

**Interreg
Danube Region**



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COOPOWER

Country report Bulgaria

By Center for Study of Democracy

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List of abbreviations

BG – Bulgaria

DRP – Danube Region Programme

EU27 – European Union (27 Member States)

EU-SILC – European Union Statistics on Income and Living Conditions

GDP – Gross Domestic Product

ICT – Information and Communication Technologies

ISCED – International Standard Classification of Education

JEMS – Joint Electronic Monitoring System

LFS – Labour Force Survey

LP – Lead Partner

MA/JS – Managing Authority and Joint Secretariat

NEET – Not in Employment, Education, or Training

NSI – National Statistical Institute (Bulgaria)

NUTS – Nomenclature of Territorial Units for Statistics

PP – Project Partner

PPR – Project Progress Report

PPS – Purchasing Power Standard

PR – Partner Report

VET – Vocational Education and Training

1. Introduction

This document aims to validate and refine the needs and challenges identified during the proposal stage of the COOPOWER project, considering the Bulgarian local and national context regarding the labour market integration of vulnerable young people. Additionally, the report establishes common ground among partners to facilitate subsequent project activities and enhance partners' localised knowledge and understanding of the challenges and opportunities within employment services through intersectoral cooperation.

The primary research methods used for the development of this report was desk research and in-depth interview. The sources for the data reported in this report are Eurostat and the National Statistical Institute of Bulgaria.

This activity is essential for understanding local needs, informing evidence-based policymaking, and guiding strategic decision-making processes. Therefore, it serves as a cornerstone for the cooperative implementation of the project, contributing to O1.1 overall. The results will directly inform and be incorporated into the local strategies (O3.3) and the transnational strategy (O3.4).

2. Problem

The region of Burgas (NUTS 3 level, BG341), where the pilot activity in Bulgaria will take place, faces a persistent cycle where demographic decline, a seasonally dependent economy, and gaps between education and labour market opportunities intersect. Youth are not simply unemployed, but structurally constrained to precarious, low-prospect roles, or exit pathways. Current activation and training mechanisms cannot overcome these conditions without coordinated interventions that address labour market seasonality, skill relevance, and long-term career development options.

1. Structural Exclusion and Precarious Youth Employment. Burgas experiences shrinking and ageing cohorts, alongside continuous out-migration of young people, especially from rural areas. While unemployment is not always visibly high, a significant share of youth employment is precarious, seasonal, or informal, particularly due to the dominance of the tourism and hospitality sector. This creates high turnover, unstable incomes, and weak opportunities for skill development. Women face structural inactivity risks linked to care burdens and limited childcare options, while young men often cycle through low-quality short-term jobs, becoming discouraged and economically disengaged.

2. Economic Constraints on Formal Career Pathways. Even when young people have motivation and basic education, the local economy does not offer reliable, long-horizon careers. Burgas is characterised by micro- and small enterprises, high business churn, and strong seasonality, limiting the availability of structured, year-round employment. Apprenticeships, dual VET pathways, and employer-led training are limited in scale and uneven across sectors, making it difficult for youth to accumulate meaningful work experience. The low-wage, high-turnover economy further means that out-migration to larger Bulgarian cities or abroad becomes a rational choice, weakening long-term local human capital.

3. The Education-Employment Disconnect. While Bulgaria has expanded access to upper-secondary and tertiary education, territorial inequalities and quality variations persist. Dropout rates are higher in rural municipalities, and VET programs do not consistently match local labour market needs. Young people may complete schooling but lack pathways into stable work, especially if they return to communities where relevant jobs do not exist year-round. Even when training is offered, local opportunities to apply new skills are limited, reinforcing a cycle where education does not translate into employment, and employment does not translate into future-oriented careers.

3. Analysis

3.1. Population and demographic statistics¹

3.1.1. Population and age structure

TABLE 1
Main demographic data

	Country level	NUTS2 level
Total population	6 445 481	951 167
Proportion of 15-29-year-olds in the total population	13.4%	13.3%
Proportion of females in total population	51.9%	51.9%
Median age of population	47.1 years	46.9 years
Median age of population – females	49.3 years	49.1 years

Source: Eurostat 2024 data or the latest available.

According to Eurostat data, Bulgaria’s population was 6,445,481 in 2024, continuing the long-term demographic decline observed over the past decades. This decline is accompanied by pronounced population ageing: women constitute 51.9% of the total population and the median age has reached 47.1 years, one of the highest in the EU. Among women, the median age is even higher (49.3 years), illustrating the gendered dimension of longevity. The share of young people is steadily decreasing: only 13.4% of the population is aged 15–29, a decline which limits the size of the incoming labour force and accelerates demographic dependency pressures. At NUTS 2 level, the selected region (population 951,167), Yugoiztochen Region, reflects similar patterns. The proportion of young people is 13.3%, nearly identical to the national level, and women represent 51.9% of the regional population. The median age is 46.9 years (49.1 among women), again pointing to an ageing demographic profile. These trends indicate a shrinking and ageing young cohort, which has direct implications for labour supply, social systems, and the sustainability of future regional economic development.

The Yugoiztochen Region (BG34), which includes the area under review, is located in the southeastern part of Bulgaria. EUROSTAT classifies Bulgaria’s planning regions as NUTS 2-level territorial statistical units. The region is composed of four NUTS 3 districts: Burgas, Sliven, Yambol, and Stara Zagora. In 2024, the region’s population was 951,167, accounting for approximately 15% of the country’s total population (Eurostat, 2024). Over the past decade, the region has experienced

¹ Source of the data reported in this section is Eurostat and more specifically the following indicators: demo_gind; demo_r_gind3; demo_pjanind; demo_r_pjanind2; demo_r_d3dens; demo_pjangroup; demo_r_pjangroup; demo_r_pjangrp3; demo_pjanmarsta; demo_nind; demo_fager; demo_faeduc; demo_faemplc; demo_r_fagec; demo_r_fagec3; demo_find; demo_r_find2; demo_r_find3; demo_mlexpec; demo_mlexpecedu; demo_r_mlifexp; demo_minfind; demo_minfedu; demo_r_minfind; demo_frate2.

a continuing population decline, consistent with national demographic trends driven by low birth rates, population ageing, and sustained outmigration (Eurostat, 2024).

Demographically, the region mirrors the broader national ageing pattern. The share of young people aged 15–29 in Yugoiztochen is 13.3%, nearly identical to the national average of 13.4% (Eurostat, 2024). The proportion of women in the regional population is also the same as the national level (51.9%), and the median age in the region is 46.9 years, slightly below the national average of 47.1 years — indicating an advanced ageing profile across the territory. Regarding settlement patterns, the degree of urbanisation in Yugoiztochen (14.5%) is lower than the national average (16.7%), which reflects the region's strong rural presence, particularly in Sliven, Yambol, and the inland municipalities of Burgas district (NSI, 2024a). This rural character has direct implications for access to services, transportation, and labour market integration.

The pilot programme is being implemented in Burgas District (NUTS 3). The population of the district has decreased over the past decade, reflecting broader national demographic decline. In 2024, Burgas had a population of 384,446 (Eurostat, 2024). Over the same period, the population density declined from approximately 55 to 50 persons per square kilometre, indicating continued depopulation (NSI, 2024). There is a slight surplus of women in the district (52.1% of the population), consistent with national ageing and gender longevity patterns (Eurostat, 2024). The proportion of young people aged 15–29 in Burgas has declined from 15.6% to 13.1% over the past ten years (Eurostat, 2024), demonstrating a shrinking youth cohort and reduced future labour force supply. Data on average age and urban–rural distribution are not available at NUTS 3 level for Burgas. However, regional-level data for Yugoiztochen (NUTS 2) indicate a similarly ageing demographic profile, with a median age of 46.9 years and a degree of urbanisation slightly below the national average (14.5% vs. 16.7%, NSI, 2024). This suggests that Burgas, like the wider region, is characterised by significant rural population presence, which has implications for access to services, education pathways, and labour market participation.

