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**RURAL AREAS IN GREECE:
DEFINITION, TYPOLOGY AND DATA NEEDS FOR THE
MONITORING AND EVALUATION OF RURAL DEVELOPMENT**

Supporting paper submitted by National Statistical Service of Greece*

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NATIONAL STATISTICAL
SERVICE OF GREECE

Rural Areas in Greece: Definition, Typology and Data Needs for the Monitoring and Evaluation of Rural Development

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Meeting on Food And Agricultural Statistics in Europe

Rural Areas in Greece:

Definition, Typology and Data Requirements for the Observation and Evaluation of Rural Development.

Introduction:

Over the past thirty years in particular, the agricultural sector has undergone tremendous structural change, which has greatly impacted on farmers and communities in rural areas. Globalisation, the market concentration on industry and services plus a growing occupation and dependence on technology and biotechnology has changed the economic and social face of agriculture. It is placing ever increasing pressure on farmers and influencing their prospects for success or failure. Experience alone is not enough to protect farmers from the progressive economic environment in which they now live. Farmers are not impervious to the monumental changes surrounding them and statistics reflect this in the dramatic decline in the number of farms in the post-war period.

Up to 1980, the EU had not developed a multidimensional approach related to rural policy in the European Union. By the mid 1980's it was realised that the CAP had many negative repercussions upon rural development by speeding up depopulation of rural areas, increasing income inequalities and creating a negative picture regarding the maintenance and protection of the environment.

In 1987, the European Commission reformed and expanded its 'structural and cohesion policies' and the structural funds that financed them. In 1988, the European Commission published "**The Future of Rural Society**". This document gave a clear analysis of the changing nature and the needs of rural economies and societies, which, together with the structural funds reform, opened the way for a 'territorial' rural development policy by taking into account local and regional development problems. The outcome was the introduction of local development plans and programs (from 1989), and the **LEADER** program (from 1990) that specifically set out to encourage

innovative initiatives for rural areas at LAU 2* (NUTS 5) level or a lower one (for Greece that level is the Communes of the past or today's Municipal Departments).

Similar developments in regionalisation and localisation occurred within many Member States, often inspired by corresponding EU initiatives. For example, Scotland introduced a rural cooperatives' scheme, and both Finland and Spain developed their own national LEADER-type programs for rural areas not covered by the EU LEADER.

It is helpful to distinguish *broad* from *narrow rural policies*. Broad rural policies are sectoral policies with important impacts on rural populations and places, such as macroeconomic policies and policies on agriculture, transport, public lands, environment, transport, health, welfare, education, local government, local taxation and infrastructure. Narrow rural policies are those that aim explicitly at the development of rural areas and are mainly localized and regionalized policies, albeit with some national and EU support. They are 'territorial' policies, addressed to particular places, often NUTS3 or lower levels.

Apparently, needs like the above have generated scientific and technical questions regarding an appropriate definition of rural areas.

This need was exactly the main objective of this study developed by the National Statistical Service of Greece in the framework of TAPAS project in order to propose the proper typology for Greek rural areas especially the small ones, and introduce the development and implementation of the appropriate methodology for the formation of regional indicators. A better understanding of regional strength and weaknesses through an adequate set of variables and indicators comprehensive and regularly updated, present the necessary prerequisite for a flexible response to policy needs, such as policy targeting and monitoring rural development.

Methodology:

In order to achieve the objectives above the following procedures were implemented.

* Local Area Units

A thorough study of all main approaches for the definition of rural areas was performed. Within this procedure the following methodologies and rules were analysed.

- The OECD methodology
- The Eurostat methodology
- Less favoured areas approach (directive 75/268 as amended)
- The Integrated rural programs in specific areas in Greece
- Existing national methodologies for spatial classification.

These last methodologies include a proposal from Ministry of Economy, the old and the new methodology of the National Statistical Service.

Finally methodologies coming from other member states were taken into consideration.

