physicians: in 2018, there were 1,571 people per GP and 373 people per medical specialist, with both indicators sustaining stable values over time. Beds in general hospitals were also relatively numerous in 2018: 7.8 per 1,000 people (versus 5.34 for the country as a whole).

The coverage of healthcare insurance is similar to that in the rest of the country: 87.1% of the district's population has health insurance. What should be noted, though, is the rela-

tively higher morbidity in the district: in 2018, 229 patients per 1,000 people went to hospital in Plovdiv, while in preceding years the indicator went over 400 patients – probably because of the high quality of healthcare services relative to neighboring districts. Infant mortality was also a little higher at 7.9 per 1,000 babies versus the national rate of 5.8.

Public order and security ■■■■

Plovdiv is characterized by relatively good indicators for the efficiency of justice administration with the share of criminal cases closed within 3 months at 93.9% in 2018 versus the national average of 90.2%. Pending cases were only 6.5% of all the cases seen during that year despite the judges' relatively higher workloads of 11 cases a month.

Registered crimes against the person and property were also below national average: 8.6 per 1,000 people in 2018 with a downward tendency. During the last year the crime detection rate was on the rise with 48% detected crimes.

Environment ■■■■

Though it was far from a top-ranking position, the district of Plovdiv generated a relatively high quantity of household waste: 526 kg/person annually in 2017 compared to only 356 kg/person in 2011. Thanks to the high urbanization, the shares of population with access to sewerage connected with wastewater treatment plants (66.5%) and that in urban areas with public sewerage systems (81.4%) were higher than national average levels. Another interesting fact is that despite its markedly industrial focus the district generated a relatively small quantity of carbon dioxide in 2018: 124.4 t/sq. km, more than three times lower than the average emissions in the country as a whole.

Culture ■■■■

In 2018 cinemas in the district enjoyed a relatively high rate of visits: 874 visits per 1,000 people. The popularity of theaters was lower with 243 visits per 1,000 people compared to an average of 340 in the country the same year. Neither libraries with 257 visits versus the national average of 650, nor museums with 448 visits versus 738 per 1,000 people nationally had very high visit rates.

Key indicators for the district of Plovdiv

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	9,295	10,173	11,222	12,112	n.a.
Average annual income per household member (BGN)	4,410	4,300	4,381	5,093	n.a.
Average annual gross salary per employed person (BGN)	8,504	9,084	9,911	10,771	n.a.
Share of the poor relative to the country poverty line (%)	19.9	22.6	22.7	19.9	n.a.
Economic activity rate of the population aged 15–64 (%)	71.7	68.8	66.5	73.6	72.5
Employment rate of the population aged 15–64 (%)	62.2	62.1	62.0	70.1	69.9
Unemployment rate of the population aged 15–64 (%)	13.1	9.6	6.8	4.7	3.6
Share of people with tertiary education aged 25–64 (%)	25.1	25.4	25.2	26.7	20.3
Number of non-financial enterprises per 1,000 people	52	54	56	56	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	2,422	2,637	2,579	2,511	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	2,284	2,368	2,574	2,825	n.a.
Share of households with Internet access (%)	45.0	61.7	68.4	76.2	74.4
Share of roads in good condition (%)	44.5	47.1	47.6	48.7	50.3
Cadastral map coverage (%)	24.4	24.4	24.6	36.6	33.7

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–4.3	–4.9	–5.1	–5.1	–5.2
Net migration rate (‰)	0.5	1.4	2.6	2.5	3.1
Average grade at the matriculation exam in Bulgarian language and literature	4.34	4.31	4.27	4.33	4.19
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	4.6	7.0	8.6	6.3	4.8
Net enrolment of the population in 5th–8th grade (%)	78.8	78.0	77.7	89.3	88.6
Share of people with health insurance (%)	87.2	88.4	87.7	87.1	87.1
Hospitalizations per 1,000 people	242.2	412.1	408.0	410.0	228.6
Registered crimes against the person and property per 1,000 people	10.6	10.3	9.1	9.3	8.6
Clearance rate for crimes against the person and property from those registered in the current year (%)	34.4	37.8	54.5	45.4	48.5
Share of pending criminal cases from those registered in the current year (%)	14.6	5.4	5.2	6.2	6.5
Share of the population with access to sewerage connected to wastewater treatment plants (%)	54.9	64.1	65.8	66.5	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	131.7	137.0	43.8	124.4	n.a.
Visits to the cinema per 1,000 people	808	869	967	997	874
Visits to the theater per 1,000 people	299	259	246	232	243

Razgrad District

► Population (2018)	112,972
► Territory (sq. km)	2639.7
► Number of settlements	119
► Share of urban population (%)	47



Within the studied period, Razgrad is the district with the poorest economic development. Though the district's average income is far from the lowest in the country, labor market recovery from the crisis has been lagging behind the rest of Bulgaria. Vratsa is the only district with lower employment, while the workforce in Razgrad is characterized by a very high share of people with primary or lower education. In the district there are relatively few active companies; foreign investment attracted is not very high. Infrastructure quality is quite low, too, especially in terms of road quality. Local taxes are close to country average, and ratings for the administrative services offered by the district's municipalities are generally among the lowest. Though better than economic indicators, Razgrad's social indicators are not encouraging, either. The natural growth rate and the net migration rate of the district's population are

negative, exhibiting trends less favorable than the national average level, whereas the age dependency ratio suggests an ageing population. The district is among the least populated ones in the country, as its population lives mainly outside urban areas. Enrolment in the educational system is relatively good but the share of dropouts is high and 12th graders do not achieve good results at matriculation exams: 15% of them fail at those exams. Razgrad is among the districts with most difficult access to healthcare; infant mortality rates are twice the national average. The district has one of the most efficient judicial systems in the country and crime detection in it is among the highest. Access to public sewerage is also relatively low as a consequence of the low percentage of urban population. The district is characterized by above-average interest in theaters but libraries, cinemas, and museums report relatively few visits.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■

Incomes and living standard ■■■

Regardless of its growth in recent years, Razgrad has remained among the districts with relatively low GDP per capita: 8,985 BGN/person as compared to the national average rate of 14,280 BGN/person in 2017. The average salary registered a more significant rise, reaching in 2017 a gross 10,453 BGN per annum or 84% of the annual average of 12,448 BGN, twice higher the 2008 level in the district.

An increase in household incomes was also noticeable in 2017 when they reached an annual average of 4,408 BGN per household member. Nevertheless, the income of about 24% of the population has remained below the national poverty line while the share of people living in material deprivation was approximately a quarter – considerably higher than the average rate in Bulgaria.

Labor market ■

Despite certain positive changes since the record lows reached after the 2008–2009 economic crisis, the labor market in Razgrad has performed worse than most regions in the country. Unemployment in the district shrank to half of its 2011 level, reaching 11.1% but the latter is still two times higher than the average rate for the country and 4 to 5 times higher than that in leading economic centers. At the same time, in 2018 the employment rate was the second lowest in the country: 56.2%, with the only lower one being that of Vratsa; thus the difference from the national average rate was over 10 p.p. As a result, the population's total economic activity has remained low, too: 63.2% versus 71.5% nationwide.

The educational characteristics of the workforce are not inspiring, either: only 20% of the economically active population have tertiary education, which is far from the lowest share in the country, but those with primary or lower education are 36.6%, which gives the district the last place in that indicator.

Investment and economy ■■

As the greater part of the district's active economy is concentrated in the processing industry and agriculture, the number of enterprises in Razgrad is relatively small, only 37 per 1,000 people compared to an average of 57 in Bulgaria. On the other hand, FDI volume was relatively high, reaching 1,331 EUR/person. Though that value was almost half the national average rate, Razgrad's performance was better than that of many other districts with similar types of economic activity.

In recent years, FTA acquisition expenditure has increased, reaching over 1,600 BGN/person in 2018. Utilization of EU

funds improved considerably: from 261 BGN/person in 2014 to 1,463 BGN as of mid-2019.

Infrastructure ■

Razgrad has a slightly higher road density than the country as a whole: 19.2 km/100 sq. km of the territory versus the national average rate of 17.9 km/100 sq. km. On its part, the railroad network is close to the density registered nationwide, 3.5 km/100 sq. km of the territory. However, almost the entire network consists of second or lower class roads, whereas only 11.1% of those are first-class or better. By comparison, this share is 18.4% in the country as a whole. Road quality is also much worse; according to NSI data, only 21% of roads are in good condition compared to a little over 40% nationally. In recent years there has been a significant improvement in Internet access in Razgrad: in 2018, it reached 63.3% of households compared to only 11.6% a decade ago.

Local taxes ■■■

Local tax rates in Razgrad's municipalities gravitate towards the average values for the country as a whole. The annual average license fee for taxi transportation in the district is 326 BGN or close to the minimum level of 300 BGN. The annual retail trade license fee for sales space of up to 100 sq. m was also lower: 9.17 BGN/sq. m for best location compared to 12.94 BGN/sq. m on average for the country as a whole. On the other hand, the tax rate for non-residential property of legal entities is slightly higher, 2.09‰ in 2018. The motor vehicle tax of 1.34 BGN/kW has also been above the national average rate, though with a downward tendency in recent years.

Administration ■

In recent years the tendency in most districts has been to increase cadastral map coverage. However, the cadastral map of Razgrad remained rather underdeveloped, covering only 32.8% of its territory. The average levels of self-assessment of local administrations remain low both in one-stop-shop administrative services offered (2.37 out of 5.00) and in electronic services (2.55 out of 5.00). The AIP Active transparency rating of local administrations in the district is relatively high: an average of 76% compared to 71% in the country as a whole.

SOCIAL DEVELOPMENT ■■

Demography ■■■■

Similar to all districts in Bulgaria, Razgrad's natural growth rate is negative and lower than the national average rate (−8.7‰ versus −6.5‰). In recent years there has been a tendency for the gap between birth rate and death rate to grow wider. Negative immigration processes have also contributed to the rapid decline of the district's population; in 2018, the net migration rate was −4.5‰, yet the tendency observed was for shrinking the difference between the numbers of settlers and leavers.

The low population density is another specific feature of the district; even in urban areas it is only 854 people/sq. km or almost half the national average rate. Razgrad is also among the districts with the smallest share of urban population: only 47% of the district's inhabitants live in cities, while the only district with a lower rate in this indicator is Kardzhali. The age dependency indicators also point to negative demographic processes but in this respect Razgrad's figures are similar to the country average figures.

Education ■■

The only institution to offer higher education in Razgrad is a branch of Ruse University, which explains the small number of students in the district: in 2018, there were 2 college students per 1,000 people (versus the national average rate of 30). School education was successful in enlisting 89% of children in the primary education age cohort; the relative share of repeaters was relatively low but dropouts constituted a relatively high share of school pupils: 3.7%.

Razgrad also had numerous teachers, an average of 88 per 1,000 pupils in primary and secondary education, which is predictable in view of the predominantly rural population in the district. Results at matriculation exams were poorer compared to almost all other regions. At the exam in Bulgarian language and literature for the 2018/2019 school year the average grade was 3.80, while poor grades were almost 15%.

Healthcare ■■

Access to healthcare is difficult in Razgrad: only Kardzhali and Targovishte have more people per GP. In 2018 these were the only three districts to go over 2,000 people per GP. The situation is slightly more favorable concerning medical specialists, though in this respect, Razgrad was again lagging behind national rates with an average of 543 people per doctor. Another sign of difficult access is the small number of beds in general hospitals, 5 per 1,000 people, though in this indicator differences from other districts are not so big.

At the same time, the healthcare system provides good coverage: 94.3% of the population have health insurance. In 2018

general hospitals in Razgrad received for treatment 222 people per 1,000: a rate that saw no change in the last decade. The infant mortality rate of 10.6‰, however, is cause for concern: not only is it twice the national average rate but it has also shown a tendency for considerable increase in recent years.

Public order and security ■■■■

In 2018 Razgrad enjoyed the speediest justice administration in the country with 97% of criminal cases closed within 3 months. Pending criminal cases were also relatively few, 7.35 of all versus the national average rate of 8.7%. These results have not been seen as consequence of low judge workloads as judges saw 9.4 cases a month or more by 0.2 than their national average number.

In 2018 crime rates were not very high, either: registered crimes against the person and property were 10.6 per 1,000 people or slightly above average. Their detection rate was among the highest in the country: 72% of registered crimes; only Smolyan and Targovishte were doing better with 78% each in 2018.

Environment ■■

Residents of the district have generated slightly above-average quantities of household waste, 459 kg/person per annum with a tendency for considerable growth in recent years. Because of the concentration of the population living outside urban areas, the district registered some of the worst levels in two indicators: the share of the population with access to sewerage connected to wastewater treatment plants (42%) and the share of the population living in settlements with public sewerage (42%). The less intensive economic activity in the district was also manifested in the below-average carbon dioxide emissions (53.6 t/sq. km) in 2017.

Culture ■■■■

As a whole, the district has few cinemas, hence, few cinema visits: 98 per 1,000 people a year. Museum visits have a relatively high rate: 521 per 1,000 people a year but this figure is below national average. Only theater visits (416 per 1,000 people) went above the national average rate of 340 in 2018 while interest in libraries was almost half that figure.

Key indicators for the district of Razgrad

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	8,182	7,778	8,379	8,985	n.a.
Average annual income per household member (BGN)	4,000	4,164	4,182	4,408	n.a.
Average annual gross salary per employed person (BGN)	8,351	8,702	9,694	10,453	n.a.
Share of the poor relative to the country poverty line (%)	28.1	28.2	26.9	24.2	n.a.
Economic activity rate of the population aged 15–64 (%)	64.2	65.6	65.5	66.2	63.2
Employment rate of the population aged 15–64 (%)	52.8	55.6	56.0	58.8	56.2
Unemployment rate of the population aged 15–64 (%)	17.7	15.0	14.6	11.0	11.1
Share of people with tertiary education aged 25–64 (%)	16.2	18.7	18.4	17.5	20.0
Number of non-financial enterprises per 1,000 people	33	35	36	37	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,518	1,865	1,470	1,606	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	956	901	1,129	1,331	n.a.
Share of households with Internet access (%)	59.4	58.1	64.3	57.6	63.3
Share of roads in good condition (%)	33.1	22.7	28.0	32.4	21.2
Cadastral map coverage (%)	18.9	18.9	25.0	25.0	32.8

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–7.6	–8.3	–8.2	–9.3	–8.7
Net migration rate (‰)	–5.3	–7.0	–7.7	–5.5	–4.5
Average grade at the matriculation exam in Bulgarian language and literature	3.91	3.88	3.84	3.92	3.74
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	10.8	12.9	15.4	12.2	8.5
Net enrolment of the population in 5th–8th grade (%)	85.2	84.7	84.5	88.8	88.2
Share of people with health insurance (%)	90.3	92.4	93.0	93.0	94.3
Hospitalizations per 1,000 people	227.2	225.5	222.3	215.2	222.3
Registered crimes against the person and property per 1,000 people	8.7	9.4	9.9	10.9	10.6
Clearance rate for crimes against the person and property from those registered in the current year (%)	64.3	61.4	68.7	67.4	72.0
Share of pending criminal cases from those registered in the current year (%)	9.0	4.5	8.7	4.0	7.3
Share of the population with access to sewerage connected to wastewater treatment plants (%)	41.8	41.8	41.8	41.9	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	47.4	46.9	53.0	53.6	n.a.
Visits to the cinema per 1,000 people	25	29	148	5	98
Visits to the theater per 1,000 people	288	312	313	366	416

Ruse District

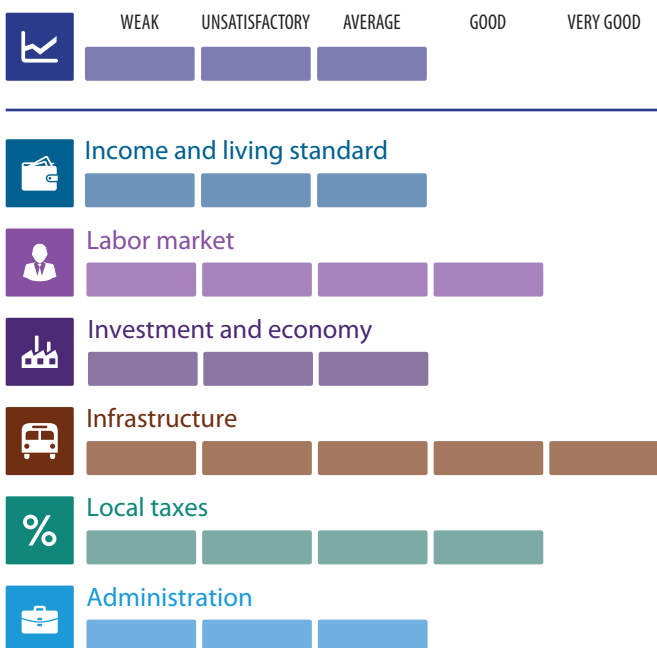
► Population (2018)	219,946
► Territory (sq. km)	2803.4
► Number of settlements	88
► Share of urban population (%)	78



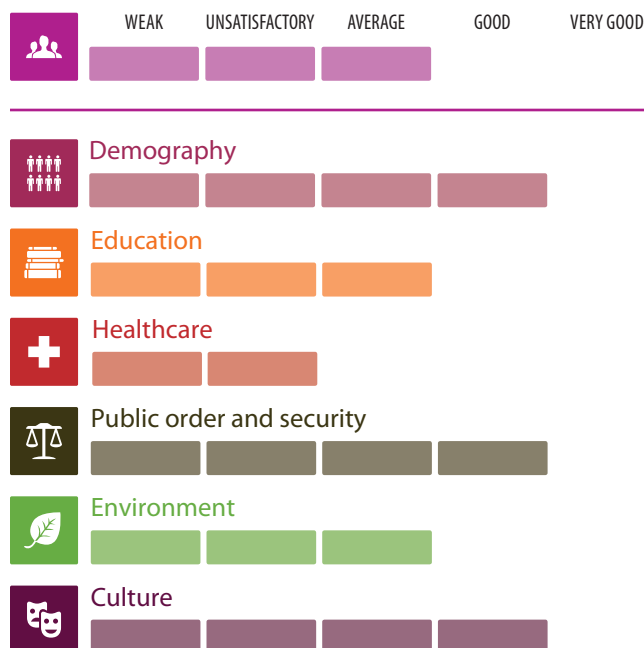
Most indicators, characterizing the state of Ruse's economy, have values close to national average levels. The relatively favorable educational structure of the workforce has affected income levels positively, while the relative share of population living below the poverty line is among the lowest in the country. Ruse is not among the districts attracting foreign investors, though there has been no decline in interest after the global crisis. The district is characterized by good infrastructural connectivity, but road quality is bad. Unlike most districts with similar economic profiles, the average tax rates are relatively low. Administrative services are at a quality level similar to the national average. The district's population is decreasing faster than the aver-

age rate for the country. Some of the main indicators such as the natural growth rate have been deteriorating even further in recent years. The educational system is facing increasing difficulties in enrolling and keeping children of the relevant age cohort but the quality of education is relatively good. The district has shortages of both GPs and specialist physicians. The state of the environment is similar to that in most other districts despite the considerable amount of generated household waste. The judicial system's work is relatively efficient while the rate of registered crimes is low. Cultural life in the district is characterized by a relatively high activity; the local theaters are among the most frequently visited in the country.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■■

Income and living standard ■■■■

In 2017 GDP per capita amounted to 11,152 BGN/person with its growth lagging considerably behind national average levels. In 2017 the annual average gross salary was 10,243 BGN or 82% of the national average figure, while the average annual income per household member reached 5,416 BGN or 97% of the country average.

In 2017 the relative share of people living in material deprivation was 20.8%: almost equal to the national average for that year. At the same time, the population living on incomes below the poverty line for that year was only 14.1% versus the national average rate of 22.0%; the only districts with lower shares were Sofia and Pernik.

Labor market ■■■■

The indicators characterizing the labor market in the district of Ruse do not differ significantly from national average ones. In 2018 unemployment dropped to 5.2%, which was the lowest level registered up to that moment. The rates of employment (67.7%) and economic activity (71.4%) were also at record high levels and indicate a positive tendency in the district as a whole.

The educational structure of the labor force is more favorable in Ruse than it is, on average, in the country; this is corroborated by the relative share of people with university education, 29.1% in the district (versus 28.2% in Bulgaria) and the limited share of those with primary or lower education, 12.9% (versus 17.4% in Bulgaria).

Investment and economy ■■■■

Ruse is among the few districts in Bulgaria, which registered no significant loss of foreign investment during the crisis period. As of the end of 2017 cumulative foreign capital amounted to 374 m EUR. Still, Ruse was not among the districts most attractive to foreign investors: FDI amounted to 1,685 EUR/person or about half the national average rate. Between 2005 and 2017 production value per capita increased from 74% to 94% of the national average rate, reaching 22,378 BGN/person and ranking Ruse sixth as a center of concentration of industrial production in Bulgaria.

Despite the good condition of the labor market, in 2017 company investment in FTA was at its lowest level since 2011. The district was also lagging in EU funds utilization: as of mid-2019 its cumulative amount was 1,399 BGN/person compared to 1,803 BGN/person on average in the country.

Infrastructure ■■■■■■

The district's performance in infrastructure has been excellent due to the high density of both the road and railroad networks, as well as the high relative share of first-class roads: 21.5% compared to the national average of 18.4%. The absence of a highway is still a drawback and so are the problems with road quality: only 21.8% of them were in good condition – i.e. twice less than the national average rate.

In 2018 the relative share of households with internet access reached 71.9%, close to the national average.

Local taxes ■■■■■■

Unlike most districts with similar economic profiles, the district of Ruse has relatively low average tax rates. The only tax with an average rate higher than the national average is the license fee for retail trade. The average tax on property transfer, on the other hand, is 2.28% in the district (versus the average 2.52% for all municipalities in the country).

Another characteristic feature of local taxes in Ruse is their relative consistency in time. The last significant increase of the tax burden was in 2017 when the Ruse municipality raised the annual tax on real estate of legal entities from 1.20 to 2.00‰.

Administration ■■■■

The self-evaluation of municipal administrations in the district of Ruse on the range and quality of electronic services offered by them (3.59 points out of 5.00) is considerably higher than the average 2.95 points in the country as a whole. There is some lagging behind in the readiness for offering one-stop-shop services as well as in the AIP Active transparency rating of local government. The latter is lower by 5 p.p. than the 70.7% national average rate; the most transparent municipal administrations are Dve Mogili (73%) and Ruse (70%), while Byala (37%) has the lowest rating.

Ruse is among the districts with relatively poor cadastral map coverage: as of 2018, only 44.4% of its territory was included while the national average rate was 72.4%.

SOCIAL DEVELOPMENT ■■■■

Demography ■■■■

The good performance of Ruse in demographic development was mostly the result of the high urbanization level of the district's population: 78.0% versus an average of 73.6% in the county, as well as the relatively high population density in urban areas. At the same time, the current tendencies in Ruse show a negative trend similar to most districts in Northern Bulgaria.

Between 2001 and 2018 the population of the district shrank by 18% (versus 11% on average in the country); that process was accompanied by deterioration in its age structure. In 2018 the district registered the least favorable natural growth rate up to that moment (−9.7‰), as well as the least favorable net migration rate (−2.9‰) since 2010.

Education ■■■■

The educational system in Ruse is faced with increasing difficulties in enrolling and keeping at school the population subject to education. The net enrolment rate in 5th–8th grade for the 2018/2019 school year was 84.9% (compared to 87.4% for the country), while the relative share of dropouts from primary and secondary education reached a district record of 4.19%, the fourth highest figure in Bulgaria. On the other hand, the quality of education was relatively good with the relative share of fail grades at the matriculation exam in Bulgarian language and literature once again among the lowest in the country. The district's average grade ("good" 4.13) on its part was among the six highest registered in Bulgaria.

Between 2012 and 2018 university student numbers in the district dropped from 10.3 to 6.4 thousand people (38%); among the districts with traditions in higher education a greater relative drop was registered only in Burgas (39%) and Veliko Tarnovo (41%).

Healthcare ■■■■

Alongside Kardzhali, Razgrad, and Targovishte, Ruse is the fourth district in Bulgaria with more than 2,000 people per GP. In addition, it has a shortage of medical specialists as well as hospital beds: in 2018 the district had 4.53 beds per 1,000 people, while the national average rate was 5.34. At the same time, the number of hospitalized patients per 1,000 people was traditionally lower, though comparable to, than the national average.

Both the relative share of people with health insurance (87%), and the infant mortality rate (5.9‰) are close to national average levels.

Public order and security ■■■■

Ruse has reported the best results in the country concerning the efficiency of the judicial system on its territory. Although criminal judges at the district court have higher workloads than the national average levels, the relative share of cases closed within 3 months reached 95.1% in 2018 versus the national average rate of 90.2%. The relative share of pending cases rose for the second year in a row to reach 5.8%, while still considerably below the national average share of 8.7%.

The rate of registered crimes relative to the population, 11 crimes per 1,000 people, also remained below the national average indicator. On the other hand, the district's crime detection rate of 46.9% was lagging behind the national average rate of 48.9%.

Environment ■■■■

In 2017 the relative share of the population living in settlements with access to public sewerage reached 68.4% versus an average of 76.0% for the country as a whole. At the same time, the share of the population who were provided connectivity to wastewater treatment plants was above average. The annual emissions of carbon dioxide into the atmosphere amounted to 189.9 t/sq. km or almost half the average emissions in the country.

Since 2013, the generated household waste per capita has been above average, reaching 499 kg/person in 2017 (versus 435 kg/person in Bulgaria).

Culture ■■■■

The district of Ruse is characterized by a cultural life of high intensity. Only three districts in the country – the capital, Targovishte, and Vidin – have registered a greater number of theater visits than Ruse. Library visit rates are also higher than those in most districts, while cinema visit rates are comparable to national average levels. The only indicator where the district is visibly lagging behind is the rate of visits to local museums: 391 visits per 1,000 people on average or only 54% of those registered for the country as a whole.