3.1.2. Marriage and fertility²

TABLE 2
Main socio-demographic data

	Country level	NUTS2 level
Mean age at first marriage – females	28.9 years	
Mean age at first marriage – males	31.8 years	
Mean age of women at childbirth	28.2 years	27.1 years
Proportion of live births outside marriage	59.9%	
Proportion of live births from 15 to 29 years in the total live births	49.8%	

Source: Eurostat 2023 data or the latest available/NSI data

At the national level, Bulgaria shows a clear trend toward postponement of marriage and childbirth. The mean age at first marriage has steadily increased over the past decade, reaching 31.8 years for men and 28.9 years for women in 2024 (Eurostat, 2024). A similar shift is observed in fertility timing: the mean age of women at childbirth rose from earlier levels to 28.2 years, reflecting delayed family formation (NSI, 2025a).

A defining characteristic of Bulgaria’s demographic profile is the high proportion of live births outside marriage, which now stands at 59.9% - one of the highest shares in the EU. Adolescent fertility has decreased over time but remains notable: 8.5% of all live births occur to mothers aged 15–19 (Eurostat, 2024). More than half of all births (49.8%) continue to be attributed to mothers aged 15–29, indicating that young adults remain a central demographic group in reproductive behaviour, despite population ageing.

In the Yugoiztochen Region (NUTS 2), data from the National Statistical Institute indicate a slightly lower mean age of women at childbirth (27.1 years) compared to the national average, suggesting earlier family formation in certain localities. Regional data on births outside marriage and age-specific fertility are not available; however, trends in Burgas District align closely with national patterns.

In Burgas District (NUTS 3), the mean age of mothers at childbirth is 28.8 years, slightly above both the regional and national averages (NSI, 2025). The district also reports a high proportion of live births outside marriage (55.3%), consistent with national trends. Although detailed data for adolescent fertility at the district level are not available, the demographic profile of Burgas suggests similar patterns to those observed nationally, with early childbearing concentrated among vulnerable groups and rural municipalities.

² Source of data reported in this section, Eurostat indicators: demo_gind; demo_r_gind3; demo_pjanind; demo_r_pjanind2; demo_r_d3dens; demo_pjangroup; demo_r_pjangroup; demo_r_pjangrp3; demo_pjanmarsta; demo_nind; demo_fager; demo_faeduc; demo_faemplc; demo_r_fagec; demo_r_fagec3; demo_find; demo_r_find2; demo_r_find3; demo_mlexpec; demo_mlexpecedu; demo_r_mlifexp; demo_minfind; demo_minfedu; demo_r_minfind; demo_frate2.

3.1.3. Life expectancy and infant mortality³

TABLE 3
Main life expectancy data

	Country level	NUTS2 level
Life expectancy at less than 1 year Total	75.8 years	75.1 years
Life expectancy at less than 1 year Males	72.0 years	71.3 years
Life expectancy at less than 1 year Females	77.9 years	79.0 years
Infant mortality rate	4.9‰	7.8‰

Source: Eurostat 2023 data or the latest available.

Although Bulgaria’s infant mortality rate has improved over the past decade, the current level of 4.9 per thousand live births remains relatively high compared to the EU average (Eurostat, 2024). A more positive development is the gradual increase in life expectancy at birth, which reached 75.8 years in 2023. As in many European countries, a clear gender gap persists: women live substantially longer (77.9 years) than men (72.0 years).

Regional data display similar patterns. In the Yugoiztochen Region, life expectancy at birth stands at 75.1 years overall, with 71.3 years for men and 79.0 years for women (NSI, 2025b). These values broadly mirror national trends of slower male longevity improvements and sustained female advantage. However, infant mortality in the region (7.8%) is notably higher than the national level, indicating persistent territorial disparities in early childhood outcomes.

Detailed subregional data on life expectancy and infant mortality for Burgas District (NUTS 3) are not available, but the district forms part of a region where infant mortality remains elevated relative to the national average. As in other parts of Bulgaria, differences between urban and rural municipalities are likely to be significant, with rural areas typically exhibiting higher infant mortality and lower access to health services.

³ Source of data reported in this section, Eurostat indicators: demo_gind; demo_r_gind3; demo_pjanind; demo_r_pjanind2; demo_r_d3dens; demo_pjangroup; demo_r_pjangroup; demo_r_pjangrp3; demo_pjanmarsta; demo_nind; demo_fager; demo_faeduc; demo_faemplc; demo_r_fagec; demo_r_fagec3; demo_find; demo_r_find2; demo_r_find3; demo_mlexpec; demo_mlexpedu; demo_r_mlifexp; demo_minfind; demo_minfedu; demo_r_minfind; demo_frate2

3.2. General economic accounts⁴

3.2.1. National economic accounts

TABLE 4
Main national economic accounts data

	Country level 2021	NUTS2 level 2023
Gross domestic product (GDP) at current market prices (Euro per capita)	18,800	20,800
Euro per inhabitant in percentage of the EU27 (from 2020) average	59.6%	54%
Current prices, purchasing power standard (PPS, EU27 from 2020) per capita	26,264.6	20,800

Source: Eurostat 2021 and 2023 data or the latest available.

Bulgaria has made steady but modest progress in economic convergence over the past decade. GDP per capita in purchasing power standards (PPS) has increased to approximately 59.6% of the EU27 average, up from considerably lower levels in earlier years (Eurostat, 2021). However, national convergence masks pronounced internal disparities that continue to shape economic opportunities across regions.

The country functions with a dual economic structure. Sofia and several major districts form a high-performing core, driven by services, ICT, financial activities, and selected industrial clusters. These b value added. In contrast, wide areas of the country — particularly in the northwest, southeast, and parts of the central region — remain structurally weaker, with slower investment dynamics, limited diversification, and heavy reliance on traditional, low value-added sectors.

The Yugoiztochen Region, which includes Burgas, illustrates this internal divergence. Its GDP per capita in PPS is 54% of the EU average, notably below the national ratio. Despite hosting important industrial and energy assets in Stara Zagora and a large tourism sector along the Black Sea coast, the region's economic performance remains constrained by structural volatility, territorial inequalities, and a high dependency on seasonal sectors. GDP per capita in nominal terms (20,800 Euro) is slightly above the national value, yet the PPS-adjusted figure shows significantly weaker purchasing power relative to EU standards.

Burgas District further exemplifies these challenges. With a GDP per capita equivalent to only 49% of the EU average, the district is positioned in the lower-middle range of Bulgaria's economic landscape. The economy is shaped by a strong, but highly seasonal, tourism sector; a labour

⁴ Sources of data for this section include: Eurostat indicators: nama_10_gdp; nama_10_pc; nama_10r_2gdp; nama_10r_3gdp; nama_10r_3gva; sbs_sc_oww; sbs_r_nuts2021; sbs_r_nuts06_r2; bd_salge1_l_form; bd_salge1_size; bd_hg; bd_hg_micro. Tourism data: National Statistical Institute of Bulgaria (NSI), Tourism Satellite Account (TSA), 2022.

market dominated by low-paid services; and limited presence of large high-productivity employers. As a result, despite a solid nominal GDP base generated during the summer season, the district struggles to secure stable year-round economic development.

This structural reliance on low value-added activities creates a persistent human capital drain. Young people, particularly those with higher education or technical skills, often migrate toward Sofia, Plovdiv, or abroad in search of better wages and career opportunities. This further weakens the region’s long-term development potential, limiting its capacity to diversify and attract investment. Reversing this cycle will require targeted policies aimed at raising productivity, strengthening value chains, and expanding higher value-added sectors beyond seasonal tourism.