Detailed information on the above analysis can be found in the document NSSG, 2004 “Rural Areas in Greece – Final Report” available to the following URL:

forum.europa.eu.int/members/irc/dsis/rural_dev_statistics/library

The most important methodologies were applied to Greece and the appropriate classification data sets were created. That included:

- The OECD methodology
- The Eurostat methodology
- Less favoured areas approach
- The areas concerning integrated rural programs
- The areas concerning national classification systems

The above data sets were enriched with data coming from the last population censuses, agricultural censuses, farm structure surveys and data from EU intervention programs. All data sets were integrated into a unified GIS.

The study made combined use of the above classifications namely by degree of handicap of Regulation 1257/99 (LFA), by degree of urbanism of NSSG (using data from National Statistical Service of Greece) 1991, by degree of “mountainous character” of NSSG, by degree of urbanism of OECD 1991 as well as the system of Areas of Integrated Development Programs (regulation 1257/99).

Maps and diagrams, for the different combinations of these classifications were created and thoroughly examined.

The study and elaboration of all the parameters, led to the conclusion that the best classification-typology, which can describe the rural areas and their problems, at least in the case of Greece, is derived through the combined use of the Degree of Handicap of Regulation 1257/99 (LFA) and Degree of urbanism of OECD 1991.

A sort description of the two main methodologies adopted follows.

The OECD scheme distinguishes 2 hierarchical levels of geographic detail, namely Local Community (LAU1/2) level and Regional (NUTS3) level. Local Communities are classified as rural or urban, based on the population density alone. Specifically, when the population density is less than 150 inhabitants per square kilometer the local community is classified as rural. Urban local communities are those with population density above 150 inhabitants. A second level classification concerns regions. These are classified into Predominately Rural, Significantly Rural (or 'Intermediate') and Predominately Urbanised, on the basis of the following proportion of population living in rural or urban communes:

- Predominantly Rural = more than 50% of regional population live in rural communes.
- Significantly Rural = 15 to 50% of regional population live in rural communes.
- Predominantly Urban = less than 15% of regional population live in rural communes.

The mountainous and less favoured areas are defined in the Directive 75/268 and the Council Regulation (EC) No 1257/1999

Mountainous areas are characterised by limited agricultural land and a high cost of labour due to either unfavourable climatic conditions because of the altitude, or steep slopes of the land, or finally a combination of the above.

Less favoured areas are areas where agricultural activity is considered to be Necessary for the preservation of the countryside and mainly of a minimum level of population density on condition that Agricultural productivity is low.

Areas with specific handicaps are areas where the maintenance of agriculture is necessary to ensure the conservation or improvement of the environment, the management of the landscape or its touristic value.

