



**European Committee
of the Regions**

COTER-VI/024

124th plenary session, 12-13 July 2017

OPINION

Territorial classification and typologies

THE EUROPEAN COMMITTEE OF THE REGIONS

- underlines the importance of European regional statistics as an important instrument for targeted policy-making and a useful tool for understanding and quantifying the impact of political decisions in specific territories;
- notes the European Commission's initiative to amend Regulation (EC) No 1059/2003 as regards the territorial typologies (Tercet). Codification of these typologies in one single text could make it possible to aggregate data for different types of territories, ensuring harmonised and transparent application of existing methodologies at both EU and Member State levels. This must not lead, however, to the new Tercet classification being translated into eligibility rules for any EU policies, including Cohesion Policy;
- stresses the need for closer dialogue between the national statistical offices and regional (local) authorities to ensure that the development of the new Tercet classification takes due account of the socio-economic, spatial and administrative specificities of different territories;
- regrets that the Commission's proposal includes a limited number of territorial typologies and does not take account of other typologies related to the territories with specific geographic, economic, social and demographic features that have already been developed and used, namely the typologies on island regions, mountain regions, border regions and sparsely populated regions or outermost regions. The CoR therefore recommends including references to the above-mentioned territorial typologies when modifying the Tercet regulation, with involvement of the Member States and regions.

Rapporteur

Mieczysław Struk (PL/EPP), President of the Pomeranian Region

Reference document

Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 1059/2003 as regards the territorial typologies (Tercet)
COM(2016) 788 final

Opinion of the European Committee of the Regions – Territorial classification and typologies

I. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1
COM(2016) 788 final
Article 1
Amend paragraph 1

<i>Text proposed by the Commission</i>	<i>CoR amendment</i>
<p>Article 1 Regulation (EC) No 1059/2003 is amended as follows: (1) Article 1 is replaced by the following: 'Article 1 Subject matter 1. This regulation establishes a common statistical classification of territorial units (NUTS), in order to enable the collection, compilation and dissemination of harmonised statistics at different territorial levels of the EU. 2. The NUTS classification is set out in Annex I. 3. Local administrative units (LAU), as referred to in Article 4, shall complement the NUTS classification. 4. Statistical grids, as referred to in Article 4a, shall complement the NUTS classification. They shall be used to calculate <i>population-based</i> territorial typologies. 5. Union territorial typologies, as referred to in Article 4b, shall complement the NUTS classification by attributing types to the territorial units.';</p>	<p>Article 1 Regulation (EC) No 1059/2003 is amended as follows: (1) Article 1 is replaced by the following: 'Article 1 Subject matter 1. This regulation establishes a common statistical classification of territorial units (NUTS), in order to enable the collection, compilation and dissemination of harmonised statistics at different territorial levels of the EU. 2. The NUTS classification is set out in Annex I. 3. Local administrative units (LAU), as referred to in Article 4, shall complement the NUTS classification. 4. Statistical grids, as referred to in Article 4a, shall complement the NUTS classification. They shall be used to calculate territorial typologies <i>based on population distribution and density</i>. 5. Union territorial typologies, as referred to in Article 4b, shall complement the NUTS classification by attributing types to the territorial units.';</p>

<i>Reason</i>
More precise formulation.

Amendment 2
COM(2016) 788 final
Article 1
Amend paragraph 5

<i>Text proposed by the Commission</i>	<i>CoR amendment</i>
(5) the following articles 4a and 4b are inserted: (...)	(5) the following articles 4a and 4b are inserted: (...)