3.2.2. Business statistics

TABLE 5
Main business statistics – Tourism sector only

	Country level	NUTS2 level
Number of enterprises	1,758	n/a
Business churn - birth and death rate – percentage	27.2%	n/a

Source: Eurostat 2022 data

The structure of Bulgaria’s tourism sector is defined by the overwhelming dominance of micro-enterprises, which, as in the broader economy, represent more than 90% of active firms. However, in tourism the fragmentation is even more pronounced: most enterprises operate with *very small staff, minimal capital, and highly seasonal revenue flows*. The business churn rate of 27.2% reflects not only general enterprise volatility but also the intense seasonality inherent to the tourism industry, where many firms enter the market during peak years and exit after weak seasons. As a result, the sector exhibits limited capacity for scaling, investment, or technological upgrading, reducing its potential for stable job creation.

The Yugoiztochen Region (NUTS 2) amplifies these patterns, as tourism is a central component of the regional economy, especially along the Black Sea coast. The majority of firms are micro-enterprises operating in accommodation, food services, transport, and entertainment - segments that are highly sensitive to seasonality, labour shortages, and fluctuating demand. The region hosts very few high-growth tourism firms, and most businesses remain locked in low-value-added activities. Inland parts of the region participate in tourism far less, creating sharp intra-regional disparities where coastal municipalities attract most entrepreneurial activity while interior territories remain economically weaker.

Burgas District (NUTS 3) provides a clear example of this structural configuration. Burgas has one of Bulgaria’s largest concentrations of tourism enterprises, yet these firms overwhelmingly consist of small, low-capital, seasonal businesses. The sector’s dependence on short-term labour, temporary contracts, and seasonal peaks creates an unstable business environment with limited year-round employment opportunities. This structural fragility also dampens wage growth and discourages long-term youth employment in the sector. The absence of larger, high-productivity tourism enterprises - such as destination management companies, large-scale service providers,

or integrated hospitality chains - limits the sector’s capacity to generate career progression, higher salaries, or sustainable economic diversification.

Consequently, Burgas’s tourism enterprise structure is not well-positioned to counteract youth outmigration or to create stable employment pathways. Instead, it reinforces the “low-wage, seasonal economy” pattern that characterizes much of the Bulgarian coast, perpetuating vulnerabilities for both businesses and workers. Addressing these structural challenges will require strategic interventions aimed at extending the tourism season, encouraging investment in higher-value tourism services, supporting digitalisation, and promoting business consolidation and upgrading.

3.3. Labour market situation

3.3.1. Employment

TABLE 6
Main employment data

	Country level	NUTS2 level
Employed persons, 15–24 (total)	102 900	11 100
Employed persons (females, 15 - 24 years old)	39 600	3 500
Employed persons (total, 15+)	2 932 900	421 500
Employed persons (females,15+)	1 378 700	194 600

Source: NSI (2024), Eurostat LFS (for rates only). Note: Bulgaria reports employment for 15+ instead of 15–74.

Bulgaria’s national employment rate for the 20 - 64 age group remains relatively high, reaching 80.1% in 2024 (Eurostat/NSI). Yet this top-line figure conceals pronounced labour market vulnerabilities. Youth integration remains structurally weak: only 102.9 thousand young people aged 15–24 are employed nationwide, and female youth participation is markedly lower than that of young men, reflecting persistent gendered barriers linked to care responsibilities, limited childcare capacity, and cultural norms.

The labour market is further constrained by Bulgaria’s exceptionally limited formal flexibility. Part-time and temporary contracts are among the lowest in the EU, and informal employment remains widespread - particularly in small firms, construction, services, agriculture, and seasonal work. This reduces job stability and hampers young people’s ability to accumulate experience and access social protection. Low wages remain a major impediment to youth retention, with many young people opting for employment abroad where incomes and career prospects are significantly higher.

The Yugoiztochen Region demonstrates the dual employment structure characteristic of southeastern Bulgaria. The region employs 421.5 thousand people aged 15+, of whom 194.6 thousand are women (NSI, 2025c). Labour market performance varies sharply within the region.

Industrial centres around Stara Zagora provide relatively stable, year-round employment in manufacturing and energy production, while the coastal economy, anchored by Burgas, is driven by tourism, hospitality, trade, and other sectors prone to seasonal volatility. This produces high labour demand in summer and underemployment during the rest of the year. Young people are frequently absorbed into short-term or informal jobs during the high season and face prolonged periods of inactivity afterward.

Burgas District exemplifies this volatility. Its labour market is highly dependent on tourism and seasonal services, resulting in a large but unstable youth workforce. Young people often cycle through temporary summer jobs with low pay, limited training opportunities and minimal contractual protection. Women face additional barriers due to the limited availability of year-round childcare and the concentration of female-dominated employment in precarious service roles. These structural constraints contribute directly to the district's persistent youth outmigration, particularly among those with higher education or technical skills.

During an interview with a stakeholder in the tourism business, it was mentioned that in the last few years, the tourism industry in Burgas has been attracting and retaining more and more employees out of countries outside of the EU, because Bulgarian employees are scarce, while the tourism business is expanding.

Overall, the employment landscape in Burgas is defined by seasonality, informality and gender-segmented vulnerability, limiting long-term labour market integration and eroding the district's human capital base.

3.3.2. Trainees

Bulgaria has a well-developed vocational education and training (VET) high-school system, which forms the backbone of youth preparation for technical and professional occupations. In 2024, 169,390 students nationwide were enrolled in VET programmes, representing a major institutional pathway for skill formation. The system is increasingly linked to dual training, where students in grades 10–11 alternate between school-based learning and paid work-based training in companies. Through this model, pupils typically study three days per week and work two days per week in enterprises aligned with their vocational specialty. Although dual VET has expanded steadily in the past decade, it remains concentrated in better-developed economic areas and depends heavily on employer willingness to provide structured training placements.

At national level, Bulgaria also operates a long-standing internship and traineeship programme for higher education students: “От висше образование към заетост” (“From Higher Education to Employment”), active since 2014 and renewed until 2029 (Ministry of Education and Science, 2026). Its objectives include:

- enabling 40,099 students to complete structured work placements, including substantial cohorts in pedagogical sciences (6,960), technical sciences (6,490), and natural sciences, mathematics, and informatics (2,580);

- introducing dual training models in at least five universities, with 2,594 tertiary students expected to participate;
- supporting 6,669 students in developing entrepreneurial skills; and
- delivering training for university lecturers and administrative staff to strengthen work-based learning capacity.

The programme is open to all accredited higher education institutions and complements the VET-based dual learning model at secondary level.

The Yugoiztochen Region (NUTS 2) plays a significant role within this system, hosting 28,854 VET students, many of whom attend schools linked to regionally important sectors such as tourism, hospitality, transport, mechanical engineering, and construction. Dual training uptake is growing, especially in municipalities with stronger industrial or service employers. However, participation remains uneven across the region, with inland and rural areas offering fewer placements due to the limited number of firms able to provide structured training environments. As in the national context, the expansion of dual VET increasingly depends on the capacity and motivation of local companies to offer quality work-based learning.

Burgas District (NUTS3), the pilot area, has 12,315 VET students, a figure that reflects the district's larger population base rather than an atypical institutional concentration. Many vocational high schools in Burgas participate actively in the dual learning model, partnering with local businesses in hospitality, tourism, logistics, shipbuilding, and technical services. However, the district's economic profile introduces structural challenges: a substantial share of local employers operate in *seasonal tourism* and other low-value service activities, which limits their capacity to offer stable, year-round training contracts. Dual VET placements are relatively common, especially in tourism-oriented programmes, but their availability often mirrors the seasonal fluctuations of the local labour market. Small firm size, administrative burdens, and limited in-house training capacity further constrain the expansion of structured work-based learning opportunities.

According to an interview, conducted with a business executive in the Burgas region vocational education and training in the region is constrained by limited institutional flexibility and an insufficient focus on meaningful practical learning, particularly in tourism and hospitality. Training programs, student quotas, and practice hours are largely determined centrally, leaving schools with little autonomy to adapt curricula to real business needs, modern teaching methods, or current industry standards.