Key indicators for the district of Ruse

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	9,694	9,912	10,523	11,152	n.a.
Average annual income per household member (BGN)	4,553	5,303	5,263	5,416	n.a.
Average annual gross salary per employed person (BGN)	8,028	8,563	9,287	10,243	n.a.
Share of the poor relative to the country poverty line (%)	12.1	21.4	18.6	14.1	n.a.
Economic activity rate of the population aged 15–64 (%)	63.5	65.9	66.8	69.0	71.4
Employment rate of the population aged 15–64 (%)	56.6	60.0	62.2	65	67.7
Unemployment rate of the population aged 15–64 (%)	10.8	9.0	7.0	5.7	5.2
Share of people with tertiary education aged 25–64 (%)	23.6	24.4	26.8	27.7	29.1
Number of non-financial enterprises per 1,000 people	48	50	51	52	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	2,039	2,227	1,796	1,606	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	1,686	1,501	1,638	1,685	n.a.
Share of households with Internet access (%)	64.6	60.9	72.5	73.0	71.9
Share of roads in good condition (%)	30.2	26.0	17.7	20.0	21.8
Cadastral map coverage (%)	10.2	10.2	13.2	13.2	44.4

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–8.5	–8.6	–8.6	–8.9	–9.7
Net migration rate (‰)	–0.7	–0.2	–1.1	–0.7	–2.9
Average grade at the matriculation exam in Bulgarian language and literature	4.20	4.21	4.19	4.17	4.05
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	5.6	5.2	5.4	6.2	3.0
Net enrolment of the population in 5th–8th grade (%)	78.7	77.8	75.1	86.0	84.9
Share of people with health insurance (%)	87.1	88.3	87.7	87.1	87.0
Hospitalizations per 1,000 people	162.7	215.1	235.7	240.2	164.8
Registered crimes against the person and property per 1,000 people	12.0	10.1	8.9	10.1	11.0
Clearance rate for crimes against the person and property from those registered in the current year (%)	30.8	36.1	51.4	45.9	46.9
Share of pending criminal cases from those registered in the current year (%)	11.7	6.3	3.9	5.3	5.8
Share of the population with access to sewerage connected to wastewater treatment plants (%)	64.5	64.6	68.2	68.4	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	208.3	199.1	199.1	189.9	n.a.
Visits to the cinema per 1,000 people	769	816	815	819	717
Visits to the theater per 1,000 people	569	645	607	476	457

Shumen District

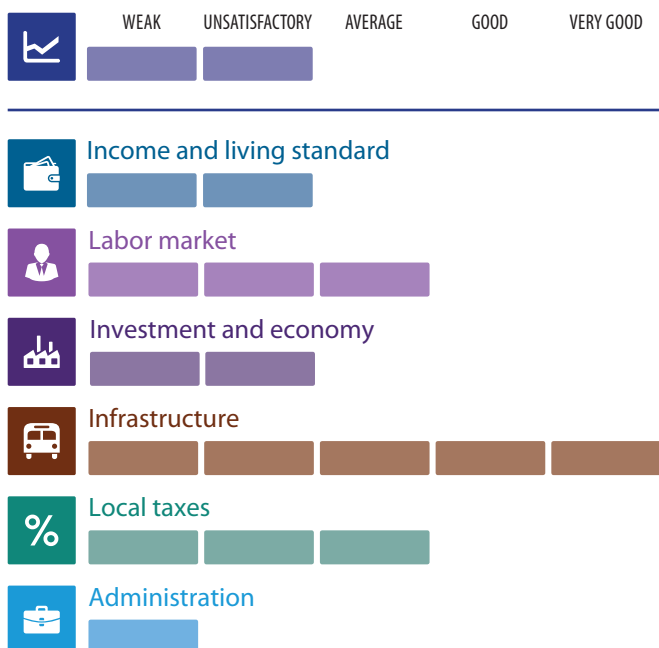
► Population (2018)	172,661
► Territory (sq. km)	3389.7
► Number of settlements	152
► Share of urban population (%)	61



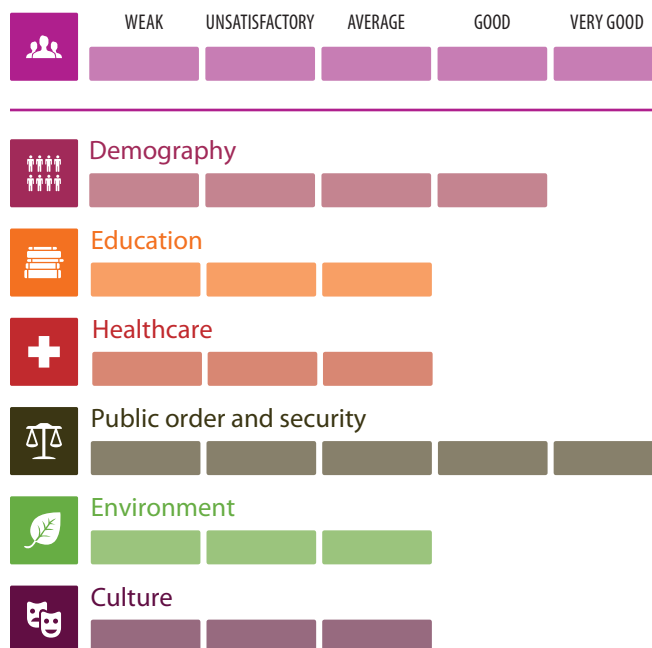
In 2018 Shumen continued to be among the districts with relatively unfavorable economic conditions. Both GDP per capita and average income were considerably below the national average levels, while a great part of the population lived below the poverty line. Activity in the labor market increased but unemployment was still exceptionally high. The population's educational structure did not contribute to a good development, while industrial and investment activity seriously lagged behind the national average level. Production value per capita was only 60% of the national average level. On the other hand, Shumen has very good basic infrastructure: both the density of the road and railroad networks as well as the quality of road infrastructure were high and capable of serving as a foundation for accelerated economic development. However, for this potential to be realized, changes are necessary in the work of local administration as well as a more favorable tax environment in the district's municipalities.

Despite population ageing processes, a common problem at the national level, the district of Shumen has reported positive social development indicators. Demographic development was relatively favorable with the natural growth rate close to the national average level, while the net migration rate was positive and provided some compensation for the decreasing population numbers. Urbanization was low and that placed some limitations on the quality of life, though it improved environmental conditions. However, pupils' educational results were poor. In healthcare some positive tendencies were also noticeable; as a result, hospitalizations were few and infant mortality was low. The level achieved in order and security was also high, revealing that the judicial system in the district has been working efficiently. Cultural life was not intensive but library visit rates were relatively high.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■

Income and living standard ■■■

In 2017 GDP per capita remained at around 62% of the average level for the country (8,829 BGN compared to 14,280 BGN nationally). The annual average gross salary grew by about 19% to reach 9,994 BGN, or 80% of the national average level. Household income, on its part, saw no significant change in comparison with 2016, reaching 4,855 BGN per person while the national average was 5,586 BGN; Shumen kept its place, ranking in the second half of districts on this indicator. The share of population living in material deprivation was comparable with the national average. Still, the low levels of income as well as the relatively greater dependence on income from pensions entailed a high share of population living below the poverty line: 38.3% versus 22% on average in Bulgaria.

Labor market ■■■■

The tendencies in the district's labor market were pulling in different directions. In 2018 the population's economic activity was 73.4%, higher than the national average rate of 71.5%. The employment rate of the population aged 15-64 was slightly below the national average rate: 64.6% versus 67.7%. The unemployment rate, however, even though it declined in recent years, remained one of the highest in 2018: 12% or two and a half times the average rate in Bulgaria. Vidin and Montana were the only districts with higher unemployment. The demographic replacement ratio points to a labor market faced with the serious challenge of an ageing population. The poor development of the labor market in the district is a serious obstacle to economic growth and rising income.

The population's educational structure includes both a high share of people with primary and lower education (28.9% compared to 17.4% in the country) as well as a considerable share of university graduates (24% compared to an average of 28.2% in the country). The high share of people with low education creates risks of higher poverty levels and social exclusion in the medium to long term.

Investment and economy ■■■

Economic activity in the district of Shumen remains poor. The number of non-financial companies per 1,000 people is 40: considerably lower than Bulgaria's average rate. The district is lagging seriously in FTA acquisition expenditure: 1,683 BGN/person versus 2,491 BGN on average in the country, though that ranked it a decent 10th place in comparison with other districts. However, FDI is only 621 EUR/person or 18% of the average rate in the country. Districts with similar investment levels are Veliko Tarnovo, Vratsa, and Yambol.

As a result of the low investment activity and the poor development of the local economy, production value per capita in the district is 14,129 BGN versus 23,764 BGN for Bulgaria. Sums paid to beneficiaries of EU programs are lower relative to over half the rest of the districts; they reach only 1,366 BGN per capita, compared to an average of 1,803 BGN per capita registered in the country.

Infrastructure ■■■■■■

Infrastructural development in the district is at a very high level, which should be favorable for economic development. The density of the road and railroad networks is above average with the share of highways and first-class roads still the highest in the country: 36.5% versus the national average rate at 18.4%.

Road quality declined sharply in the last year: the share of roads in good condition dropped from 54.5% in 2017 to 41.7% in 2018, but it was still above the national average level of 40.5%. If the district wants to keep this competitive advantage, it probably needs additional investment in maintenance and repairs of the available road infrastructure. The share of households with internet access has doubled in the last ten years to reach 70.5%, close to the national average of 72.1%.

Local taxes ■■■■

Except for the vehicle tax, which was changed in 2019, no municipality in the district of Shumen raised any taxes. The average rate of the property transfer tax was a little higher but the rest of the tax rates were lower than national average levels. It was only the Nikola Kozlevo municipality that lowered the local tax on real estate of legal entities from 1.7 to 1‰. However, the relatively favorable tax environment was unable to create sufficient economic and investment activity.

Administration ■■

The work of the local administration was assessed as relatively poor in all indicators included in the analysis. The active transparency rating declined in 2019, and is now below the national average level: 66% versus 70.7%. The Smyadovo municipality got the highest rating of 78.9%, while the municipality of Novi Pazar got the lowest of 65.3%. The Venets municipality is an interesting example: it achieved the most significant improvement in its rating, from 38.4% in 2018 to 63.5% in 2019. The self-evaluations of municipal administrations for one-stop-shop services and for electronic government were also below average. Cadastral map coverage, though increasing in the last year, was still only at 65.3% of the district's territory.

SOCIAL DEVELOPMENT ■■■■■

Demography ■■■■■

In recent years, population ageing has affected the district negatively, which is reflected in the deteriorating age dependency ratios. In 2018 the natural population growth rate kept its value from the previous year: -7.6‰ versus -6.6‰ on average in the country. The net migration rate on its part was already positive at 4.1‰, which meant that more people had settled in the district than left it: the only district in the country with higher net migration was Kardzhali. Shumen is not an urbanized district with only 61.5% of the population living in cities. Population density was also way below average: 888.1 people/sq. km compared to 1,526 people/sq. km on average in Bulgaria.

Public order and security ■■■■■

In 2018 all indicators characterizing the judicial system in the district improved their scores, though some retained values below the national average rates. Criminal judges' workloads were relatively low despite the slight increase in 2018 to 6.9 cases a month per judge, and remained way below the average rate for the country, 9.2. Registered crimes against the person and property dropped to 9.6 per 1,000 people (versus an average of 12.1 for Bulgaria) while the share of detected crimes reached the high level of 59.5% (versus an average of 48.9 for Bulgaria). The share of pending cases dropped to 5.2% (versus an average of 8.7% in the country), while the share of those closed within 3 months reached 95.8%, or higher by 5.2 pp than the average rate.

Education ■■■■

The net enrolment rate in the district was stable at a level of about 84%, which was below the national average rate of 87.4% in 2018. Resources in the educational system, measured by the number of teachers in primary and secondary education per 1,000 pupils, were ranked among the highest: the only district with a higher rate on this indicator was Smolyan. Regardless of the low share of repeaters (0.8%) and the below-average share of dropouts (2.62% versus 2.98% nationally) the district's educational system showed poor results in 2019. The share of failed grades in Bulgarian language and literature doubled to reach 12.5% (versus an average of 8.7% in Bulgaria) while the average grade at the matriculation exams in Bulgarian language and literature was only "good" 3.85 (versus an average of "good" 4.06 nationally).

Environment ■■■■

The district's low urbanization has predetermined its lower share of population with access to public sewerage: 58.4% relative to an average of 76% in Bulgaria. Access to sewerage connected with wastewater treatment plants was also limited: 54.7% compared to an average of 63.4% in Bulgaria in 2017. Shumen's performance in terms of pollution with 32.4 tons of carbon dioxide per sq. km was better than the national average rate of 389.1 t/sq. km; the district's 357 kg household waste per person was better than the average of 435 kg for Bulgaria. Low harmful gas emissions were a reflection of the poor development of industry in the district and the relatively low business activity.

Healthcare ■■■■

The share of people with health insurance in the district of Shumen (88.6%) was comparable to the national average rate of 87.9%. The lower number of hospital beds per 1,000 people (2.69 versus 5.34 in Bulgaria) predetermined the low number of hospitalizations in general hospitals: 134.7 versus 171.4 on average for the country. In 2018 specialist physicians in the district of Shumen served greater numbers of people: 600 patients versus the country average of 424, while the number of people served by a GP was comparable to the national average rate. The infant mortality rate registered a significant decline from its highest level in 2008, 15.2‰, to 5.5‰ in 2018. The indicator for Shumen is now below the national average rate of 5.8‰.

Culture ■■■■

Shumen's cultural life was not characterized by high activity in 2018. Visits to cinemas and theatres were considerably below national average levels probably because of the small number of cultural institutions in the district. There is only one theater and two musical ensembles, which attracted fewer visitors in 2018 in comparison with the previous year. On the other hand, the average number of library visits grew considerably to reach 1,218 visits per 1,000 people. The only districts ranking higher than Shumen on this indicator were Veliko Tarnovo and Sofia (capital city). Visits to the four museums in the district, despite the slight decline compared to the previous year earlier, went over the national average rate by 1,072 versus the country average of 724 per 1,000 people.

Key indicators for the district of Shumen

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	7,397	7,577	8,060	8,829	n.a.
Average annual income per household member (BGN)	4,387	4,772	4,845	4,855	n.a.
Average annual gross salary per employed person (BGN)	7,968	8,505	9,026	9,994	n.a.
Share of the poor relative to the country poverty line (%)	36.9	29.4	33.3	38.3	n.a.
Economic activity rate of the population aged 15–64 (%)	74.7	73.0	74.2	74.7	73.4
Employment rate of the population aged 15–64 (%)	58.7	58.5	61.3	62.7	64.7
Unemployment rate of the population aged 15–64 (%)	21.1	19.7	17.4	15.9	12.0
Share of people with tertiary education aged 25–64 (%)	24.2	24.0	21.9	22.6	24.0
Number of non-financial enterprises per 1,000 people	38	39	39	40	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,499	2,030	1,380	1,683	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	591	590	589	621	n.a.
Share of households with Internet access (%)	48.2	65.6	57.5	77.9	70.5
Share of roads in good condition (%)	35.1	42.5	55.9	54.4	41.7
Cadastral map coverage (%)	19.8	30.0	30.0	30.0	65.3

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–6.3	–6.5	–5.6	–7.6	–7.6
Net migration rate (‰)	–0.1	–0.3	–1.5	–1.1	4.1
Average grade at the matriculation exam in Bulgarian language and literature	4.06	4.05	3.98	4.10	3.87
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	8.87	6.74	9.78	13.3	10.4
Net enrolment of the population in 5th–8th grade (%)	81.3	80.0	78.4	86.0	83.6
Share of people with health insurance (%)	88.1	89.6	88.9	88.5	88.6
Hospitalizations per 1,000 people	151.7	148.0	135.4	134.1	134.7
Registered crimes against the person and property per 1,000 people	9.0	9.4	9.0	10.0	9.6
Clearance rate for crimes against the person and property from those registered in the current year (%)	51.4	55.1	62.7	58.9	59.5
Share of pending criminal cases from those registered in the current year (%)	10.3	6.8	5.8	6.4	5.2
Share of the population with access to sewerage connected to wastewater treatment plants (%)	44.7	55.2	54.9	54.7	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	29.1	34.2	30.0	32.4	n.a.
Visits to the cinema per 1,000 people	135	137	123	161	126
Visits to the theater per 1,000 people	245	227	202	177	165

Silistra District

► Population (2018)	109,917
► Territory (sq. km)	2846.3
► Number of settlements	118
► Share of urban population (%)	44



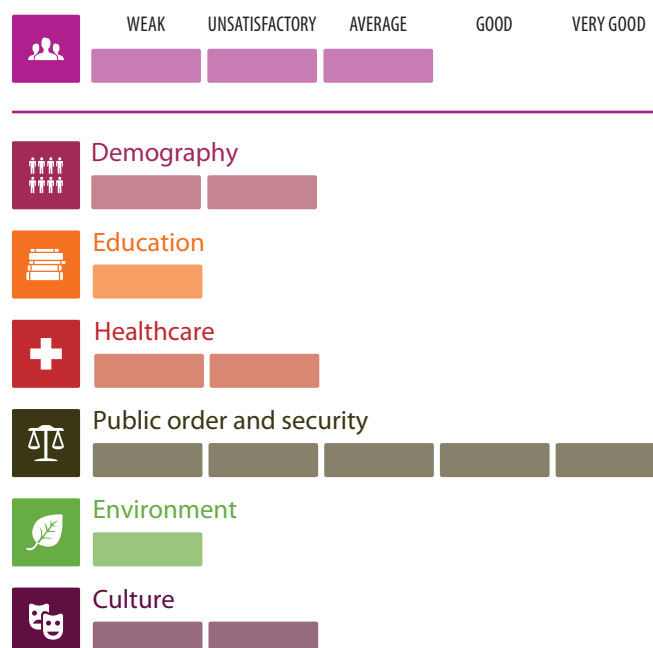
Silistra is the district with the lowest GDP per capita in Bulgaria and is also among the districts with lowest salaries and household incomes. Yet, poverty is not very high, while the share of households living in material deprivation is much lower than the national average rate. Unemployment has halved within the last 5 years, though it is still above average. The employment rate, however, is lower than the average level by almost 10 p.p. mainly because of the workforce's low education. The levels of production value and that of investment in FTA are very low in Silistra; foreign investment is almost absent but EU funds are utilized relatively well. The district is characterized by a relatively good quality of road surfaces but first-class and generally better roads are few, while railroad connectivity is poor. Municipalities in Silistra have very low rates for the main local taxes; most of them have shown a tendency to either go down or stay unchanged. Despite considerable improvement in cadastral map coverage, the quality of administrative services remains low. The district's demographic indicators, like those in almost all

districts, are visibly negative though Silistra has less unfavorable figures for migration than almost half the other districts. The population is among the least urbanized and even urban areas are sparsely populated. The system of school education faces serious problems in enrolling children as almost 1/5 of the age group 5th–8th grade remain away from school. Matriculation exam results are below average with a high share of failed grades. Access to healthcare services is slightly more difficult than that in the country as a whole but the monitored indicators point to no serious problems in regional healthcare. The district has one of the most efficient but not particularly busy judicial systems; crime rates are relatively low and the registered detection rate is high. Residents of the district generate a slightly below-average amount of household waste, while harmful emissions are very low. Because of the particular territorial distribution of the population, the share of those connected with public sewerage and wastewater treatment plants has remained low. Interest in participation in cultural life is very low.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■

Incomes and living standard ■■■■

In 2017 Silistra was the district with the lowest GDP per capita in the country: 6,687 BGN or only 47% of the national average. Salaries in the district were also among the lowest (at 8,672 BGN gross annual salary), though still a little higher than those in Blagoevgrad, Vidin, Haskovo, and Kyustendil. Silistra is close to the bottom level in household incomes with only Targovishte and Sliven ranked behind it. The average income per household member in the district was 4,201 BGN or lower than the national average by 1,300 BGN.

What is peculiar about Silistra is the fact that in spite of the low incomes, the levels of poverty and inequality are not particularly high. In 2018 the share of households living below the poverty line was 20% or slightly below the country average rate. Another interesting figure is the share of households living in material deprivation, 15% versus 21% for the country in general.

Labor market ■■■

Unemployment in the district of Silistra halved relative to its highest 2014 rate, but remained twice the national average rate in 2018: 11.1% for the population over 15 years of age. During the same period in the labor market the employment rate grew by 10 p.p. to reach 60% of the working age population, which was still below the national average rate of almost 68%.

The poor performance of Silistra during the period of economic recovery can be attributed to a great extent to the educational profile of its workforce: only 17% of the population aged 25–64 has higher education while close to 33% have primary or lower education, which is a strong hindrance to investment in the district.

Investment and economy ■■

With the lowest GDP per capita, it is not accidental that Silistra ranked among the last districts in production value: 8,058 BGN/person in 2017 or almost three times less than the national average. The district also occupied the last but one place before Montana in FDI with 324 BGN/person cumulative at the end of 2017 or ten times below the national average. Its performance in FTA acquisition expenditure was relatively better in 2017 year: 1,376 BGN/person, once again considerably below country average.

The poor economic activity in Silistra is also visible in the relatively small number of enterprises: only 36 per 1,000 people (versus an average of 57 for Bulgaria). The district's performance in EU funds utilization was relatively better: as of mid-2019 it reached 1,229 EUR/person.

Infrastructure ■■■■

Road density in the district of Silistra is almost identical to the average rate in the country: 17.8 km/100 sq. km territory. However, in 2017 the share of first-class roads was considerably below average: 11.3% of all in the district versus an average of 18.4% in Bulgaria. The quality of roads was relatively high, 62.1% of all roads were rated as being in good condition, and this indicator has improved significantly in recent years.

Most districts in Northern Bulgaria are characterized by lower-density railroad networks; in Silistra it is 2.5 km/100 sq. km territory (versus an average of 3.6 km in the country). The last few years marked a considerable increase in household Internet connectivity: in 2018, the share of those with Internet connection reached 70% (compared to only 20% a decade ago).

Local taxes ■■■■■■

The district's municipalities have maintained considerably lower rates for local taxes than national averages. In 2018 the only tax with an average rate higher than the average rate for the country was the vehicle tax: 1.27 BGN/kW, although the difference is very small. However, the average taxi transport licensing fee (328 BGN a year) was considerably lower, in comparison with 498 BGN for the country as a whole; a possible reason may have been the absence of taxi service in most municipalities in the district.

The annual licensing fee for retail trade was much lower too: an average of 7.97 BGN/sq. m (compared to an average of almost 13 BGN/sq. m for all municipalities in Bulgaria), and with a downward trend. The tax on non-residential property of legal entities (1.75‰, or lower by 0.20‰ than the average rate for the country) was lower too.

Administration ■■

Silistra is one of the districts in which cadastral map coverage went through a manifold increase between 2017 and 2018: from 16 to 88%. The other indicators for the quality of the local administration, however, kept lagging behind national average levels: for example, e-government services offered by municipal administrations in the district were assessed at an average of 2.91 points out of 5, whereas the provision of one-stop-shop services was at 2.44. The AIP Active transparency rating of local government was also quite low: 63% (versus an average of 71% for the country as a whole).

SOCIAL DEVELOPMENT ■■■

Demography ■■■

Within a decade the natural population growth in Silistra decreased twofold: from -5.3‰ in 2009 to -10.5‰ in 2018. By contrast, migration processes are not very intensive; the district has been losing population but the net migration in 2018 was only -1.2‰ with a tendency for the number of those who settled in the district with the number of those who moved out to even out. The age dependency ratios, however, suggest population ageing to be faster than the national average pace.

The only district with a lower level of urbanization in the country is Kardzhali; the share of urban population in Silistra reached 44.3% in 2018, and retained a slight tendency to decline from the last decade. At the same time, the urban territories themselves are not too densely populated with 800 people/sq. km, their density going down consistently in recent years.

Education ■■

In Silistra there is only one branch of a tertiary education institution (Ruse University). The number of students is low, fluctuating between 2 and 4 per 1,000 people in recent years. After Dobrich, Silistra is the district with the poorest enrolment rate in school education: in 2018, only 80% of children from the relevant age group were enrolled in 5th–8th grade, or 7 p.p. below the national average level. In spite of the low enrolment rate, the relative number of teachers was close to the national average – 85 teachers per 1,000 pupils, as the increase in recent years is a consequence of a shrinking number of pupils.

It seems worth noting that the share of repeaters in Silistra, 0.34%, is almost three times lower than the national average rate. However, the share of dropouts from education is slightly higher than the average rate: 3.5% compared to the national average rate at a little under 3%. The last few years have seen a considerable decline in average grades at matriculation exams: in the 2018/2019 school year, the average was “good” 3.77 (compared to “good” 4.06 for Bulgaria as a whole). Almost one fifth of the grades at the matriculation exam were poor.

Healthcare ■■■

There are 1,998 people per GP in the district of Silistra and 512 people per medical specialist. These indicators point to healthcare being slightly more accessible in the district than national average. There are fewer beds in general hospitals, 4.39 per 1,000 people versus 5.34 nationwide, but their number is on a gradual increase. Morbidity is above average: in 2018 hospitalized patients were 218 per 1,000 people.

Health insurance coverage was similar to the average rate for the country: 87% of the total population. Unlike most economically underdeveloped districts, the infant mortality is at a relatively low rate of 3.7‰ versus the national average rate at 5.8‰. Yet, the indicator has had extremely uneven dynamics over the years.

Public order and security ■■■■■

Silistra has the most efficient judiciary in Bulgaria after Razgrad with 97% of criminal cases closed within three months in 2018. The share of pending cases was also very low: only 4.5% of cases for the year. This can be explained to a considerable extent with the fact that judge workloads were not particularly high: each worked an average of 6.9 cases a month (versus 9.2 nationally, and over 10 in busier districts).

The district was also characterized by relatively low crime rates; in 2018 the registered crimes against the person and property were 7.1 per 1,000 people. The registered crime detection rate of 65% was also above average for Bulgaria.

Environment ■■

In recent years Silistra has significantly lowered the amount of household waste generated in the district; in 2018 it reached 402 kg/person per annum, slightly below the national average level. Because of the low economic activity in the district there were also relatively low levels of harmful emissions: 12 tons of carbon dioxide / sq. km.

As a consequence of the low urbanization in the district a relatively small share of the population lives in areas with public sewerage. Despite drastic improvements since 2014, the share of population with access to sewerage connected with wastewater treatment plants was also considerably below average: 44% in the district versus 63% in the country.

Culture ■■■

According to NSI data, in 2018 there were no registered cinema visits in the district – perhaps because the last cinema there was closed. There was no particular interest in theaters with 236 registered visits per 1,000 people (versus 340 visits on average nationally). It was libraries that enjoyed the greatest interest: 493 visits per 1,000 people, though the indicator's value was once again below national average. Museum visits were over three times fewer than the national average rate.