<p><i>Article 4b</i> Union territorial typologies (...)</p> <p>3. The following typologies shall be established at LAU level:</p> <p>(a) degree of urbanisation (DEGURBA):</p> <ul style="list-style-type: none"> – ‘Urban areas’; – ‘Cities’ or ‘Densely populated areas’; – ‘Towns and suburbs’ or ‘Intermediate density areas’; – ‘Rural areas’ or ‘Thinly populated areas’; <p>(b) functional urban areas:</p> <ul style="list-style-type: none"> – ‘Cities’ plus their ‘Commuting zones’; <p>(c) coastal areas:</p> <ul style="list-style-type: none"> – ‘Coastal areas’; – ‘Non-coastal areas’. <p>If there is more than one administrative level of LAU in a Member State, the Commission (Eurostat) shall consult that Member State to determine the administrative level of LAU that shall be used for the attribution of typologies.</p> <p>4. The following typologies and labels shall be established at NUTS level 3.</p> <p>(a) urban-rural typology:</p> <ul style="list-style-type: none"> – ‘Predominantly urban regions’; – ‘Intermediate regions’; – ‘Predominantly rural regions’; <p>(b) metropolitan typology:</p> <ul style="list-style-type: none"> – ‘Metropolitan regions’; – ‘Non-metropolitan regions’; <p>(c) coastal typology:</p> <ul style="list-style-type: none"> – ‘Coastal regions’; – ‘Non-coastal regions’. 	<p><i>Article 4b</i> Union territorial typologies (...)</p> <p>3. The following typologies shall be established at LAU level:</p> <p>(a) degree of urbanisation (DEGURBA):</p> <ul style="list-style-type: none"> – ‘Urban areas’; – ‘Densely populated areas’; – ‘Intermediate density areas’; – ‘Sparsely populated areas’; <p>(b) functional urban areas:</p> <ul style="list-style-type: none"> – ‘Urban areas’ plus their ‘Commuting zones’; <p>(c) coastal areas:</p> <ul style="list-style-type: none"> – ‘Coastal areas’; – ‘Non-coastal areas’. <p>If there is more than one administrative level of LAU in a Member State, the Commission (Eurostat) shall consult that Member State to determine the administrative level of LAU that shall be used for the attribution of typologies.</p> <p>4. The following typologies and labels shall be established at NUTS level 3.</p> <p>a) urban-rural typology:</p> <ul style="list-style-type: none"> – ‘Predominantly urban regions’; – ‘Intermediate regions’; – ‘Predominantly rural regions’; <p>b) metropolitan typology:</p> <ul style="list-style-type: none"> – ‘Metropolitan regions’; – ‘Non-metropolitan regions’; <p>c) coastal typology:</p> <ul style="list-style-type: none"> – ‘Coastal regions’; – ‘Non-coastal regions’; <p>d) island typology:</p> <ul style="list-style-type: none"> – ‘Island regions’; – ‘Non-island regions’; <p>e) mountain typology:</p> <ul style="list-style-type: none"> – ‘Mountain regions’; – ‘Non-mountain regions’; <p>f) border typology:</p> <ul style="list-style-type: none"> – ‘Border regions’; – ‘Non-border regions’; <p>g) population typology:</p>
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	<ul style="list-style-type: none"> - ‘<i>Sparsely populated regions</i>’, - ‘<i>Not sparsely populated regions</i>’; - ‘<i>Ageing regions</i>’ - ‘<i>Non-ageing regions</i>, - ‘<i>Depopulating regions</i>’ - ‘<i>Not depopulating regions</i>’ <p><i>h) periphery typology:</i></p> <ul style="list-style-type: none"> - ‘<i>Peripheral regions</i>’; - ‘<i>Non-peripheral regions</i>’
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<i>Reason</i>
Territories with specific (geographic, economic, social and demographic) features will be able to use relevant indicators to support the implementation of public policies addressing challenges they are facing

Amendment 3
COM(2016) 788 final
Article 1
Amend paragraph 5

<i>Text proposed by the Commission</i>	<i>CoR amendment</i>
(5) the following articles 4a and 4b are inserted: (...) <i>Article 4b</i> Union territorial typologies (...)	(5) the following articles 4a and 4b are inserted: (...) <i>Article 4b</i> Union territorial typologies (...)
5. The Commission shall, <i>by means of implementing acts</i> , set out uniform conditions for the harmonised application of the typologies across Member States and at Union level. <i>Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 7.</i>	5. The Commission shall, <i>in consultation with Member States and Regions</i> , set out uniform conditions for the harmonised application of the typologies across Member States and at Union level. <i>6. The typologies mentioned under paragraph 3 and 4 above could be complemented by new ones, if there is a justified need identified by Member States or by the Committee of the Regions and confirmed by the Commission.</i>

<i>Reason</i>
Territories with specific (geographic, economic, social and demographic) features will be able to use relevant indicators to support the implementation of public policies addressing challenges they are facing

II. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

1. underlines the importance of European regional statistics as an important instrument for targeted policy-making and a useful tool for understanding and quantifying the impact of political decisions in specific territories. These statistics are used for a wide range of purposes by a number of public and private users, including regional and local authorities, and provide an objective base to support decision-making processes in many areas of public intervention, such as SME support, innovation policy, education, labour market, transport, tourism and maritime industries;
2. confirms that territorial typologies stemming from European statistics play an important role in regional policy as they can contribute to evidence-based policy interventions and more integrated territorial approaches that reflect the diversity of EU regions;
3. notes the European Commission's initiative to amend Regulation (EC) No 1059/2003 as regards the territorial typologies (Tercet). Codification of these typologies in one single legal text could make it possible to aggregate data for different types of territories, ensuring harmonised and transparent application of existing methodologies at both EU and Member-State levels. This must not lead, however, to the new Tercet classification being translated into eligibility rules for any EU policies, including Cohesion Policy;
4. concludes that the legislative proposal to amend Regulation (EC) No 1059/2003 complies with the principle of subsidiarity, since the objective of establishing, coordinating and maintaining harmonised statistical classifications for statistical purposes at EU level cannot be achieved sufficiently by the Member States acting alone. On the other hand, however, subsidiarity can only be safeguarded, if the territorial typologies are coordinated in an intensive dialogue with the Member States and regions. Moreover, the legislative proposal does not in principle go beyond what is necessary to achieve its objectives and therefore could be regarded as compliant with the principle of proportionality;
5. stresses the need for closer dialogue between the national statistical offices and regional (local) authorities to ensure that the development of the new Tercet classification takes due account of the socio-economic, spatial and administrative specificities of different territories;
6. stresses the importance of addressing the specific situation of territories with particular geographic, economic, social and demographic features, which should be adequately covered within the framework of European regional statistics with the aim of strengthening economic, social and territorial cohesion as set out in Article 174 TFEU;
7. in this respect, draws attention to:
 - a) Article 174 of the TFEU stipulating that particular attention shall be paid to rural areas, areas affected by industrial transition and regions which suffer from severe and permanent natural

