

European statistical system: common classification of territorial units for statistics

NUTS

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This report from the Commission considers whether a more detailed level or levels of NUTS classification, as required by Article 2(5) of the NUTS Regulation.

The current NUTS breakdown subdivides each Member State into a whole number of regions at NUTS 1 level. Each of these is then subdivided into regions at NUTS level 2, and these in turn into regions at NUTS level 3.

Until the beginning of the 1990s, the NUTS classification consisted of these three regional levels alone. In order to meet a growing general need for information at local level, the Commission has set up an infra-regional information system, the first step being to compile a Community classification of local administrative units ("LAU") compatible with NUTS. Two further levels (baptised LAU) have been defined in accordance with the NUTS principles, but only the last and smallest (LAU level 2) has been fixed for all Member States. This usually corresponds to the concept of the "municipality" or "commune".

During the discussions of the NUTS Regulation in Council, there were diverging views as to how many levels of NUTS should be covered by the legal text. Many countries wanted to stick to only three NUTS levels, while some countries (supported by the European Parliament in its opinion) wanted to include levels 4 and 5, i.e. the current LAU level 1 and 2. In order to reconcile the views, the Commission accepted a proposal that it would be given two years to study the appropriateness of covering further NUTS levels in the Regulation. The NUTS Regulation contains a provision in Article to this effect.

The Commission considers in this report what an additional NUTS level in the Regulation would mean, considering the various principles of the Regulation.

- NUTS level 4 would be a subdivision of NUTS level 3 regions,
- NUTS level 4 regions should cover the territory of each country completely,
- The regional breakdown would be kept stable for at least three years before the next possible amendments,
- Minimum and maximum population thresholds would apply,
- Supply of complete lists of names/identities for level 4 regions,
- Development of specific rules to cover modifications of NUTS level 4 in Article 5.

In other words, the introduction of an additional regional level in the NUTS Regulation would imply a considerable additional workload both for the Member States and for the Commission. The Commission has investigated in the past months, if the advantages of an additional regional level in NUTS outweigh the additional burden.

The Commission concludes that currently no additional level of regional breakdown should be envisaged in the framework of the NUTS Regulation. The efforts of the services should concentrate on the statistical information available at the existing NUTS levels in terms of consolidation in the enlarged EU, quality improvement and obtaining additional regional data where required for policy purposes.

Also, at an informal level, the harmonisation of LAU level 1 should be supported actively by the Commission at a European scale. This comprises an intensive exchange of views between statistical offices, encouraged and supported by the Commission, and the development of guidelines to a harmonisation of concepts with regard to the definition of LAU level 1 regions.

It is proposed that the situation should be reassessed at some point in the future. The most appropriate moment would appear to be in 2008, which follows the start of the next Cohesion Policy period.