Key indicators for the district of Silistra

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	5,852	5,933	6,080	6,687	n.a.
Average annual income per household member (BGN)	3,289	3,521	3,922	4,201	n.a.
Average annual gross salary per employed person (BGN)	7,215	7,494	7,967	8,672	n.a.
Share of the poor relative to the country poverty line (%)	19.8	20.4	29	19.8	n.a.
Economic activity rate of the population aged 15–64 (%)	64.7	63.1	62.8	65.3	67.7
Employment rate of the population aged 15–64 (%)	50.0	49.2	52.2	57	60.2
Unemployment rate of the population aged 15–64 (%)	22.4	21.8	16.9	12.5	11.1
Share of people with tertiary education aged 25–64 (%)	14.4	16.4	18.5	17.7	16.9
Number of non-financial enterprises per 1,000 people	33	35	35	36	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,436	2,244	1,301	1,376	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	275	256	290	324	n.a.
Share of households with Internet access (%)	60.2	56.4	55.1	71.7	69.4
Share of roads in good condition (%)	46.7	46.8	53.1	53.2	62.1
Cadastral map coverage (%)	14.2	16.2	16.2	16.2	88.0

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–8.4	–9.0	–7.1	–8.8	–10.5
Net migration rate (‰)	–3.4	–3.5	–4.3	–3.8	–1.2
Average grade at the matriculation exam in Bulgarian language and literature	4.15	3.88	3.80	3.95	3.65
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	3.55	8.97	13.93	13.2	12.3
Net enrolment of the population in 5th–8th grade (%)	78.7	78.7	76.6	82.3	80.3
Share of people with health insurance (%)	86.0	87.6	87.4	87.1	87.2
Hospitalizations per 1,000 people	204.8	208.6	217.4	215.1	218.4
Registered crimes against the person and property per 1,000 people	8.0	9.6	9.1	9.2	7.1
Clearance rate for crimes against the person and property from those registered in the current year (%)	62.1	62.0	70.8	63.1	64.5
Share of pending criminal cases from those registered in the current year (%)	12.4	5.4	10.8	4	4.5
Share of the population with access to sewerage connected to wastewater treatment plants (%)	6.2	7.6	45	44.4	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	14.7	15.0	5	11.8	n.a.
Visits to the cinema per 1,000 people	69	115	76	90	0
Visits to the theater per 1,000 people	188	188	225	189	236

Sliven District

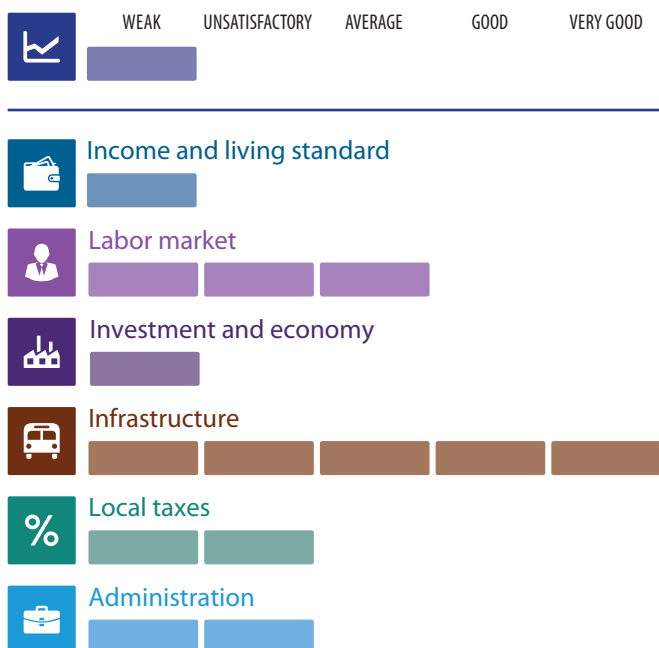
► Population (2018)	187,464
► Territory (sq. km)	3544.1
► Number of settlements	120
► Share of urban population (%)	66



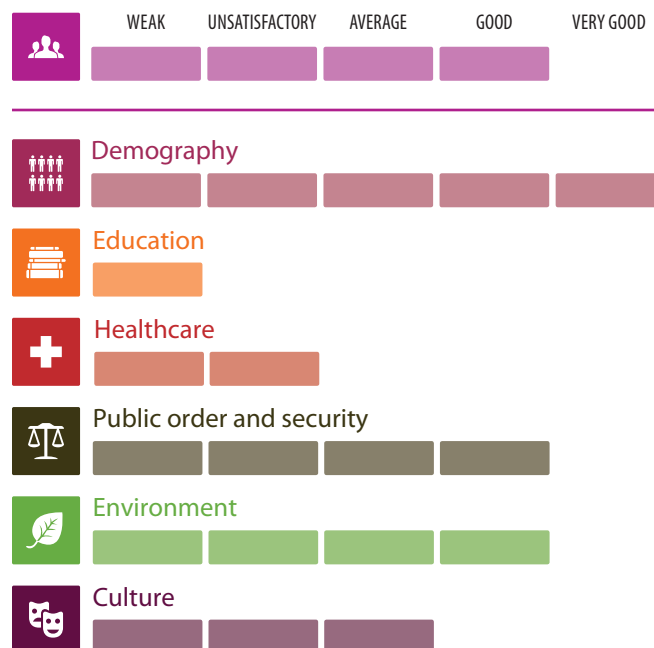
Sliven's economic development can be rated as poor. Income in the district has failed to catch up with national average levels, while GDP per capita is half the national average. Living standard is low, and the share of population in households with income below the poverty line is exceptionally high. The reason for the low levels of income is the poor performance on the labor market as well as the highly unfavorable educational structure of the work force. Unemployment is twice the national average rate, while employment is seriously lagging behind national average rates. Regardless of the comparatively favorable demographic picture (mostly because of the young population), poor educational characteristics are a hindrance to the latter's inclusion in the labor market. Business economic activity is low; investment suffers from the poor performance of local government and the relatively high taxes. Nevertheless, Sliven has a good road infrastructure with high qual-

ity roads. The chances for growth lie in the improvement of the business environment and educational structure as well as the further development of administrative services. Sliven's good social development is rooted in its good demographic indicators: the natural population growth rate is relatively high due to the high birth rate, whereas the ageing of the population has affected age structure as little as possible. Poor economic development entails negative net migration, and educational structure does not create favorable conditions for the district's development. The low volume of generated waste is yet another reflection of the relatively poor economy and low living standards. Education results have improved during the last year, and healthcare efficiency has increased. Justice administration in Sliven is at a very good level with relatively low registered crime rates and a well-functioning judicial system. Cultural life is not intensive and is rather limited by the lack of cultural infrastructure.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■

Income and living standard ■

Poor economic development and low living standards are visible in the district's main economic indicators. Sliven's GDP for 2017 was close to half the national average rate: it reached 7,046 BGN/person compared to the national average of 14,208, the second lowest in the country after Silistra. Population incomes reflect the poor economic activity, the low investment and the unfavorable situation in the labor market. The annual average gross salary of employed people reached 9,113 BGN (compared to an average of 12,448 BGN in Bulgaria). The average income per household member reached 3,790 BGN per annum versus the national average of 5,586 BGN – only Vidin had a lower figure than that.

The district's living standard was also low. The share of the population living in material deprivation was the highest in Bulgaria in 2018: 33.6% versus the country average rate of 20.9%.

Labor market ■■■

In 2018 the unemployment rate of the population aged 15+ dropped to 9.9% but that was still almost double the national average rate of 5.3%. Employment rates and economic activity were also considerably below national average levels: the employment rate was 61.2% (compared to an average of 67.7% nationally).

The demographic replacement ratio in the district of Sliven was the highest in the country, and continued going up to reach 86.6% in 2018: by comparison, the average replacement ratio in the country reached 65.7%. This means that in Sliven, compared to the other districts, a relatively large number of young people could join the labor market to replace those leaving the workforce. Whether Sliven's economy will be able to take advantage of this fact is questionable as the future development of the labor market is very limited by the educational structure of the population and the low quality of education in the district. In 2018, 33.4% of the population in the district had primary or lower education (versus an average of 17.4% in the country). This indicator has been deteriorating continuously in recent years and now Sliven is among the four districts with least favorable rates.

Investment and economy ■

Economic activity in Sliven is poor. In 2017 the number of non-financial enterprises retained its average level of 37 per 1,000 people (versus 57 in the country as a whole). FTA acquisition expenditure kept going down, reaching 1,060 BGN/person or about 40% of investment at the national level. FDI was very low, barely 737 EUR/person (versus 3,459 EUR/person (on average for the country). This was the main factor for the low potential of the local economy, which resulted in low production

value worth barely 10,891 BGN/person (versus 23,764 BGN/person for the country as a whole).

It is not accidental that Sliven has been lagging far behind the rest of the country in EU funds: as of mid-2019, 840 BGN/person were utilized relative to the national average rate of 1,803, which ranked the district last in Bulgaria.

Infrastructure ■■■■■

The level of the basic physical infrastructure in the district of Sliven continues to be high. Road and railroad network density is similar to the average one for the country but the share of highways and first-class roads is above average: 22% versus 18.4% for Bulgaria. Sliven is the district with the highest share of road infrastructure of high quality: 80% (versus an average of 40.5% for the country as a whole). Road infrastructure quality in the district went up by 10 p.p. last year, an indication for considerable investment.

The share of households with Internet access was also on a serious rise: from 58.5% in 2017 it went up to 75.2% in 2018. Thus Sliven went above national average figures on this indicator.

Local taxes ■■

In 2019, not a single of the four municipalities in the district raised any of its taxes. Yet, the average rates of the tax on real estate of legal entities, that on vehicles and cars as well as the property transfer tax have retained levels higher than the average levels for the country. This can be considered one of the negative factors for the business environment in the district.

Administration ■■

During the last three years the average Active transparency rating for the work of municipal administrations has been going up. It has reached 71%, already slightly above the average rating of 70.7% for the municipal administrations in the country. The municipal administration, which performed best in the district, was that of Sliven with a rating of 82.8% for 2019, whereas Tvarditsa had the worst rating of 34.8%. The average rate of municipalities' self-evaluation for development of electronic government kept its level from the previous year, slightly above average, but their self-evaluation for one-stop-shop services was below average by almost a digit. Cadastral map coverage grew from 23 to 62.1% of the district's territory in a year, though this is still lower than the national average coverage of 72.4%.

SOCIAL DEVELOPEMNT

Demography

The demographic picture in the district of Sliven, based on the indicators under consideration, can be estimated as very good and close to the level of Kardzhali and Plovdiv. Sliven had the most favorable ratio of age dependency between people aged 65+ and those aged 0–14 for 2018: 106.9% while the value for this indicator in Bulgaria was 148.6%.

The district's birth rate was high, which led to one of the most favorable natural growth rates (though negative) in the country, –3.6‰. The only higher natural growth rate (–1.9‰) was registered in the capital. Sliven was suffering from a high net migration (–6.8‰), a reflection of the poor state of the labor market and the low living standard in the district.

Education

The district of Sliven is characterized by poor results in terms of the enrolment in the educational system. Though the net enrolment rate in 5th–8th- grade rose to 85.7%, it has stayed below the national average rate of 87.4%. The share of repeaters rose again to reach 2.43%, the highest one in Bulgaria, with the average rate at 0.91%. In 2018 the district ranked first in the number of dropouts as well: 6.04%. The number of teachers in secondary education kept growing to reach 73 per 1,000 pupils. The number of college graduates was very small: 5 per 1,000 people (versus the national average rate at 32). The reason for this is the fact that there are only two branches of higher education establishments in the district: that of the Varna Medical University and that of the Technical University in Sofia. On the other hand, in 2019 educational results improved in comparison with the previous year, and approached the national average levels. The share of poor grades in Bulgarian language and literature was 8.5% (compared to 8.7% for the country). The average grade at the matriculation exam in Bulgarian language and literature was "good" 4.04 (the national grade was "good" 4.06).

Healthcare

In 2018 the resources of Sliven's healthcare system were slightly below average. A GP served an average of 1,856 people (compared to an average of 1,673 for the country as a whole), while a medical specialist served 599 people (compared to a national average of 424). The number of beds in general hospitals rose slightly in recent years to reach 4.8 per 1,000 people (versus 5.34 beds in the country). Hospitalized patients for that year were 153.3 per 1,000 people; these values, considerably lower than the national average level, might have been caused by the inferior quality of local hospitals and preferences for visiting other ones in neighboring districts. The share of people with health insurance is also close to the national average rate: 86.6% versus an average of 87.9%, rather on the lower side of the spectrum.

Though slowly, healthcare indicators have been improving. Infant mortality is still among the highest in the country but the reported rate was the lowest since 2011: 8.4‰. On this indicator, Sliven has been doing better in recent years than Pazardzhik, Razgrad, Pleven, and Yambol.

Public order and security

The crime rate in the district of Sliven has been relatively low: registered crimes against the person and property in 2018 numbered 11.3 per 1,000 people, while the national average rate was 12.1. Of those, 67.1% were detected, a rate over the national average by almost 19 p.p.

Sliven has an efficient judicial system where the judge workloads, 9.8 cases a month per criminal judge, were above the national average workload of 9.2 cases. Higher workloads did not lead to a greater number of pending cases: only 5.7% of pending cases versus the average of 8.7% for the country; 94% of cases ended within 3 months (versus 90.2% on average for the country).

Environment

The slightly lower urbanization of the population in the district has predetermined the lower share of people living in areas with public sewerage: 65.2% versus the national average rate of 76%. The share of the population with access to sewerage connected to wastewater treatment plants was 57.3% or lower than national average figures by almost 10 p.p.

In 2017 generated household waste rose to 355 kg/person (compared to an average of 435 kg for the country), while carbon dioxide emissions into the atmosphere were less than half the national average.

Culture

The average number of cinema visits in the district of Sliven was very low in 2018, only 66 per 1,000 people and going down. On this indicator, Sliven is comparable with Sofia-district, Haskovo, and Yambol.

Theater visits also followed a downward tendency in the last few years: in 2018, they were 285 per 1,000 people (compared to 340 on average for the country).

The five museums in the district were visited on average of 497 times per 1,000 people, while the national average rate was 724 per 1,000 people. Only the annual average visit rate for libraries was above average in the district: 791 per 1,000 people (compared to 650 visits registered for Bulgaria as a whole).

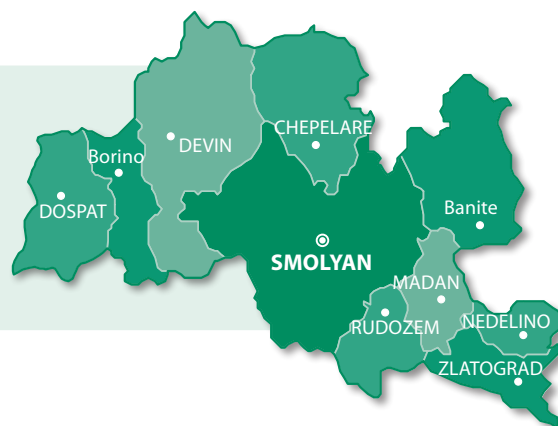
Key indicators for the district of Sliven

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	5,961	5,921	6,392	7,046	n.a.
Average annual income per household member (BGN)	4,017	4,236	3,685	3,790	n.a.
Average annual gross salary per employed person (BGN)	7,265	7,830	8,438	9,113	n.a.
Share of the poor relative to the country poverty line (%)	38.0	38.7	47.2	35.6	n.a.
Economic activity rate of the population aged 15–64 (%)	60.7	62.9	64.8	65.8	68
Employment rate of the population aged 15–64 (%)	52.4	55.9	58.9	58.9	61.2
Unemployment rate of the population aged 15–64 (%)	13.6	10.9	9.2	10.2	9.9
Share of people with tertiary education aged 25–64 (%)	22.5	21.8	21.4	21.2	21.1
Number of non-financial enterprises per 1,000 people	35	36	37	37	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,152	1,202	1,068	1,060	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	480	474	652	737	n.a.
Share of households with Internet access (%)	49.8	44.6	54.1	58.5	75.2
Share of roads in good condition (%)	80.3	72.4	71.9	70.4	80
Cadastral map coverage (%)	23.0	23.0	23.0	23.0	62.1

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–2.5	–2.7	–2.4	–2.8	–3.6
Net migration rate (‰)	–4.1	–4.9	–5.0	–4.4	–6.8
Average grade at the matriculation exam in Bulgarian language and literature	4.19	4.18	4.15	4.24	3.96
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	9.0	5.9	6.9	7.2	5.0
Net enrolment of the population in 5th–8th grade (%)	75.0	75.2	76.4	84.2	85.7
Share of people with health insurance (%)	85.6	87.4	87.5	86.8	86.6
Hospitalizations per 1,000 people	153.8	217.1	221.8	231.3	153.3
Registered crimes against the person and property per 1,000 people	12.5	11.6	11.1	11.8	11.3
Clearance rate for crimes against the person and property from those registered in the current year (%)	47.8	51.8	62.4	57.9	67.1
Share of pending criminal cases from those registered in the current year (%)	13.7	5.2	6.7	3.6	5.7
Share of the population with access to sewerage connected to wastewater treatment plants (%)	57.6	57.4	57.2	57.3	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	161.0	161.0	161.0	160.0	n.a.
Visits to the cinema per 1,000 people	93	84	101	97	66
Visits to the theater per 1,000 people	350	314	339	339	285

Smolyan District

► Population (2018)	106,352
► Territory (sq. km)	3192.8
► Number of settlements	242
► Share of urban population (%)	56



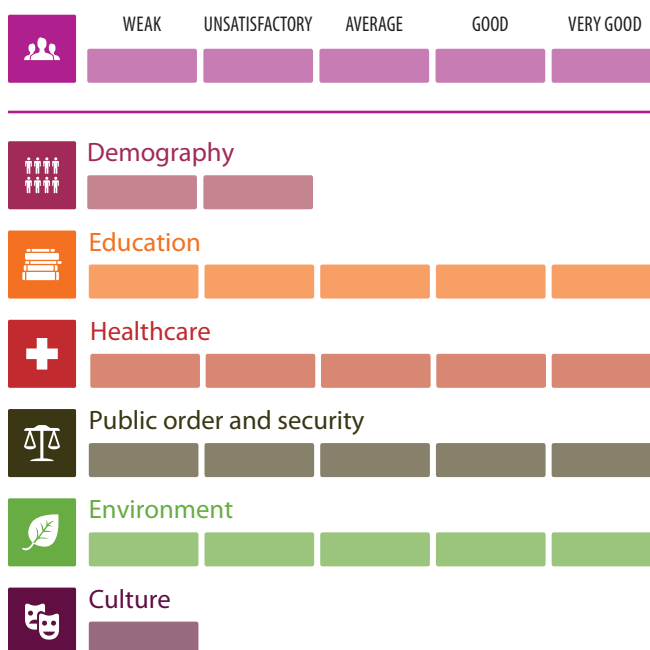
In 2017, after the stagnation from the previous year, a faster growth in Smolyan's GDP followed. It was accompanied by an increase in population income, where the average income per household member was among the highest in the country. As a result, poverty in the district dropped to reach below-national average values. Despite the relatively higher unemployment level, both economic activity and employment were above average. The good educational structure of the population, characterized by a relatively small number of people with primary and lower education, was also a positive influence. Company investment activity was below average, and foreign investment was low. Infrastructure, too, was a limiting factor for the local economy, but that could be explained to a certain extent with the specifics of the local geography. The improvement of the performance of local

administration can turn into a serious advantage for the district in providing a competitive business environment. Smolyan is one of the districts with the most rapidly ageing populations. Despite the demographic limitations of a low natural growth and poor urbanization, public services in the district remain well developed. Education is still characterized by good results and sufficient resources. Bearing in mind the district's proximity to the border, its healthcare system is also performing well with medical personnel supply close to average and the lowest infant mortality in the country. Law and order enforcement systems operate in conditions of low crime rates and high crime detection rates. The low workloads of judges do not have a negative impact on the quality and speed of justice administration. Environmental conditions in the district of Smolyan are very good.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■

Income and living standard ■■■■

After several years of unstable dynamics, in 2017, GDP in the district of Smolyan grew by almost 13% to reach 9,472 BGN/person. The living standard also kept improving with a sustained growth of salaries, although the latter rose at a pace slower than the average in the country, remaining among the lowest in Bulgaria. The annual average income per household member, however, was considerably higher than the national average rate reaching 6,127 BGN (versus 5,586 BGN in the country as a whole). As a result, poverty in the district reported a significant decline, whereas the share of the population living in material deprivation was barely 14.3%: only the districts of Gabrovo, Dobrich, and Sofia (capital city) registered lower shares. The population living below the poverty line was 20.9% while the national average was 22%.

Labor market ■■■■

Though unemployment in the district remained relatively high and was still twice the national average rate (10.5% compared to the national average of 5.3%) the population's economic activity remained above average. In 2018 it reached 75.6% of the working age population (compared to the national average rate of 71.5%). Employment rates declined slightly after a few years of rapid growth until 2017 to reach the national average rate of 67.7%.

The labor market has a favorable educational structure of the population with only 15.3% of the population aged 25–64 with primary or lower education versus the national average of 17.4%. College graduates as part of the workforce constituted a lower share than the national average: 22.5% of the population. Yet, Smolyan ranked immediately after the best ten districts in this metric.

Smolyan suffers from a strong tendency for population ageing, which could affect negatively the labor market prospects. In 2018 the district registered the lowest ratio of demographic replacement, 43.2%, which implies that during the next five years those leaving the labor market will be replaced by half as many young people entering it.

Investment and economy ■■

Generated GDP per capita in the district of Smolyan was only about 68% of the respective average for the county, but that ranked the local economy tenth in Bulgaria. Investment activity is limited in Smolyan, accompanied by little foreign investor interest. In 2017, FDI reached 765 EUR/person versus the national average rate at 3,459 EUR/person. There were 48 active non-financial enterprises in the district versus an average of 57 in Bulgaria. FTA investment expenditure registered a sharp decline from 3,473 to 1,511 BGN/person, while the national average rate was 2,491 BGN/person in 2017. Production value at

13,955 BGN/person ranked the district 14th on this indicator, as the national average rate was 23,764 BGN.

The district of Smolyan registered serious growth in utilized funds from European projects, which reached 1,485 BGN/person in 2019. The municipality with the highest utilization of EU funds was that of Rudozem, while that with the lowest rate was that of Banite.

Infrastructure ■

The geographic location of the district of Smolyan near the border, as well as its mountainous terrain, determines the relatively poor development of the infrastructure in it. There are neither railway lines nor highways or first-class roads in the district, and that impedes movement in it. The road network has a density of 16.9 km/100 sq. km territory versus the national average rate of 17.9 km. The quality of road surfaces is relatively high with 49.1% of it in good condition. In tune with nationwide tendencies, the share of households with internet access increased fast to reach 73% in 2018. In general, poorly developed infrastructure creates objective obstacles to the district's possibilities for economic development.

Local taxes ■■■■

The average level of local taxes on property transfer and those on the real estate of legal entities is comparable to the national average level. The remaining local taxes such as taxes on vehicles, retail trade, and taxi transportation are below national average rates. Though municipalities have similar rates, those in the Chepelare municipality are slightly above, while those of the Smolyan municipality are slightly below them.

Administration ■■

In the last three years the local administration's self-evaluation concerning the development of electronic government and one-stop-shop services went up, but is still below national average levels. Cadastral map coverage has also been lagging slightly behind the national average to reach 68.8% of the district territory versus the national average rate of 72.4%.

The Active transparency rating of municipalities in the district of Smolyan rose to 67% in 2019, still below the national average of 70.7%. The lowest rating was that of the Rudozem municipality (36.6%) while the highest was in Zlatograd (almost 88%), which was a considerable improvement compared to the 65.5% registered in 2018.

SOCIAL DEVELOPMENT

Demography

Smolyan has one of the fastest-ageing populations in the country. The age dependency ratio (the ratio between persons aged 65+ and those aged 0–14) is 207.3, i.e., one child corresponding to two seniors. In the last eight years the age dependency ratio has seen continuous deterioration.

The natural population growth rate in the district is negative, –9.4‰, compared to the national average rate at –6.5‰. The reason for this rate being less favorable is the very low birth rate: in 2018 Smolyan had the lowest birth rate in the entire country. The net migration rate was also exceptionally negative with negative migration flow consistently the highest among all districts in Bulgaria, although in 2018 there was a slight improvement on the double-digit values from previous years: –8.1‰.

Smolyan is one of the least urbanized districts in the country; only 56.1% of the population live in cities, as large number of villages and small towns are the norm. Still, population density is not low.

Education

The district of Smolyan has continued to be one of the districts with the best educational indicators. In 2018 the net enrolment rate in 5th–8th grade was among the highest in the country: 91.8% versus the national average rate of 87.4%. The district has the greatest number of teachers: 119 per 1,000 pupils due to the existence of numerous small schools under state protection because of its geographic specifics and low urbanization. The system was coping very well with keeping children in school in 2017: the share of dropouts was 0.95%, while the national average rate was 2.98%.

Educational results in Smolyan have stayed high despite a small deterioration in comparison with the previous year. The share of poor grades at the matriculation exam in Bulgarian language and literature in 2019 was 4.2% or twice lower than the average rate in the country; that rate was lower only in the capital. The district's average grade was "good" 4.19 (compared to the national average grade of "good" 4.06), which ranked Smolyan fourth in the country.

There are two branches of higher education institutions in the district of Smolyan: one of Varna Free University and one of Plovdiv University "Paisiy Hilendarski". That allows the district to report 13 college students per 1,000 people (compared to 32 on average for the country).

Healthcare

The share of people with health insurance is almost 95% of Smolyan's population. In 2018 one GP served an average of 1,587 people (compared to an average of 1,673 in the country), while a medical specialist served 512 people (compared

to an average of 424 in the country). Smolyan also has a sufficient number of beds in general hospitals: 5.22 per 1,000 people compared with an average of 5.34 for Bulgaria. On the other hand, the annual number of hospitalized patients was relatively high: 224 per 1,000 people, and retained that level in the last three years. The 2018 infant mortality rate of 1.5‰ was the lowest in the country, where the national average rate was 5.8‰.

Public order and security

The workloads of criminal judges in the district of Smolyan were among the lowest in the country. In 2018 a judge saw an average of 5 cases a month versus the national average rate of 9.2 cases. The only places where judges had lower workloads were Targovishte and Pernik. Still, pending criminal cases in 2018 were only 6.6%, and that share has been on the decline in the last three years. The share of criminal cases closed within 3 months was 89.9% – very close to the national average rate of 90.2%.

The district of Smolyan has also enjoyed the lowest number of registered crimes against the person and property in the country: 5.1 per 1,000 people, while crime detection rate has been among the highest: 73.6% versus the national average of 48.9%.

Environment

72.6% of the district's population live in areas with public sewerage systems, which is a relatively high share, having in mind the low level of urbanization in it. Smolyan has much to do in terms of building sewerage connected with wastewater treatment plants: current coverage is only 42.9% of the district's population (versus an average of 63.4% nationwide).

Environmental conditions in the district of Smolyan are at a very high level. Generated household waste went down to 251 kg/person in 2017, the lowest in the country, where the national average was 435 kg. The district has traditionally reported a low level of carbon dioxide emissions into the atmosphere.

Culture

The district's cultural life is characterized by low intensity, one of the reasons being the limited number of cultural institutions operating in the district. Cinemas reported 134 visits per 1,000 people in 2018 (versus 695 nationally) as the district had a single cinema. Theater visits increased to 119 per 1,000 people or almost a third of the average rate for the country. Libraries and community centers were visited 192 times per 1,000 people in 2018 or three times less than the national average rate.