Although practical training is formally included in the curriculum, it is often treated superficially and lacks real-life application. In contrast, as interview data show, examples from other European countries show more effective models, where vocational schools operate as real hotels with restaurants, accommodation, and conference facilities. In these settings, students gain hands-on experience by cooking, serving guests, and maintaining hotel rooms in a fully functioning environment.

The interview highlights the need for a stronger orientation toward genuine, immersive practice and closer cooperation between schools and employers. Without this, practical training risks becoming a formal requirement rather than a meaningful pathway to workforce readiness, ultimately limiting the preparedness of graduates entering the tourism labour market in the Burgas region.

3.3.3. Unemployment

TABLE 7

Main unemployment data

	Country level	NUTS2 level
Unemployment rate % (15 - 74 years old, less than primary, primary and lower secondary education)	14.3%	n/a
Unemployed persons (females, 15 - 74 years old, less than primary, primary and lower secondary education)	n/a	n/a
Unemployed persons (total, 15 - 74 years old, all ISCED 2011 level)	106,000 persons	n/a
Unemployed persons (females, 15 - 74 years old, all ISCED 2011 level)	46,000 persons	n/a

Source: Eurostat 2024 data or the latest available.

Bulgaria continues to register comparatively low unemployment levels (Eurostat, 2025a). In 2024, the total unemployment rate stands at 4.2%, one of the lowest in the EU. Long-term unemployment remains contained at 2.2%, with women slightly better positioned (2.1%), indicating generally favourable labour market conditions for adults with stable employment histories.

Despite these strong headline figures, structural vulnerabilities persist. The youth unemployment rate (15–24) remains disproportionately high at 14.5%, nearly four times the adult rate. Young women fare somewhat better (10%), yet the gap between youth and adult labour market outcomes remains significant. In absolute terms, 17,000 young people are unemployed, including 4,000 young women, pointing to continuing challenges during school-to-work transition.

Among adults (25–74), unemployment remains very low: 89,000 persons overall, corresponding to a rate of 3.5% (women: 3.3%). This reflects tight labour demand in key sectors and sustained outmigration that reduces labour supply pressure. Gender differences remain modest but slightly favour women, consistent with the high employment rates among middle-aged women in services and public-sector occupations.

3.4. Education system⁵

3.4.1. Participation in education and training

TABLE 8
Main enrolment data

	Country level	NUTS2 level
Pupils enrolled in upper secondary education, total	297,227	45,371
Pupils enrolled in upper secondary education by programme orientation	169,390	28,854

Source: NSI (2024/2025)

Over the past decade, Bulgaria has experienced a steady decline in upper secondary enrolment due to demographic contraction, yet vocational education remains a dominant pathway. In the 2024/2025 school year, 297,227 students were enrolled in grades 8–12, of whom 169,390 - more than half - were in vocational education and training (VET). This reflects the long-standing centrality of VET in Bulgaria’s upper secondary system, where programmes combine general education with sectoral specialisation.

Gender patterns follow national trends: girls participate strongly in VET, especially in services, health, and social fields, while boys dominate technical and industrial specialisations. General secondary schools (gymnasiums) remain attractive but are concentrated primarily in larger urban centres.

Beyond secondary education, tertiary participation has remained relatively stable, with around one-third of individuals aged 20–24 enrolled in higher education. Women continue to be the majority of tertiary graduates, though strong gender segmentation persists across fields of study. STEM fields remain male-dominated, while women prevail in pedagogy, health, and social sciences.

Despite overall improvements, Bulgaria continues to face structural challenges. About one quarter of 20–24-year-olds have lower secondary education, and rural–urban disparities remain pronounced. Early school leaving has declined to just over 8% (2023), yet rural areas continue to show rates nearly triple those of cities. Quality concerns persist as well, with roughly 40% of 15-year-olds performing below basic proficiency in PISA assessments.

Yugoiztochen region (NUTS 2) mirrors national patterns but with sharper demographic and territorial contrasts. In 2024/2025, 45,371 students were enrolled in grades 8–12, of whom 28,854 (63.6%) attended VET programmes — a higher share than the national average. This concentration reflects both the region’s economic structure and its demographic size, rather than a targeted regional specialisation strategy.

⁵ Sources: Eurostat indicators:educ_uoe_enra13; educ_uoe_enrs06; edat_lfse_04; edat_lfse_16; edat_lfse_33; edat_lfse_38; edat_lfse_9913; edat_lfse_20; edat_lfse_21; edat_lfse_29; edat_lfse_30; trng_aes_100; trng_aes_101; trng_aes_105; trng_aes_175; trng_aes_182; trng_aes_192; trng_aes_195; educ_uoe_grad03; educ_outc_pisa.

Dual education has gained gradual ground in the region, particularly in tourism, mechanics, transport, and hospitality, though participation remains uneven and depends heavily on individual school-employer partnerships. Access to high-quality general secondary schools is stronger in urban centres such as Burgas and Stara Zagora, while smaller municipalities continue to face teacher shortages and less diversified programme offerings.

Educational attainment indicators reveal territorial disparities within the region. Young adults in rural municipalities are more likely to have only lower secondary education, and NEET rates are noticeably higher among young women, driven by early family formation and limited access to childcare. Participation in tertiary education remains below the national average, largely because students migrate to larger university cities outside the region.

Overall, Yugoiztochen region combines a strong VET presence with persistent intra-regional inequalities, demonstrating both potential for skills development and ongoing challenges in aligning education with labour market needs.

In Burgas, the largest and most urbanised part of Yugoiztochen, 19,824 students were enrolled in upper secondary education in 2024/2025, of whom 12,315 were in vocational programmes. This makes Burgas one of the regions with the highest absolute number of VET students in the country, though this reflects demographic concentration rather than exceptional specialisation.

VET programmes in Burgas are closely linked to the regional economy, particularly tourism, hospitality, transport, and industrial production, and dual training models are well-established. Students in grades 10 and 11 typically spend three days in school and two days in real business environments, gaining practical experience. This model has expanded steadily, with strong employer participation in tourism and logistics. There is no publicly available data that directly cross-tabulates education in VET in tourism with employment outcomes in tourism. Thus, it is not possible to make data-driven claims about whether VET and dual education lead to better labour market outcomes in the tourism sector in the Burgas region.

However, alignment between education and local economic needs still depends more on school and employer initiative than on a coordinated regional strategy. Rural municipalities within Burgas Province remain disadvantaged, with fewer programme options and more limited access to high-performing general secondary schools. As highlighted in the text above, according to an interview with a business representative from the Burgas region, better practice and training programs need to be implemented, for example, practices that allow students full immersion in the hospitality sector.

Burgas also benefits from national tertiary initiatives. Through the Ministry of Education's programme "From Higher Education to Employment", thousands of students gain structured internships and practical training annually. Burgas University and regional employers participate actively in these schemes, supporting professional integration and skills development.

Overall, Burgas demonstrates a robust VET system, an expanding dual education model, and improving tertiary linkages, yet continues to face structural challenges related to demographic decline, uneven programme distribution, and skills mismatches.

3.4.2. Out-of-school rate and early leavers from education and training

In Bulgaria, out-of-school rates remain a persistent concern, particularly at the upper-secondary level. According to the latest Eurostat data (2025b), 6.1% of the population of lower secondary school age is out of school, with minimal gender variation (6.07% among boys and 6.21% among girls). These values - although lower than a decade ago - remain significantly above EU averages and signal continuing vulnerabilities in compulsory education.

The situation becomes more pronounced at the upper-secondary level. Here, 10.75% of young people of upper-secondary age are out of school, indicating substantial instability in the transition from obligatory to post-obligatory education. Gender disparities are visible and concerning: 12.28% of girls in this age group are out of school, compared to 9.33% of boys. This gender reversal reflects broader socio-economic patterns, where young women outside education are disproportionately affected by early family formation, limited childcare availability, and cultural expectations in certain regions.