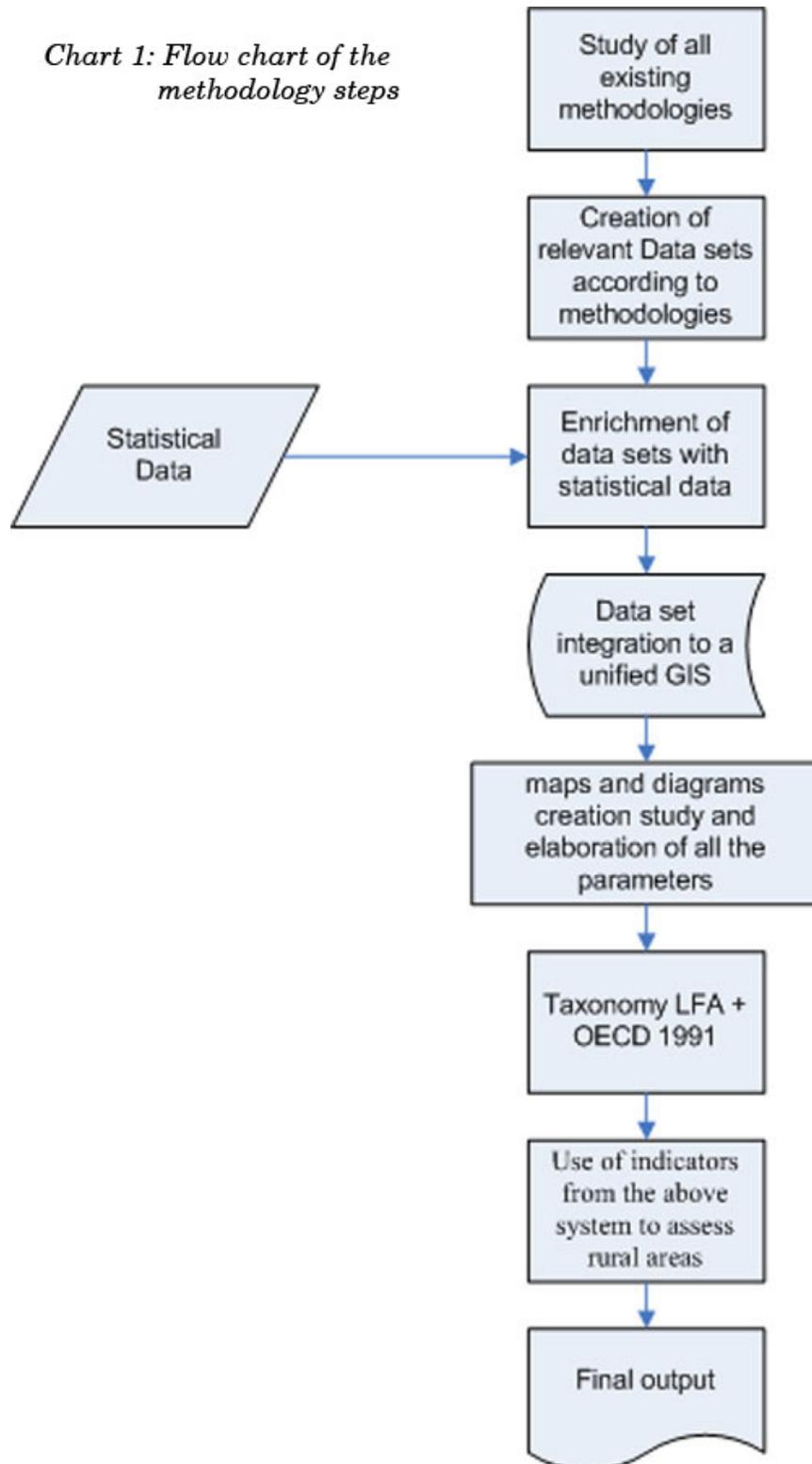
New proposal was based on the assumption that all areas of less favored and mountainous areas and zones should be characterised as rural. The remaining not included in that group of areas should be characterised as 'dynamic' with further division into rural or not rural by using the OECD criterion.

The Taxonomy of Less favored areas within the broader areas of OECD methodology implemented the most important of the objectives.

A set of indicators were used to evaluate rural areas and therefore rural intervention programs.

The following diagram is a flow chart of the methodology steps.

Chart 1: Flow chart of the methodology steps



Results:

The above described methodology concluded to the following typology proposition for the Greek rural areas:

- Non-rural areas: They include all Municipal Departments (LAU-2) of the predominantly urban prefectures (according to OECD criteria) which are not classified amongst the less favoured or mountainous areas of Directive 75/268 and of the Regulation 1275/99.
- Dynamic rural areas: They include all the remaining Municipal Departments (LAU-2) of significantly rural and predominantly rural prefectures (two types) which are not classified amongst the less favoured and mountainous areas of the Directive 75/268 and the Regulation 1275/99. All of them are 697 Municipal Departments (LAU-2) of significantly rural prefectures and 373 of predominantly rural prefectures.
- Mountainous rural areas of the Directive 75/268 and the Regulation 1275/99: 35 Municipal Departments (LAU-2) of predominantly urban prefectures are included, together with 1612 of significantly rural prefectures and 1585 of predominantly rural prefectures.
- Less favoured areas and areas of special handicaps: 68 Municipal Departments (LAU-2) of predominantly urban prefectures are included, together with 707 of significantly rural prefectures and 673 of predominantly rural prefectures.