Key indicators for the district of Smolyan

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	7,583	8,557	8,636	9,742	n.a.
Average annual income per household member (BGN)	5,315	5,419	5,618	6,127	n.a.
Average annual gross salary per employed person (BGN)	7,253	7,679	8,504	9,133	n.a.
Share of the poor relative to the country poverty line (%)	34.0	24.1	26.9	20.9	n.a.
Economic activity rate of the population aged 15–64 (%)	76.1	77.2	74.1	76.8	75.6
Employment rate of the population aged 15–64 (%)	61.2	63.9	63.6	68.1	67.7
Unemployment rate of the population aged 15–64 (%)	19.4	17.2	14.1	11.2	10.5
Share of people with tertiary education aged 25–64 (%)	21.0	21.7	23.2	23.8	22.5
Number of non-financial enterprises per 1,000 people	45	47	48	48	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,775	1,843	3,473	1,511	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	653	752	758	765	n.a.
Share of households with Internet access (%)	55.4	52.3	59.9	56.5	73.0
Share of roads in good condition (%)	49.5	54.5	55.5	49.6	49.1
Cadastral map coverage (%)	32.1	32.1	32.1	32.1	68.8

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–7.8	–8.2	–8.0	–9.5	–9.4
Net migration rate (‰)	–11.6	–12.9	–11.9	–10.4	–8.1
Average grade at the matriculation exam in Bulgarian language and literature	4.42	4.37	4.26	4.42	4.33
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	3.4	2.5	6.5	3.4	3.0
Net enrolment of the population in 5th–8th grade (%)	82.4	83.3	81.1	90.8	91.8
Share of people with health insurance (%)	91.6	94.4	95.1	94.4	94.6
Hospitalizations per 1,000 people	211.9	213.6	224.8	219.6	224.0
Registered crimes against the person and property per 1,000 people	5.4	6.1	5.6	6.1	5.1
Clearance rate for crimes against the person and property from those registered in the current year (%)	53.5	56.7	73.6	68.7	73.6
Share of pending criminal cases from those registered in the current year (%)	8.2	5.2	7.5	6.8	6.6
Share of the population with access to sewerage connected to wastewater treatment plants (%)	39.5	42.0	42.4	42.9	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	4.0	3.6	5.3	5.3	n.a.
Visits to the cinema per 1,000 people	139	153	150	169	134
Visits to the theater per 1,000 people	69	96	122	93	119

Sofia District (capital city)



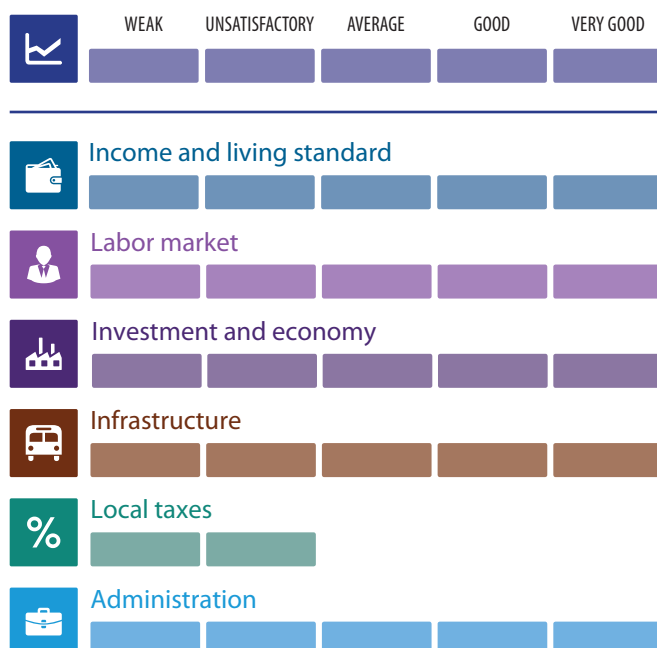
► Population (2018)	1,326,775
► Territory (sq. km)	1348.9
► Number of settlements	38
► Share of urban population (%)	96

The capital was the most economically developed district in Bulgaria, showing significant differences from the rest of Bulgarian regions in 2018. GDP per capita was double the national average, while salaries and household incomes were higher by over a third. In the district there were half as many households living in material deprivation or below the poverty line. Good economic performance was also manifested in the capital's labor market: in 2018 unemployment dropped to 2.1%, while employment went over 75%. The workforce is well educated with favorable prospects for its medium-term dynamics. Sofia attracts most foreign investment in the country. As a result of the restructuring and the increased role of services, FTA acquisition expenditure has declined slightly but the capital is still the district with the highest production value per capita. The capital has high quality infrastructure, especially

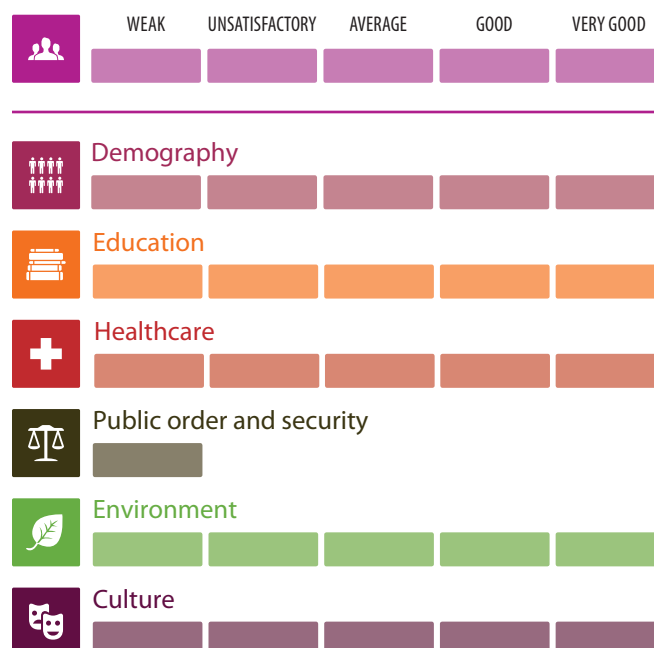
high speed internet access. However, the capital city maintains relatively high rates in local taxes, especially for retail trade and taxi services.

Sofia is one of the few districts in Bulgaria to enjoy positive migration processes. That contributes to softening the effect of negative natural population growth; as a result, the capital has the youngest population in the country. The district offers the best in both secondary and tertiary education in the country, ranking invariably first in both average grade and lowest share of fail grades at matriculation exams. Sofia offers very good healthcare, too, especially in terms of access to specialist doctors. The high court workloads, on the other hand, entail slow processing of criminal cases, while crime rates are above national average levels. The capital leads in cultural life, too. The state of the environment is relatively good except for air purity.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■■■

Incomes and living standard ■■■■■

The capital had the highest GDP per capita in the country: in 2017 it grew by 6.4% to reach 30,295 BGN/person or over twice the national average value. That concentration of economic activity has brought Sofia close to Central European levels of GDP per capita, taking into account differences in purchasing power. The high economic activity, the strong presence of sectors with high added value as well as the concentration effect in the capital/largest city in the national economy led to considerably higher salaries of people in employment: 17,199 BGN in 2017 or over 38% higher than the national average.

Favorable economic indicators were the main prerequisite for the high average income per household member, which reached 7,603 BGN in 2017 versus the national average rate of 5,586. The good living standard in Sofia is also visible in the low share of the population living in material deprivation, 12.2% in 2018, or half the national average. With barely 8.8% of the population having income below the poverty line, the capital ranks first in Bulgaria.

Labor market ■■■■■

Improved living standards in the capital have been to a considerable extent the result of the rapid expansion of the labor market in the last five years. Between 2013 and 2018 unemployment in the district shrank from 8.2 to 2.1%, and is now bordering on “natural” levels. The low unemployment was paired off with record high employment: in 2018, the employment rate of the population aged 15–64 approached 76%, a value approaching those in the economically most powerful regions of the European Union.

The good results in the labor market have been supported by relatively good medium-term prospects, expressed in demographic replacement ratios. The ratio of the population aged 15–19 to that aged 60–64 is 72.4%, considerably more favorable than the national average. Another significant fact is that over half the active age population has tertiary education, while that with primary or lower education is below 5%.

Investment and economy ■■■■■

Sofia is a leader in investment activity. It had the greatest number of companies per capita: 89 per 1,000 people in 2017 with a tendency for their number to grow fast. In 2017 cumulative FDI was 9,294 EUR/person, two and a half times over the na-

tional average and about 40% of its total amount in the national economy. As investment was mostly in the service sector FTA expenditure slightly declined in recent years but the capital was way ahead all other regions on this indicator. Production value, amounting to an average of 46 thousand BGN/person, was also the highest in Bulgaria in 2017, though Sofia district has been approaching similar levels, too.

Sofia (capital city) took the second place after Gabrovo in cumulative EU funds utilization with 3,129 BGN/person as of mid-2019. A considerable part of those were invested in the construction of new underground lines.

Infrastructure ■■■■■

There are no roads from the national road network in Sofia (capital city), though its territory borders directly on several highways. Sofia railway station, on the other hand, is the chief railway hub in the country; the density of Sofia railway network, 12.8 km/100 sq. km, is considerably higher than the national average. The share of households with high speed Internet continued to rise to reach 81.9% in 2018.

Local taxes ■■■

The low rating of the capital's municipal administration for the local tax burden is mostly a consequence of the high tax on taxi transportation, which amounts to 850 BGN a year as well as the patent tax for retail trade of 20 BGN/sq. m, both of which are the highest in Bulgaria and almost double the average levels. The remaining three local taxes have rates very close to average levels.

Administration ■■■■■

The cadastral map of Sofia is practically complete: the most recent data indicate coverage of the territory of over 99%. However, the municipal administration's self-evaluation for electronic government went down by a digit during the last year to 3 out of 5 points. The evaluation for offered one-stop-shop services has remained unchanged: 4 out of 5 points, while the Active transparency rating of local government was 77%.

SOCIAL DEVELOPMENT ■■■■■■

Demography ■■■■■■

Sofia (capital city) was one of the districts with positive migration processes; in 2018 only Kardzhali had a higher net migration rate than the capital's 3.9‰. That indicator registered significant changes in different years, though. Besides, the city is among the main centers attracting daily labor commuters from other municipalities. Its natural population growth rate of -1.9‰ is negative but also the most favorable in the country, albeit with a negative tendency.

Nevertheless, the district has the best demographic replacement ratios: for every 100 people in the 0–14 age group there are 119 of those over 65 (versus an average of 148 for the country). Sofia is almost totally urbanized territory – 95.6% of it, and, quite predictably, the density in its urban part is very high, reaching 4,890 people/sq. km.

Education ■■■■■■

Most of the best schools and universities in Bulgaria are located in Sofia. In 2018 the capital reported 73 students per 1,000 people, though, like elsewhere in the country, due to demographic processes their number is gradually declining. The number of teachers relative to pupils in secondary education was very close to average – 83 per 1,000 due to the relatively large number of children. Enrolment in schools was high: the rate of those enrolled in 5th–8th grade was 89.4%, while that of dropouts was exceptionally low, a little below 1%.

On the whole, the achieved results of pupils in Sofia were the best in the country in 2018. The relative share of repeaters was 0.36% (versus 0.91% in Bulgaria). Results at matriculation exams have traditionally been the highest with the average grade in Bulgarian language and literature in 2019 at “very good” 4.53 (versus “good” 4.06 in the country). The share of poor grades at that matriculation exam was also very low: Sofia shared the first place with Smolyan with 0.96 and 0.95% of those who sat the exam, respectively.

Healthcare ■■■■■■

The capital is characterized by a relatively high number of specialist physicians: an average of 354 people per physician in 2018, with Pleven being the single district to perform better in this indicator. The number of patients served by one GP is very close to the national average of 1,665 people; this number has been on a gradual rise in recent years. The most recent rate of people with health insurance was 86.6% – below the national average rate by almost 1 p.p. Access to hospital care has been improving gradually: in 2018 there were 5.2 hospital beds per 1,000 people compared to 3.9 in 2012, which reflects consider-

able investment in reconstruction of old ones and construction of new hospitals.

Morbidity, measured by the number of patients to be hospitalized, was close to national average: 165 per 1,000 people. It should be noted, however, that the hospitals and clinics in Sofia also attract numerous patients from outside the district. The infant mortality rate was very low: 2.7‰ versus 5.8‰ on average in Bulgaria.

Public order and security ■

The overloaded courts in Sofia are the main reason for the district's poor rating in this category. Though Sofia's results have improved on all indicators, the share of criminal cases closed within 3 months has remained low: 83.6% versus 90.2% on average in the country, while that of pending cases is higher: 11.4% versus 8.7%. Registered crimes against the person and property are much more than the average rate – the district ranks third in the country; their detection rate was the lowest except for the rate reported in Varna. There are good reasons to expect further improvement as the workloads of criminal judges have been on a gradual decline: from an average of 18 cases a month in 2010 to 14 in 2018.

Environment ■■■■■■

In 2017 generated household waste in Sofia was above average (565 kg/person annually) with only Gabrovo reporting more. Its tendency is to increase and that reflects both rising incomes and an increasing active age population. Practically the entire population has access to public sewerage, including sewerage connected with wastewater treatment plants: coverage above 96% in both indicators, the highest in the country.

Culture ■■■■■■

In 2018 Sofia ranked first in visits to cinemas and theaters. Cinemas reported 1,884 visits per 1,000 people and theaters – 684 per 1,000 people. Differences in comparison with the national average rates are considerable in both indicators. Library visits, too, were twice the average rate: 1,376 though here the capital was lagging behind the first-ranking district of Veliko Tarnovo. Interest in the district's museums was less intense with visit numbers close to average: 748 versus 724; the district was not among the leaders in this respect.

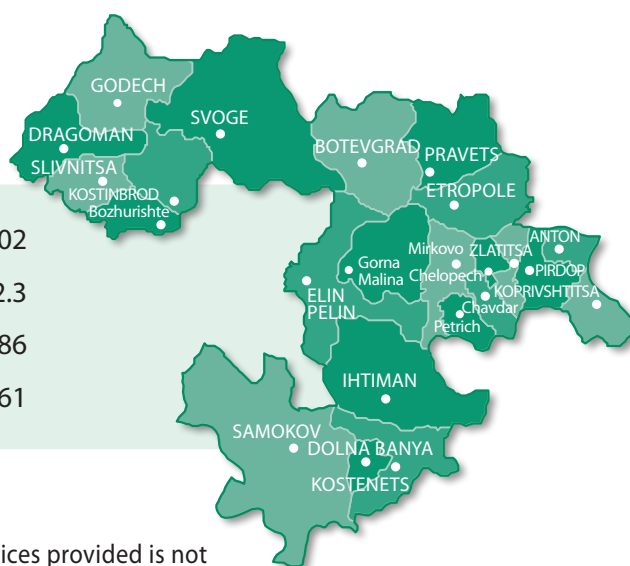
Key indicators for the district of Sofia (capital city)

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	24,890	26,690	28,465	30,295	n.a.
Average annual income per household member (BGN)	6,890	7,061	7,349	7,603	n.a.
Average annual gross salary per employed person (BGN)	13,542	14,531	15,658	17,199	n.a.
Share of the poor relative to the country poverty line (%)	7.4	8.0	9.9	8.8	n.a.
Economic activity rate of the population aged 15–64 (%)	74.0	75.0	75.4	76.7	77.2
Employment rate of the population aged 15–64 (%)	69.2	71.7	72.5	74.6	75.6
Unemployment rate of the population aged 15–64 (%)	6.3	4.3	3.9	2.8	2.1
Share of people with tertiary education aged 25–64 (%)	48.6	49.6	51.4	50.8	51.4
Number of non-financial enterprises per 1,000 people	83	85	88	89	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	6,234	6,052	5,573	5,134	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	8,891	9,164	9,239	9,294	n.a.
Share of households with Internet access (%)	69.3	75.3	69.4	75.6	81.9
Share of roads in good condition (%)	n.a.	n.a.	n.a.	n.a.	n.a.
Cadastral map coverage (%)	95.8	96.3	97.9	97.9	99.2

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–1.2	–1.7	–1.5	–1.3	–1.9
Net migration rate (‰)	6.5	4.2	4.4	2.7	3.9
Average grade at the matriculation exam in Bulgarian language and literature	4.60	4.63	4.58	4.61	4.45
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	1.9	1.8	2.1	2.0	1.5
Net enrolment of the population in 5th–8th grade (%)	74.8	74.5	75.4	90.1	89.4
Share of people with health insurance (%)	85.9	87.1	86.2	86.3	86.6
Hospitalizations per 1,000 people	152.5	253.1	257.5	281.3	164.5
Registered crimes against the person and property per 1,000 people	20.2	18.6	16.6	16.8	15.1
Clearance rate for crimes against the person and property from those registered in the current year (%)	33.1	30.4	32.2	29.9	34.0
Share of pending criminal cases from those registered in the current year (%)	14.4	15.4	13.0	13.1	11.4
Share of the population with access to sewerage connected to wastewater treatment plants (%)	96.1	96.1	96.2	96.2	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	1,073.5	1,073.5	1,073.5	1,073.5	n.a.
Visits to the cinema per 1,000 people	2,061	2,126	2,161	2,101	1,884
Visits to the theater per 1,000 people	649	547	603	584	684

Sofia District

► Population (2018)	230,302
► Territory (sq. km)	7062.3
► Number of settlements	286
► Share of urban population (%)	61



Economic development in Sofia district is to a considerable extent connected with the capital's investment and economic activity, hence, a significant number of indicators should be considered through the lens of this proximity symbiosis. GDP per capita and average salaries are high, and rank the district immediately after the capital as well as the district of Stara Zagora. At the same time, household incomes are below average, while poverty indicators are slightly above average. Sofia district is characterized by the lowest registered unemployment rate and a very high employment rate. It attracts considerable foreign investment, which is yet another instance of its integration with the capital's economy. Production value is similar to that in the capital, which makes the entire region an indisputable leader in the country. Success in EU funds utilization has been more modest. Despite the high share of highways and first-class roads, infrastructure has retained its relatively low quality. Local municipalities' taxes are often higher than average, while the quality of administrative

services provided is not evaluated as very high, either. Demographic processes in Sofia district are markedly negative, especially when it comes to natural growth rates and the fast ageing of the population. The capital's proximity enables daily labor migration, which is a significant factor in curbing permanent out-migration. Education results are mainly negative: despite the relatively good enrolment, a high rate of repeaters and low grades at matriculation exams has been reported. Healthcare is characterized by a higher morbidity and a slightly more difficult access to GPs compared to average rates. Justice administration in the district is slow but this cannot be attributed to high judge workloads. Registered crime rates are relatively high. The state of the environment is also unfavorable, mostly because of the low share of households connected with wastewater treatment plants. The low-intensity cultural life in the district is also to be attributed to the proximity to the capital city.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■■

Incomes and living standard ■■■■

In 2017 GDP per capita in Sofia district was the third largest in Bulgaria after the capital and Stara Zagora; the growth rate reported was exceptionally high: 17.6%. The high salary levels in the district were the result of having an integrated labor market with the city of Sofia. In 2017, the salaries of people in employment reached a gross annual average of 12,149 BGN; the only districts with higher figures were Sofia (capital city) and Stara Zagora.

In terms of household income, however, Sofia district's reported performance was slightly less impressive: the annual average income per household member was 4,853 BGN, considerably below the national average rate of 5,586 BGN, as its growth was not too fast during that decade. Poverty indicators were lower, though close to national average rates. In 2017 the share of the population living in material deprivation was 18%, while those living below the poverty line were 20%.

Labor market ■■■■

The strong ties between the capital's economy and that of Sofia district were most clearly manifested in the labor market. In 2018 unemployment reached a national record of 0.7% (though some caution is needed due to data representativeness issues). The employment rate reached 73.3% of the working age population – the second highest after that in the capital. The workforce profile in Sofia district stands out with the low percentage of both people with tertiary education (13.6% of the population aged 25–64) and those with primary and lower education (12.3%). This can be partially explained with the capital's role in attracting professionals with college degrees. At the same time, the relatively high share of the workforce with secondary education is a factor for the development of processing industries on the district's territory.

Investment and economy ■■■■

Sofia district's economy is based mainly on large industrial enterprises. Their number is small: 41 per 1,000 people or half the capital's rate. Yet, in 2017 Sofia district and Sofia (capital city) registered almost identical production value figures: 45.4 thousand BGN/person per annum in Sofia district versus 46 thousand BGN/person in Sofia (capital city), with the indicator rising considerably in recent years.

The district ranked second in the country in attracted FDI up to 2017, which reached 6.287 EUR/person or almost twice the national average and close to the rates reported for the capital. That high investment activity was also manifested in the FTA acquisition expenditure indicator: in 2017 the district ranked third (after the capital and Burgas) with 2,697 BGN/person. So-

fia district performed less well in utilizing EU funds: as of mid-2019 their total sum went slightly over their national average, reaching 1,868 BGN/person; however, the district's municipalities were among the more successful ones in the country in that respect.

Infrastructure ■■

The poor rating of Sofia district's infrastructure is mainly due to the low quality of its road network: there are barely 31% good quality roads in it, considerably below the national average rate of 41%, with the indicator's value staying virtually the same in recent years. By contrast, the district ranks first in Bulgaria in the share of highways and first-class roads: 31%, a consequence of its specific geographic location on the territory surrounding the capital city. Alongside the large number of urban areas, the location factor also accounts for the high density (21.4 km/100 sq. km) of the road network; the only districts with higher density networks are those of Gabrovo and Pernik.

Railroad density in the district was also above average: 4.2 km/100 sq. km versus 3.2 km for Bulgaria in 2017. However, access to broadband internet has remained low: only slightly over half the households had access to it, and the district took the last place on this indicator.

Local taxes ■■■■

The level of most municipal taxes in Sofia district is close to their national average rates. The tax on real estate of legal entities was slightly higher – an average of 2.21%, and trending upward. The property transfer tax was also slightly above the national average rate: 2.57% versus 2.52%. On the other hand, the last several years saw some decline in the annual average tax on taxi transportation: the average rate in the district's municipalities was 395 BGN annually in 2019. Another below-average tax rate was the license tax for retail trade.

Administration ■

Despite significantly increasing in most districts, cadastral map coverage in Sofia district remained low in 2018: 59% of its territory. There was a gradual increase in the local administrations' self-evaluation for offered one-stop-shop services and electronic services, though they stayed considerably below national average levels. The AIP Active transparency rating also registered some improvement in 2019 to reach 58%, but it remained relatively low.

SOCIAL DEVELOPMENT ■

Demography ■■■■

In 2018 Sofia district was among the districts with markedly negative natural increase rates (−9.8‰) as in recent years the difference between birth rates and death rates has been on the rise. The capital's proximity allows for daily commuting from many of its municipalities, which, on its part, entails lower permanent migration to leading centers of the economy. In 2018 net migration in Sofia district was barely −1.1‰, among the more favorable levels in Bulgaria.

At the same time, the district's urban areas are among the least densely populated in the country, their density was 748.7 people/sq. km with a downward tendency. Age dependency ratios imply a fast-ageing population in Sofia district in the near future as well.

Education ■■

In 2018 teacher-pupil ratios in Sofia district were similar to national average figures: 84 teachers per 1,000 pupils. There were very few university level students in the district, 9 per 1,000 people, and this number is declining. This is predictable in view of the large number of tertiary education institutions in the capital.

In 2018 the district did relatively well in enrolling children with 91.3% of the respective age group enrolled in 5th–8th grade. However, there was a serious problem in repeater rates with 1.73% of pupils repeating respective years, the second worst result in Bulgaria after Sliven. Besides, the district's results at matriculation exams were rather low in 2019: the average grade in Bulgarian language and literature was “good” 3.93 (versus “good” 4.06 in Bulgaria). The share of failed grades was also considerably higher: 12% of all pupils who sat the exam (versus 8.7% in Bulgaria).

Healthcare ■■

Specialist physician rates (1 for every 424 people) in the district were similar to national average ones. Access to GPs, on the other hand, was a little harder with 1,758 people per GP in 2018. Slightly over 86% of the population had health insurance, a figure undergoing little change during the last decade. Reported results in population morbidity were less favorable in 2018. The number of patients who were treated in general hospitals in Sofia district was 263 per 1,000 people, considerably above the national average rate of 171, without any sig-

nificant changes in recent years. The infant mortality rate was also slightly above average: 6‰ versus 5.8‰, though with a downward trend.

Public order and security ■

The poor result of Sofia district in this category is a consequence, on the one hand, of slow justice administration, and on the other, of the relatively high number of registered crimes. The district's performance was the worst in both indicators concerning justice administration speed: pending criminal cases were 16.2% or almost twice the national average rate, while cases closed within 3 months were 82% versus a national average of 90%. The problem seems even more apparent against the backdrop of judge workloads, which were not very high: judges saw an average of 9.6 cases a month. At the same time, there were 13.5 registered crimes against the person and property per 1,000 people with slightly over half of them being detected.

Environment ■■

Like most other districts, Sofia district gradually cut on the quantity of generated household waste. In 2017 it reached 479 kg/person annually, a volume slightly over the national average rate of 435 kg. In recent years there has been a considerable improvement in the share of population with access to sewerage connected with wastewater treatment plants: it went up from 28 to 43% in a decade, but remained below the national average of 63%. At the same time, the share of households with access to sewerage was close to the national average (77%). In spite of the district's industrial profile, only 33 t/sq. km of carbon dioxide emissions were registered in 2017.

Culture ■

The proximity to the city of Sofia and its active cultural life is the cause for the less impressive results of Sofia district – perhaps a great number of its inhabitants prefer to attend cultural events in the capital city. What accounts for the district's poor performance is the lack of visits to theaters and libraries; cinema visits on the other hand were ten times fewer than the national average figure: barely 67 per 1,000 people in 2018. However, interest in the district's museums was higher: 1,178 visits per 1,000 people, albeit with a downward trend in the last five years.

Key indicators for the district of Sofia

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	11,563	12,983	13,203	15,527	n.a.
Average annual income per household member (BGN)	3,771	3,827	4,633	4,853	n.a.
Average annual gross salary per employed person (BGN)	9,766	10,507	11,230	12,149	n.a.
Share of the poor relative to the country poverty line (%)	24.4	23.1	21.6	20.4	n.a.
Economic activity rate of the population aged 15–64 (%)	68.4	65.5	62.2	68.2	73.8
Employment rate of the population aged 15–64 (%)	59.6	59.2	57.9	66.4	73.3
Unemployment rate of the population aged 15–64 (%)	12.7	9.4	6.9	2.6	0.7
Share of people with tertiary education aged 25–64 (%)	15.8	16.8	13.8	13.1	13.6
Number of non-financial enterprises per 1,000 people	39	41	41	41	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	2,353	3,059	2,752	2,697	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	5,174	5,407	5,576	6,287	n.a.
Share of households with Internet access (%)	45.9	45.9	47.5	52.3	51.3
Share of roads in good condition (%)	31.0	29.0	35.9	28.8	30.8
Cadastral map coverage (%)	12.6	14.8	33.2	37.7	58.8

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–9.1	–9.7	–9.4	–9.9	–9.8
Net migration rate (‰)	–2.7	5.5	–2.9	–1.3	–1.1
Average grade at the matriculation exam in Bulgarian language and literature	4.25	4.09	3.90	4.03	3.72
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	5.0	10.7	16.0	11.3	9.0
Net enrolment of the population in 5th–8th grade (%)	78.9	79.5	80.4	91.3	91.3
Share of people with health insurance (%)	86.0	87.3	86.9	86.3	86.3
Hospitalizations per 1,000 people	248.5	260.3	275.0	274.9	263.3
Registered crimes against the person and property per 1,000 people	14.7	13.8	12.4	13.9	13.5
Clearance rate for crimes against the person and property from those registered in the current year (%)	39.1	39.7	57.2	55.9	54.9
Share of pending criminal cases from those registered in the current year (%)	10.5	12.1	9.6	17.2	16.2
Share of the population with access to sewerage connected to wastewater treatment plants (%)	29.3	41.7	42.9	43.0	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	39.5	39.9	38.0	32.8	n.a.
Visits to the cinema per 1,000 people	63	61	70	79	67
Visits to the theater per 1,000 people	0	0	0	0	0

Stara Zagora District

► Population (2018)	317,712
► Territory (sq. km)	5151.1
► Number of settlements	207
► Share of urban population (%)	72



GDP per capita in the district of Stara Zagora has continued to register the second highest level after that of the capital city. Economic growth has contributed to high salaries, relatively high household incomes, and relatively low poverty levels. Conditions in the labor market are exceptionally favorable. Unemployment is down to 2.3%, one of the lowest rates in the country, while employment is close to the highest rates characteristic of the capital. The educational structure of the workforce suits the needs of the labor market. Investment activity slowed down slightly in 2017 but Stara Zagora remained one of the six districts with the highest FTA acquisition expenditure as well as foreign direct investment per capita. Production value was high and placed the district among the leaders in the country. Infrastructure is in good condition and provides favorable conditions for industrial development in the region. However, the district needs to invest in upgrading road quality. Local tax rates are among the lowest in the country,

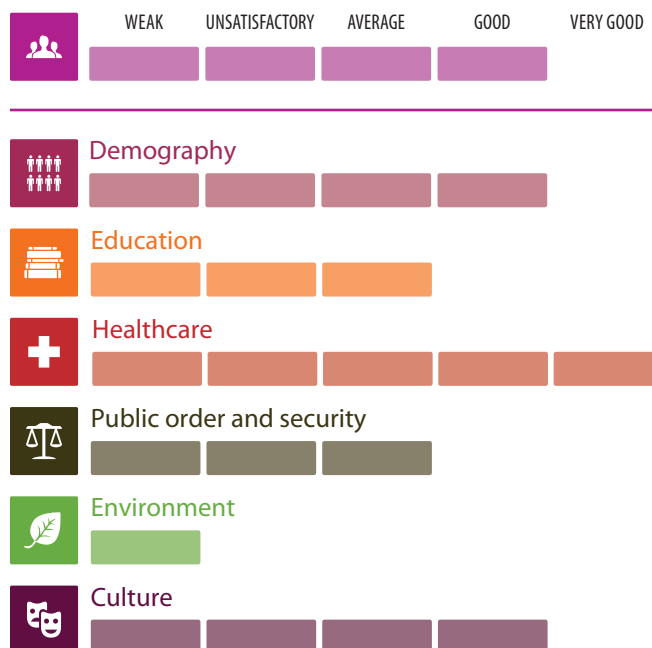
while administrations have improved their performance in the last year.