These structural weaknesses contribute directly to Bulgaria's early school leaving rate of just above 8% (2023), still higher in rural areas where barriers such as long travel distances, socio-economic precarity, and limited school choice are more pronounced. Rural early leaving rates remain nearly three times higher than those in cities. This territorial divide has proven persistent despite national efforts to expand transportation subsidies, introduce targeted support programmes, and strengthen school attendance monitoring.

Employment outcomes for early leavers reinforce their vulnerability. Young people who exit education before completing upper secondary face substantially higher risks of unemployment, precarious work, or inactivity. The majority of female early leavers remain out of the labour market altogether, while male early leavers are more likely to drift into informal, unstable employment.

Overall, although Bulgaria has made progress in reducing early school leaving over the past decade, high out-of-school rates at both lower and upper secondary ages - and strong gender and territorial disparities - continue to limit educational attainment and deepen long-term inequality.

3.4.3. Access to information and obstacles to participation in education and training

Access to information about education and training in Bulgaria shows a clear preference among young people for formal learning pathways, mirroring wider EU patterns. Most 18–24-year-olds search for information about formal education or structured training programmes, while interest in non-formal options remains noticeably lower. Despite this expressed interest, actual participation is limited, and many young people encounter barriers that prevent them from engaging in further learning.

According to EU survey data, one-third of Bulgarian youth (33%) would have liked to participate in education or training but were unable to do so due to financial constraints, lack of local opportunities, scheduling issues, or transport barriers. Personal barriers are rarer: only a small

share cites motivation or individual limitations. At the same time, around 9% of young people say they do not want to participate in any training at all, and half of this group believes that further education is unnecessary - reflecting the weak incentives created by a labour market dominated by low-paid, low-skilled jobs.

Those who do participate tend to do so for work-related reasons. In Bulgaria, non-formal learning is overwhelmingly job-related (95.9%), and almost entirely employer-sponsored (93.7%). Employers are the main providers of non-formal training (65.4%), far exceeding the EU average, while formal institutions and public providers play a much smaller role. This creates a training system that is heavily dependent on workplace demand and offers fewer opportunities for young people outside employment to improve their skills.

These national patterns are echoed across regions. In Yugoiztochen and its municipalities, access to training is strongly shaped by local labour market structures, with fewer providers and opportunities outside major cities. As a result, structural barriers, not lack of interest, remain the primary reason young people cannot participate in learning. This reinforces territorial inequality in lifelong learning and limits the capacity of regional labour markets to support meaningful youth upskilling.

3.4.4. Education and training outcomes

At the national level, Bulgaria shows a relatively stable distribution of educational attainment among young adults, but with persistent structural inequalities. Most 15–29-year-olds complete upper secondary education, and tertiary attainment has risen steadily in recent years. National data from NSI show that 26% of the population aged 15+ holds a higher-education degree, rising to 35.8% among those aged 25–34 and 33.6% among those aged 25–64. At the same time, a sizeable share of young adults still leave education with only lower-secondary attainment, with vulnerable groups concentrated in rural and economically disadvantaged areas. Learning outcomes also remain uneven: out-of-school rates have increased over the last decade, reaching 6.1% at lower-secondary age and 10.75% at upper-secondary age, with girls showing slightly higher risk of disengagement.

Educational pathways strongly shape young people's labour-market outcomes. In 2024, the NEET rate for 15–29-year-olds fell to 12.7%, a marked improvement over previous years, but still hides sharp inequalities. NEET rates among young people with low education remain high (16.5%), while outcomes improve considerably for those with upper-secondary (11.9%) and tertiary education (10.9%). Gender differences persist but have narrowed: women's NEET rate is 14.8%, compared with 10.7% for men. Spatial divides remain severe — 6.3% in cities, 13.3% in towns, and 23.9% in rural areas — with rural young women facing the highest structural barriers to participation.

At regional level, Yugoiztochen reflects national tendencies but with more pronounced vulnerabilities. Among young adults aged 20–24, 22.2% have only lower-secondary education or less, and 73.3% complete upper secondary, placing the region behind Bulgaria's better-performing areas. Tertiary transitions appear modest, consistent with the region's labour-market structure and the concentration of higher-education institutions elsewhere. VET enrolment is relatively strong,

driven by local industry and tourism, yet early transitions into low-skilled employment remain common.

Labour-market integration in Yugoiztochen is highly stratified: young people with upper-secondary and vocational qualifications integrate reasonably well into sectors such as manufacturing, logistics, tourism, and services. However, youth with low education face persistent instability and higher inactivity. Gendered dynamics mirror national patterns - young women are more likely to be NEET and to remain outside the labour force due to care responsibilities, while young men dominate among the unemployed. Rural-urban divides continue to shape opportunities, reinforcing unequal transitions to both employment and higher education.

According to an interview with a business executive in the tourism business, some business scout students early on, during their mandatory school practices, and offer students an opportunity for summer employment, if they show skill or are eager to learn during their practice. That increases employment outcomes for some students and allows for better planning for the management in the tourism industry.

3.4.5. Adult learning

Available Eurostat and national sources only provide partial information on the participation of young people in adult learning in Bulgaria. Specifically, data exist for formal education and training among 18–24-year-olds, broken down by sex and educational attainment level. For example, participation in formal education among those with upper secondary (ISCED 3–4) is 24.3%, slightly higher among men (25.3%) than women (23.5%). Among young people with tertiary education (ISCED 5–8), participation in formal learning reaches around 75–76% across both sexes.

3.5. Health, poverty and social exclusion

3.5.1. Health issues

Among young people aged 16–29 in Bulgaria, self-perceived bad health remains low overall. In 2024, only 0.5% of young people reported bad health, but the situation worsens for vulnerable groups: the rate rises to 0.8% among youth who are not employed and reaches 1.0% among those with low educational attainment (ISCED 0–2). Even though these shares are small, they consistently show that labour-market exclusion and low education are linked to poorer perceived health.

At regional and local level, detailed self-perceived health data are not available, so infant mortality is used as a broader indicator of health and healthcare performance. Nationally, Bulgaria reports an infant mortality rate of 4.9 deaths per 1,000 live births. The situation is more challenging in the relevant NUTS 2 region (Yugoiztochen), where infant mortality reaches 7.8 (NSI, 2025d), noticeably higher than the national average and signalling persistent territorial disparities in early-childhood health outcomes.

3.5.2. Disability - Access to education and training

Data on access to education and training for people with disabilities in Bulgaria remains extremely limited, especially below the national level. However, the available indicators already point to systemic exclusion. Nationally, 17.4% of people with some level of disability have lower than upper-secondary education, and this share is identical among men and women. The absence of a gender gap suggests that the problem does not primarily stem from gendered norms, but from structural shortcomings in how the education system accommodates disability – including accessibility, support measures, and early identification of learning needs.

The situation is even more alarming when looking at school-to-work transitions. Among young people aged 15–34 with some or severe activity limitation in Bulgaria, 88.8% are NEET – they are neither in employment, nor in education or training. The rate is even higher for young women with disabilities (89.9%), pointing to a near-total exclusion of this group from learning and work. These figures indicate that once young people with disabilities move through or out of the education system, almost none manage to (re)enter structured learning pathways or the labour market.

No disability-disaggregated data are available at NUTS 2 or NUTS 3 level, which makes it impossible to assess territorial differences or identify specific local bottlenecks. Given the extremely high NEET rates and the education gap observed at national level, strengthening disability-sensitive monitoring and statistics is urgent in order to design targeted interventions and support inclusive education and training pathways.

3.5.3. Disability - Access to the labour market

Young people with disabilities in Bulgaria face severe and persistent barriers to labour market participation. National EU-SILC (Eurostat, n.d.a) data show that the disability employment gap for individuals with some or severe activity limitation reaches 35.4%, and 30.5% among women. This means that disabled women experience only a slightly narrower gap than the total population, suggesting that disability - rather than gender - is the primary axis of disadvantage.

Unemployment among people with disabilities remains structurally high. For individuals aged 15–74 with activity limitations (all ISCED levels), the unemployment rate is 7.5%. Although this figure may appear moderate, it masks the scale of inactivity: many disabled young people are not counted as unemployed simply because they are not in the labour force at all.