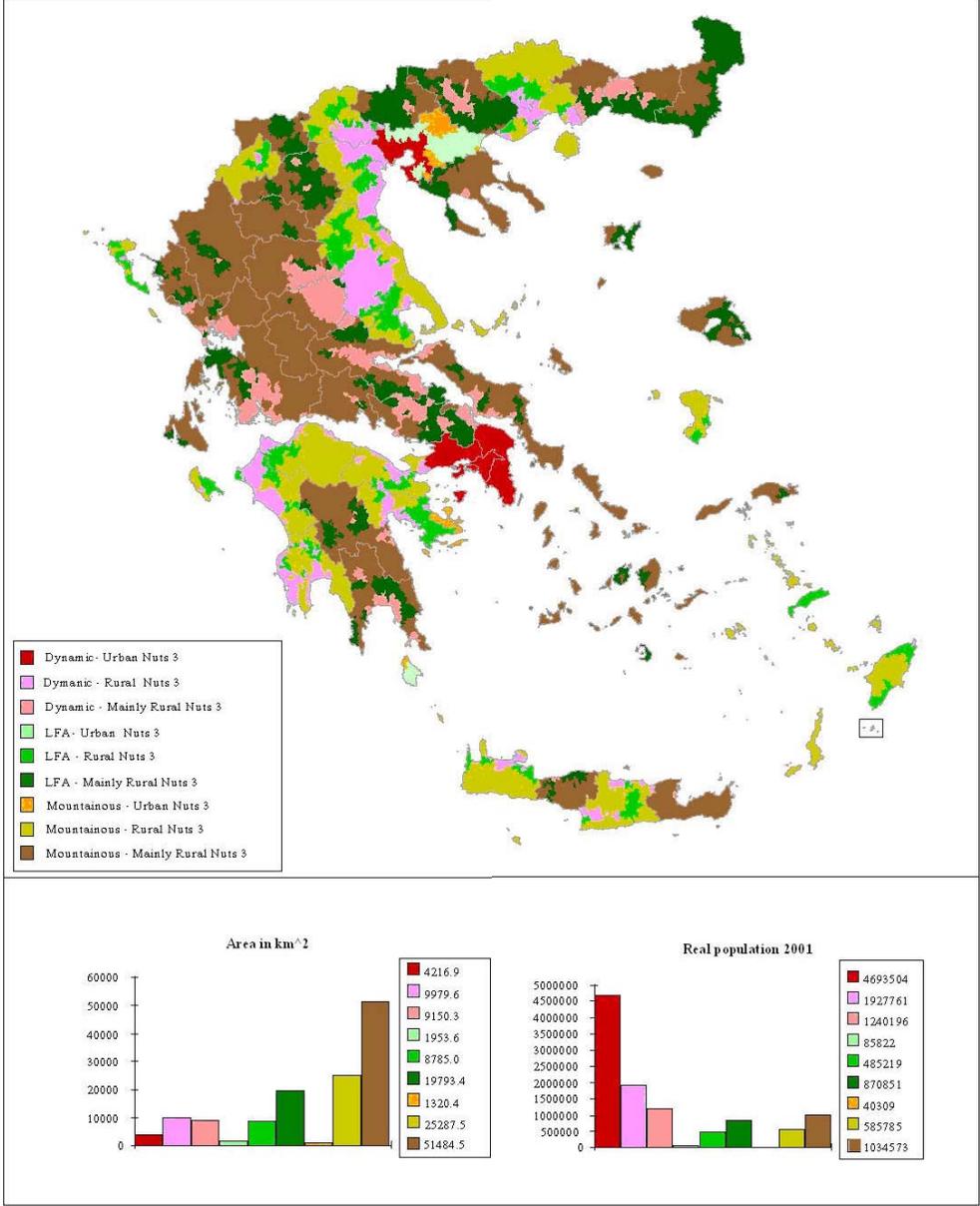
In the table 1, the nine combinations of this proposal for Greece are shown:

Table 1: Types of rural areas according to the proposed combined criteria of LFA and OECD. (Municipal Departments according to Kapodistrias Law 2001)