The district's population is gradually decreasing and ageing. Migration processes are relatively weak, with a negative net rate, but in comparison with others, the reported dynamics is not too negative. The educational system has achieved better results compared to the previous year; average grades at the matriculation exams in Bulgarian language and literature have reached national levels. The district faces the challenge of preventing school children to drop out of primary and secondary school and reducing the number of poor grades at matriculation exams. The level of healthcare is good, while doctor access rates are relatively favorable. Infant mortality is going down, though still slightly above the national average rate. In 2018 there was a sharp decline in the number of hospitalizations. High levels of atmospheric pollution are among the district's greatest problems. Generated household waste has also been on the increase.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■■■

Incomes and living standard ■■■■■

2017 was yet another year that saw an above-average GDP per capita in Stara Zagora, which reached 17,550 BGN. The increase of 8% was similar to the national average rate and was accompanied by increases in income. The annual average gross salary reached 12,248 BGN: the only higher salaries were in the capital. In 2017 the average income per household member was 5,478 BGN, close to the national average of 5,586 BGN but because of income structure specifics Stara Zagora was ranked seventh.

Relatively high income and the impressive GDP in the district have brought about a decline in poverty. The share of people living with income below the poverty line was 17.8% (compared to 22% on average in the country) and that of population living in material deprivation was 19% (compared to 20.9% in Bulgaria).

Labor market ■■■■■

The impressive development of the labor market in Stara Zagora continued in 2018. The unemployment rate dropped to 2.3%, while the only districts with lower unemployment were the capital and the district of Smolyan. The annual average employment rate of the working age population reached 71% (versus 67.6% nationally), while economic activity (72.7%) was above the national average rate of 71.5%. The only districts with higher employment rates were Sofia (capital city) and Sofia district. The population's age structure was relatively favorable, while the demographic replacement ratio, which shows the ratio between people entering the labor market and people leaving it, went over the national average figure by slightly over 2 p.p.

Despite the presence of universities in the district the share of people with university education in the workforce is one of the lowest in the country: 19% versus 28.2% nationally. At the same time, the share of people with primary and lower education aged 25–64 was similar to the national average, though slightly lower. Currently, the prevalent share of people with secondary education seems to suit the demand for labor in the regional economy.

Investment and economy ■■■■■

Investment activity has gone through a period of slight slowdown in recent years. FDI stock went down to reach 2,829 EUR/person in 2017 (versus 3,459 EUR on average in Bulgaria). There are 46 non-financial companies per 1,000 people operating in the district, which is below the national average but can be attributed to the large size of industrial and energy producing companies. FTA acquisition expenditure, regardless of the decline a year earlier, went through a recovery and reached

a level comparable to the national average level. Production value rose by over 10% to reach 23,892 BGN/person or close to its national average value, while the only districts with higher figures were the capital, Sofia, Burgas, and Plovdiv.

Infrastructure ■■■■■

The district's infrastructure indicators are very high and provide a good prerequisite for the development of industry in Stara Zagora. The district's central location and its flat terrain allow for rapid development of road and railroad infrastructure. The road network density is at a level similar to national average figures but the share of highways and first-class roads is exceptionally high: 28.6% versus 18.4% for Bulgaria. The density of railroad infrastructure has traditionally been above-average for the country. On the other hand, the share of road surfaces in good condition reported a drop from 46.6% to 40.7%, hence it is currently close to the national average level of 40.5%.

Local taxes ■■■■■

The average level of local taxes in the district's municipalities illustrates the efforts of local administrations to provide relatively good conditions for business development. The average rate of the tax on real estate of legal entities is the lowest in the country. That rate is highest in the municipality of Maglizh (2.5‰), and lowest in Pavel Banya (1‰). The tax on property transfer and that on taxi transportation are also below average. Municipalities in the district of Stara Zagora did not raise their tax rates in 2019.

Administration ■■■■■

Local administrations' positive development is visible in the significant improvement of their Active transparency rating for the last three years, which increased from 50.5% in 2017 to 71% in 2019. The municipality rated highest in the district was Gurkovo with 83.5%, up from 58% the previous year, while the one with the lowest rating was Bratya Daskalovi with 46.3% after a drop from 60.7% the previous year. Self-evaluation for offered electronic services was at the national average level while that for offered one-stop-shop services was slightly more favorable.

In 2018 cadastral map coverage reached 96.2% of the district's territory; only the districts of Kyustendil, Sofia (capital city), and Targovishte have reported higher coverage.

SOCIAL DEVELOPMENT ■■■■■

Demography ■■■■■

Demographic tendencies have followed those in the nation as a whole: population in the district of Stara Zagora kept decreasing and ageing. The natural population growth rate dropped to -7.3‰, which was slightly below the national average rate of -6.5‰. The net migration rate was also negative: -1.2‰; it registered some deterioration in the last five years.

The age dependency ratio of the district's population rose slightly in recent years, albeit more slowly than the national average rate. Urbanization increased gradually: the share of urban population reached 72.3%.

Education ■■■■■

The net enrolment rate of pupils in 5th–8th grade in the district of Stara Zagora was one of the highest in the country: 92.9% versus the national average of 87.4%. Higher rates were reported in Vratsa and Gabrovo. The district's performance on the rest of the indicators was around the average country level. In 2017 the share of dropouts from primary and secondary education was 3.57%; in 2018 the share of repeaters dropped slightly to 1.42%, still considerably above the national average rate of 0.91%.

There was some deterioration in the indicators for education results. An increased number of poor grades in Bulgarian language and literature led to a considerable lag in 2019: their share reached 9.7% versus 8.7% nationally. The average grade at that exam was the same as that in the country as a whole: "good" 4.06.

Stara Zagora is the seat of Trakia University. In 2018 the number of students in higher education institutions per 1,000 people remained stable at 16 people or half the national average rate.

Healthcare ■■■■■

Traditionally, the level of healthcare in Stara Zagora district has been very high: one of the reasons is that Trakia University has a faculty of medicine. In 2018 the infant mortality rate dropped to 6.5 from 9.5‰ a year earlier, while hospitalizations dropped sharply from an average of 220.7 to 144.9 per 1,000 people.

Availability of specialist doctors is good in the district: one specialist served 447 people (versus 424 on average in the country). There were 1,471 people per GP (versus 1,673 in the country). Only GPs in the districts of Kyustendil, Lovech, and Vidin served fewer patients.

Public order and security ■■■■

In 2018 the number of registered crimes against the person and property kept decreasing: a nation-wide tendency. It reached 11 per 1,000 people, below the national average rate of 12.1 per 1,000 people. The share of detected crimes was 54.7% or above the national average rate of 48.9%.

Criminal judges' workloads went down in the last three years to 10 cases a month, which was still above the national average rate of 9.2 cases.

The results reached by the system show a high rate of cases closed within three months: currently 94.8%, after an increase by almost 10 p.p. in the last five years. However, in 2018 there was an increase in the number of pending cases from 6.6 to 8.9% (close to the national average share of 8.7%).

Environment ■■

The state of the environment in Stara Zagora district has been strongly affected by the profile of the regional economy. In 2017 carbon dioxide emissions into the atmosphere were ten times the national average rate and reached 4.102 t/sq. km. The main reason for such high emissions in the district's territory is the functioning of the "Maritsa-Iztok" energy complex.

Generated household waste per capita also rose in 2017 to reach 405 kg. Access to public sewerage is provided for 71.9% of the population (versus an average of 76% for the country as a whole) with 61.6% of the population having access to public sewerage connected with wastewater treatment plants.

Culture ■■■■■

Indicators on the intensity of cultural life in the district of Stara Zagora have been close to national average. The 10 museums functioning in the district attracted a great number of visitors. In 2018 visits reached 865 per 1,000 people, while the national average rate was 724. There are five theaters in the district and the number of performances in them has been on the increase in recent years. In 2018 theater and opera visit rates kept going up to reach an average of 426 per 1,000 people. At the same time, visits to the three operating cinemas reported a slight decrease and stayed below average. Library visits kept going down, too, and reached 431 per 1,000 people (versus 650 for the country as a whole).

Key indicators for the district of Stara Zagora

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	14,366	13,555	16,248	17,550	n.a
Average annual income per household member (BGN)	4,957	5,090	5,151	5,478	n.a
Average annual gross salary per employed person (BGN)	10,035	10,667	11,250	12,248	n.a
Share of the poor relative to the country poverty line (%)	17.0	20.6	20.4	17.8	n.a
Economic activity rate of the population aged 15–64 (%)	65.2	66.9	65.0	72.3	72.7
Employment rate of the population aged 15–64 (%)	58.0	60.3	61.1	70.1	71.0
Unemployment rate of the population aged 15–64 (%)	11.0	9.7	6.0	2.9	2.3
Share of people with tertiary education aged 25–64 (%)	21.8	22.6	18.6	17.8	19.0
Number of non-financial enterprises per 1,000 people	44	46	45	46	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	2,760	2,674	2,091	2,434	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	2,964	3,173	2,855	2,829	n.a.
Share of households with Internet access (%)	53.7	61.4	66.7	66.8	71.4
Share of roads in good condition (%)	53.7	55.7	55.7	46.6	40.7
Cadastral map coverage (%)	15.0	15.7	15.7	47.2	96.2

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–7.0	–6.9	–6.7	–7.0	–7.3
Net migration rate (‰)	0.5	–0.2	–0.4	–0.1	–1.2
Average grade at the matriculation exam in Bulgarian language and literature	4.26	4.19	4.16	4.15	4.01
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	3.79	5.75	8.66	8.3	5.7
Net enrolment of the population in 5th–8th grade (%)	80.8	80.4	81.5	91.1	92.9
Share of people with health insurance (%)	89.0	90.1	89.7	89.3	89.3
Hospitalizations per 1,000 people	146.2	218.3	216.0	220.7	144.9
Registered crimes against the person and property per 1,000 people	12.4	12.6	12.1	11.9	11.0
Clearance rate for crimes against the person and property from those registered in the current year (%)	40.3	41.7	56.1	55.9	54.7
Share of pending criminal cases from those registered in the current year (%)	6.4	5.8	4.7	6.6	8.9
Share of the population with access to sewerage connected to wastewater treatment plants (%)	61.3	61.3	61.4	61.6	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	3,678.3	4,383.6	3,686.8	4,102.2	n.a.
Visits to the cinema per 1,000 people	642	665	678	677	596
Visits to the theater per 1,000 people	359	366	392	384	426

Targovishte District

► Population (2018)	112,036
► Territory (sq. km)	2558.5
► Number of settlements	199
► Share of urban population (%)	54



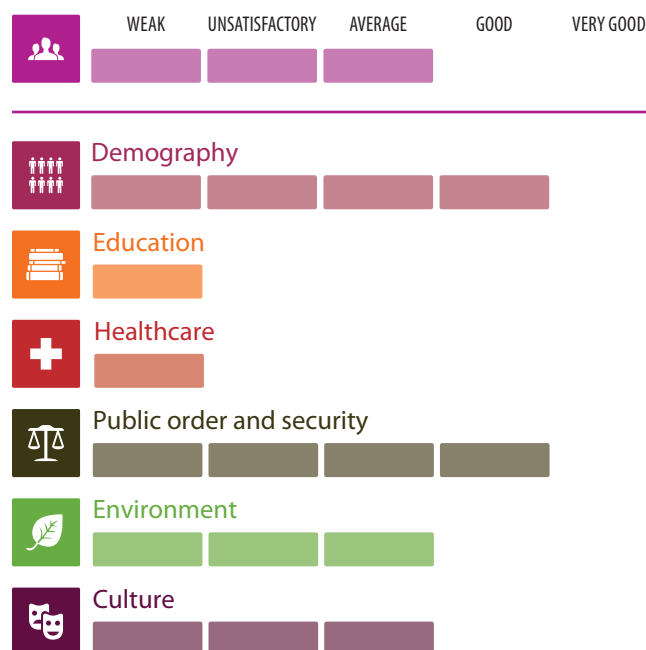
Targovishte is one of the districts with relatively low GDP per capita, which has affected the considerably lower average household income. The share of people below the poverty line is also considerably higher than the national average, while the share of the population living in material deprivation is barely above average. During the last couple of years, unemployment was about twice over the national average rate due to its visible increase in 2017. Parallel with that, however, employment was on the rise: a sign of rising supply of labor. The share of working age people with higher education was quite low, while the share of those with primary or lower education was high. Production value in Targovishte was relatively low and so was EU funds utilization but the district attracted a relatively high amount of foreign investment. It was characterized by considerably lower taxes while its roads were in relatively good condition compared with most districts.

In 2018, for the first time in decades, Targovishte succeeded in balancing migration processes. However, natural population growth remained negative though not significantly below average. The district is among the less populated and less urbanized in Bulgaria. In the educational system there is lower enrolment with almost ¼ of children between 5th and 8th grade outside school, while the share of early dropouts is also high. Access to healthcare is difficult but morbidity is not very high. Although courts have not been overloaded, the judicial system in the district is the least efficient in the country. At the same time, crime rates are low while their reported detection rate is low. Low urbanization is a premise for a low share of households having access to public sewerage but the district generates relatively little household waste. Targovishte ranks second in the country in theater visits; interest in using libraries is high as well.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■

Income and living standard ■■

In 2017 GDP per capita in the district of Targovishte was lower than the national average level by almost one third: 9,148 BGN/person versus 14,280 BGN in Bulgaria as a whole. There was a smaller difference in average salaries, which reached 9,754 BGN that year, after a growth of almost 9% relative to the previous year, and over 3,000 BGN since the beginning of the decade. However, incomes in the district, are considerably below average national levels, reaching 3,879 BGN per household member, which probably reflected their overall structure, characterized by a high share of income from pensions and social aid, and a lower share of income from salaries.

The relatively low household incomes also affected poverty levels: though Targovishte was far from the worst affected districts, 28% of its people were below the poverty line, a share higher by over 6 p.p. than the national average. On the other hand, the share of households living in material deprivation was almost identical to the average for Bulgaria of 21.2%.

Labor market ■■■

The labor market in the district gradually recovered from the crisis though at a slower pace than the regions with the most dynamic economic development in the country. It seems alarming that unlike national tendencies, in the last two years there was a second rise in unemployment: from 8.8% in 2015 to 11.2% in 2018. The employment rate increased simultaneously, though the 63% registered in 2018 remained below the national average rate of almost 68%.

In recent years there has been a gradual decline in working age population with tertiary education in the district: it reached 17% in 2018, while the 34% share of population with primary and lower education was twice the national average rate.

Investment and economy ■

Targovishte was amongs the districts with the smallest number of active companies in the country in 2018: 35 enterprises per 1,000 people, while only Kardzhali and Montana reported smaller figures. That could be explained to some extent with the fact that many of the companies were in the processing industry. Production value in 2017 was 14,347 BGN/person versus an average of 23,764 BGN in the country.

Despite its low level of economic development Targovishte attracted a considerable flow of investment: 2,165 EUR/person cumulative at the end of 2017, its size having doubled in 10 years. FTA acquisition expenditure was also high: 1,459 BGN/person in 2017 with a one-time peak in 2015 when it went over 7,000 BGN. EU funds utilization in the district's municipalities

was around 1,100 BGN/person as of mid-2019: once again considerably below the national average rate.

Infrastructure ■■■

With 20.4 km/100 sq. km Targovishte's road network is among those with higher density in the country. According to NSI data, road surface quality in the district was also above average with 51% of all roads in good condition in 2018, when the national average rate was 41%. However, the share of highways and first-class roads was relatively low: barely 14.7% of all roads in the district.

Like most districts in Northern Bulgaria, here, too, the density of the railroad network was lower than the national average: 2.8 km/100 sq. km (versus 3.6 km in the country). Within a decade the share of households connected with internet in the district increased three times to reach 66% in 2018.

Local taxes ■■■■■

Among the local taxes considered, municipalities in the district had higher-than-average tax rates only for the tax on vehicles and cars: in 2019, it was 1.41 BGN/kW for car power between 74 and 110 kW with a mild upward tendency in recent years.

At the same time, the other tax rates were considerably below average rates: for example, the average tax on taxi services was 303 BGN annually with the allowed minimum at 300 BGN; the property transfer tax was 2.48% versus the national average rate of 2.52%. The annual license fee for retail trade was 9.06 BGN/sq. m or lower by almost 3 BGN than the country average rate, whereas the tax on real estate of legal entities was 1.73‰, though with an upward trend.

Administration ■■■■■

Like the district of Smolyan, Targovishte achieved practically a complete coverage of the cadastral map in 2018: 99.2% of the district's territory. The local administration's Active transparency rating was quite high, too: 77%, the third highest rate in Bulgaria in 2019. Municipal administrations' self-evaluation for provided electronic services was relatively high: 3.2 points out of 5 versus the national average level at 3.0; however, one-stop-shop services were lagging with 2.7 out of 5, and they have a negative trend.

SOCIAL DEVELOPMENT ■■■■

Demography ■■■■

Although demographic tendencies in recent years were markedly negative, in 2018 migration processes were contained by a balanced number of in- and out-migrations in the district. However, natural growth was below average (−7.8‰ versus the national average rate at 6.5‰). Demographic replacement ratios point to an ageing population. Yet, in comparative terms, the district's condition is relatively good.

Similar to Bulgaria's other less affluent parts, urbanization in Targovishte is relatively low: only 54% of its population lives in towns. Urbanized territories, on their part, are relatively more sparsely populated with 1,084 people/sq. km (versus an average of 1,526 for the country).

Education ■■

There are no universities or branches of tertiary education establishments in Targovishte, which explains its lack of students. Alongside Dobrich, schools in the district have the lowest enrolment rate with almost a quarter of all children from the age group expected to enroll in 5th–8th grade staying out of school in 2018, and there is tendency toward deterioration in this indicator. As a result of the poor enrolment there were a relatively high number of teachers in the district: 92 per 1,000 enrolled pupils, while the national average rate was 84. In 2017 the share of dropouts was considerably higher, though stable throughout the years – 3.8%. The share of repeaters was also a slightly above-average – a little over 1%.

Average grades in Bulgarian language and literature at matriculation exams have shown a difference of 0.20 to 0.25 from the national average grade; in 2018/2019 it reached "good" 3.88. The share of poor grades, though, was rather low: 7.2% of all who sat the exam, which was a better achievement than two thirds of the districts in Bulgaria.

Healthcare ■■

Access to GPs in Targovishte was the second most difficult in Bulgaria after Kardzhali – in 2018 there were 2,334 people per doctor. The problem was less grave with medical specialists: there was an average of 524 people per specialist in the district. Health insurance coverage was close to national average levels: 87.9% of the district's residents were insured.

The number of beds in general hospitals, 5.3 per 1,000 people, was also close to average with an upward trend in recent years. There was also slightly above-average morbidity: in 2018, 230 patients per 1,000 people were hospitalized, while infant mortality at 6.3‰ was also slightly above-average but with a downward trend.

Public order and security ■■■■

In 2018 the judicial system in Targovishte was among the less efficient ones: only 86% of all criminal cases were closed within 3 months. The share of pending cases was also high at 11.8% during that year – the only districts with rates higher than that were Montana and the district of Sofia. The low efficiency seems all the more conspicuous having in mind the fact that Targovishte was the district with the lowest criminal judge workloads in Bulgaria: they worked 3.5 cases a month.

Registered crime rates were also rather low: crimes against the person and property per 1,000 people were 10.8 (versus 12.1 in the country). Targovishte topped the scoreboard with a detection rate of 74% regarding this type of crime.

Environment ■■■■

In 2017 Targovishte was among the districts with the lowest amount of generated household waste: 313 kg/person, lower by almost a quarter than the national average rate. Having in mind the district's exceptionally low urbanization, the rate of population with access to public sewerage was predictably low: 56% in 2017 or lower by 20 p.p. than the national average rate. The share of households with sewerage connected to wastewater treatment plants was even smaller: 45% (versus 63% on average for the country). Greenhouse gas emissions were lower, too: carbon dioxide emitted into the atmosphere amounted to 106 t/sq. km.

Culture ■■■■

In 2018 the most popular form of cultural life in the district was library visits: 998 visits per 1,000 people or close to one third over the national average rate. Interest in theaters was exceptionally high: the almost 500 visits per 1,000 people reported for that year was the second highest value after that of the capital. As new cinemas were opened, cinema visits also registered a tenfold increase in five years, but are still below national average rates. Museums in Targovishte enjoyed more modest attention: 161 visits per 1,000 people.

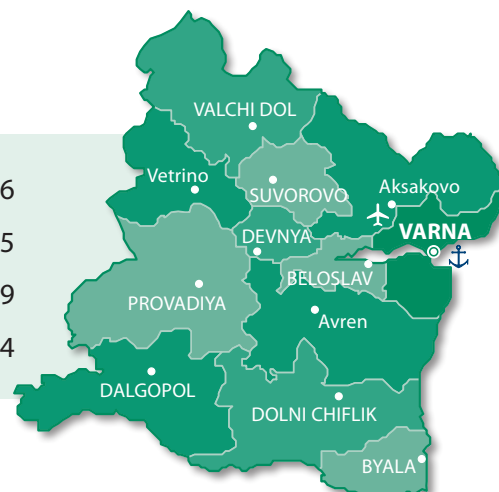
Key indicators for the district of Targovishte

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	7,138	7,821	8,867	9,148	n.a.
Average annual income per household member (BGN)	3,546	3,910	3,639	3,879	n.a.
Average annual gross salary per employed person (BGN)	7,465	7,902	8,963	9,754	n.a.
Share of the poor relative to the country poverty line (%)	29.6	22.4	28.7	28.1	n.a.
Economic activity rate of the population aged 15–64 (%)	57.8	56.7	59.1	69.0	70.9
Employment rate of the population aged 15–64 (%)	51.2	51.6	53.6	60.4	63.0
Unemployment rate of the population aged 15–64 (%)	11.4	8.8	9.4	12.4	11.2
Share of people with tertiary education aged 25–64 (%)	17.3	15.0	18.1	19.8	16.8
Number of non-financial enterprises per 1,000 people	32	34	35	35	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	2,056	7,160	1,864	1,459	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	1,694	1,789	1,986	2,165	n.a.
Share of households with Internet access (%)	41.8	33.8	58.0	54.0	65.7
Share of roads in good condition (%)	47.0	42.5	47.6	26.0	51.3
Cadastral map coverage (%)	6.0	6.0	14.5	93.3	99.2

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–6.7	–7.0	–7.7	–8.0	–7.8
Net migration rate (‰)	–4.4	–3.5	–5.6	–2.8	0.0
Average grade at the matriculation exam in Bulgarian language and literature	3.99	4.06	3.98	4.02	3.96
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	6.9	4.4	7.2	5.5	3.2
Net enrolment of the population in 5th–8th grade (%)	81.6	77.5	78.2	78.3	76.4
Share of people with health insurance (%)	86.9	88.2	88.5	87.9	87.9
Hospitalizations per 1,000 people	250.8	244.0	236.0	231.5	229.5
Registered crimes against the person and property per 1,000 people	9.1	8.8	9.0	10.3	10.8
Clearance rate for crimes against the person and property from those registered in the current year (%)	64.0	63.2	67.9	68.5	74.0
Share of pending criminal cases from those registered in the current year (%)	10.3	8.1	7.2	9.2	11.8
Share of the population with access to sewerage connected to wastewater treatment plants (%)	44.1	45.2	43.9	44.5	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	104.5	128.5	135.7	106.3	n.a.
Visits to the cinema per 1,000 people	9	259	210	256	214
Visits to the theater per 1,000 people	506	434	454	472	496

Varna District

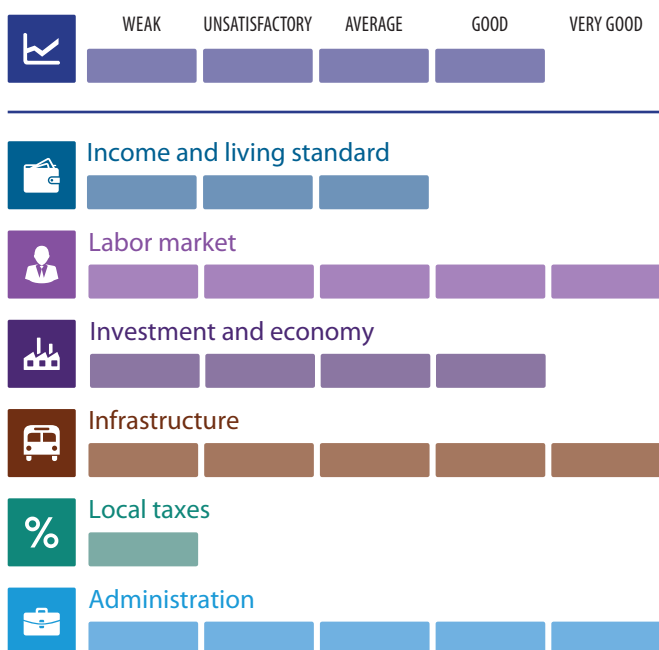
► Population (2018)	471,686
► Territory (sq. km)	3819.5
► Number of settlements	159
► Share of urban population (%)	84



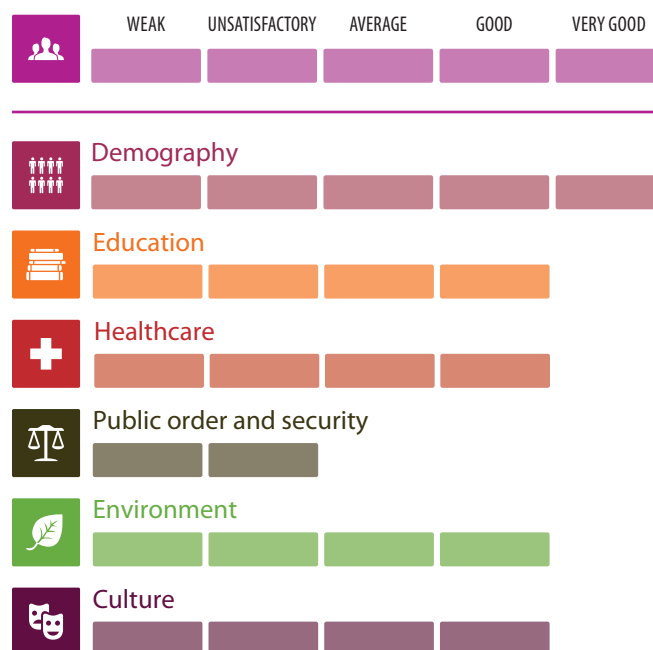
In recent years, the district of Varna has enjoyed a good economic development, characterized by a dynamic labor market and a high rate of economic activity. GDP per capita has continued to increase, while household incomes have approached the national average figures, though not at the expected pace. Unemployment has remained low in the district. The good educational structure of the population and well-developed infrastructure provide good conditions for business activity, which has brought about to rapidly growing FDI. Varna is still lagging behind most districts in commutative FDI per capita. On the other hand, the poverty level remains high. The high rates of local taxes are a detaining factor for the economic development. The district is also lagging behind in EU fund utilization. Never-

theless, the work of the local administration is highly rated. The demographic picture in the district remains relatively favorable. The population is decreasing at a slower pace than that in the rest of the country, while net migration is positive. The population's educational structure is very good but participation in the education system, particularly in secondary education, has potential for improvement. Matriculation exam results are above the country average. Higher education institutions supply the labor market with workforce, especially in the tourism and healthcare sectors. Cultural life remains active. More improvements are needed in the judicial system. The workloads of judges are below the national average rates, which may be one of the reasons for the relatively speedy process and the small number of pending cases.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■■

Income and living standard ■■■■

Contrary to expectations, income levels and living standards in the district of Varna have not come close to the capital's figures yet. In 2017, GDP per capita in the district increased, albeit slowly, reaching 13,809 BGN. In this respect the district ranked fourth after the districts of Sofia (capital city), Stara Zagora, and Sofia. Nevertheless, GDP per capita remained below the national average of 14,280 BGN.