A key indicator of hidden exclusion is the share of individuals available for work but not seeking it, which reaches 51.1% among people aged 15–74 with activity limitations. This points to barriers far beyond job availability - such as inaccessible work environments, lack of reasonable accommodation, and insufficient support systems.

Labour force participation shows the deepest form of exclusion. Among young people aged 15–29 with activity limitations and less than primary or lower secondary education, the participation rate is only 14%. The situation is even more restrictive for young women in this group: only 10.7% are participating in the labour market. These extremely low rates confirm that disability intersects strongly with educational disadvantage to push young people out of both employment and active job-seeking.

No regional or NUTS-level data exist for these indicators, preventing a territorial analysis. Still, the national picture is unambiguous: young Bulgarians with disabilities face exclusion at every stage - from access to education, to acquiring work experience, to entering or remaining in the labour force. Without disability-responsive services, targeted activation measures, and inclusive labour market policies, these structural barriers will continue to reproduce extremely high levels of inactivity and long-term vulnerability.

People with disabilities require a more individualized approach with their education and training, according to an interview with a business executive in the tourism business, and hence require more time for onboarding when hired. That is not to be considered a disadvantage, because according to him, they become long-standing employees and are great to work with. However, there is a specific approach to their introduction both to the team and to the work activities that has to be well thought out beforehand.

3.5.4. Risk of poverty

In Bulgaria the long-term trend shows a gradual reduction in the share of people at risk of poverty or social exclusion, although the levels remain high and unevenly distributed across population groups. Nationally, the rate declined from 40.6% in 2015 to 32.2% in 2024, yet significant disparities persist depending on employment status, education, and degree of urbanisation. For example, in 2024, people with lower educational attainment and those in households with low work intensity remain disproportionately exposed to poverty.

At NUTS 2 level, the Yugoiztochen region shows an overall improvement as well. The share of people at risk of poverty or social exclusion decreased from 40.7% in 2020 to 35.8% in 2024. When looking specifically at the at-risk-of-poverty rate, the region performs slightly better, with values falling from 30.1% in 2020 to 25.1% in 2024.

However, the indicator on very low work intensity households reveals a more volatile pattern. In Yugoiztochen, the share of people aged 0–64 living in such households dropped sharply from 11% in 2020 to 5.8% in 2021, remained low through 2022 (5.9%), then rose again to 8.2% in 2023, and returned to a concerning 12.4% in 2024. This fluctuation likely reflects structural instability in the labour market for vulnerable groups, particularly people with low education, low work intensity, or disabilities, who often overlap. It also suggests that no consistent governmental support system is in place to protect those most at risk, leaving these households exposed to sudden economic shifts.

Due to data limitations, no reliable poverty indicators are available at NUTS 3 or pilot-level municipalities. Still, regional patterns indicate that socio-economic disparities - linked to education, employment, and urban-rural divides - remain important drivers of poverty risk across the region.

3.5.5. Housing cost overburden rate

In Bulgaria, the housing cost overburden rate has followed a gradual improvement over the past decade, although the available indicators are more limited than in other EU countries (Eurostat, 2025c). At national level, the burden of housing costs remains moderate and continues to decline. For example, in 2024 the overburden rate among the population living in single-person households reached 17.6%, down from earlier years (41.6% in 2015). This improvement is also visible across different degrees of urbanisation: the housing cost overburden rate decreased from 16.2% in 2015 to 9.3% in 2024.

Differences between settlement types remain important. Urban areas tend to show lower housing stress over time, while towns, suburbs, and rural regions experience greater volatility, suggesting that rising living costs and weaker local labour markets continue to affect these communities more deeply.

At regional (NUTS 2) level, Bulgaria has very limited available data. The only accessible figures indicate that the housing cost overburden rate in the Southeast (Yugoiztochen) region declined from 13.2% in 2021 to 9.8% in 2024, largely mirroring the national trend of moderate but steady improvement. No additional regional breakdown exists in Eurostat.

3.5.6. Material and social deprivation

Material and social deprivation remains a significant challenge in Bulgaria, affecting a wide range of population groups (Eurostat, 2025d). National data show that young people face particularly high levels of deprivation: among those aged 16–29, rates remain high across all background characteristics. For example, the material and social deprivation rate by activity status reached 59.2% in 2024, while among young people with low educational attainment (levels 0–2), deprivation remained severe - exceeding 49% even at the end of the period.

Differences by education and activity status highlight the structural vulnerability of certain groups. Severe material and social deprivation also continue to be widespread: in 2024, 41.0% of young people (16–29) who are unemployed or otherwise weakly attached to the labour market were severely deprived. Education plays a similarly strong role, with 56.9% of low-educated young people experiencing severe material and social deprivation.

Settlement type also matters. Although deprivation has gradually decreased over the last decade, levels remain extremely high overall: 36.0% of the population live in material and social deprivation when considering the degree of urbanisation - with rural areas consistently showing worse outcomes. Children are the most severely affected group: in 2024, 62.0% of children whose parents had low educational attainment were living in severe material and social deprivation.

At regional level, data are only available for a single indicator, the general material and social deprivation rate. In the NUTS 2 region where the pilot area is located, deprivation remains high, fluctuating around 34–40% over the past decade. Although this indicator has shown gradual improvement since 2015, it still reflects deep socioeconomic vulnerability.

3.6. Digital economy and society

3.6.1. Personal and household access

In Bulgaria, household access to the internet has steadily expanded over the past five years, reflecting the broad improvements in digital infrastructure nationwide. At the national level, the share of households with internet access increased from 78.9% in 2020 to 92.1% in 2024, marking consistent annual growth and signalling that connectivity is becoming nearly universal (Eurostat, 2025e).

At regional level, available data for the Yugoiztochen region show the same positive trajectory. Internet coverage rose from 77.2% in 2020 to 88.6% in 2024, narrowing the gap with the national average. Although regional access remains slightly lower than the country overall, the trend suggests strong and continuing uptake.

3.6.2. Information society

Access to digital infrastructure in Bulgaria has improved rapidly over the past few years, with households showing strong uptake of both internet and broadband services. At national level, the share of households with internet access at home grew from 78.85% in 2020 to 91.12% in 2024, approaching near-universal connectivity. This upward trend is mirrored at regional level: in the Yugoiztochen (NUTS 2) region, household internet access rose from 77.24% in 2020 to 88.62% in 2024, signalling a continuing reduction of territorial digital gaps.

Broadband penetration has also strengthened. Nationally, household broadband access increased from 66.9% in 2017 to 83.53% in 2021, reflecting both rising affordability and improving infrastructure coverage. Similar progress is visible at NUTS 2 level: in Yugoiztochen, broadband access reached 81.7% in 2021, up from 61.8% in 2017. Although the region remains slightly below the national average, the pace of improvement indicates that access barriers are gradually narrowing.

These improvements are largely driven by national initiatives such as the Digital Bulgaria 2025 programme, supported by European Union funding, which has expanded broadband networks and promoted digital adoption across the country (OECD, 2021). Competition among telecom providers and investments in fibre-optic and mobile broadband infrastructure have also contributed to the rapid rollout and affordability of services. Furthermore, efforts to enhance digital skills and promote the use of online services have encouraged households to adopt and utilize digital technologies (European Commission, 2024). Together, these factors have created a strong environment for the accelerated uptake of internet and broadband services in Bulgaria.

Overall, Bulgaria's digital infrastructure has expanded quickly and consistently, with regional trends tracking closely behind national developments. These improvements provide an important foundation for digital inclusion, although significant differences in digital skills and usage patterns - especially among vulnerable groups - remain beyond the reach of infrastructure alone.

3.6.3. Digital economy

The lack of detailed regional data (NUTS 2) limits the analysis of Bulgaria's digital economy. Nevertheless, the available national indicators suggest a moderate expansion of online economic activity. Although no specific values are reported for internet purchases by individuals (isoc_ec_ib20) for 2020–2024, it is reasonable to infer that online purchasing behaviour is gradually increasing, in line with the rapid growth of household internet access and usage.