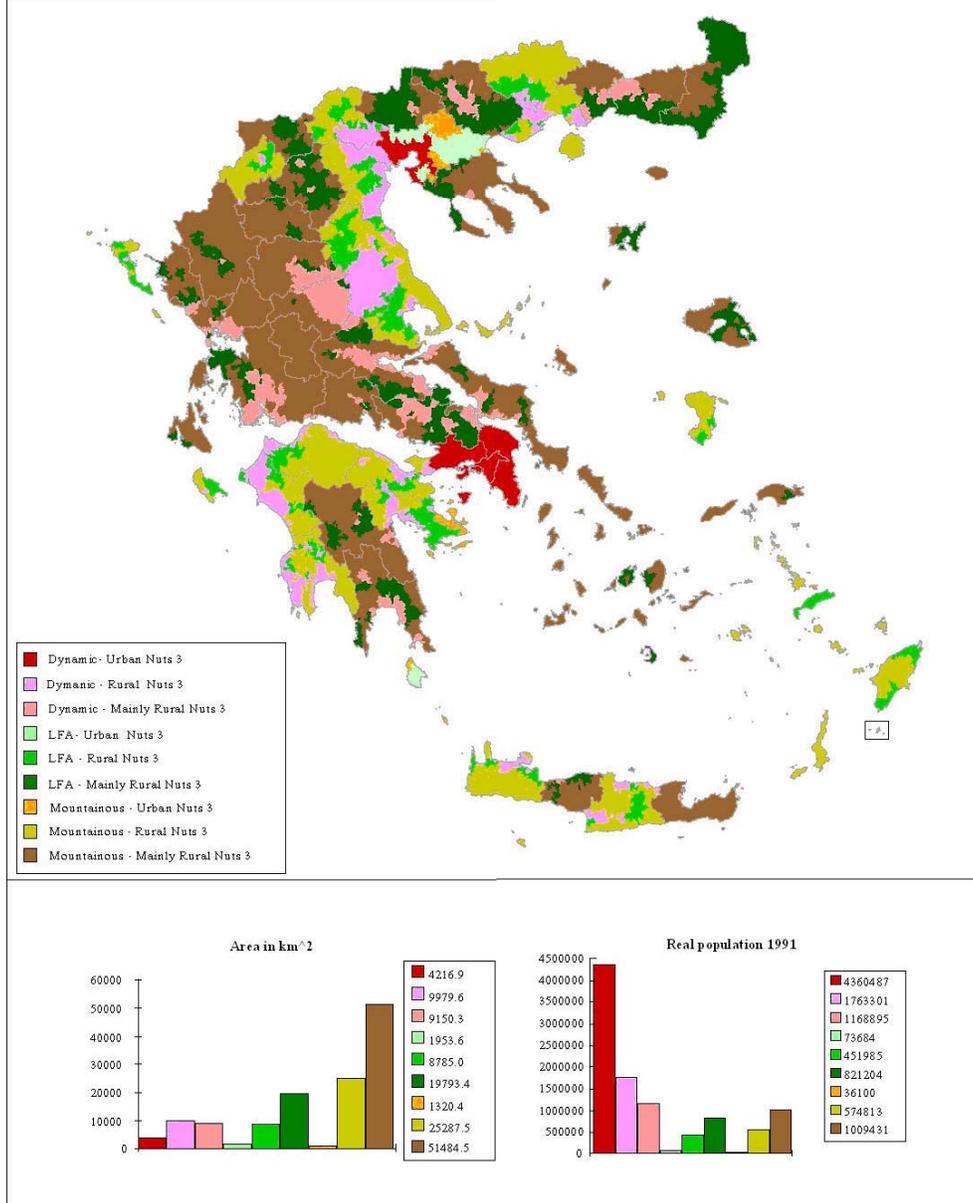
Type of areas according to LFA.	RURILITY OECD			Total
	PREDOMINATLY URBAN NUTS 3	SIGNIFICANTLY RURAL NUTS 3	PREDOMINATLY RURAL NUTS 3	
DYNAMIC	172	697	373	1242
MOUNTAINOUS	35	1612	1585	3232
LESS FAVOURED	68	707	673	1448
Total	275	3016	2631	5922

The above table shows that 1242 Municipal Departments (LAU-2) were classified in 2001 as dynamic areas of these, 172 were urban, according to OECD criteria and the rest 1070 were rural because they belong to rural prefectures (on the basis of the 2001 census). It is obvious that within the dynamic rural areas exist urban centres, which give the wider character of those areas as dynamic ones. These results are illustrated in the maps 1 and 2 for the two last censuses 2001 and 1991.