- or demographic handicaps such as the northernmost regions with very low population density and island, cross-border and mountain regions;
- b) the *Green Paper on Territorial Cohesion* (COM(2008) 616 final) and the accompanying Commission staff working document (SEC(2008) 2550), which mention territorial typologies such as border regions, mountain regions, island regions and sparsely populated regions. These typologies have already been used within the context of the *Fifth report on economic, social and territorial cohesion* (published in November 2010);
 - c) the CoR opinion on the above-mentioned green paper (COTER-IV-020), which calls on the European Commission to extend its research to develop relevant indicators for the particular socio-economic problems faced by specific types of regions such as mountains, islands, areas with low population density and border areas, and to significantly improve statistical data and its cartographic representation so as to reflect the real situation;
 - d) the CoR opinion on the *Sixth report on economic, social and territorial cohesion* (COTER-V-052), which calls for better respect to be given to Article 174 of the TFEU;
 - e) the CoR opinion on *Indicators for territorial development – GDP and beyond* (COTER-VI-009), pointing out the lack of quantitative information on the various territories with particular (geographic, environmental, economic and social) features influencing their development, as well as suggesting that the Commission (Eurostat) adopt the territorial categories identified by the Treaty in order to contribute to the proper implementation of EU policies with a territorial dimension;
 - f) the CoR draft opinion on *Entrepreneurship on islands: contributing towards territorial cohesion* (COTER-VI/022), which suggests adding islands as an additional category in the proposal for a regulation of the European Parliament and of the Council amending the Tercet regulation;
8. regrets that the Commission's proposal includes a limited number of territorial typologies and does not take account of other typologies related to the territories with specific geographic, economic, social and demographic features that have already been developed and used, namely the typologies on island regions, mountain regions, border regions and sparsely populated regions or outermost regions. Adoption of territorial typologies providing statistical evidence of diversity and complexity of these regions is considerably important in order to capture these territories better. The CoR therefore recommends including references to the above-mentioned territorial typologies when modifying the Tercet regulation with involvement of the Member States and regions.

Brussels, 13 July 2017

The President
of the European Committee of the Regions

Markku Markkula

The Secretary-General

of the European Committee of the Regions

Jiří Buriánek

III. PROCEDURE

Title	Territorial classification and typologies
Reference(s)	COM(2016) 788 final
Legal basis	Article 307(1) TFEU
Procedural basis	Rule 41a) of the CoR Rules of Procedure
Date of Council/EP referral/Date of Commission letter	– letter from the Commission: 13 December 2016 – Council referral: 30 January 2017
Date of Bureau/President's decision	9 January 2017
Commission responsible	Commission for Territorial Cohesion Policy and EU Budget (COTER)
Rapporteur	Mieczysław Struk (PL/EPP) President of the Pomeranian Region
Analysis	4 April 2017
Discussed in commission	17 May 2017
Date adopted by commission	17 May 2017
Result of the vote in commission (majority, unanimity)	majority
Date adopted in plenary	13 July 2017
Previous Committee opinions	<ul style="list-style-type: none"> • Opinion on <i>Entrepreneurship on Islands: contributing towards territorial cohesion</i> (COR-2017-00019-AC)¹; • Opinion on <i>Indicators for territorial development – GDP and beyond</i> (COR-2015-04287-AC)²; • Opinion on the <i>Sixth Cohesion Report</i> (COR-2014-04896-AC)³; • Opinion on the <i>Common Strategic Framework</i> (CDR2027-2012-AC)⁴; • Opinion on <i>Measuring progress – GDP and beyond</i> (CdR 163/2010)⁵; • Opinion on <i>The Contribution of Cohesion Policy to the Europe 2020 Strategy</i> (CdR 223/2010)⁶; • Opinion on the <i>Green Paper on Territorial Cohesion</i> (CdR 274/2008)⁷; • Opinion on the <i>Proposal for a Regulation of the</i>

¹ Not yet published in the Official Journal of the European Union.

² [OJ C 120, 5.4.2016, p. 16](#)

³ [OJ C 19, 21.1.2015, p. 9](#)

⁴ [OJ C 17, 19.1.2013, p. 56](#)

⁵ [OJ C 15, 18.1.2011, p. 17](#)

⁶ [OJ C 15, 18.1.2011, p. 10](#)

⁷ [OJ C 120, 28.5.2009, p. 23](#)

	<i>European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS) (CdR 182/2001)⁸.</i>
Date of subsidiarity monitoring consultation	N/A

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[OJ C 107, 3.5.2002, p. 54](#)