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19.7.2007

***I REPORT

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 1059/2003 on the establishment of a common classification of territorial units for statistics (NUTS) by reason of the accession of Bulgaria and Romania to the European Union (COM(2007)0095 – C6-0091/2007 – 2007/0038(COD))

Committee on Regional Development

Rapporteur: Gerardo Galeote

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Symbols for procedures

- * Consultation procedure majority of the votes cast
- **I Cooperation procedure (first reading)

 majority of the votes cast
- **II Cooperation procedure (second reading)

 majority of the votes cast, to approve the common position

 majority of Parliament's component Members, to reject or amend
 the common position
- *** Assent procedure

 majority of Parliament's component Members except in cases

 covered by Articles 105, 107, 161 and 300 of the EC Treaty and

 Article 7 of the EU Treaty
- ***I Codecision procedure (first reading)

 majority of the votes cast
- ***II Codecision procedure (second reading)
 majority of the votes cast, to approve the common position
 majority of Parliament's component Members, to reject or amend
 the common position
- ***III Codecision procedure (third reading)
 majority of the votes cast, to approve the joint text

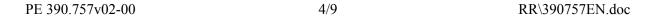
(The type of procedure depends on the legal basis proposed by the Commission.)

Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in *bold italics*. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 1059/2003 on the establishment of a common classification of territorial units for statistics (NUTS) by reason of the accession of Bulgaria and Romania to the European Union

(COM(2007)0095 - C6-0091/2007 - 2007/0038(COD))

(Codecision procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2007)0095)¹,
- having regard to Article 251(2) and Article 285(1) of the EC Treaty, pursuant to which the Commission submitted the proposal to Parliament (C6-0091/2007),
- having regard to Rule 51 of its Rules of Procedure,
- having regard to the report of the Committee on Regional Development (A6-0285/2007),
- 1. Approves the Commission proposal as amended;
- 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it by another text;
- 3. Instructs its President to forward this resolution to the Council and Commission.

Text proposed by the Commission	Amendments by Parliament

Amendment 1

RECITAL 4a (new)

(4 a) Since the objectives of this Regulation, namely the creation of common statistical standards that permit the production of harmonised data, cannot be sufficiently achieved by the Member States acting alone and can therefore be better achieved at Community level, the Community may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the

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¹ Not yet published in OJ.

Treaty. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary to achieve those objectives.

Amendment 2 ANNEX III, POINT 1 Annex III (Regulation (EC) No 1059/2003)

- 1. The following is inserted between Belgium and the Czech Republic: "for Bulgaria '*Haceлени места (Naseleni mesta)*',"
- 1. The following is inserted between Belgium and the Czech Republic: "for Bulgaria '*Общини (Obshtini)*', "

EXPLANATORY STATEMENT

1. Introduction

Regional statistics are used at Community level as an objective statistical base for a number of very diverse purposes. Major political importance attaches to some of these, e.g. the determination of the areas eligible for the Structural Funds or for state aids (in the latter case, subject to compatibility with Articles 87 to 89 of the EC Treaty).

Regulation EC 1059/2003 of the European Parliament and the Council establishes a common classification of territorial units for statistics (NUTS) based on demographic criteria, pursuant to the Community's need for a suitable legal basis for such classification.

2. Background

Regional statistics are a cornerstone of the European statistical system, being used for a wide range of purposes and by a wide range of users. For instance, regional data of the EU Member States are used for allocating structural funds in a rational and consistent way. Hence, regional statistics are the objective statistical base for important political decisions. The work on a Regulation to give NUTS a legal status started in spring 2000, with the adoption and entering into force in 2003 of the above mentioned Regulation.

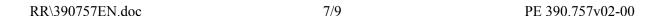
The current NUTS breakdown subdivides each Member State into a number of regions at NUTS 1 level. Each of these is then subdivided into regions at NUTS level 2, and these in turn into regions at NUTS level 3. The European Parliament has urged for including a fourth NUTS category (see for example report A5-0071/2003; rapporteur: Rosa Miguélez Ramos) in order to cover smaller territorial units.

In order to meet a growing general need for information at local level, the Commission set up an infra-regional information system, the first step being to compile a Community classification of local administrative units ("LAU") compatible with NUTS. Accordingly, the LAU are the basic components of NUTS regions. Following this, two further LAU levels 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'.

