

CURRENT STATE OF THE REGIONAL ECONOMY OF VARNA AND IMPACT OF ITS PROBLEMS ON THE HIGHER EDUCATION

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THE DISTRICT OF VARNA

Basic information:

The District of Varna is one of the **28 districts** in Bulgaria

District Area: 3 819,5 km² (3,44% of the Bulgarian territory)

No. of municipalities: 12

No. of settlements: 159

Total District population: 473 790

Share of urban population: 83,7%

THE DISTRICT OF VARNA



I. THE STATE OF THE REGIONAL ECONOMY

Distinctive feature:

Uneven distribution of the economic activity on the territory of the District: over 75 % of economic activity is concentrated in the Municipality of Varna

CURRENT STATE OF THE REGIONAL ECONOMY

GDP per capita in Varna: 9 595 BGN

GDP per capita in Bulgaria: 10 248 BGN (2011)

Structure of the regional economy:

Sector of the economy	Share
1. Agriculture	2,6 %
2. Industry	28,7 %
3. Services	68,7 %

CURRENT STATE OF THE REGIONAL ECONOMY

Shares of GDP:

+ **Services:** 69 %

× most important services are: trade, tourism, real estate

+ **Industries:** 28,7%

+ **Agriculture:** 2,6%

CURRENT STATE OF THE REGIONAL ECONOMY

Highly qualified labor force: the share of the population with university education is 26 %

Infrastructure – the District is an important transportation and logistical center with an international airport, a seaport, and a relatively higher density of the road and railway networks compared to the rest of the country

CURRENT STATE OF THE REGIONAL ECONOMY

The share of households with access to **Internet** increases rapidly: from 28,1 % in 2010, to 51,3 % in 2012.

VARNA REGIONAL TRENDS OF DEVELOPMENT

Economic growth in Bulgaria for 2009-2013:

Indicator	2009	2010	2011	2012	2013
GDP rate of growth (%)	- 5,5	0,4	1,8	0,6	0,9

VARNA REGIONAL TRENDS OF DEVELOPMENT

- ✘ The District of Varna has significantly slowed down its development over the last three years
- ✘ The GDP per capita tends to decrease
- ✘ Official statistics reports a decrease in expenditures for acquisition of fixed tangible assets

VARNA REGIONAL TRENDS OF DEVELOPMENT

The negative trend is accompanied by a net outflow of FDI from the district in 2010-2012

Dynamics of the FDI stock in the Varna District:

2010 - 1 531,5 mln. Euro

2011 - 1 500,6 mln. Euro

2012 - 1 471,2 mln. Euro

VARNA REGIONAL TRENDS OF DEVELOPMENT

Conclusion:

While the national economy was stagnating during the last couple of years, the regional economy of Varna continued to deteriorate

II. IMPACT OF THE REGIONAL ECONOMIC PROBLEMS ON HIGHER EDUCATION

Two aspects of interaction between the regional economy and higher education:

1. Regional economy and the process of education
2. Regional economy and the academic research

REGIONAL ECONOMIC PROBLEMS AND HIGHER EDUCATION

Varna University of Economics :

Founded:	1920
Number of students:	13 000
Academic staff:	300 professors and associate professors
Structure:	Four Faculties Twenty Departments

REGIONAL ECONOMIC PROBLEMS AND HIGHER EDUCATION

Varna University of Economics :

- ✘ **Bachelor, Master and Doctoral students** in Economics, Business Management, International Economic Relations, Informatics, etc.
- ✘ **Academic mobility:** Erasmus contracts with more than 60 EU Universities; no less than 50 foreign students visiting VUE each year for one or two semesters
- ✘ **Specialized units for academic research:** Four Research Centers

REGIONAL ECONOMIC PROBLEMS AND HIGHER EDUCATION

Channels for connecting with the regional economy:

- + Varna Chamber of Industry and Commerce (founder of the University of Economics)
- + Direct connections – closely linked with the process of education
- + Through the District Administration

REGIONAL ECONOMIC PROBLEMS AND ACADEMIC RESEARCH

- ✘ One out of each three scientific priorities of the VUE is currently linked to the regional economy
- ✘ However, the reorientation of the academic research towards regional economic priorities takes place rather slowly
- ✘ In 2013 the progress made in this direction was still below expectations

Thank you for your attention !