

## CONSULTATION QUESTIONS

NUTS boundaries are used for reporting of regional statistics to Eurostat and those statistics are used to inform regional policy. The Scottish Government is proposing to make minimal changes beyond aligning existing NUTS boundaries to Local Authority Boundaries.

### **Do you have any comments on the Scottish Governments proposals for NUTS 2 regions?**

The Highlands & Islands European Partnership (HIEP) fully endorses the Governments proposal to reject the Eurostat proposal to merge the Highlands & Islands and North East Scotland NUTS 2 areas. The Partnership has grave concerns over this proposal as it will result in a distortion of the statistical reporting of the very differing socio-economic realities that exist in the North East and across the Highlands & Islands. The Partnership fears that the development challenges exemplified by sparsity of population, a scattered population distribution, rurality, insularity and a mountainous terrain ,and extreme peripherality in the UK and European context will be lost if the region is amalgamated with North East Scotland. This could have serious deleterious consequences for the Highlands & Islands in terms of future socio-economic development.

HIEP notes that the local authority boundary alignment proposal is problematic in so far as it affects North Ayrshire. At NUTS 2 level it would move Arran and the Cumbraes from the Highlands & Islands EU administrative unit and put them in with South West Scotland. It is worth recalling that Arran and the Cumbraes were transferred into the then Highlands & Islands Development Board (HIDB) area in the 1970s (having not been part of the HIDB's original designated area) on account of the fact that these communities faced very similar socio-economic and demographic challenges to the Highlands and Islands. This arrangement has worked successfully for many years and there is no evidence that the rationale underpinning the inclusion of these areas within the existing EU administrative and enterprise areas has diminished in any way.

### **Do you have any comments on the Scottish Governments proposals for NUTS 3 regions?**

HIEP does not have a unified position on the proposals for NUTS3 areas but is in total agreement with the Government not to support the proposed merger of the Argyll & Bute and Moray NUTS3 areas.

Eurostat have requested we consider merging the Highlands & Islands with North Eastern Scotland to create a new area that's closer to the recommended population thresholds. The Scottish Government plan to request that these areas should be

allowed an exemption under Article 3 (5) of the NUTS Regulations, i.e. because of particular geographical, socio-economic, historical, cultural or environmental circumstances, especially in the islands and the outermost regions. - ***This is supported whole heartedly by the Highlands & Islands European Partnership.***

**Please provide any evidence in favour of or against an exemption under Article 3 (5) of the NUTS Regulations for Highlands & Islands and North Eastern Scotland NUTS 2 areas?**

The Partnership wishes to highlight the significant socio-economic differences between the North east of Scotland and the Highlands & Islands. HIEP fears that the development challenges exemplified by sparsity of population, a scattered population pattern, rurality, insularity, a mountainous terrain ,and extreme peripherality in the UK and European context will be lost if the region is amalgamated with North East Scotland. This could have serious deleterious consequences for the Highlands & Islands in terms of future socio-economic development.

Eurostat have suggested that the Scottish Governments proposals for NUTS 3 should include merging Moray with Argyll & Bute Local Authority to create an area that meets their recommended population ranges. – ***HIEP is not in favour of this proposal***

**Please provide any evidence in favour of or against an exemption under Article 3 (5) of the NUTS Regulations for the proposed Moray and Argyll & Bute NUTS 3 areas?**

Whilst this proposal does not affect all members of HIEP, the Partnership is not clear as to the logic of the proposal other than to align with population guidelines. The two areas do not have any political, administrative or institutional links in common nor a history of bi-lateral cooperation. Co-operation is largely delivered via mutual membership of the Highlands & Islands European Partnership