The incomes of employed people also have lagged behind. The gross annual average salary of employees in the district (11,700 BGN) and the annual average income per household member (5,407 BGN) were close to the respective average figures for the country (12,448 and 5,586 BGN, respectively). Simultaneously, the share of population living in material deprivation was 31.1% – considerably above the national average of 20.9%. The only districts performing worse than Varna on this indicator were Sliven and Vratsa. In Varna there were 18.5% of people living below the poverty line, while the national average was 22%.

Labor market ■■■■■■

The labor market in the district is very well developed: the annual average unemployment rate is 4.4% – below the national average of 5.3%, while the economic activity (69.3 %) is close to the average (71.5%). The demographic replacement ratio (the ratio between people entering the labor market and those leaving it in the next 5 years) was the second highest in Varna (after Sliven district), reaching 73.4% – above the national average of 65.7%. This means relatively less pressure on the labor market in the district compared to regions with more serious ageing.

One of the reasons for the good condition of the labor market is the relatively good educational structure of the population: 29.5% of it has higher education. Varna is only surpassed by the capital on this account. The district has 4 state-owned universities and two private ones. Only 19.1% of the population have primary or lower education.

Investment and economy ■■■■■■

The regional economy of Varna district still has a lot of potential for development. In 2018, FDI per capita grew at an annual rate of 9%, almost twice as fast as the national average rate, to reach 4,120 EUR/person. On this indicator, Varna ranked fourth, very close after Burgas, and considerably lagging behind Sofia (capital city) and Sofia district. FTA expenditures also rose to reach 2,680 BGN/person, compared to the national average of 2,491 BGN. Production value per capita registered a slight growth in the last couple of years to reach 20,681 BGN/

person: Varna failed to overtake districts with similar industrial profiles like Burgas, Stara Zagora, and Plovdiv.

The district has implemented numerous European projects, and the sums paid within their frameworks have increased over four times since the current programming period started in 2014: they reached 1,253 BGN/person. Still, in terms of this indicator the district was about one third below the national average level.

Infrastructure ■■■■■■

The state of the district's infrastructure is very good: the road network density (18.8 km/100 sq. km territory) and that of the railroads (5.2 km/100 sq. km territory) are above the national averages of 17.9 and 3.6 km, respectively. In share of highways and first-class roads, only Sofia (capital city), Sofia district and Shumen rank higher than Varna (with a share of 27.5%). Nevertheless, the long distance between Varna and the capital and the serious inflow of tourists during the summer months keep alerting the public to the needed investments in highways and first class roads. In 2018, the share of road surfaces in good condition (42.7%) was slightly higher than the national average (40.5%). The internet access of households (76.6%) was higher than the national rate by 4.5 p.p.

Local taxes ■■

The average level of local taxes in 2019 put Varna district in the last but one place, before Burgas. That fact has had a negative impact on economic activity and can slow it down even more in the coming year. Of all the district's municipalities, it was only Byala that lowered its tax on the immovable property of legal entities in 2019; the rest kept their main tax rates unchanged.

Administration ■■■■■■

In the district of Varna, the local administration offers high quality administrative services, while the evaluation of its transparency is 73% – above the national average of 70.7%. The municipal administration of Devnya got the highest rating of 92.9%; the lowest rating (49.4%) was in the municipality of Vetrino. The local administrations also assessed themselves highly on the development of one-stop-shop services and electronic government. That assessment was above the average self-assessment ratings of the municipalities in the country. Cadastral map coverage made remarkable progress in 2018, with an increase of about two thirds to 95.5% – one of the highest levels in the country.

SOCIAL DEVELOPMENT

Demography

Varna district has undergone a better demographic development than the national average level. The natural population growth, -4.0% , though negative, is one of the highest in the country except for the districts with large ethnic minorities and Sofia (capital city). Varna is one of the five districts with positive net migration (2.2%). That is probably due to the fact that the well-developed labor market, especially in tourism, offers employment to people from neighboring districts.

With 83.9% of the population living in urban areas (versus 73.6% nationally), Varna is an intensely urbanized district. In 2018, the population density (1,820 people/sq. km) was above the national average (1,526 people/sq. km). Age dependency ratios were better than the national average ratios, which shows that population ageing has not yet turned into a problem as serious as it is elsewhere in the country.

Education

The net enrolment of the population in 5th–8th grade in the district of Varna is relatively low: 84.2% compared to the national average of 87.4%. This indicator marked a serious deterioration until 2013 but has improved considerably since, which implies that at least some of the educational system's problems have been overcome. The share of dropouts from primary and secondary education, as well as the share of repeaters, is comparable with the national average rates. At the same time, the district's results in the 2019 matriculation exams in Bulgarian language and literature were above average: the share of poor grades was 6.2% (versus 8.7% nationwide). The average grade at the BLL matriculation exam reached 4.26, exceeding the national average grade by 0.20.

Varna has continued to be one of the centers of university education in Bulgaria, with 51 college students per 1,000 people (versus 32 on average for the country). The numerous universities in the district attract students both from other regions in the country and from abroad.

Healthcare

GP coverage in the district of Varna is close to the national average; the situation with specialist doctors is even better, probably because of the medical university in the district center. At the same time, however, the number of beds in general hospitals per 1,000 people (4.36), as well as that of hospitalizations (164.2) are slightly below the respective national average figures (5.34 and 171.4), which raises the issue of access to health treatment. The share of people with health insurance

(83.5%) is below the national average of 87.9%, a possible reason being the high seasonal employment in tourism. The district's infant mortality rate of 5.6‰ is very close to the national average of 5.8‰.

Public order and security

In 2018 the district's judicial system had judge workloads considerably below average: 6.3 cases a month compared to 9.2 nationally. At the same time the number of registered crimes against the person and property remained relatively high at 14.3 per 1,000, while the detection rate of 33.1% was low. The share of pending cases (7.4%) and that of criminal cases closed within 3 months (91.8%) were near the national average figures (8.7 and 90.2% respectively).

Environment

In 2017, the quantity of generated household waste (547 kg/person a year) and of carbon dioxide emissions into the atmosphere (652.6 t), remained higher than the national average figures (435 kg and 389.1 t, respectively). Harmful emissions, though still considerable, registered a drop of almost three times compared to their highest value in 2011.

Due to the high urbanization rate in the district, a large part of the population (86.2%, higher than the national average of 76%) lives in settlements with public sewerage systems. The population with access to sewerage systems connected with wastewater treatment plants is also considerably above the national average number (86.2% and 63.4%, respectively).

Culture

In 2018, theatre visits (449 per 1,000 people) and cinema visits (1,043 per 1,000 people) were above the national average numbers (340 and 695, respectively). The district has three theater houses and five cinemas. Museum visits (609) and library visits (338) have been on the increase, though still below national average (724 and 650 respectively). In 2018 there were six museums and two libraries that contained more than 200,000 library units.

Key indicators for the district of Varna

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	12,113	12,589	12,879	13,809	n.a.
Average annual income per household member (BGN)	5,008	5,168	5,117	5,407	n.a.
Average annual gross salary per employed person (BGN)	9,272	10,000	10,773	11,700	n.a.
Share of the poor relative to the country poverty line (%)	22.6	26.9	20.4	18.5	n.a.
Economic activity rate of the population aged 15–64 (%)	67.8	72.6	70.9	71.2	69.3
Employment rate of the population aged 15–64 (%)	61.8	68.4	65.9	66.0	66.3
Unemployment rate of the population aged 15–64 (%)	8.7	5.7	7.1	7.3	4.4
Share of people with tertiary education aged 25–64 (%)	33.8	30.6	29.9	32.5	29.5
Number of non-financial enterprises per 1,000 people	67	69	70	69	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	2,323	2,094	2,013	2,680	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	3,543	3,725	3,777	4,120	n.a.
Share of households with Internet access (%)	58.9	57.8	73.8	71.2	76.6
Share of roads in good condition (%)	43.5	44.4	44.5	43.2	42.7
Cadastral map coverage (%)	11.9	17.5	36.8	57.2	95.5

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–2.7	–3.5	–3.3	–3.6	–4.0
Net migration rate (‰)	2.1	1.6	2.8	2.4	2.2
Average grade at the matriculation exam in Bulgarian language and literature	4.30	4.37	4.38	4.36	4.21
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	5.1	5.2	5.4	6.7	6.2
Net enrolment of the population in 5th–8th grade (%)	73.5	75.5	74.8	85.5	84.2
Share of people with health insurance (%)	83.8	85.1	83.8	83.4	83.5
Hospitalizations per 1,000 people	169.8	174.7	172.0	178.6	164.2
Registered crimes against the person and property per 1,000 people	17.5	15.9	14.8	15.7	14.3
Clearance rate for crimes against the person and property from those registered in the current year (%)	25.8	30.4	38.6	32.9	33.1
Share of pending criminal cases from those registered in the current year (%)	11.3	7.2	5.9	7.2	7.4
Share of the population with access to sewerage connected to wastewater treatment plants (%)	86.2	86.3	86.1	86.2	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	1,106.3	750.1	697.5	652.6	n.a.
Visits to the cinema per 1,000 people	1,193	1,185	1,281	1,184	1,043
Visits to the theater per 1,000 people	234	283	363	360	449

Veliko Tarnovo District

► Population (2018)	237,420
► Territory (sq. km)	4661.6
► Number of settlements	337
► Share of urban population (%)	71

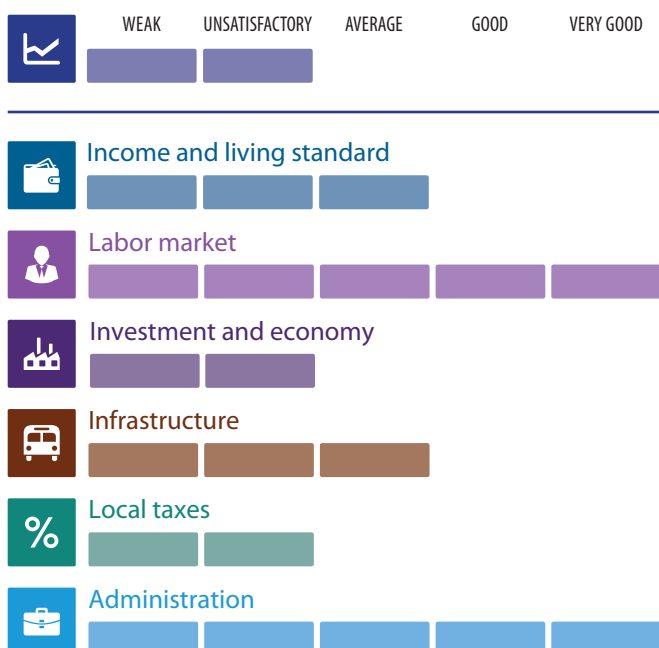


The state of the labor market in the district of Veliko Tarnovo has improved considerably since 2013, which has allowed the average gross annual salary to keep up with the average pace of growth for the country. Veliko Tarnovo is one of the districts with the smallest relative share of population aged 25–64 with primary or lower education, but it is not one of the districts that could be said to attract foreign investors. It is characterized by a relatively good infrastructure and its perspective for future development is considerable due to the resumed construction works on the *Hemus highway*. The relatively high local taxes can be listed as an obstacle to the business environment, particularly the immovable property tax, as well as the relatively low quality of the local administration's work.

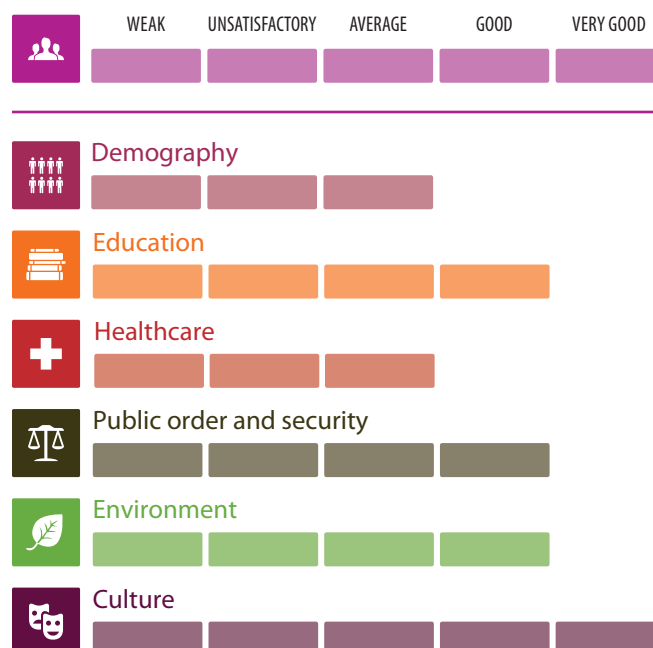
The deterioration in demographic indicators has been more clearly visible in recent years, with the natural population

growth dropping to 9.4% in 2018 – the lowest rate in the district up to that point. Like the educational system in the district of Ruse, that in Veliko Tarnovo has had some difficulty enlisting and keeping children in school, while at the same time showing results close to or better than the average. Both districts have also had traditions in higher education despite the continuously dropping student numbers. In Veliko Tarnovo there are considerable deficiencies in hospital beds, GPs and specialist doctors – all factors blocking access to healthcare. There is a low crime rate and a detection rate above average of registered crimes. Low and constantly dropping carbon dioxide emissions entail improved rating on the state of the environment. Museum visits are over 5 times the national average figure, which gives the district one of the highest ratings in the culture sphere.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■

Income and living conditions ■■■■

In 2017 GDP per capita in Veliko Tarnovo amounted to 9,254 BGN, or about 65% of the country average. During the last decade the gross annual salary growth rate of employed in the district followed that in the country as a whole; its 2017 level of 9,665 BGN was 78% of the country average.

Both the relative share of people living in material deprivation (26.6%) and the share of those living below the national poverty line (28.8%) were higher by about 6 p.p. than the national average figures of 20.9 and 22.0%, respectively.

Labor market ■■■■■■

The state of the labor market in the district of Veliko Tarnovo has improved significantly since 2013. In 2018 a record high economic activity of the population aged 15–64 (70.4%) was registered, as well as a record high employment rate (66.6%) of the same age group. The unemployment rate went up slightly from the record low of 4.6% in 2017 to 5.4% in 2018, in tune with average levels in the country. What that minimal increase in unemployment indicates is a rising economic activity of the population rather than a break in the positive trend.

The educational structure of the workforce is relatively favorable. Veliko Tarnovo is one of the districts with the lowest shares of population aged 25–64 with primary or lower education. The share of college graduates in 2018 was 26.8%, a fact explained by the district's traditions in higher education, while the lag compared with the national average rate of 28.2% was minimal.

Potentially, the further development of the labor market might face the problem of the low demographic replacement ratio: 59.0% relative to 65.7% on average. Veliko Tarnovo has the seventh lowest ratio on this indicator. In other words, for every 100 people aged 60–64 in the district there are 59 people aged 15–19 to take their place.

Investment and economy ■■■

Veliko Tarnovo is not among the districts, which have attracted foreign investors. As of the end of 2017, the cumulative FDI amounted to 134 m EUR (557 EUR/person, 6 times lower than the national average rate). There were only five districts with lower rates: Kyustendil, Montana, Silistra, Haskovo, and Yambol. In 2017 enterprise FTA expenditures rose to 1,582 BGN/person. Though values were lower than the record high of 2,056 BGN/person registered in 2015, there was an increase in the 2017 annual investment figures which were comparable with the district's average levels between 2011 and 2014.

As of 15 June 2019, the district utilized EU funds worth 350 m BGN, or 1,477 BGN/person (82% of the national average). The highest utilization rates were achieved in the municipalities

of Veliko Tarnovo (1,781 BGN) and Svishtov (1,624 BGN), while utilization rates were lowest in Polski Trambesh (187 BGN) and Elena (141 BGN).

Infrastructure ■■■■

The district of Veliko Tarnovo is characterized by a relatively good level of infrastructural development, as well as good prospects for connectivity development in view of the resumed construction works on the *Hemus highway*. The density of both the road network and the railroads is higher than the country average, though the relative share of highways and first-class roads (16.3%) is below that in most districts. What presents a bigger problem, however, is the poor road surface quality: in 2018 only 29.7% of roads in the district were in good condition, compared with an average of 40.5% in the country as a whole.

Digital infrastructure is another sphere in which the district has failed: in 2018, 66.6% of households had Internet access, or 6 p.p. below the national average rate.

Local taxes ■■■

The district is characterized by relatively high local tax rates, especially real estate tax. The annual average rate of the tax on the immovable property of legal entities reached 2.35‰ in 2019 (vs. the national average rate of 1.95‰) and the real property transfer tax reached 2.64% (vs. 2.52% on average for the country). It was precisely these rates that affected the most recent cases of raising local tax registered in Veliko Tarnovo municipalities. In 2017 the annual property tax for legal entities was raised in four of them: Elena, Lyaskovets, Strazhitsa, and Suhindol. The license tax for retailers, as well as the annual license tax for taxi transportation were below national average rates, but the difference in the former was insignificant, while the latter's influence on incomes or living / business conditions was limited.

Administration ■■■■■■

The self-assessment of municipal administrations for the range of digital services they offer (3.40 points out of 5.00) is higher than the national average (2.95 out of 5.00), but there is a certain lag in their readiness to provide one-stop-shop services to individuals and businesses. AIP estimates administration transparency at 73%, Strazhitsa getting the highest rating of 84%, while Elena got the lowest (52%).

In 2018 the cadastral map already covered 91.5% of the district's territory, a rate considerably higher than the national average of 72.4%; this marked a serious increase from 2017 (45.8%) and 2016 (11%).

SOCIAL DEVELOPMENT ■■■■■

Demography ■■■■

Demographic tendencies in the district have followed the national trend, although from 2001 to 2018 its population decreased at a relatively faster pace. Deterioration in demographic indicators has been more visible in recent years. In 2018 the natural population growth dropped to -9.4‰, the lowest level for the district up to that point, while the net migration dropped to -5‰, the least favorable rate since 2014.

Veliko Tarnovo is one of the districts with relatively strong urbanization; the relative share of urban population reached 70.5% in 2018.

Education ■■■■

The indicators for the state of school education in Veliko Tarnovo pull in contradictory directions. The high relative share of dropouts from primary and secondary education (4.08% relative to 2.98% for the country as a whole) partly explains the small percentage of repeaters (0.55% relative to the average of 0.91%). The educational system's problems in enlisting and keeping in school the population subject to compulsory education are connected with the low enrolment rate of the population in 5th–8th grade (84.0% compared to 87.4% nationally).

The indicators for quality of education, on the other hand, are more on the positive side. Between 2016 and 2019, the relative share of school leavers who failed at the matriculation exam in Bulgarian language and literature was below the national average level, while in 2019 the district's average grade of "good" 4.05 was analogous with the national average.

Despite its lasting traditions in higher education, Veliko Tarnovo is also the district with the fastest decreasing number of college students per 1,000 people. In 2018 their share was 69 students per 1,000 people (the only district with a higher share was the capital), while the share in 2012 was 109 students per 1,000 people.

Healthcare ■■■■

The local population's access to hospital beds in general hospitals of 3.7 beds per 1,000 people is considerably below the national average rate of 5.34 beds per 1,000 people. Access to health services faces the additional difficulty of a certain shortage in both GPs and specialists, while the relative share of health insured people at 83.9% is below the country average of 87.9%.

There are only two indicators in this category where the district of Veliko Tarnovo has achieved better results. In 2018 the infant mortality rate dropped to 3.2‰, the lowest value after those of the capital, Kardzhali, Montana and Smolyan.

The population's morbidity, measured by the number of hospitalizations in local general hospitals, is also lower than the average rate for the country.

Public order and security ■■■■

Crime rates are low in the district of Veliko Tarnovo, while the detection rate of registered crimes is above average. The fact that the workload of criminal judges at the District court is below average (7.2 cases a month per judge) contributes to the relatively speedy trial process. The relative share of criminal cases closed within 3 months (90.2%) is similar to national average levels, while the relative share of pending cases is only 7.6%.

Environment ■■■■

The good assessment of Veliko Tarnovo in this category is due to the low and constantly decreasing carbon dioxide emissions into the atmosphere, as well as the amount of generated household waste, which is below average. In 2017, 67.1% of the population in the district lived in settlements with access to public sewerage systems, while 58.9% had connectivity to wastewater treatment plants.

Culture ■■■■

The capital and Gabrovo are the only districts with higher ratings in the sphere of culture than the rating of Veliko Tarnovo. The reason behind this fact is primarily the high number of museum visits in the district, almost five times above the national average number. Local theaters also enjoyed considerable interest, registering 143 visits per 1,000 people compared to 340 visits in the country as a whole. The period from 2015 to 2018 was the most successful one for the local cinemas, the visits to which, however, remained below national average figures.

Key indicators for the district of Veliko Tarnovo

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	7,832	8,288	8,611	9,254	n.a.
Average annual income per household member (BGN)	4,288	4,180	4,967	6,024	n.a.
Average annual gross salary per employed person (BGN)	7,662	8,213	8,934	9,665	n.a.
Share of the poor relative to the country poverty line (%)	24.4	30.8	30	28.8	n.a.
Economic activity rate of the population aged 15–64 (%)	68.1	69.8	70.3	69.6	70.4
Employment rate of the population aged 15–64 (%)	60.0	65.0	65.0	66.3	66.6
Unemployment rate of the population aged 15–64 (%)	11.7	6.8	7.6	4.6	5.4
Share of people with tertiary education aged 25–64 (%)	27.3	26.9	27.3	22.1	26.8
Number of non-financial enterprises per 1,000 people	41	43	43	44	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,541	2,056	1,488	1,582	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	434	500	608	557	n.a.
Share of households with Internet access (%)	55.0	60.7	56.9	66.4	66.6
Share of roads in good condition (%)	27.7	26.7	25.4	26.1	29.7
Cadastral map coverage (%)	6.7	10.4	11.0	45.8	91.5

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–8.2	–8.2	–8.0	–9.1	–9.4
Net migration rate (‰)	–5.2	–3.1	–3.3	–3.9	–5.0
Average grade at the matriculation exam in Bulgarian language and literature	4.24	4.24	4.10	4.2	3.96
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	5.5	6.2	8.6	7.8	5.3
Net enrolment of the population in 5th–8th grade (%)	78.7	78.2	77.7	88.0	84.0
Share of people with health insurance (%)	83.1	84.5	84.2	83.6	83.9
Hospitalizations per 1,000 people	149.4	146.4	155.2	152.6	156.6
Registered crimes against the person and property per 1,000 people	10.7	11.4	11.1	12.1	10.1
Clearance rate for crimes against the person and property from those registered in the current year (%)	60.1	57.5	65.4	60.5	62.1
Share of pending criminal cases from those registered in the current year (%)	8.0	9.5	10.0	7.3	7.6
Share of the population with access to sewerage connected to wastewater treatment plants (%)	44.8	61.7	59	58.9	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	131.1	46.6	34	28.4	n.a.
Visits to the cinema per 1,000 people	471	444	338	530	408
Visits to the theater per 1,000 people	122	71	125	148	143

Vidin District

► Population (2018)	85,896
► Territory (sq. km)	3032.9
► Number of settlements	143
► Share of urban population (%)	65



Most of the indicators of economic development in the district of Vidin lag considerably behind national average figures. The labor market continues to be riddled with difficulties, which can both be seen in the invariably high unemployment (close to 20%) and the annual average gross salary (8,233 BGN), the lowest in the country. In Vidin, the relative share of the population living below the national poverty line is 39% – only two other districts, Montana and Pazardzhik, have registered a higher percentage. After a short period of recovery in 2015 and 2016, the investment activity of local enterprises experienced yet another turn-down. The hopes for an invigorated economy in the region after launching the border crossing point at the *Vidin – Calafat Bridge* have not proved justified so far, partly due to the low quality of the surrounding infrastructure. Though the local taxes and fees have rates among the lowest in the coun-

try, the quality of administrative services is still not good enough. The unfavorable demographic conditions are at the heart of the slow economic and social development in the district. One of the few positive developments in the field of education was the opening of a local branch of Ruse University. The population's good supply with GP services cannot make up for the difficult access to medical specialists. The crime rate is above average but detection rates of the registered crimes reached record figures in 2018. Vidin continues to be the single district in which there is no working wastewater treatment plant. Unlike most other districts in similar socio-economic conditions, Vidin is characterized by a relatively high intensity of cultural life. The highest number of visits has been registered in museums, including the Baba Vida fortress.

ECONOMIC DEVELOPMENT



Income and living standard



Labor market



Investment and economy



Infrastructure



Local taxes



Administration



SOCIAL DEVELOPMENT



Demography



Education



Healthcare



Public order and security



Environment



Culture



ECONOMIC DEVELOPMENT ■

Income and living conditions ■■

In 2017 GDP per capita in the district grew to reach 7,283 BGN but the indicator remained about twice lower than the national average of 14,280 BGN. The district has the lowest gross annual average salary in the country (8,233 BGN) and is thus one of the five districts (with Blagoevgrad, Kyustendil, Silistra and Haskovo), where it is still below 9,000 BGN. The low salaries and the unfavorable age structure of the population are the main reason why incomes from pensions make almost half the total household income in the district. These function as natural obstacles to income growth rate: in 2017, the annual average income per household member reached only 3,470 BGN versus the national average at 5,586 BGN.

30% of the population live in material deprivation, and 39% live with incomes below the national poverty line. Only Montana and Pazardzhik have higher rates of impoverished population (45.7% and 41.4%, respectively).

Labor market ■■■■

Though the employment rate of the population aged 15–64 reached in 2018 the record figure of 58.8%, the indicator remains way below the national average of 67.7%. The labor market has failed to generate sufficient opportunities for a great part of the working age population. Combined with the continuing rise in economic activity in the district it is no surprise that in 2018 the unemployment rate stayed at levels close to 20% – the highest in the country.

A major characteristic feature of the workforce in Vidin is the low share of people with university degrees (20.1%) – considerably below the national average of 28.2%, though the share of people with primary and lower education is more favorable (11.8% compared to the national average of 17.4%).

Investment and economy ■■

After a certain upsurge in 2015 and 2016, the investment activity of local enterprises shrank considerably in 2017. FTA expenditures dropped to 74 m BGN, the lowest value since 2013. These expenses amounted to only 846 BGN/person while the national average was 2,491 BGN.

As of 15 June 2019 the municipalities in the district utilized 153.3 m BGN in European funding, which means 1,785 BGN/person, the seventh highest figure of all districts. The highest utilization rates were achieved in the municipalities of Vidin (2,201 BGN/person) and Belogradchik (1,762 BGN/person), whereas the lowest were registered in Dimovo and Kula (under 400 BGN/person).

The number of enterprises per person was lower only in the districts of Montana and Kardzhali. The district of Vidin also had the lowest production value in 2017 – only 6,350 BGN/

person, while the national average levels were almost 4 times higher.

Infrastructure ■■■

The unsatisfactory condition of infrastructure continues to be one of the chief obstacles to the district's development. Since its opening, the border crossing at the *Vidin – Calafat Bridge* has not generated the expected positive effects on the local economy precisely because of the missing good accompanying infrastructure.

