

STATISTICAL PANORAMA - BULGARIA 2007

Basic features and specific problems of the demographic, social and economic development, R & D and the environment's conditions in the country are presented in the analytical material. The statistical analysis is oriented mainly towards 2007 and comparisons with the preceding 2006 and 2000 (taken as a base year) are made. The tendencies of the development and the structural changes are analysed.

In the **first part** of the analysis main demographic processes in the country are considered: number and age structure of the population, crude birth rate, crude death rate and natural increase of the population, marriages and divorces, regional development and distribution of the population in the country.

As a result of the natural increase and the migration processes the number of Bulgarian **resident population** is 7 640.2 thousands persons as of 31.12.2007. It decreases by 39 thousands persons or by 0.5% in comparison with the previous year. The women continue to predominate in the total number of the population (51.6%).

The changes of the **age structure** of the population are expressed by continuous decrease of the number and relative share of the population up to 15 years and increase of the relative share of the population over 65 years. While the relative share of the young people up to 15 years is 15.0% in 2001 and this one of the elderly population over 65 years – 16.9%, in 2007 these relative shares are 13.4% and 17.3% respectively of the total population.

The growth in the number of the **births** continues in the country and the increase of the crude birth level respectively. In the demographic statistics 75 915 live-born children are registered in 2007, as their number increases by 1 371 in comparison with the previous year and towards 2001 – by 7 000 children.

At the same time there are not substantial changes of the total crude death rate. In Bulgaria the number of the **deaths** is 113 004 in 2007, which is near to this in 2006 (113 438). The male crude death rate (16.1‰) continues to be higher than female crude death rate (13.5‰). The level of the total crude death rate of the population in Bulgaria is considerably higher in comparison with other European countries. The value of this indicator is between 9.0 and 10.0‰ for the most European countries, while it is 14.8‰ for Bulgaria.

After 1990 the **natural increase of the population** is negative and as result the number of the population continuously decreases. In 2007 the absolute number of the natural increase is minus 37 655 persons, which is

the smallest decrease of the population as result of the natural increase after 1995.

While in 1990 about 60 thousands legal **marriages** are registered and the coefficient of the marriages is 6.9‰, in the next years their number decreases. In 2007 a new drop in the number of the marriages towards the previous year is observed, as the coefficient of the marriages falls also from 4.3 to 3.9‰.

After 1990 (11 368 **divorces**) a drop and an increase in the number of divorces after every four years is observed, as their number recovers and keeps the level of 10 600 in 1995 and 2000. The last three years until 2006 are characterized by stabilization in the number of the divorces between 14.6 - 14.8 thousands, but in 2007 they reach an absolute maximum up to now.

The main social characteristics and living standard in the country are considered in the **second part**: labor force (employed and unemployed persons); wages and salaries; income, expenditure and consumption of households; pensions and social transfers; health services; education and training; culture; information and communication technologies, used by households; criminality and jurisdiction.

During the period 2003 - 2007 a tendency of increase in the **activity rate of the population** is observed. In 2007 the activity rate in the age group 15 - 64 years is 66.3% or by 5.4 points more in comparison with 2003, as the male activity rate is higher than this one of the women. The activity rates by sex in the age group 15 - 64 years are 70.6% for the men and 62.1% for the women respectively.

In 2007 the observed tendency of increase of the **employment** in the last years continues. The employment rate (age group 15 - 64 years) reaches 61.7% in 2007 towards 52.5% in 2003. Parallel with the increase of employment the **unemployment** in the country decreases continuously during the period 2003 - 2007. In 2007 the unemployment rate is 6.9% which is two times less than at the beginning of the period.

In 2007 the average annual **wages and salaries** total for the country reaches 5 174 Levs as the nominal increase is 1.9 times in comparison with 2000 and 58.5 times - compared to 1995. The real average wages and salaries in 2007 (by preliminary data) increase by 10.4% compared to the previous year and by 27.4% compared to 2000.

There is a permanent tendency of increase of the nominal households' **income** during the last 10 - 12 years. During the period 1999 - 2007 the average gross income per person increases from 1 502 to 3 105 Levs

or approximately two times. The real gross household's income increase by 24.3% during the period as they exceeds the level of 1995 for the first time in 2007 and register real increase by 2.0%.