Similarly, data for enterprises - such as the value of e-commerce sales (isoc_r_ec_evaln2) or the share of firms selling online (isoc_r_ec_eseln2) - are not provided. This makes regional comparisons impossible. Still, broader national and EU-level observations indicate that Bulgaria's e-commerce sector remains less developed than the EU average. Adoption is uneven, varying significantly by sector, firm size, and the digital skills profile of employees.

3.6.4. Personal digital skills

Although Bulgaria has made substantial progress in building internet infrastructure, the country still faces a visible gap between access and the actual ability to use digital tools effectively. The available national-level indicators paint a mixed picture: encouraging improvement in basic engagement, but persistent deficits in core digital competencies (NSI, 2025e; NSI, 2024b; Eurostat, 2025e).

A small but meaningful share of the population continues to lack even the most fundamental abilities. In 2022, 6.16% of Bulgarians had no digital skills at all, and although this improved slightly to 5.88% in 2024, it suggests that digital exclusion remains a real barrier for tens of thousands of people.

Patterns in everyday internet use offer additional nuance. Basic online communication has grown steadily among the general population: the share of individuals using email increased from 43.5% in 2020 to 48.3% in 2024. More interactive forms of communication expanded even faster. The use of video calls rose sharply over the same period - from 58.5% to 71.4% - reflecting the mainstreaming of remote communication since the pandemic. Social networks remain the most widely adopted activity, with participation rising from 54.7% to 65%.

A surprising trend emerges among young people. While the 16–24 age group remains digitally active, their email use has actually decreased (from 71.9% in 2020 to 61.7% in 2024). This likely reflects behavioural shifts among younger users, who rely more on instant messaging apps, social platforms, and multimedia communication rather than traditional email.

Overall, Bulgaria's digital engagement is expanding, but it is doing so unevenly. The population is increasingly comfortable with communication, social interaction, and basic online consumption, yet more structured or skill-intensive digital tasks remain less common. This gap between access and capability means that many Bulgarians - especially those outside the youngest age groups - still struggle to fully participate in the digital economy, limiting both individual opportunities and broader societal digital transformation.

4. Solutions

4.1 Strategic goals

As outlined in Chapter 2, the challenges facing young people in Burgas are rooted in structural conditions rather than isolated individual deficits. Demographic decline, a seasonal and low-wage economy, and a fragmented transition from education to work jointly produce a pattern where youth are channelled into precarious, short-term roles or out-migration. Strategic goals must therefore address these underlying constraints.

Addressing structural exclusion and precarious youth employment

Burgas is characterised by shrinking and ageing cohorts, high out-migration, and a strong concentration of seasonal jobs in tourism and services. Many young people are formally employed but trapped in unstable, low-paid, short-term work with little chance for advancement. Young women face heightened risks of inactivity due to care responsibilities and limited childcare options, while young men frequently cycle through informal or temporary jobs and become discouraged. A core strategic goal is to strengthen early and continuous career guidance and counselling, especially in VET and upper secondary education, and to extend such support to NEET youth and young people in rural municipalities. Expanding apprenticeships, traineeships and subsidised entry-level jobs with real contracts and training content can help create more secure pathways into the labour market, instead of relying predominantly on casual seasonal work.

Mitigating economic constraints on formal career pathways

Even when young people have completed upper secondary or VET programmes, the local economy often fails to offer stable, long-term career prospects. Burgas is dominated by micro- and small enterprises, high business churn, and strong seasonality. These features limit the availability of structured, year-round positions and hinder the accumulation of work experience. A second strategic goal is to mobilise national and EU funding instruments to incentivise employers to invest in youth employment: co-financing dual VET places, supporting paid internships, and providing wage subsidies or reduced social contributions for employers who offer longer contracts beyond the peak tourism season. Strengthening regional and local capacities to design, apply for, and implement such projects is essential, so that less-developed areas like Burgas can better compete for resources typically absorbed by more advantaged regions.

Bridging the education–employment disconnect

Bulgaria has expanded access to upper secondary and tertiary education, and Burgas has a strong VET presence and growing dual education. Yet transitions from education to work remain fragmented, particularly for rural youth, low-educated young people, and those with disabilities. Institutions that should support these transitions - schools, VET providers, universities, labour offices, social services, employers, and NGOs - often operate in parallel with limited coordination. A third strategic goal is to establish structured cooperation mechanisms at local and regional levels:

shared early-warning systems for students at risk of dropping out; joint referral and case-management protocols for NEET youth; regular coordination between schools, labour offices, municipal services and disability support structures; and systematic use of existing data on NEETs, disability, poverty and deprivation to target support. In practice, this means moving from ad-hoc collaboration to stable partnerships with clear roles, responsibilities and communication channels.

An additional source of fragmentation in the transition from education to employment in the Burgas region concerns the weak integration of practical training within vocational education, particularly in tourism and hospitality. Although work-based learning is formally embedded in VET programmes, schools have limited flexibility to adapt curricula and training arrangements to real business conditions and modern service practices. Practical placements are therefore often implemented in a superficial or formalistic manner, while employers do not always engage in sustained skills development. This results in graduates entering the labour market with limited practical readiness and reinforces pathways into seasonal, low value-added jobs rather than stable employment trajectories.

Together, these strategic goals aim to go beyond short-term activation and address the deeper drivers of youth precarity in Burgas: seasonality, low value-added employment, and institutional fragmentation.

4.2. Proposed intervention (where it's applicable)

The vulnerability of young people in Burgas District is multifaceted and cannot be addressed from a single policy angle. The combination of demographic decline, a tourism-driven seasonal economy, skills mismatches, high NEET rates among vulnerable groups (rural youth, young women with care responsibilities, young people with disabilities), and persistent poverty calls for coherent, multi-layered solutions. Existing local and national initiatives in the region already point in this direction and provide an important foundation for the pilot.

Existing local and national solutions: A number of programmes and projects in Burgas and at national level have sought to alleviate youth unemployment and socio-economic inequalities:

- International Youth Centre in Burgas – This centre was established in response to high levels of exclusion, unemployment and limited opportunities among disadvantaged youth, especially those from rural and minority backgrounds. It functions as an inclusive hub offering career orientation, leadership training, soft skills development, mental health support, intercultural exchanges, art therapy and sports activities. It both strengthens employability and provides a safe space for participation, civic engagement, and personal growth, including through outreach in rural municipalities and international partnerships.
- Mentorship initiatives – Programmes such as Mentor the Young (national, with outreach to Burgas) and mentorship activities run by the ASTIKA Foundation link disadvantaged young people to professionals from diverse fields (journalists, doctors, artists, entrepreneurs,

etc.). These one-to-one relationships provide role models, guidance and networks that help young people clarify their ambitions, expand their horizons, and access opportunities otherwise out of reach.

- Bridging youth and the labour market – Initiatives like the Youth Job Fair in Burgas create direct encounters between employers, HR professionals and young job seekers through CV workshops, mock interviews, live job matching and thematic sessions on employability. At national level, the Youth Employment+ programme targets NEETs with a mix of soft-skills training, internships, on-the-job learning and wage subsidies for employers who retain young workers. These instruments jointly support the transition from school to work and provide incentives for more stable youth employment.
- Support for the most marginalised youth – The House of Opportunity programme offers young people leaving institutional care two years of supported housing combined with life-skills training (job search, financial literacy, health, independent living) and follow-up support after exit. This reduces the risk of returning to cycles of poverty, homelessness and exclusion.
- Creative and civic engagement – Organisations such as the ASTIKA Foundation use theatre, storytelling and arts-based activities to combat discrimination, promote human rights and build resilience. These approaches provide alternative channels for expression and healing, while fostering democratic values, tolerance and active citizenship—important preconditions for long-term social cohesion and labour market integration.
- International cooperation and exchanges – Partnerships with organisations in Iceland, Norway and other European countries enrich youth programmes in Burgas by bringing in expertise, innovative practices and intercultural learning opportunities. Youth exchanges and international projects broaden young people’s perspectives and skills and strengthen their sense of belonging to a wider European community.