Though the road network in Vidin has above-average density, only 12% of it consists of first-class roads, while highways are absent. Road surface quality is the highest in north-western Bulgaria, with 38.3% of roads in good condition. The railroad network density in the district is similar to the national average levels of 3.6 km/100 sq. km.

In Vidin, the percentage of the population with Internet connection is 61.7% – smaller connectivity has been registered only in the districts of Sofia (51.3%) and Kyustendil (59.8%).

Local taxes ■■■■■■

Vidin is one of the districts in which residents and businesses enjoy the lowest tax burden regarding local taxes. The only tax rate higher in the district than the national average is that of the property transfer tax. Most other local taxes, including the license fee for taxi transport, introduced in 2017, are closer to the set legal minimum.

Since 2011, there have been only a few cases of raised taxes, and the only municipality where the tax burden increased significantly was that of Bregovo. It was precisely the Bregovo authorities that took the most recent decision on a local tax raise: the property transfer tax was raised from 2.60 to 3.00% in 2018.

Administration ■■

Though the level of administrative services remains unsatisfactory, municipal administrations in the district have improved their performance in a number of aspects. They have achieved better results in AIP's annual Active transparency rating: their average rating has gone up from 55.0 to 63.0% (relative to a 70.7% national average level). The local authorities' declared readiness to offer one-stop-shop services has also improved, as well as the degree of development of electronic services. However, the district has remained below national average levels on both indicators.

The significant increase in cadastral map coverage of the country, which took place in 2018, included the district of Vidin, with a rise of 8.2 to reach 68.1% – a level close to the national average of 72.4%.

SOCIAL DEVELOPMENT ■■■■

Demography ■■

For yet another successive year Vidin has had the least favorable figures in demography: that refers to both the population age structure and the ongoing demographic processes. As early as 2012 Vidin was the first district whose population dropped below 100,000 people, and in 2019 that number was already below 86,000 people.

For each working age person in the district there correspond two persons aged over 65. At the same time, the ratio of persons aged 65+ to those aged 0–14 is the second highest after Gabrovo. In 2018 Vidin was once again the district with the least favorable natural growth rate (–16.4‰), as well as the district with the second least favorable rate of net migration (–7.6‰). 64.6% of the district's population lives in urban areas.

Education ■■

The relatively small number of repeaters (0.89%) is indicative not so much of the good work of the educational system but rather of its inability to keep a considerable part of those subject to education in school. In the school years 2016/2017 and 2017/2018 the relative share of dropouts from primary and secondary education remained above 4%, and the net enrolment rate in 5th–8th grade (82.9%) remained one of the lowest in the country.

At the same time, the relatively good performance of students at the matriculation exam in Bulgarian language and literature continued in 2019. The district's average grade rose to "good" 4.18 (vs "good" 4.06 for the country as a whole). In keeping with the general tendencies, however, there was an increase in the share of those who failed at the exam: from 3.3% in 2018 to 6.8% in 2019.

Nevertheless, there were some positive developments in the educational system. Recent data shows that there are already over 300 students enrolled in the branch of Ruse University, which opened in 2017.

Healthcare ■■■■

Vidin has one of the best ratios between the number of inhabitants and that of GPs (1,432 people per GP), the only districts with better rates being Kyustendil and Pleven. At the same time, access to medical specialists is the least favorable of all districts in north-western Bulgaria. Though population morbidity (measured by hospitalization numbers in general hospitals) is similar to the national average, the district is lagging considerably behind both regional and national average levels

in availability of hospital beds in general hospitals. There are 3.90 beds per 1,000 people relative to 5.34 nationally.

In 2018, 90.8% of the district's population had health insurance – the national average rate was 87.9%.

Public order and security ■■■■

In 2018, in the Vidin district there were registered 14.1 crimes against the person and property per 1,000 people (versus 12.1 per 1,000 people in the country as a whole). This implies a criminality above average; yet, the same holds true of the crime detection rate, which reached a record high of 68.2% in 2018, while the national average rate was 48.9%.

The workloads of criminal judges at the District court was below the national average level but the same year the relative number of pending cases doubled to reach 9.5% (versus 8.7% nationwide).

Environment ■■

The low rating of Vidin in this category is mostly due to the persistent problems with wastewater treatment. There is still no working treatment plant on the district's territory. A project to build one to serve the needs of the city of Vidin has been launched but in 2017 it was discontinued on suspicions of corruption. The low urbanization of the district entails a low number of people living in areas with public sewerage systems (barely 57.2% versus 76% for the country).

Carbon dioxide emissions have continued to go down, reaching below 3 t/sq. km, while the generated household waste of 275 kg/person annually is among the lowest in the country.

Culture ■■■■■■

In 2018 the district achieved above average visit rates to its theaters (42%) and libraries (6%). Museum visits were more numerous, including those to the Baba Vida fortress. In 2018 their number reached 184,000 – a ratio to the population three times higher than the national average rate of 724 visits per 1,000 people. The number of cinema visits is the only indicator visibly lagging behind the national average: 319 visits per 1,000 people were registered in 2018 – twice below the country average.

Key indicators for the district of Vidin

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	6,066	6,258	6,401	7,283	n.a.
Average annual income per household member (BGN)	4,383	3,677	3,428	3,470	n.a.
Average annual gross salary per employed person (BGN)	6,663	7,011	7,522	8,233	n.a.
Share of the poor relative to the country poverty line (%)	38.1	43.6	48.2	45.9	39.0
Economic activity rate of the population aged 15–64 (%)	71.0	72.3	68.2	69.6	73.4
Employment rate of the population aged 15–64 (%)	55.3	58.8	57.0	56.2	58.8
Unemployment rate of the population aged 15–64 (%)	22.2	18.8	16.4	19.2	19.9
Share of people with tertiary education aged 25–64 (%)	17.2	21.5	18.5	18.5	20.1
Number of non-financial enterprises per 1,000 people	32	34	34	35	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	925	1,756	1,282	846	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	547	864	794	831	n.a.
Share of households with Internet access (%)	45.4	48.0	67.8	61.7	61.7
Share of roads in good condition (%)	34.2	32.3	40.2	38.0	38.3
Cadastral map coverage (%)	2.1	8.2	8.2	8.2	68.1

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–15.2	–16.7	–16.9	–16.2	–16.4
Net migration rate (‰)	–7.0	–6.3	–9.5	–5.9	–7.6
Average grade at the matriculation exam in Bulgarian language and literature	4.24	4.22	4.20	4.26	3.96
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	3.7	6.1	6.0	5.5	3.3
Net enrolment of the population in 5th–8th grade (%)	78.4	77.9	75.6	85.6	82.9
Share of people with health insurance (%)	89.8	91.5	91.7	90.5	90.8
Hospitalizations per 1,000 people	166.3	168.3	169.4	163.7	172.3
Registered crimes against the person and property per 1,000 people	13.8	14.4	13.1	13.7	14.1
Clearance rate for crimes against the person and property from those registered in the current year (%)	36.1	38.1	57.4	60.5	68.2
Share of pending criminal cases from those registered in the current year (%)	13.1	7.9	9.0	4.1	9.5
Share of the population with access to sewerage connected to wastewater treatment plants (%)	0.0	0.5	0.5	0.5	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	142.9	142.9	4.5	2.7	n.a.
Visits to the cinema per 1,000 people	138	373	358	374	319
Visits to the theater per 1,000 people	342	382	484	427	485

Vratsa District

► Population (2018)	164,097
► Territory (sq. km)	3619.8
► Number of settlements	128
► Share of urban population (%)	59



Though there are only seven districts in the country with higher GDP per capita and only four with a higher annual average salary than Vratsa, the living standard in the district is not very high. One of the main reasons is the poor condition of the labor market: unemployment is twice the national average, while employment went down in 2018 – contrary to the national trend. Enterprise investment activity is low and there is little interest in the district from abroad. Vratsa has traditionally been among the districts with lowest ratings in infrastructural development. There is no highway passing through the district's territory while first-class roads make up only 10% of the road network. The tax environment is relatively favorable; in 2018 Vratsa municipalities reached their highest rating ever in the AIP Active transparency rating of local government. The district has the best age structure in north-western Bul-

garia; it is the only district in the region where the population aged 65+ amounts to less than 40% of that aged 15–64. Though there is a lasting improvement visible in the work of educational establishments in enlisting and keeping children at school, the quality of education is not very high. Access to healthcare services in the district is less favorable than that in the rest of the country. On top of that, the financial problems of one of its leading general hospitals in 2018 led to further deterioration. Crime rates are high, but in detection rate Vratsa rates only second to Razgrad. The low rate of urbanized areas prevents the increase in the share of population connected to wastewater treatment plants but the overall condition of the environment remains good. Vratsa district is characterized by a relatively low intensity of cultural life.

ECONOMIC DEVELOPMENT



Income and living standard



Labor market



Investment and economy



Infrastructure



Local taxes



Administration



SOCIAL DEVELOPMENT



Demography



Education



Healthcare



Public order and security



Environment



Culture



ECONOMIC DEVELOPMENT ■■

Incomes and living standard ■■

The living standard is not very high although there are only seven districts in the country with GDP per capita rates higher than that registered in Vratsa (11,684 BGN), and only four with higher annual average salaries (11,460 BGN). The reason behind is the unsatisfactory condition of the labor market, as well as the specifics of the local economy: the dominant role of energy production (the Kozloduy Nuclear power station) means that high salaries are concentrated among a relatively small number of employees, while the rest of the economy remains depressed. This fact affects the annual average income per household member: it reached 4,582 BGN in 2017, remaining far from the national average of 5,586 BGN. The relative share of the population living below the poverty line, 29%, was above the national average of 22%. The same can be said of the relative share of people living in material deprivation: 31.3% in Vratsa versus 20.9% in Bulgaria as a whole.

Labor market ■■

The annual average rate of unemployment in the district declined for the fourth successive year. The level registered in 2018 – 10.1% – was the lowest since 2012, but it was still almost twice the national average. The downward trend in unemployment both in 2018 and in the 2015–2017 period was partly due to the declining economic activity of the working age population. In 2018 employment rates dropped to 54.4%, the lowest rate in the country after Montana (52.2%). Economic activity was also among the lowest in the country, and its downturn in 2018 was indicative of the local economy's problems.

The educational structure of the workforce is less favorable than that in most other districts. The relative share of college graduates aged 25–64 (21.5%) is below the national average (28.2%).

Investment and economy ■■

In 2017 the investment activity of enterprises, measured by their FTA expenditure, dropped for the third successive year to reach 1,488 BGN/person. That was the lowest value in the district for the last decade with annual investment decrease from 77 to 60% of national average levels between 2014 and 2017. As of the end of 2017, FDI relative to the local population was 651 EUR/person (versus 3,459 EUR/person nationally). Entrepreneurial activity in the local population was also considerably lower than the national average with 36 enterprises per 1,000 people in 2017 versus average of 57 enterprises per 1,000 people in the country.

The only indicator where the district performed better than the national average level was utilization of EU funds: in 2019,

it reached 2,106 BGN/person or higher than the national average by about 300 BGN.

Infrastructure ■

Vratsa has traditionally been among the districts getting the lowest rating in infrastructural development. Road density is similar to the national average but there is no highway running through the district's territory and first-class roads make up only 10% of the road network length (versus 18.4% in the country as a whole). The only districts which had lower relative shares of roads in good condition in 2018 were Razgrad and Ruse. The density of railroads is 3.1 km/100 sq. km territory, close to the national average of 3.6 km/100 sq. km. In 2018, 65.5% of households had Internet access (versus 72.1% on average nationally).

Local taxes ■■■■

Vratsa is one of the districts with a relatively favorable tax environment, with most rates of the monitored taxes below average levels. The only tax with an average rate higher in the district than that in the country is the annual tax on immovable property of legal entities. This is precisely where the most significant raise took place in the last few years. It was raised considerably (from 1.5 to 3.2‰) in the Kozloduy municipality in 2017, and from 2.0 to 2.5‰ in Mizia in 2019. In 2017 the Kozloduy municipality raised the property transfer tax from 1.5 to 2.0%. At the same time, after the initial 2017 raising of the tax rate for taxi transport to 400 BGN, it was reduced to 300 BGN in 2018. Similar to other districts in the north-west, the levels of the license tax for retailers are exceptionally low here.

Administration ■■■■

In 2018 municipal administrations in the district of Vratsa achieved their highest rating up to that moment in the AIP Active transparency rating (74% compared to the national average level at 70.7%). The Mezdra municipality was ranked as the most transparent one with 86%, while that of Hairedin was rated lowest with 52%.

The self-evaluation of the district's municipal administrations on the quality and range of services offered by them was slightly above average (3.04 out of 5.00 versus the national average at 2.95 out of 5.00). At the same time, their readiness to offer one-stop-shop services to individuals and businesses (2.86 out of 5.00) was lagging behind the national average (3.07 out of 5.00).

In 2018 cadastral map coverage reached 68.8% – an enormous progress compared with the previous year (13.1%), but still below the national average (72.4%).

SOCIAL DEVELOPMENT ■■■■

Demography ■■■

Though being one of the districts in best demographic condition in the Bulgarian north-west, Vratsa has still been lagging significantly behind national average levels. The district is the single one in the region where its population aged 65+ corresponds to less than 40% of that aged 15–64. At the same time, the better age structure can be said to increase the population's affinity to migrate: Vratsa is the district with the highest unfavorable ratio in north-western Bulgaria of the number of leavers to the number of settlers. The net migration rate in 2018 was –7.5‰, the second lowest figure after the 9.1‰ registered in 2016, and slightly better than the district of Vidin. 58.7% of the population lives in urban areas, which makes Vratsa one of the relatively poorly urbanized districts in the country.

Education ■■■■

There has been a lasting improvement in the indicators for the ability of educational establishments to enlist and keep pupils in school. Vratsa is the district with the second highest enrolment rate of the population in 5th–8th grade (93% in the 2018/2019 school year) – right after the district of Gabrovo with 95%. Between 2015/2016 and 2018/2019 school years the relative share of repeaters dropped almost twice, from 1.21 to 0.66%, a level more favorable than the national average of 0.91%. During the 2017/2018 school year the relative share of dropouts from primary and secondary education rose to reach 3.15% (versus 2.98% nationally). However, the average grade school leavers from the district achieved at the matriculation exam in Bulgarian Language and literature has traditionally been below average. In the last 5 years the relative share of fail grades has also been above average: in 2019 it was 10.6% (versus 8.7% nationally).

Vratsa is not among the leaders in higher education. Still, in the district there are two branches of universities (located elsewhere) with about 1,000 students.

Healthcare ■■■■

Healthcare in the district of Vratsa is characterized by an access to the services of GPs and specialists below national average levels. In addition to this, the financial problems of one of the leading general hospitals in the district led to the closing of wards and a reduction in the number of beds available to local people from 788 to 688. Thus the ratio deteriorated to 4.18 beds per 1,000 people, while the national average was 5.34 beds per 1,000 people.

At the same time, population morbidity measured by hospitalization rates has been more favorable than the national average. In 2018 the rate of people with health insurance was 91.4% of the district's population (versus 87.9% nationally).

Public order and security ■■■■

The district's high rating in this area is due to the relatively effective work of the local judiciary. The workloads of criminal judges at the District court (7.3 cases a month per judge) is below the country average but unlike the situation in other districts, this fact does not entail better results in ensuring speedy trial process. In 2018 Vratsa registered the lowest share of pending criminal cases at the District court (4%), as well as one of the highest shares of criminal cases closed within three months (95.2%).

At the same time, the district registered the highest crime rate (15.4 crimes per 1,000 people). As regards the detection rate (68.7%), Vratsa, ranking just below Razgrad (72.0%), was considerably above the national average of 48.9%.

Environment ■■■■

Generated household waste in the district amounted to 289 kg/person annually, visibly below 435 kg/person on average in the country as a whole. The low urbanization has obstructed the increase in the share of the population connected with wastewater treatment plants. In 2017, 57.2% of the population lived in settlements with public sewerage systems, 50.9% of them connected with wastewater treatment plants. In both indicators, the district is considerably below the national average levels of 76.0% and 63.4%, respectively. Carbon dioxide emissions in the atmosphere amounted to 102.2 t/sq. km of the territory: almost four times better than the country average rate.

Culture ■■■

Cultural life in the district of Vratsa is characterized by a relatively low intensity, with only libraries registering a rate of visits close to the national average rate. Local theatres fail to take advantage of the heightened audience interest nationally. Between 2015 and 2018 theatre visits in Bulgaria rose from 302 to 340 per 1,000 people, while they dropped in Vratsa from 229 to 135 visits per 1,000 people. The number of visits to local museums and cinemas was five and three times below the national average rate, respectively.

Key indicators for the district of Vratsa

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	9,520	9,305	9,579	11,684	n.a.
Average annual income per household member (BGN)	4,234	4,426	4,547	4,582	n.a.
Average annual gross salary per employed person (BGN)	9,861	10,332	10,988	11,460	n.a.
Share of the poor relative to the country poverty line (%)	33.0	37.7	39.9	29.0	n.a.
Economic activity rate of the population aged 15–64 (%)	64.4	61.0	57.9	62.3	60.7
Employment rate of the population aged 15–64 (%)	52.9	50.3	50.0	55.3	54.5
Unemployment rate of the population aged 15–64 (%)	18.1	17.7	13.7	11.1	10.1
Share of people with tertiary education aged 25–64 (%)	22.1	21.1	19.2	19.9	21.5
Number of non-financial enterprises per 1,000 people	33	34	35	36	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	2,152	1,880	1,771	1,488	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	781	503	451	651	n.a.
Share of households with Internet access (%)	38.5	31.1	70.8	64.0	65.5
Share of roads in good condition (%)	21.2	15.0	24.6	22.0	26.5
Cadastral map coverage (%)	7.1	7.1	8.5	13.1	68.8

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–10.8	–11.3	–10.3	–12.2	–11.4
Net migration rate (‰)	–7.4	–6.9	–9.1	–6.3	–7.5
Average grade at the matriculation exam in Bulgarian language and literature	4.30	4.12	4.04	4.14	4.00
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	4.1	7.7	10.8	8.6	6.8
Net enrolment of the population in 5th–8th grade (%)	85.0	84.4	85.8	91.9	93.0
Share of people with health insurance (%)	88.6	90.8	91.7	91.1	91.4
Hospitalizations per 1,000 people	191.0	217.2	219.5	220.0	156.2
Registered crimes against the person and property per 1,000 people	15.1	15.6	14.0	15.5	15.4
Clearance rate for crimes against the person and property from those registered in the current year (%)	51.4	51.1	64.0	58.8	68.7
Share of pending criminal cases from those registered in the current year (%)	8.1	5.2	4.2	4.1	4.0
Share of the population with access to sewerage connected to wastewater treatment plants (%)	32.3	51.7	50.5	50.9	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	110.8	110.8	102.2	102.2	n.a.
Visits to the cinema per 1,000 people	17	55	57	238	191
Visits to the theater per 1,000 people	279	229	184	157	135

Yambol District

► Population (2018)	119,684
► Territory (sq. km)	3355.5
► Number of settlements	109
► Share of urban population (%)	71



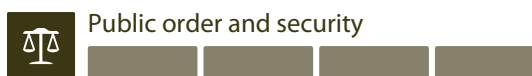
The regional economy's development has been limited by negative tendencies in the labor market connected with high unemployment, low employment, and declining economic activity. The workforce has a relatively unfavorable educational structure. The worsening quality of infrastructure is no driver of economic development, either. There is little serious investment interest from foreign companies while local ones face difficulties in investment and development. GDP grew slightly in the studied period to 8,881 BGN/person, while the average annual gross salary registered a slightly more significant growth and reached 9,530 BGN, though still far from the national average. Nevertheless, poverty levels in the district did not deviate considerably from the indicator's national level. The business environment and economic development in the region could improve by taking advantage of the possibilities related to local

taxes and the good example set by the local administration. Yambol's population has been ageing and leaving the district, albeit more slowly in 2018. Natural growth rate remained negative due to above-average mortality. The district's social development is characterized by poor educational results: the quality of the education system deteriorated visibly in the 2018/19 school year. In order to limit its long-term negative effect, measures should be taken for its improvement. The same holds true of the healthcare system, which has resources close to the average level for the country, but healthcare results slightly worsened in 2018. Environmental quality is high; more investment is needed mostly for the construction of wastewater treatment plants in the district. There has been some positive development in the judicial system and in law enforcement institutions, the efficiency of which has been improving in recent years.

ECONOMIC DEVELOPMENT



SOCIAL DEVELOPMENT



ECONOMIC DEVELOPMENT ■■■

Income and living standard ■■■

In recent years Yambol's GDP kept growing, though slightly, to reach 8,881 BGN/person in 2017. Yet, it has stayed considerably below the average figure for Bulgaria of 14,280 BGN. In 2017, for the first time the gross annual average salary grew faster than the average pace for the country to reach 9,530 BGN – however, still far lower than the registered national average of 12,448 BGN. By contrast, in 2017 the growth of income per household member slowed down after an accelerated rise in 2016. The reason was the slightly higher share of pensions in the structure of household income, which grew slowly.

The data on the standard of living in the district of Yambol, measured by the share of the population living below the poverty line, show that the district was below national average levels: 24.3% (compared to an average of 22%). The share of the population living in material deprivation increased to 19.3%, still slightly below the country average of 20.9%.

Labor market ■■■

In 2018 there were some negative tendencies in the district's labor market. The unemployment rate rose from 7.6 to 8.3% (versus 5.3% on average in Bulgaria). The economic activity rate went down from 73.5 to 68%, which was already under the national average rate of 71.5%. Similarly, the employment rate dropped from 67.9 to 62.3%, while the national average rate was 67.7%.

The educational structure of the district's population was characterized by a low share of people with higher education, only 21% of the population in 2018, with the national average rate at 28.2%. The share of population with primary and lower education grew by 5 p.p. in comparison with the previous year to reach 23.4%. Such unfavorable structure is a source of additional pressure and risk for the labor market in the future.

Demographic replacement ratio improved slightly to 63.5% of people aged 15–19 for every 100 people aged 60–64, though that was slightly less than the national average ratio of 65.7%. That means that there is still hope for reversing the labor market tendencies if young people get sufficiently activated and employment rates go up.

Investment and economy ■■

Yambol remains among the districts with the lowest FDI per capita, which dropped for the second year in a row to 418 EUR in 2017 (compared to 3,459 EUR in the country as a whole). The only districts with lower investment inflows were Silistra, Montana, and Kyustendil. The absence of serious investment interest is a reflection of the unfavorable conditions for economic

development in the district. Production value per capita was barely 13,493 BGN (compared to an average of 23,764 BGN in Bulgaria).

There was an average of 45 non-financial companies in Yambol per 1,000 people (versus an average of 57 in Bulgaria). FTA acquisition expenditure recovered to 1,973 BGN/person after the sharp drop in 2016 but was still way below the average level of 2,491 BGN in Bulgaria. The district was quite active in utilizing funds from European programs: as of mid-2019 the sums paid were already 1,612 BGN/person (compared to an average of 1,803 BGN in Bulgaria).

Infrastructure ■■

The railroad density in the district has been declining and now is less than half the national average rate: 1.5 km/100 sq. km (versus an average of 3.6 km/100 sq. km). The road network density, on the other hand, was still 19 km/100 sq. km versus the national average rate of 17.9 km/100 sq. km. The share of highways and first-class roads of 20.6% slightly surpassed the national average rate. In recent years the road quality declined from 54.6% in 2011 to 39.8% in 2018, reaching a level below the national average of 40.5%. Yambol kept lagging behind on the "internet access" indicator: only 62.1% of households had an Internet connection, whereas the average share in the country was 72.1%.

Local taxes ■■■

The average rates of local taxes in Yambol municipalities, except for the vehicle tax, were below the country average. There was not a single municipality in the district with raised taxes in 2019. The rate for retail trade and that for taxi services remained below average.

Administration ■■■■

The work of local administrations in the district of Yambol is good according to the indicators for self-evaluation for one-stop-shop service. In 2018 cadastral map coverage reached 81.5%, going over the national average rate of 72.4%. According to the Active transparency rating of local government in 2019, the district achieved an average result of 67% (versus 70.7% in the country). The best performing municipality was Tundzha with a rating of 85.7%: a considerable rise from the 68.4% reported in 2018. The municipality with the lowest rating was Straldzha with 45.6%.

SOCIAL DEVELOPMENT ■■■■

Demography ■■■■

Yambol's demographic development is characterized by population ageing, poor urbanization, and out-migration of its inhabitants. In 2018 the natural growth rate dropped to -8.9% (versus -6.5% for the country), mostly because of above-average mortality. The net migration rate was a negative -4.3% , which was still an improvement from the -6.5% a year earlier. The density of the population continued to decline as a result of the region's depopulation. Almost 71% of the district's population lives in towns.

The age dependency ratio of the population continued to deteriorate slowly. In 2018 there were an average of 160.1 people aged 65+ for every 100 people aged 0–14. The national average figure for this indicator is 148.6. Population ageing has had a negative effect on social and economic development in the district.

Education ■■

Education in the district of Yambol registered exceptionally poor results regardless of slightly above-average access indicators. The net enrolment rate in 5th–8th grade reached 90.6% in 2018, which is above the national average of 87.4%. This shows a relatively good enrollment scope of the system of secondary education. Dropouts from the system in 2017 were 2.79% versus a national average rate of 2.98%.

The rate of repeaters, on the other hand, kept growing to 1.64%, while the national average rate was 0.91%. The teacher – pupil ratio in secondary education dropped to 71 teachers per 1,000 pupils, the lowest in the country.

Educational result indicators point to Yambol's greatest problem. Poor grades at the matriculation exam in Bulgarian language and literature were 18.2% of all: the only higher share was in Kardzhali. The average grade at that exam for Yambol's school leavers was "good" 3.80, while the national average was "good" 4.06. The only districts with lower grades were Silistra, Razgrad, and Kardzhali. Low education quality has a negative impact on future prospects for the district's labor market.

Healthcare ■■

Since 2015 the health insurance status of the population in Yambol has been on the decline: in 2018, 89.3% of the population had health insurance. Yet, this figure is slightly higher than the national average rate of 87.9%. Access to GPs is close to average: one GP serves an average of 1,575 people (versus 1,673 for Bulgaria). There is one specialist doctor per 680 people (versus an average of 424 in Bulgaria). The number of beds

in general hospitals (3.11) is lower than the national average rate of 5.34, while hospitalizations dropped to 135.7 per 1,000 people, considerably below the national average rate of 171.4. During the last year the infant mortality rate increased slightly from 7.9 to 8.5‰, and has remained higher than the national average rate of 5.8‰. This implies a necessity to invest in improving the quality of the district's healthcare system.

Public order and security ■■■■

The relatively low judge workloads in the district of Yambol (an average of 6 cases a month versus 9.2 in the country) have not resulted in speedy justice administration. The crime rate was below average: registered crimes against the person and property were 10.5 per 1,000 people in 2018 (versus an average of 12.1 in the country), while the 69.4% detection rate was considerably above the country average of 48.9%. The percentage of cases closed within three months declined slightly in the previous year to reach 88.3%, already below the national average rate of 90.2% but pending cases dropped considerably to 6.95 (versus the average 8.7% in the country).

Environment ■■

The problem with wastewater treatment continues to be very serious in the district of Yambol. Only 4.7% of the population has access to sewerage connected with wastewater treatment plants, while the national average is 63.4%; the only district with a worse rate is Vidin. In 2017 the generated household waste increased to reach 430 kg/person annually, while the national average rate was 435 kg. The relatively poor industrialization in the district has brought about very small quantities of carbon dioxide emissions into the atmosphere in recent years.