During the period 1999 – 2007 the **expenditure** of households follows the tendency of dynamic changes of the income. After 1999 a process of gradual decrease of the relative share of expenditure for food up to 44.0% of the gross expenditure begins, as this tendency continues in the next years and in 2007 it reaches the lowest value for the period - 37.5%.

The relative share of the **pensioners** of the total number of population retains about 30.0% during the period 2000 - 2007 despite the decrease of their number in the last years. However in 2000 the relative share of expenditure for **pensions** of the gross domestic product is 9.4% and for 2007 is 8.3% by preliminary data.

For the period 2000 – 2007 the expenditure for **grants, benefits and compensations** increases in nominal expression as its share of the total expenditure is 7.5% for 2000, while for 2007 it is 12.0%.

In the field of **health system** the health network in the country disposes of 334 hospitals with 48 774 beds, 1 659 outpatient health establishments with 1 369 beds and 164 other health establishments with 4 097 beds as of 31.12.2007.

28 394 physicians and 6 452 dentists work in the health establishments of the country. Medical specialists on health care and persons graduated medical college are 43 957, of them 28 052 - nurses. General practitioners are 4 980 or 17.5% of the total number of physicians. The indicator number of population per a general practitioner for the country is 1 534 persons.

During the period 2000 - 2007 **the educational structure** of the population in 25 - 64 age group continues to improve and there is a stable tendency for increase of the number and the relative share of the population with higher education and upper secondary education and respectively a decrease of the number and relative share of the population with basic and lower education.

During the last 2-3 years an increase of the number and of the relative share of children in preprimary age (3 - 6 ages) is observed. The number of children in kindergartens also increases as during the period 2000 - 2007 the increase is 3.6 %.

The relative share of expenditure for education of GDP for 2004 and 2005 is 4.9%.

The relative share of GDP expenditure for **culture** over the last few years remains unchanged (about 0.6%). During the last years the audio-visual sector (TV, radio, film production and cinema) is characterized by very dynamic changes. In 2007 the three TV stations with

national coverage of dissemination (BNT, BTV and NTV) and 107 cable and satellite TV emit programs with 661.9 thousands hours duration. In 2007 as compared to 2003 the total duration of TV broadcasting increases by 1.3 times and in comparison with 2006 - by 10.5%.

During the period 2000 - 2007 the total number of radio stations in the country increases by 1.6 times (from 67 in 2000 to 107 in 2007). In 2007 the duration of emitted programs is 843 365 hours, which is respectively by 1.7 and 1.4 times more in comparison with 2000 and 2006.

The development of **information technologies** contributes inevitably to their wider spreading among Bulgarian population. The number of persons between 16 and 74 years old who use computer in the first quarter of 2007 increase by 4.4% as compared to previous year and their share reaches 34.5%. During the last 3 years the number of persons who use Internet actively increase 2 times.

The most rapidly increasing indicator for measuring on development of ICT in our country is the use of mobile phone, of which 70.3% of persons between 16 and 74 years old dispose.

The total characteristics of the **criminality** in the country in 2007 do not differ essentially from the previous years. In commission of crime are accused 37 977 persons (against 2006 - 39 826 or by 4.6% less). By effective penalty inflicted are 21 345 persons (56.2%) and sentence on probations are 9 690 (25.5%) persons as their share decreases by 2.3 percentage points in comparison with the previous year.

In 2007 on first place by punished criminality are property crimes with relative share 43.1% (2000 - 53.3%, 2006 - 48.7%). The crimes of general character take the second place by number and relative share of population of punished criminality. In 2007 are punished 8 843 crimes of this kind, which is by 41.7% more than the previous year. Drop in the number of punished crimes connected with drug substances is observed - from 1 460 in 2006 to 1 003 in 2007 or there is decrease by 31.3%.

In the **third part** are considered the main economic characteristics: Gross Domestic Product, labour, productivity of labour, investments, inflation, financial market and international transaction.

The produced **Gross Domestic Product** in the country (by preliminary data) is 56 520 millions Levs at current prices in 2007 and it exceeds by 7 159 millions Levs the created GDP in 2006. The increased average annual level of the prices in 2007 in comparison with the previous year determines 57.5% of the nominal GDP increase.