Taken together, these practices show that effective responses to youth unemployment and inequality are multi-layered and intersectoral, combining municipalities, NGOs, schools, businesses and international partners in integrated interventions that address skills gaps, lack of experience, financial insecurity and the absence of mentors or safe spaces.

Alignment of the proposed pilot with existing solutions.

Against this background, the proposed pilot under the DRP builds on and complements existing initiatives rather than duplicating them. The socio-economic and demographic profile of Burgas outlined in Chapter 3 highlights three key gaps:

- fragmented transitions between education and work, especially for youth in rural municipalities and disadvantaged urban neighbourhoods;
- a labour market dominated by small, tourism-driven enterprises offering precarious seasonal jobs with limited structured training;
- high NEET rates among vulnerable groups, including young people with disabilities and low educational attainment.

The pilot therefore focuses on young people who are at the threshold between education and work but at high risk of exclusion. The main target groups are:

- upper secondary and VET students from low-income families or disadvantaged backgrounds (including rural and minority communities);
- NEET youth aged 15–29 in Burgas District, particularly those in rural municipalities;
- young people who are interested in employment in tourism and related service sectors, including hospitality, events and other customer-facing services, and who would benefit from practical skills training, mentoring and stronger links to local employers.

The intervention consists of two integrated components:

- **Mapping and profiling of target youth** - using administrative data from schools, VET providers, labour offices, social services and disability support structures, the pilot will identify and profile youth at risk of long-term exclusion and youth with interest in the tourism industry. This will be complemented by qualitative follow-up (interviews, focus checks) and meetings with local and regional stakeholders to understand concrete barriers such as transport, seasonal work patterns, care responsibilities, discrimination, lack of digital skills, or health-related limitations, as well as the needs of the local employer ecosystem in the tourism sector.
- **Coordinated support scheme linked to local labour-market needs.** Building on the work of the international youth centre, mentorship programmes and employment services, the pilot will test a coordinated support scheme that may include: individual and small-group career guidance focused on realistic local career opportunities and year-round pathways (including but not limited to tourism); brokerage between young people and employers willing to offer apprenticeships, dual VET placements, internships or longer contracts that extend beyond the summer season; short, targeted training modules in transversal competences that local employers identify as lacking (e.g. customer service, foreign languages, digital skills, teamwork, basic financial literacy or others as identified by the stakeholders to be involved in the intervention); a mixture of open-day opportunities for students and competition(s) for innovative solutions for the Black-sea full-year tourism so that young people's voices can be heard in tourism in the region.

By explicitly connecting vulnerable youth to local employers and existing youth infrastructure, the pilot will aim to strengthen intersectoral cooperation and demonstrate how available tools (career guidance, mentorship, etc.) can be combined into a more coherent local ecosystem. In this way, it contributes directly to promoting the sustainable integration of young people into the labour market in Burgas District and, hopefully, offer a model that can be transferred to other regions facing similar structural constraints.

5. Conclusions

The analysis of Bulgaria, the Yugoiztochen region (NUTS 2) and Burgas District (NUTS 3) shows that the challenges facing young people are embedded in broader demographic, economic and social transformations.

Population and demography

Nationally, Bulgaria is experiencing persistent population decline and rapid ageing. Low fertility, natural decrease and sustained emigration have reduced the size of younger cohorts and the future labour force. In Yugoiztochen, depopulation is particularly pronounced in rural and peripheral areas, where outmigration and ageing shrink local labour markets and increase dependency ratios. In Burgas District, youth cohorts are becoming smaller and older, with especially strong decline in rural municipalities. This demographic context limits both the available labour supply and the potential for endogenous development.

General economic accounts

Economic convergence with the EU has been gradual but incomplete. GDP per capita in purchasing power standards remains well below the EU average, and internal disparities are marked: Sofia and several large urban centres concentrate high value-added activities and investment, while regions like Yugoiztochen lag behind. Burgas benefits from significant tourism-related income, yet the dominance of low value-added, seasonal services constrains productivity and year-round income generation. This economic structure directly shapes the type and quality of jobs available to young people.

Labour market

Bulgaria's headline labour market indicators are relatively favourable: employment rates among adults are high and overall unemployment is low. Yet beneath these figures, structural vulnerabilities remain. Youth unemployment is significantly higher than adult unemployment, and NEET rates are elevated among low-educated youth, rural populations, and young women with care responsibilities. In Yugoiztochen and Burgas, the labour market is strongly seasonal and dominated by micro- and small enterprises, producing unstable and low-paid jobs. Young people are frequently engaged in short-term or informal work without social protection, and many of those with higher education or technical skills migrate to larger cities or abroad.

Education

The education system has made progress in reducing early school leaving and expanding upper secondary and tertiary attainment, but inequalities persist. Out-of-school rates remain high at both lower- and upper-secondary ages, especially in rural areas and among girls at upper-secondary level. VET plays a central role and dual education is expanding, particularly in sectors linked to tourism, transport and industry. However, access to high-quality programmes is uneven, rural schools face shortages, and transitions to higher education are weaker in peripheral regions. Educational attainment strongly mediates labour-market outcomes and poverty risk, and current gaps contribute to the reproduction of intergenerational inequalities.

Health, poverty and social exclusion

Self-perceived health among young people is generally good, but worse outcomes are clearly associated with low education and weak labour-market attachment. Poverty and social exclusion have declined over the last decade but remain high by EU standards, with disproportionate risks for low-educated households, rural residents and children. In Yugoiztochen, at-risk-of-poverty or social exclusion rates hover around one-third of the population, and material and social deprivation remains widespread. People with disabilities face some of the most severe barriers: very high NEET rates, low labour-force participation and a large disability employment gap reveal near-structural exclusion from both education and work for many disabled young people.

Digital economy and society

Access to digital infrastructure has improved markedly. Household internet access now covers the vast majority of households, and broadband penetration has increased substantially, including in Yugoiztochen. However, digital skills lag behind infrastructure: a non-negligible share of the population still has no basic digital skills, and more advanced, skill-intensive uses of digital technologies are less common. Young people are highly active online but increasingly rely on social media and instant messaging rather than more formal communication channels. Digital divides by age, education and settlement type persist and risk reinforcing existing inequalities in access to information, services and employment.

Implications for interventions and the DRP pilot in Burgas District

The Burgas region thus faces a layered set of challenges for youth: shrinking cohorts, a seasonal and low-wage labour market, persistent educational inequalities, high NEET rates among vulnerable groups, significant poverty and deprivation, and digital skill gaps. At the same time, the region has developed an ecosystem of promising practices - youth centres, mentorship programmes, job fairs, NEET activation schemes, supported housing for care leavers, and creative and civic engagement projects - that demonstrate the potential of integrated, human-centred interventions.

The proposed DRP pilot builds on this ecosystem by:

- targeting young people at high risk of exclusion from education and work and those with interests in the tourism industry, especially in rural areas and disadvantaged urban communities;
- improving coordination between schools, VET providers, labour offices, social services, disability support structures, NGOs and employers;
- strengthening links between youth and local labour-market opportunities, mainly in the tourism sector;
- testing a practical support scheme that combines open-house opportunities with employers, hackathon activities, tourism-related skill trainings, innovative competition(s) among students for enhancement of their capacities to participate in the tourism sector in the Burgas region.

While the pilot cannot resolve the structural constraints of a seasonal, low value-added economy on its own, it can demonstrate how existing instruments can be aligned to create more coherent pathways for vulnerable youth, especially those interested in working in the tourism sector. In doing so, it contributes to the broader strategic goals of the project: promoting evidence-based, intersectoral cooperation and laying the groundwork for more inclusive, resilient youth trajectories in Burgas and beyond.

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