The role of the economic sectors for the development of rural areas in Bulgaria: structural approach

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I. Actuality and aim of the research

- □ The development of rural areas represents one of the main priorities of the EU and Bulgarian sectors and regional policy;
- ☐ The researches show that until 2007, the endogenous factors were dominant for the development of the rural areas in Bulgaria;
- ☐ After 2007 this tendency has changed the influence of exogenous factors increases.

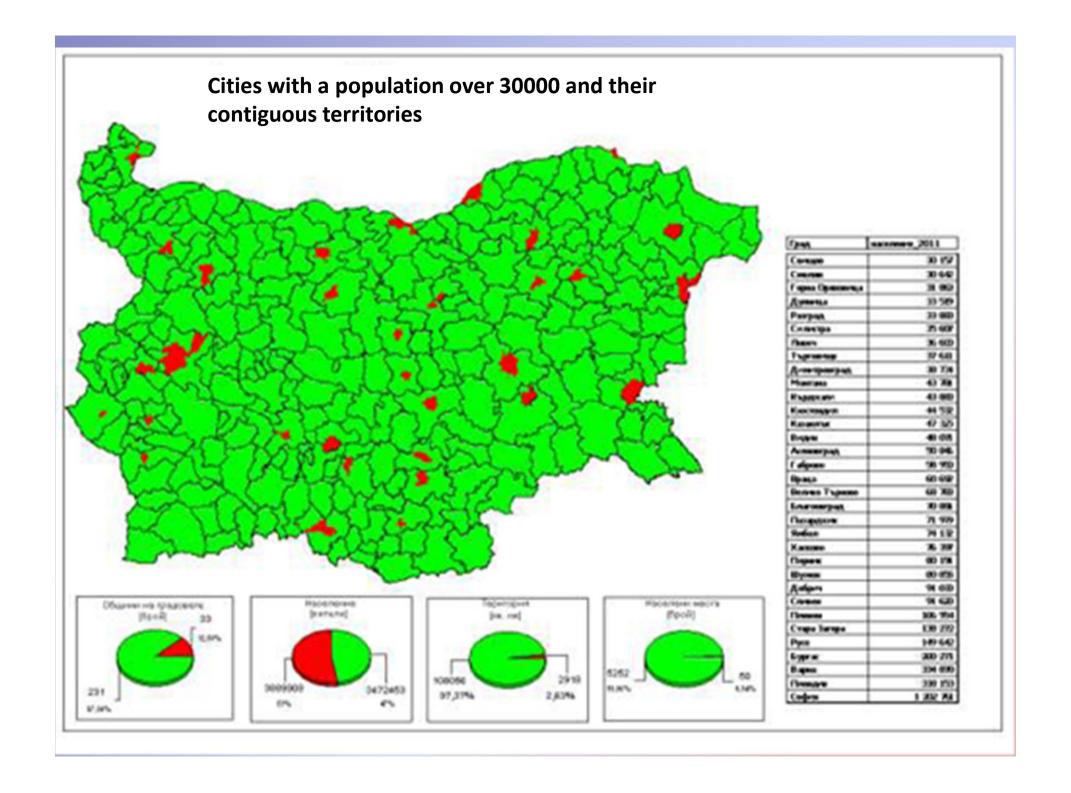
The aim of the research is to present the influence and the connections between economic sectors on the development of rural areas in Bulgaria. The basic hypothesis is that the main factor for this development is the proportions between the economic sectors.

II. Results:

- 1. Rural areas cover 81,0 % of the territory and 47,0% of the human resources in Bulgaria;
- 2. 35,0% of the Bulgarian GDP (2011) is generated in the rural areas which covers 75,0% of the towns and villages in the country.



- 3. The research has been conducted in the planning regions in Bulgaria on NUTS 2 level.
- 4. Territorial structure of rural and urbanized areas:

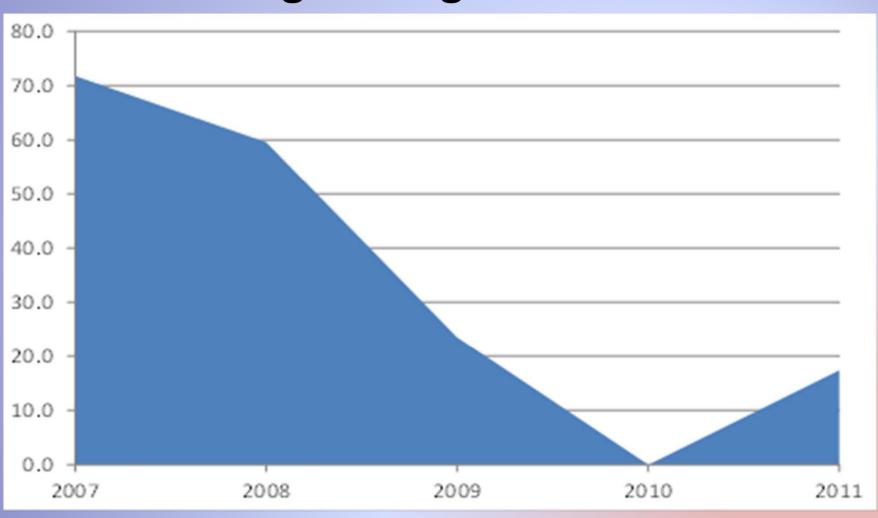


Regional structure of the demographical and economic indexes in Bulgaria 2011*

Planning	Population	Index of	GDP	Direct foreign
regions	density p/км²	Unemployment in % 2012		investment - % from the national
	рукім			2011
North-West	44,4	12,4	7,2	2,5
North Central	57,5	14,5	7,9	3,7
North-East	66,7	18,4	10,6	9,3
South-East	54,4	12,1	12,0	13,6
South Central	66,1	14,0	14,1	8,8
South-West	105,0	8,3	48,2	64,6
Bulgaria	66,3	12,4	100,0	100,0

- The regional structure of the demographic dynamics reveals an increase of the territorial dissonance in Bulgaria: the average density in the North-West Region is 2,5 times lower than that in the South-West Region;
- The defined tendencies are even more figurative concerning the main economic indexes: the GDB accumulated in the North-West Region is over 7 times lower than that in the South-West Region in Bulgaria;

Dynamics of Direct Foreign Investment in the Bulgarian agricultural sector



Regional and divisional structure of Bulgarian economy – 2011 *

Economic	2007 г.			2011 г.		
	Primary	Secondary	Tertiary	Primary	Secondary	Tertiary
Regions						
North-West	16,0	35,0	49,0	13,0	32,0	55,0
North Central	19,0	39,0	42,0	16,0	28,0	56,0
North-East	28,0	40,0	32,0	27,0	31,0	42,0
South-East	24,0	36,0	40,0	19,0	37,0	44,0
South Central	16,0	37,0	47,0	17,0	33,0	50,0
South-West	6,0	51,0	44,0	5,0	49,0	46,0

Some conclusions:

- The development of the economy by economic sectors reveals an increase of the share of the secondary and tertiary sectors and a decrease of the share of the primary sector;
- A serious territorial dissonance exists in the horizontal allocation of the Direct Foreign Investment in Bulgaria;

- It is necessary to introduce new definition and new standards for determining the range and structure of the rural areas;
- It is necessary to introduce new regulative policy in the horizontal distribution of Direct Foreign Investment in Bulgaria;

- It is advisable to start the implementation of regional programs for stimulation the rural areas during the new planning period, taking into consideration the increasing social and economic contrasts in the development of the different EU member states.

Thank you for your attention!

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