Culture ■■■■

In 2018 cinema visits in Yambol followed the country's general tendency to decline, reaching barely 97 visits per 1,000 people: seven times less than the national average rate. At the same time, theater visits went over the national average rate: 407 versus 340. Though there are five museums in the district, their visit rate remained very low: 292 per 1,000 people. Interest in libraries was close to the average rate for the regions outside the capital.

Key indicators for the district of Yambol

Indicators of economic development	2014	2015	2016	2017	2018
GDP per capita (BGN, current prices)	7,773	8,159	8,445	8,881	n.a.
Average annual income per household member (BGN)	4,133	4,437	5,147	5,357	n.a.
Average annual gross salary per employed person (BGN)	7,472	8,053	8,626	9,530	n.a.
Share of the poor relative to the country poverty line (%)	15.5	14.4	16.8	24.3	n.a.
Economic activity rate of the population aged 15–64 (%)	69.4	71.5	71.7	73.5	68.0
Employment rate of the population aged 15–64 (%)	58.8	62.8	66.2	67.9	62.3
Unemployment rate of the population aged 15–64 (%)	15.0	12.0	7.6	7.6	8.3
Share of people with tertiary education aged 25–64 (%)	23.7	29.0	26.0	22.0	21.0
Number of non-financial enterprises per 1,000 people	45	47	45	45	n.a.
Expenditure on fixed tangible asset acquisition (BGN per capita)	1,741	2,182	1,333	1,973	n.a.
Cumulative foreign direct investment in non-financial enterprises (EUR per capita)	459	642	459	418	n.a.
Share of households with Internet access (%)	57.2	56.8	57.1	62.0	62.1
Share of roads in good condition (%)	51.7	52.1	40.7	42.5	39.8
Cadastral map coverage (%)	16.6	16.6	16.6	50.4	81.5

Indicators of social development	2014	2015	2016	2017	2018
Natural growth rate of the population (‰)	–7.6	–9.5	–7.6	–8.4	–8.9
Net migration rate (‰)	–3.8	–5.8	–5.0	–6.5	–4.3
Average grade at the matriculation exam in Bulgarian language and literature	4.10	3.98	3.87	3.87	3.55
Percent of grades lower than 3.00 (pass level) at the matriculation exam in Bulgarian language and literature	10.0	15.6	16.8	20.2	15.7
Net enrolment of the population in 5th–8th grade (%)	83.5	78.4	84.1	89.4	90.6
Share of people with health insurance (%)	89.9	91.3	91.0	89.9	89.3
Hospitalizations per 1,000 people	139.0	157.3	154.5	149.5	135.7
Registered crimes against the person and property per 1,000 people	10.9	10.8	11.0	11.3	10.5
Clearance rate for crimes against the person and property from those registered in the current year (%)	60.2	60.0	70.7	64.9	69.4
Share of pending criminal cases from those registered in the current year (%)	6.6	6.3	4.7	8.6	6.9
Share of the population with access to sewerage connected to wastewater treatment plants (%)	3.6	4.7	4.7	4.7	n.a.
Carbon dioxide emissions into the atmosphere (tons of harmful emissions/sq. km)	62.7	33.6	7.8	7.8	n.a.
Visits to the cinema per 1,000 people	134	111	193	139	97
Visits to the theater per 1,000 people	421	427	454	437	407

Appendix

ECONOMIC DEVELOPMENT

Income and living standard

Indicator District	Gross domestic product (GDP) per capita, BGN (2017)	Gross salary per employee, BGN (2017)	Income per household member, BGN (2017)	Share of population living in material deprivation, % (2018)	Share of population living below the poverty line, % (2018)
Blagoevgrad	8,792	8,297	5,193	18.1	26.0
Burgas	12,240	10,276	5,037	25.0	19.6
Varna	13,809	11,700	5,407	31.1	18.5
Veliko Tarnovo	9,254	9,665	6,024	26.6	28.8
Vidin	7,283	8,233	3,470	30.0	39.0
Vratsa	11,684	11,460	4,582	31.3	29.0
Gabrovo	12,363	10,522	6,937	9.6	14.6
Dobrich	8,925	9,539	5,234	12.2	19.9
Kardzhali	7,485	9,285	4,057	25.6	37.7
Kyustendil	7,989	8,642	4,773	14.8	15.8
Lovech	8,804	9,474	4,303	28.7	38.3
Montana	8,659	9,297	4,507	22.5	45.7
Pazardzhik	8,123	9,468	4,592	30.8	41.4
Pernik	7,735	9,321	6,269	18.1	11.9
Pleven	7,884	9,401	5,774	21.5	30.3
Plovdiv	12,112	10,771	5,093	23.0	19.9
Razgrad	8,985	10,453	4,408	25.3	24.2
Ruse	11,152	10,243	5,416	20.8	14.1
Silistra	6,687	8,672	4,201	14.7	19.8
Sliven	7,046	9,113	3,790	33.6	35.6
Smolyan	9,742	9,133	6,127	14.3	20.9
Sofia (capital city)	30,295	17,199	7,603	12.2	8.8
Sofia	15,527	12,149	4,853	18.0	20.4
Stara Zagora	17,550	12,248	5,478	19.0	17.8
Targovishte	9,148	9,754	3,879	21.2	28.1
Haskovo	7,807	8,537	5,119	20.2	28.5
Shumen	8,829	9,994	4,855	20.3	38.3
Yambol	8,881	9,530	5,357	19.3	24.3

Labor market

Indicator District	Demographic replacement ratio of people aged 15-19 to people aged 60-64, % (2018)	Share of population aged 25-64 with higher education, % (2018)	Share of population aged 25-64 with primary or lower education, % (2018)	Unemployment rate of the population aged 15+, % (2018)	Employment rate of the population aged 15-64, % (2018)	Economic activity rate of the population aged 15-64, % (2018)
Blagoevgrad	63.8	20.7	19.2	4.8	71.0	74.6
Burgas	68.1	23.6	20.1	5.3	67.4	71.1
Varna	73.4	29.5	19.1	4.4	66.3	69.3
Veliko Tarnovo	59.0	26.8	13.0	5.4	66.6	70.4
Vidin	61.1	20.1	11.8	19.9	58.8	73.4
Vratsa	65.8	21.5	20.8	10.1	54.5	60.7
Gabrovo	50.7	27.9	14.5	4.5	67.2	70.4
Dobrich	66.8	20.8	23.4	8.6	65.3	71.4
Kardzhali	53.2	16.8	35.7	3.4	58.6	60.7
Kyustendil	51.6	22.3	9.6	3.6	67.5	70.0
Lovech	64.0	20.9	15.6	9.8	60.9	67.5
Montana	66.5	12.6	25.6	15.3	52.2	61.7
Pazardzhik	68.3	17.8	23.2	4.7	63.8	67.0
Pernik	48.6	23.8	12.4	7.5	66.7	72.1
Pleven	61.2	24.1	18.8	8.2	64.4	70.1
Plovdiv	67.8	27.0	20.3	3.6	69.9	72.5
Razgrad	65.9	20.0	36.6	11.1	56.2	63.2
Ruse	58.0	29.1	12.9	5.2	67.7	71.4
Silistra	63.2	16.9	32.7	11.1	60.2	67.7
Sliven	86.6	21.1	33.4	9.9	61.2	68.0
Smolyan	43.2	22.5	15.3	10.5	67.7	75.6
Sofia (capital city)	72.4	51.4	4.2	2.1	75.6	77.2
Sofia	63.7	13.6	12.3	0.7	73.3	73.8
Stara Zagora	68.0	19.0	18.0	2.3	71.0	72.7
Targovishte	68.0	16.8	33.7	11.2	63.0	70.9
Haskovo	61.0	20.1	21.0	3.1	66.0	68.1
Shumen	68.5	24.0	28.9	12	64.6	73.4
Yambol	63.5	21.0	23.4	8.3	62.3	68.0

Indicator District	Number of non-financial companies per 1,000 people (2017)	Expenditure on the acquisition of fixed tangible assets, BGN per capita (2017)	Sums paid to beneficiaries from operational programs per capita, BGN (as of 30.06.2019)	Cumulative foreign direct investment to non-financial enterprises per capita, EUR (2017)	Production value per capita, BGN (2017)
Blagoevgrad	70	1,576	2,132	1,535	18,050
Burgas	73	3,002	1,672	4,579	31,395
Varna	69	2,680	1,253	4,120	20,681
Veliko Tarnovo	44	1,582	1,477	557	13,281
Vidin	35	846	1,785	831	6,350
Vratsa	36	1,488	2,106	651	13,622
Gabrovo	54	1,965	3,234	2,932	20,928
Dobrich	53	1,894	1,299	1,524	13,392
Kardzhali	33	984	1,213	1,697	7,687
Kyustendil	47	1,077	952	350	10,656
Lovech	43	1,040	1,688	891	13,558
Montana	34	1,234	1,993	286	11,546
Pazardzhik	44	1,654	1,066	1,950	13,152
Pernik	43	1,055	970	1,658	14,977
Pleven	39	1,388	1,707	920	11,553
Plovdiv	56	2,511	1,426	2,825	24,260
Razgrad	37	1,606	1,463	1,331	16,992
Ruse	52	1,606	1,399	1,685	22,378
Silistra	36	1,376	1,229	324	8,508
Sliven	37	1,060	840	737	10,891
Smolyan	48	1,511	1,485	765	13,955
Sofia (capital city)	89	5,134	3,129	9,294	46,070
Sofia	41	2,697	1,868	6,287	45,443
Stara Zagora	46	2,434	1,391	2,829	23,892
Targovishte	35	1,459	1,101	2,165	14,347
Haskovo	51	1,094	1,188	442	11,211
Shumen	40	1,683	1,366	621	14,129
Yambol	45	1,973	1,612	418	13,493

Infrastructure

Indicator	Road network density – length of the road network in km per 100 sq. km	Railroad network density – length of the railroad network in km per 100 sq. km	Share of highways and first-class roads, %	Share of roads in good condition, %	Share of households with Internet access, %
District	(2017)	(2017)	(2017)	(2018)	(2018)
Blagoevgrad	10.5	2.5	13.8	62.5	71.4
Burgas	15.2	2.3	25.8	36.9	68.9
Varna	18.8	5.2	27.5	42.7	76.6
Veliko Tarnovo	20.1	5.1	16.3	29.7	66.6
Vidin	20.3	3.6	12.0	38.3	61.7
Vratsa	18.0	3.1	10.0	26.5	65.5
Gabrovo	24.9	3.7	17.1	39.0	70.6
Dobrich	17.4	1.3	10.1	46.9	75.2
Kardzhali	20.5	2.1	11.1	30.5	84.4
Kyustendil	20.6	4.0	20.5	51.8	59.8
Lovech	18.0	2.6	15.1	37.8	67.8
Montana	17.1	3.1	10.3	30.5	67.8
Pazardzhik	16.3	4.2	15.1	41.1	67.8
Pernik	24.0	4.8	16.6	46.7	67.7
Pleven	17.1	4.4	12.2	33.6	63.6
Plovdiv	17.1	5.4	17.5	50.3	74.4
Razgrad	19.2	3.5	11.1	21.2	63.3
Ruse	18.3	5.5	21.5	21.8	71.9
Silistra	17.8	2.5	11.3	62.1	69.4
Sliven	16.6	3.8	22.0	80.0	75.2
Smolyan	16.9	0.0	0.0	49.1	73.0
Sofia (capital city)	0.0	12.8	0.0	0.0	81.9
Sofia	21.4	4.2	30.2	30.8	51.3
Stara Zagora	17.6	5.1	28.6	40.7	71.4
Targovishte	20.4	2.8	14.7	51.3	65.7
Haskovo	20.7	3.7	21.6	33.7	72.3
Shumen	18.3	4.6	36.5	41.7	70.5
Yambol	19.0	1.5	20.6	39.8	62.1

% Local taxes

Indicator District	Rate of the tax on real estate – nonresidential property of legal entities, ‰ (2019)	Rate of the tax on vehicles and cars, BGN/kW (2019)	Rate of the annual license tax for retailers for sales space up to 100 sq. m, BGN/sq. m (2019)	Rate of the property transfer tax, % (2019)	Annual average rate of the tax on taxi services, BGN (2019)
Blagoevgrad	1.68	1.16	11.74	2.15	409
Burgas	1.95	1.54	15.01	2.84	545
Varna	2.13	1.50	16.59	2.63	587
Veliko Tarnovo	2.35	1.44	12.10	2.64	411
Vidin	1.66	1.14	4.60	2.57	300
Vratsa	2.13	1.18	6.84	2.35	364
Gabrovo	1.75	1.28	8.88	2.21	436
Dobrich	1.54	1.21	8.71	2.92	300
Kardzhali	1.72	1.25	8.04	2.49	322
Kyustendil	1.60	1.17	9.97	2.06	300
Lovech	2.23	1.13	10.40	2.30	360
Montana	1.68	1.10	5.11	2.45	338
Pazardzhik	1.80	1.13	8.94	2.74	300
Pernik	1.87	1.25	9.87	2.45	300
Pleven	2.87	1.12	9.25	2.81	383
Plovdiv	2.01	1.39	13.12	2.50	559
Razgrad	2.09	1.34	9.17	2.52	326
Ruse	1.94	1.13	13.54	2.28	464
Silistra	1.75	1.27	7.97	2.31	328
Sliven	2.65	1.39	9.81	2.67	373
Smolyan	1.95	1.15	8.62	2.57	318
Sofia (capital city)	1.88	1.10	20.00	2.50	850
Sofia	2.21	1.19	10.72	2.57	395
Stara Zagora	1.49	1.33	13.86	2.28	312
Targovishte	1.73	1.41	9.06	2.48	303
Haskovo	1.96	1.33	12.77	2.51	335
Shumen	1.85	1.35	8.90	2.66	355
Yambol	1.87	1.40	8.21	2.46	359

Indicator District	Cadastral coverage, % (2018)	Rating for electronic government, from 1 to 5 (2019)	Rating for offered one-stop-shop services from 1 to 5 (2019)	AIP Active transparency rating for local government, % (2019)
Blagoevgrad	51.2	3.00	3.14	65.0
Burgas	67.8	3.38	2.85	68.0
Varna	95.5	3.00	3.08	73.0
Veliko Tarnovo	91.5	3.40	2.68	73.0
Vidin	68.1	2.67	2.79	63.0
Vratsa	68.8	3.04	2.86	74.0
Gabrovo	77.5	2.61	3.12	80.0
Dobrich	89.4	3.18	3.12	80.0
Kardzhali	95.9	2.96	2.14	54.0
Kyustendil	99.9	3.00	2.57	57.0
Lovech	89.3	2.95	3.45	74.0
Montana	77.7	2.91	3.33	73.0
Pazardzhik	57.2	2.81	2.68	68.0
Pernik	75.0	2.97	3.01	63.0
Pleven	68.5	2.78	3.30	75.0
Plovdiv	33.7	2.69	2.73	75.0
Razgrad	32.8	2.55	2.37	76.0
Ruse	44.4	3.59	2.91	65.0
Silistra	88.0	2.91	2.44	63.0
Sliven	62.1	2.83	2.02	71.0
Smolyan	68.8	2.68	2.82	67.0
Sofia (capital city)	99.2	3.00	4.00	77.0
Sofia	58.8	2.46	2.93	58.0
Stara Zagora	96.2	2.95	3.18	71.0
Targovishte	99.2	3.23	2.66	77.0
Haskovo	80.4	2.73	2.57	63.0
Shumen	65.3	2.79	2.34	66.0
Yambol	81.5	2.87	3.39	67.0

SOCIAL DEVELOPMENT

Demography

Indicator	Age dependency ratio (65+ to 0–14), %	Age dependency ratio (65+ to 15–64), %	Share of urban population, %	Population density relative to urban areas, people/sq. km	Natural increase rate, ‰	Net migration rate, ‰
District	(2018)	(2018)	(2018)	(2018)	(2018)	(2018)
Blagoevgrad	131.9	29.2	59.9	2,298.6	–4.5	–4.5
Burgas	125.1	30.1	76.4	2,247.5	–4.3	1.3
Varna	124.3	28.6	83.9	1,820.4	–4.0	2.2
Veliko Tarnovo	184.5	36.9	70.5	1,070.7	–9.4	–5.0
Vidin	245.4	50.8	64.6	877.0	–16.4	–7.6
Vratsa	177.0	38.9	58.7	782.4	–11.4	–7.5
Gabrovo	246.5	47.9	81.9	1,253.9	–13.2	–3.7
Dobrich	155.2	34.4	69.1	678.7	–9.2	–4.0
Kardzhali	139.2	30.6	41.3	1,884.5	–3.7	15.3
Kyustendil	226.3	45.0	69.8	1,139.6	–13.4	–3.8
Lovech	200.1	44.9	62.9	858.9	–11.5	–5.0
Montana	193.5	43.6	64.2	922.0	–14.0	–5.7
Pazardzhik	136.0	32.0	62.7	2,113.0	–5.6	–4.1
Pernik	203.3	40.3	79.1	936.7	–11.9	–0.7
Pleven	187.3	43.3	66.9	1,103.8	–10.8	–5.0
Plovdiv	141.6	32.3	75.6	2,512.0	–5.2	3.1
Razgrad	157.1	33.4	47.2	854.2	–8.7	–4.5
Ruse	182.9	36.5	78.0	1,691.2	–9.7	–2.9
Silistra	175.2	38.5	44.3	800.4	–10.5	–1.2
Sliven	106.9	32.0	65.9	2,675.7	–3.6	–6.8
Smolyan	207.3	36.8	56.1	1,823.3	–9.4	–8.1
Sofia (capital city)	119.9	25.7	95.6	4,889.7	–1.9	3.9
Sofia	170.8	37.4	61.3	748.7	–9.8	–1.1
Stara Zagora	149.0	35.5	72.3	1,502.3	–7.3	–1.2
Targovishte	144.4	33.6	54.1	1,083.6	–7.8	0.0
Haskovo	155.5	36.0	72.5	1,067.1	–8.5	–5.2
Shumen	153.2	33.1	61.5	888.1	–7.6	4.1
Yambol	160.1	39.6	70.7	1,094.1	–8.9	–4.3

Education

Indicator District	Number of college and university students per 1,000 people (2018)	Net enrolment rate of the population, 5th–8th grade, %, (2018)	Share of repeaters, % (2018)	Share of dropouts from primary and secondary education, % (2017)	Share of grades below “average” 3.00 at the matriculation exam in Bulgarian language and literature, % (2019)	Average grade at the matriculation exam in Bulgarian language and literature (2019)	Number of teachers at primary and secondary schools per 1,000 pupils (2018)
Blagoevgrad	31	91.8	0.61	2.14	10.0	4.06	82
Burgas	14	87.3	0.90	3.22	9.6	4.11	73
Varna	51	84.2	0.73	2.85	6.2	4.26	83
Veliko Tarnovo	69	84.0	0.55	4.08	7.2	4.05	93
Vidin	4	82.9	0.89	4.17	6.8	4.18	80
Vratsa	6	93.0	0.66	3.15	10.6	3.98	86
Gabrovo	47	95.5	0.85	2.33	7.8	4.10	80
Dobrich	4	76.4	1.66	4.35	4.3	4.12	90
Kardzhali	4	83.5	0.17	2.13	20.4	3.78	94
Kyustendil	0	92.2	0.29	2.10	11.7	3.96	83
Lovech	2	90.6	1.07	3.15	12.8	4.00	79
Montana	0	82.9	1.07	3.93	6.6	3.95	84
Pazardzhik	0	82.5	1.17	5.29	13.5	3.95	92
Pernik	1	90.7	0.29	2.10	7.5	4.04	90
Pleven	13	88.6	1.13	3.58	14.3	3.94	93
Plovdiv	51	88.6	1.53	3.87	7.2	4.25	78
Razgrad	2	88.2	0.61	3.66	14.9	3.80	88
Ruse	29	84.9	0.71	4.19	5.9	4.13	92
Silistra	2	80.3	0.34	3.49	17.7	3.77	85
Sliven	5	85.7	2.43	6.04	8.5	4.04	73
Smolyan	13	91.6	0.11	0.95	4.2	4.19	119
Sofia (capital city)	73	89.4	0.36	0.96	2.6	4.53	82
Sofia	9	91.3	1.73	2.67	12.0	3.92	84
Stara Zagora	16	92.9	1.42	3.57	9.7	4.06	81
Targovishte	0	76.4	1.02	3.80	7.2	3.88	92
Haskovo	4	84.7	1.14	3.66	16.4	3.84	77
Shumen	36	83.6	0.80	2.62	12.5	3.85	96
Yambol	7	90.6	1.64	2.79	18.2	3.80	71

Healthcare

Indicator District	Rate of people per General practitioner, number of persons, (2018)	Rate of people per specialist doctor, number of persons (2018)	Share of people with health insurance, % (2018)	Number of beds in general hospitals per 1,000 people (2018)	Infant mortality rate, ‰ (2018)	Hospitalizations in general hospitals per 1,000 people, number of persons (2018)
Blagoevgrad	1,732	566	88.8	3.50	4.5	137.6
Burgas	1,976	494	84.1	3.42	6.2	96.2
Varna	1,655	373	83.5	4.36	5.6	164.2
Veliko Tarnovo	1,746	555	83.9	3.17	3.2	156.6
Vidin	1,432	576	90.8	3.90	6.8	172.3
Vratsa	1,709	510	91.4	4.18	7.3	156.2
Gabrovo	1,518	450	95.9	4.55	5.4	240.8
Dobrich	1,496	738	85.2	2.80	7.7	124.0
Kardzhali	2,576	673	106.7	3.66	2.9	146.1
Kyustendil	1,429	513	94.9	5.04	4.8	155.6
Lovech	1,464	472	90.5	4.56	7.8	170.6
Montana	1,505	509	87.2	6.45	3.0	231.4
Pazardzhik	1,667	512	84.7	6.70	9.1	107.2
Pernik	1,502	611	89.7	2.42	7.5	109.0
Pleven	1,205	327	90.3	9.07	11.3	254.2
Plovdiv	1,571	373	87.1	7.80	7.9	228.6
Razgrad	2,306	543	94.3	4.95	10.6	222.3
Ruse	2,115	469	87.0	4.53	5.9	164.8
Silistra	1,998	570	87.2	4.39	3.7	218.4
Sliven	1,856	599	86.6	4.80	8.4	153.3
Smolyan	1,587	572	94.8	5.22	1.5	224.0
Sofia (capital city)	1,665	354	86.6	5.23	2.7	164.5
Sofia	1,758	424	86.3	5.73	6.0	263.3
Stara Zagora	1,471	447	89.3	4.80	6.5	144.9
Targovishte	2,334	524	87.9	5.30	6.3	229.5
Haskovo	1,809	577	88.5	3.49	6.6	187.1
Shumen	1,744	600	88.6	2.69	5.5	134.7
Yambol	1,575	680	89.3	3.11	8.5	135.7

Public order and security

Indicator District	Share of criminal cases closed within 3 months, % (2018)	Share of pending criminal cases, % (2018)	Actual workload of penal judges, relative to all cases/month (2018)	Registered crimes against the person and property per 1,000 people (2018)	Clearance rate for crimes against the person and property, registered during the year, % (2018)
Blagoevgrad	87.7	10.1	9.2	9.3	56.6
Burgas	88.9	10.2	7.8	15.2	41.4
Varna	91.8	7.4	6.3	14.3	33.1
Veliko Tarnovo	90.2	7.6	7.2	10.1	62.1
Vidin	93.4	9.5	7.3	14.1	68.2
Vratsa	95.2	4.0	7.3	15.4	68.7
Gabrovo	93.8	6.5	6.1	11.4	65.3
Dobrich	94.2	6.1	6.1	12.5	52.0
Kardzhali	94.4	8.4	5.1	5.2	65.8
Kyustendil	85.1	9.5	12.8	11.3	46.7
Lovech	95.8	6.6	12.0	12.7	62.4
Montana	82.5	12.4	6.3	12.2	44.7
Pazardzhik	96.1	6.6	10.8	9.1	59.1
Pernik	94.3	5.4	4.9	13.7	47.9
Pleven	96.0	6.0	9.4	13.0	54.5
Plovdiv	93.9	6.5	11.0	8.6	48.5
Razgrad	96.7	7.3	9.4	10.6	72.0
Ruse	95.1	5.8	10.0	11.0	46.9
Silistra	96.5	4.5	6.9	7.1	64.5
Sliven	94.6	5.7	9.8	11.3	67.1
Smolyan	89.9	6.6	5.0	5.1	73.6
Sofia (capital city)	83.6	11.4	14.2	15.1	34.0
Sofia	81.7	16.2	9.6	13.5	54.9
Stara Zagora	94.8	8.9	10.0	11.0	54.7
Targovishte	86.3	11.8	3.5	10.8	74.0
Haskovo	93.0	8.2	9.1	10.2	60.6
Shumen	95.8	5.2	6.9	9.6	59.5
Yambol	88.3	6.9	6.0	10.5	69.4

Indicator District	Generated household waste per capita, kg/person/year (2017)	Share of population living in settlements with public sewerage systems, connected to waste water treatment plants, % (2017)	Share of population living in settlements with public sewerage systems, % (2017)	Emissions of carbon dioxide into the atmosphere, t/sq. km (2017)
Blagoevgrad	345	29.6	81.9	10.0
Burgas	392	65.7	79.6	83.3
Varna	547	86.2	86.2	652.6
Veliko Tarnovo	378	58.9	67.1	28.4
Vidin	275	0.5	57.2	2.7
Vratsa	289	50.9	57.2	102.2
Gabrovo	580	74.4	85.1	23.8
Dobrich	386	67.6	70.8	3.8
Kardzhali	253	38.7	44.8	4.6
Kyustendil	447	62.0	75.2	668.9
Lovech	354	56.7	69.0	38.4
Montana	264	35.2	59.6	4.8
Pazardzhik	338	43.9	72.2	22.7
Pernik	416	74.0	79.1	228.4
Pleven	344	52.9	56.6	56.9
Plovdiv	526	66.5	81.4	124.4
Razgrad	459	41.9	41.9	53.6
Ruse	499	68.4	68.4	189.9
Silistra	402	44.4	51.5	11.8
Sliven	355	57.3	65.2	161.0
Smolyan	251	42.9	72.6	5.3
Sofia (capital city)	565	96.2	96.4	1,073.5
Sofia	479	43.0	77.1	32.8
Stara Zagora	405	61.6	71.9	4,102.2
Targovishte	313	44.5	56.0	106.3
Haskovo	327	54.2	72.6	124.0
Shumen	357	54.7	58.4	32.4
Yambol	340	4.7	71.6	7.8

Indicator District	Number of theatre visits per 1,000 people (2018)	Number of cinema visits per 1,000 people (2018)	Number of museum visits per 1,000 people (2018)	Number of library visits per 1,000 people (2018)
Blagoevgrad	363	96	423	459
Burgas	800	349	615	132
Varna	1,043	449	609	338
Veliko Tarnovo	408	143	2,139	2,475
Vidin	319	485	2,141	688
Vratsa	191	135	140	531
Gabrovo	339	405	3,553	595
Dobrich	187	227	1135	480
Kardzhali	100	164	104	311
Kyustendil	286	133	979	426
Lovech	112	96	906	219
Montana	0	82	138	0
Pazardzhik	0	246	821	310
Pernik	0	15	317	253
Pleven	434	206	796	355
Plovdiv	874	243	448	257
Razgrad	98	416	521	388
Ruse	717	457	391	691
Silistra	0	236	239	493
Sliven	66	285	497	791
Smolyan	134	119	129	192
Sofia (capital city)	1,884	684	748	1,376
Sofia	67	0	1,178	0
Stara Zagora	596	426	865	431
Targovishte	214	496	161	998
Haskovo	72	291	224	316
Shumen	126	165	1,072	1,218
Yambol	97	407	292	467