GDP (at previous year prices) is 52 405 millions Levs, which is by 6.2% higher compared to 2006. For the

period from 1995 on it is the tenth year with positive growth rate of GDP. For the first time GDP in 2002 exceeds the level of 1995 – the increase is 3.9% and in 2006 and 2007 it reaches 30.4 and 38.6% respectively.

In 2007 the **expenditure for labour** of employers per worked hour reached 3.81 Levs as the increase in comparison with 2006 is by 15.1%. The share of expenditure for wages and salaries is highest - 76.7% followed by share of expenditure for social and health assurance on employers account - 18.7% and others social expenditures - 2.9%.

The tendency of higher payment for men continues in 2007, but the differentiation in the last years decreases. In 2000 the average annual wages and salaries for women are 75.5% of that of the men, while for 2007 they reach 83.9%.

In 2007 (by preliminary data) one employed person in the national economy produces average 15 218 Levs of GDP (at current prices), which is an increase of the national **labour productivity** (measured by GDP per employed person) by 3.3% in comparison with the previous year and by 2.8% (on the base of one worked hour). Average annual values in the period 2003 - 2007 show a priority influence of intensive factors for economic growth – 49.2% as result of the increased labour productivity and 2.3% - as result of the better working time use by an employed person.

In 2007 the typical for the last years raised **investments' activity** of the economic units is observed. The done expenditure on acquisition of tangible fixed assets by preliminary data are BGN 21 935.0 millions and it increases at previous year prices by 20.5% as compared to 2006. In 2007 the investments in sector "Service" are 55.5% of the total investments for the country, in sector "Industry" - 42.0% and in **agrarian sector** - 2.5%. In preliminary data the acquired tangible fixed assets amount to BGN 17 708.6 millions as that are mainly objects in Manufacturing - 21.2%, trade and repairing activities - 15.0%, transport, store and communications - 13.5%, real estate, renting and business activities - 13.0%, construction - 10.0%, electricity, gas and water supply - 9.9%.

The **inflation** in 2007 (December 2007 compared to December 2006) measured by consumer price index is 12.5%, as this is the highest accumulated annual inflation in the last 10 years. At the end of 2007 the highest increase of the consumer prices is registered by food goods (20.8%). The monthly increase of consumer goods and services in August (3.1%) is the highest and deflation is measured in June (-0.4%) and in March (-0.1%).

In the **financial** area is observed a decrease tendency of **basic interest rate** from 4.7% at the end of 2000 to 2% at the end of 2005 but the following increases of interest

rate in 2006 and 2007 lead almost to recovery of its level from 2000 (at the end of 2007 – 4.3%).

The **exchange rate** BGN against the US dollar decreases during the period 2000 – 2007 and from 2.1019 at the end of 2000 drops to 1.3312 at the end of 2007.

In 2007 the **current account** deficit is BGN 12 165.1 million against BGN 5 291.9 and 8 782.5 million in 2005 and 2006 respectively.

The **direct investment in Bulgaria** in 2007 amount to BGN 11 947.9 million and are by 2.5% more in comparison with 2006 (BGN 11 658.7 million). In 2007 the **direct investments abroad increase** by BGN 373.2 million against the increase by BGN 267.6 million in 2006.

The **broad money (M3)** increase by 31.2% compared to the previous year (from 32 061.4 to 42 061.6 millions Levs) and above two times in comparison with 2004 (20 394.4 millions Levs). The **narrow money** (aggregate M1) increase respectively by 28.9% compared to 2006 and more than 2 times - to 2004.

The development of business in the country by main economic activities is observed in the **fourth part**: industry, construction, domestic trade, transport, communications, agriculture, foreign trade and tourism.

In 2007 the output, produced by **industrial enterprises** (at previous year prices) by preliminary data, increases by 12.7% compared to the previous year, and by 91.1% towards 2000.

In certain industry subsectors a significant increase of the industry production in comparison with 2006 is observed. The growth in the manufacture of electrical and optical equipment is 31.3%, in manufacture of food products, beverages and tobacco - 20.9% and 13.1% - in manufacture of machinery and equipment.

The average annual producer price index on the domestic market in 2007 (calculated on base 2000) increases by 8.6% compared to 2006 year, and by 8.0% on the international market.

The output of the **construction enterprises** reaches 13 884 millions Levs in 2007 (by preliminary data), and the growth at current prices is 15.5% compared to the previous year. In 2006 the real increase of the construction production is 173.0% towards 2000 and the expectations for 2007 are to exceed 215.0%.

