European statistical system: territorial typologies (Tercet)

2016/0393(COD) - 13/12/2016 - Legislative proposal

PURPOSE: to complement Regulation (EC) No 1059/2003 on the establishment of a common classification of territorial units for statistics (NUTS) with the necessary elements to take into account recent developments in territorial classifications for statistical purposes.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: Regulation (EC) No 1059/2003 of the European Parliament and of the Council establishes a common classification of territorial units for statistics (Nomenclature of territorial units for statistics NUTS) in order to enable the collection, compilation and dissemination of harmonised regional statistics in the EU.

These statistics are widely used in the context of EU regional policy and to determine eligibility for regions under the cohesion funds.

Over the past few years, Eurostat has expanded the range of statistics published on a number of territorial typologies to address EU policy-makers' increasing need for such data. The Commission has defined these territorial typologies in cooperation with the Organisation for Economic Cooperation and Development (OECD), and adopted methodologies to set up and maintain them.

The European Statistical System (ESS) already uses those typologies, in particular the degree of urbanisation, including the definition of cities in order, for instance, to define eligibility for European Regional Development Fund support to carry out innovative actions in cities or towns and suburbs.

However, **the NUTS Regulation does not yet include or legally define these territorial typologies to determine urban, rural, coastal and/or other areas and regions in the EU**, although they are already being used. The fact that these typologies and their methodologies have no legal recognition and are not formally recognised by the European Statistical System (ESS) is an issue that needs to be addressed to establish them as recognised, impartial and transparent statistical typologies.

CONTENT: it is proposed to **amend or replace some provisions of Regulation (EC) No 1059/2003 in order to incorporate typologies into the NUTS Regulation which interlink with several statistical domains**, like regional accounts, the labour market, rural development, agriculture, tourism, maritime policy and more.

It would make it possible to aggregate data according to clear-cut typologies: for instance making it possible to compare GDP in rural as opposed to urban areas, tourist nights spent in coastal as opposed to non-coastal areas and regions, employment/unemployment by degree of urbanisation and much more.

The main policy objectives of the initiative are the following.

- **establish a legal recognition of territorial typologies, including the definition of cities, for the purpose of European statistics**: this will make it possible for thematic statistical regulations and

policy initiatives to refer to these territorial typologies for the purpose of collecting European statistics and/or to target specific territories such as **cities, urban, rural or coastal areas and regions** in policy. The initiative will therefore cover the existing territorial typologies based on NUTS level 3 (e.g. urban-rural typology, metropolitan regions), the local administrative units (e.g. degree of urbanisation, cities, coastal areas) and the 1 km² grid level required to calculate the other typologies, which are based on population distribution and density in the grid cells;

- **lay down the core definitions and statistical criteria** for the different territorial typologies. For this purpose, the initiative will use the already existing methodologies for the different typologies;
- ensure **harmonised and transparent application and use** of the territorial typologies at EU level and in Member States;
- **to align the NUTS Regulation to the new rules of the Treaty on the Functioning of the European Union** (TFEU), powers currently conferred on the Commission by that regulation to adopt acts designed to amend non-essential elements of the regulation by supplementing it, in accordance with the regulatory procedure with scrutiny, should be provided for by powers to adopt delegated acts.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.