With the approach of a large number of new Member States entering the Union, the criteria was set to clarify the reference territorial units (NUTS) in order to define a consistent regional breakdown of territory for statistical purposes. This purely technical aspect had in fact major implications for local and regional governments.

In 2005, the Commission presented a Communication as provided for in art 2(5) of the above mentioned Regulation EC 1059/2003, on the appropriateness of establishing rules on a Europe-wide basis for more detailed levels in the NUTS Classification (COM(2005)0473).

The Commission concludes in its Communication (COM(2005)473 final) that, currently, no additional level of regional breakdown should be envisaged in the framework of the NUTS Regulation.



3. The European Commission proposal for a regulation

The Commission is proposing to amend Regulation (EC) No 1059/2003 on the establishment of a common classification of territorial units for statistics (NUTS) by reason of the accession of Bulgaria and Romania to the EU.

The amending Regulation coherently follows a previous one, Regulation (EC) No 1888/2005 of the European Parliament and the Council due to the accession of ten Member States in 2004.

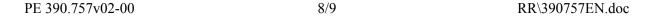
4. Conclusion

According to your rapporteur, it is necessary to integrate, in line with the Commission proposal, the classification of the territorial units of Bulgaria and Romania into the statistical classification of the Community. He therefore welcomes the Commission's initiative regarding adaptation of the annexes to Regulation (EC) No 1059/2003 of the European Parliament and of the Council in this regard.

Your rapporteur does not consider it necessary to table amendments to the Commission proposal. Nonetheless, as has been stressed by the European Parliament earlier, certain elements should be highlighted such as the treatment of smaller administrative units. A NUTS level for 'smaller administrative units' would make it possible to reflect real circumstances more accurately and avoid anomalies such as the presence of regional units with highly differing populations within the same NUTS level. Your rapporteur therefore strongly encourages the Commission, as also mentioned in the Communication (COM(2005)473 final), to reassess the situation during the year to come, which follows the start of the new Cohesion Policy period, in order to look closer at the prospects of creating another NUTS level.

Attention should, however, be paid concerning Annex 3 as amended which do not strictly follows the population criteria with regard to two regions in Romania, named non-administrative in the regulation. Since this appeared the best classification to make for the sake of continuity of statistical data, and since, this classification was also agreed upon by concerned authorities, your rapporteur does not see any need to propose other classification. However, it would be appropriate to revise this classification in the next revision of current structure.

Furthermore, your rapporteur recommends the harmonisation of LAU level 1 to be supported actively by the Commission at a European scale. This could be done through exchange of views between statistical offices, encouraged and supported by the Commission, and the elaboration of guiding principle to harmonise the concepts with regard to the definition of LAU level 1 regions.



PROCEDURE

Title	NUTS: amendment of Regulation (EC) No 1059/2003 by reason of the accession of Bulgaria and Romania to the EU
References	COM(2007)0095 - C6-0091/2007 - 2007/0038(COD)
Date submitted to Parliament	13.3.2007
Committee responsible Date announced in plenary	REGI 15.3.2007
Rapporteur(s) Date appointed	Gerardo Galeote 7.6.2007
Discussed in committee	25.6.2007
Date adopted	17.7.2007
Result of final vote	+: 44 -: 0 0: 0
Members present for the final vote	Alfonso Andria, Stavros Arnaoutakis, Elspeth Attwooll, Tiberiu Bărbuleţiu, Jean Marie Beaupuy, Rolf Berend, Jana Bobošíková, Wolfgang Bulfon, Bairbre de Brún, Vasile Dîncu, Gerardo Galeote, Iratxe García Pérez, Pedro Guerreiro, Zita Gurmai, Marian Harkin, Jim Higgins, Filiz Hakaeva Hyusmenova, Mieczysław Edmund Janowski, Rumiana Jeleva, Tunne Kelam, Evgeni Kirilov, Constanze Angela Krehl, Mario Mantovani, Sérgio Marques, James Nicholson, Lambert van Nistelrooij, Jan Olbrycht, Maria Petre, Markus Pieper, Pierre Pribetich, Wojciech Roszkowski, Elisabeth Schroedter, Grażyna Staniszewska, Kyriacos Triantaphyllides, Oldřich Vlasák
Substitute(s) present for the final vote	Jan Březina, Den Dover, Jill Evans, Emanuel Jardim Fernandes, Lidia Joanna Geringer de Oedenberg, Samuli Pohjamo, Christa Prets
Substitute(s) under Rule 178(2) present for the final vote	Péter Olajos, Thomas Ulmer