Since 2000 a considerable preponderance of the fulfilled building construction over the structural engineering is observed, as its relative share is between 61 and 70% compared to the total volume of the construction in the country.

The incorporation of Bulgaria in the European Union stimulates the development of the **trade sector**. Main

indicator for it is the produced output, which exceeds 11 729 millions Levs in 2007 (at current prices) and realizes a real increase by 6.3% compared to the previous year.

In 2007 (by preliminary data) retail sales incomes of 71 411 millions Levs are registered in the branch which ensure a real growth of 4.7% compared to the previous year. The increase is higher in the automobiles and fuels trade and the retail trade - respectively 14.0 and 12.3% and it is determined by the positive rates in all structure determining compound activities.

Retail sales in the country in 2007 increase by 10.8%, at preceding year prices, compared to the previous year (durable and other consumer goods - by 13.0%, beverages and tobaccos - by 5.7%).

In 2007 the produced gross output of **transport enterprises** is 7 501 millions Levs (at current prices, by preliminary data). It is 3.0% more than 2006 and 39.3% - than 2000. In comparison with 2006 the growth of the gross output is mainly due to the supporting and auxiliary activities in the different transport modes (by 6.8%) and the land transport (by 1.5%). In 2007 the goods carried of railway transport's companies are by 23 thousand tons more than 2006, as the international frights carried goods increase compensates the decrease by internal frights. The goods carried by the road fright transport in 2007 increase by 26.1%, and the performance - by 16.6% in comparison with 2006. The growth is due to both the domain and the international transport.

The gross output of the enterprises for **communication services** in 2007 by preliminary data is 3 630 millions Levs (at current prices), and the volume index of the gross output reaches 103.9% compared to 2006.

The fixed telephone posts of telephone exchanges are 2 304.8 thousands at the end of 2007, and the number of the mobile subscribers to licensed operators is 9 897.5 thousands.

The value of the final output in **agriculture** (reduced by the internal turnover) is 6 420.1 millions Levs in 2007 at current prices. The contribution of the crops to the final output continues to be most considerable - 2 986.9 millions Levs, and on the second place is the livestock production - 2 400.0 millions Levs.

The final agricultural output volume index in 2007 based on 2006 is 78.1%. The decrease is due first of all to the less output, produced by the crops, which amounts 65.5% from the output in 2005 and 2006, while the livestock output is on the level of the previous two years.

In 2007 the producer price index in the agriculture increases by 25.4% compared to 2000 and by 34.8% towards the previous year. The prices of the crops products are by 34.8% higher in comparison with 2006

(because of the jump in the cereal and oil crops prices), and of the livestock products - by 10.2%.

The **foreign trade turnover** of Bulgaria in the period January - December 2007 is 69.1 billions Levs (by preliminary data) and keeps the annual growth tendency. The increase is by 15.9% compared to the previous year, but the foreign trade balance (exports FOB - import CIF) is negative and it amounts 16.4 billions Levs.

In comparison with 2006 the realized import volume in 2007 increases by 11.4% (at previous year prices), and the export of goods - by 3.0%.

The main trade partners for Bulgarian export in 2007 are again Turkey, Germany, Italy and Greece - 41.0% relative share of the total exports.

The steady tendency in the development of **tourism** in Bulgaria continues in the last years, characterized by the increasing number of arrivals of visitors from abroad in the country.

In 2007 this number reaches 7 725.7 thousands, which is by 3.0% more than 2006. There is an increase of visitors from almost all countries, as compared to the previous year highest growth (over 70.0%) is registered by the arrivals from the following countries: Malta, Estonia, Hungary, Latvia and Spain.

In 2007 the arrivals of visitors from abroad with trips and recreation purpose are 4 218.7 thousands and as guests - 75.1 thousands.

In Bulgaria 3 300 accommodation establishments (public and private) - hotels, motels, mountain chalets, camping sites and others operate in 2007 - which is by 14.4% more in comparison with 2006.

In the **fifth part** are considered main problems concerning the ecological conditions in the country, which reflects the economic development as well as the technological structure of production. Changes in the indicator's tendencies of the general energy balance in the country are presented as well, which is an important factor for restructuring and adjusting of the Bulgarian economy to the market conditions.

Preserving the quality of **environment** is the main purpose of stable consumption and production. The tendency of comparatively little changes in the **emissions** of contaminants into the atmosphere after 1999 retains in 2006. The emissions of sulphuric oxides decrease by 3% in 2006 compared to 2005. At the same time there is an increase of the emissions of carbon oxide by 6%, followed by carbon dioxide - by 5% and non-methane volatile compounds - by 4%.

The average amount of sulphuric oxides per 1 sq. kilometer of territory of the country is 7.9 tons (8.1 tons in 2005) and 114 kg average per person of the population (116 kg in 2005).

The emissions, related to GDP show a stable tendency of decrease of the pollution per produced GDP. The emissions of sulphuric oxides per 1 000 produced GDP USD (at current prices) decrease twice - from 0.062 in 2002 to 0.028 tones in 2006.

In 2006 the fresh **water** abstractions are estimated nearly on 6.6 billions cubic meters, which is 75% of the water abstractions in 1991.

During the period 1991 - 2006 the share of the water consumption for cooling in the process of energy production increase - from 47% of total using water in 1991 to nearly 78% over the last years. The water used for irrigation is decreased - 166 millions cubic meters in 2006 which is 7 times less in comparison with 1991. The water consumption for communal and households purposes decrease. The used 769 millions cubic meters waters in 1991 are 2 times more than 2006.

The amortized water-main network predetermines the heavy water losses - in 2006 the water losses in the public water supply are 61.7% of the water quantities.

The losses at the hydromeliorative's systems are estimated by 72%, mainly as a result of the open irrigation canals.

For the period 2004 - 2006 over 99% of the generated waste is non-hazardous **waste** while 94% from them is mineral waste. In 2006 the waste of acids, bases and salts have the biggest part in the whole quantity of the hazardous waste - 51%. The sources for 81% of the hazardous waste are from the manufacture of basic metals and fabricated metal products and equipment. At the same time tendency of decrease for the generated municipal waste is observed. While in 2000 518 kg/annual per person are generated, in 2006 they drop to 448 kg/annual per person.

For the period 1990 - 2006 **the ecological expenditure on protection and restoration the environment** are between 0.9 and 2.1% of produced GDP as the highest level is reached in 1999, 2001 and 2006.

In the area of **energetic** the production of **primary energy** in 2006 is 11 011 thousands tons of oil equivalent (t.o.e.) and it increases by 4.5% in comparison with 2005. The share of renewable energy resources in the production of primary energy is 10.6% in 2006. For creating **secondary fuels and energy** are used 21 105 thousands (t.o.e.) energy resources as the main share have: crude oil and petroleum products - 35.2%, coal - 30.3% and nuclear energy - 24.5%.

The gross domestic energy consumption in 2006 is 20 637 thousands t.o.e., which is by 2.6% more than 2005.

From 2000 there is permanent tendency of stable growth of the gross domestic energy consumption (average annual rate growth 1.4%). The energy intensity in economic, accounted as gross energy consumption

per 1 000 Levs of GDP registers stable tendency of decrease in spite of high levels over the period 1999 - 2006.

In the **sixth part** the research and development activities (R & D) in the country are considered: expenditure and intensity for R & D; personnel engaged in R & D; scientific personnel; results of realized research and development activities.

In 2006 the **investments in the research and development activity** (R&D) in all sectors of economic amounted to 237 036 thousand Levs which keeps the tendency of annual growth of their volume over the period 2001 - 2006. In 2006 18 994 persons perform R&D activities, from which 12 033 are researchers and 6 961 technical and subsidiary **personnel**, and in this way the positive tendency of growth of persons engaged with the realization of scientific researches and elaborations continues. In comparison with 2005 there is an average increase by 1.9% of personnel occupied in R&D activities.

During the period 2000 - 2007 the average annual number of completed **scientific projects** is 3 167. In 2007 they are 3 260 or by 2.9% more of average number for the period. The total number of elaborated scientific researches is near to the level of 2005 (3 180 numbers) with growth by 2.5%, but in comparison with 2000 - the increase is by 4.3%.

In 2007 860 or more than a fourth (26.4%) of all scientific projects are realized as a result of international co-operation towards 14.4% in 2000. Against 2005 the number of scientific projects developed with assistance of international co-operation increases by 26.2% and these with European Union - by 23.0%.