*Map 1: COMBINATION LFA - URBANISM OECD
(Proposal of rural areas of Greece)*



*Map 2: COMBINATION LFA - URBANISM OECD
(Proposal of rural areas of Greece)*



It should be noted that the above typology is usually stable with reference to the classification of the mountainous and less favoured areas [Municipal Departments (LAU-2)] and changing with reference to the classification of OECD methodology. Table 2 gives the relation between census 1991 and census 2001 of the OECD classification. It can be seen from the table that between 1991 and 2001 the predominantly urban prefectures remain the same and include 275 Municipal Departments (LAU-2) on

both time periods. On the contrary, there are reclassifications between significantly rural and predominantly rural prefectures. Consequently, in 1991 significantly rural prefectures included 2190 Municipal Departments while in 2001 they included 3016. In 1991 the predominantly rural prefectures included 3457 Municipal Departments (LAU-2) while in 2001 they included 2631. These variations are due to the prefectures of Viotia, Evia, Kyklades, Lefkada, Ioannina and Ksanthi, which in 2001 were characterised as significantly rural, when in 1991 they were characterised as predominantly rural. From the urbanisation point of view this change was the most characteristic one between the two (population) censuses.

Table 2: RURALITY OECD – census 2001 by RURALITY OECD census 1991 Crosstabulation

Rurality OECD – Census 2001	Rurality OECD – Census 1991			Total
	PREDOMINANTLY URBAN NUTS 3	SIGNIFICANTLY RURAL NUTS 3	PREDOMINANTLY RURAL NUTS 3	
PREDOMINANTLY URBAN NUTS 3	275	0	0	275
SIGNIFICANTLY RURAL NUTS 3	0	2190	826	3016
PREDOMINANTLY RURAL NUTS 3	0	0	2631	2631
Total	275	2190	3457	5922

The development characteristics of the above typology have been organized in a geographical information system taking into account the combination of the classification into mountainous and less favoured areas of the Regulation 1275/99 with the classification of urbanisation by OECD, in 1991. The choice of the year 1991 was made for analysing the performance of specific variables between 1991 and 2001 and therefore as an “independent” variable should be used the corresponding classification of the base year.

The above typology of rural areas is tested, in what follows, by using the shift-share analysis of the sectoral employment of 1991 and 2001, based on data of the corresponding censuses. (Arcelus, F., J. 1984, Brownie, S. and Dalziel, P. 1993, Buck, T.W. 1970, Haynes, K. E. and Dinc, M. 1997)

Shift-share analysis is used in regional analysis to evaluate the competitiveness of a region’s industries or sectors. The underlying purpose of this analytical tool is to assist in planning by describing and documenting changes in employment so as to give

reason and to lead development initiatives in various sectors and activities to the desired directions.

Shift-share analysis decomposes the changes in sectoral employment of a region into three components:

1. The **National Growth Share (NG)**

$$NG = [\text{industry employment}] * [\text{national average growth rate of total employment}]$$

To calculate the appropriate growth rate, we use the following formula:

$$\text{Growth} = [(\text{employment in 2001}) - (\text{employment in 1991})] / \text{employment in 1991}$$

2. The **Industrial Mix Share (IM)** $IM = [\text{local industry employment}] * [\text{national industry growth rate} - \text{national average growth rate of all industries}]$

3. The **Local Share (or Regional Share)**

$$LS = [\text{local industry employment}] * [\text{local industry growth rate} - \text{national industry growth rate of all industries}]$$

J. Boudeville based on the size and sign of the local share component (LS) and the industrial mix share component (IM) defined eight regional types according to the following table:

Table 3 Regional types by IM and LS

Regional type	Criteria	
1	IM>0, LS>0	IM>LS
2	IM>0, LS>0	IM<LS
3	IM>0, LS<0	IM>ABS (LS)
4	IM<0, LS>0	ABS (IM)<LS
5	IM<0, LS>0	ABS (IM)>LS
6	IM>0, LS<0	IM<ABS (LS)
7	IM<0, LS<0	ABS (IM)>ABS (LS)
8	IM<0, LS<0	ABS (IM)<ABS (LS)

Note: ABS=absolute value

The regions that belong to types 1-4 are developing at a faster rate than the average country's rate and the ones that belong to types 5-8 at a slower rate. The low rate of type 5 is due to its industrial structure, while the one of type 6 is due to the unfavourable local factors, which prevent the exploitation of the good regional industrial struc-

ture. The above components were estimated separately for each sector and then they were added by component.

The summarized results of this analysis in the combined typology based on the LFA of Regulation 1275/99 and urbanism of OECD are as follows:

Table 4: Shift share analysis results

LFA - RURALITY OECD 1991*	REGIONAL (LOCAL) EMPLOYMENT SHIFT 1991-2001 (LS)	INDUSTRY EM- PLOYMENT MIX 1991-2001 (IM)
1. DYNAMIC - URBAN NUTS 3	12763,96	89270,60
2. DYNAMIC - RURAL NUTS 3	4388,51	-1592,07
3. DYNAMIC - MAINLY RURAL NUTS 3	6878,09	-7514,17
4. LFA- URBAN NUTS 3	1437,80	-2192,79
5. LFA - RURAL NUTS 3	-3930,94	-9992,61
6. LFA- MAINLY RURAL NUTS 3	1372,85	-20822,81
7. MOUNTAINOUS - URBAN NUTS 3	268,78	-618,55
8. MOUNTAINOUS - RURAL NUTS 3	-9439,35	-19577,21
9. MOUNTAINOUS - MAINLY RURAL NUTS 3	-14139,29	-26960,39
Total		,00

According to table 4 we conclude that: (Papadaskalopoulos, 1990)

1. In the type with No 1 there is a positive industrial mix share (IM) component and positive local share (LS). Therefore, it refers to a developed area with local advantages and a good industrial structure. No particular interventions are required.
2. In the types with No 5, 8 and 9 there are negative industrial mix share (IM) and local share (LS) components that means that there are not any local advantages and the industrial structure is unfavourable. Infrastructure improvement measures are required as well as measures to improve the industrial structure. These types are characterised as rural areas and consist of the mountainous areas of rural and mainly rural prefectures and of less favoured areas of rural prefectures.
3. In the types with No 2, 3, 4, 6 and 7 there is a negative industrial mix share component (IM) and a positive regional share (LS), which means that the industrial structure is unfavourable but there are local advantages. Measures for improving the industrial structure are required. These types are characterised as rural areas and consist of the dynamic areas of rural and mainly rural prefectures, of the less

*Urban; Predominantly urban
Rural; Significantly rural
Mainly rural; Predominantly urban

favoured areas of urban and mainly rural prefectures and of the mountainous areas of urban prefectures.

It is expected that, if the above components are estimated separately for each typology, the following results will be produced, i.e.: both components will be positive for the urban prefectures and for the dynamic areas.

The value, therefore, of the combination of the above mentioned two classification methodologies lies on the fact that it specifies rural areas within these two categories that need particular treatment.

Table 5 Separate analysis OECD 1991

RURILITY OECD 1991*	REGIONAL EMPLOYMENT SHIFT 1991-2001	INDUSTRY EMPLOYMENT MIX 1991-2001
URBAN NUTS 3 1991	14470,55	86459,26
RURAL NUTS 3 1991	-8981,78	-31161,88
MAINLY RURAL NUTS 3 1991	-5888,35	-55297,37
Total		,00

Table 6 Separate analysis LFA

LFA	REGIONAL EMPLOYMENT SHIFT 1991-2001	INDUSTRY EMPLOYMENT MIX 1991-2001
DYNAMIC	24030,57	80164,36
LFA	-1120,29	-33008,21
MOUNTAINOUS	-23309,86	-47156,15
Total		,00

A considerable amount of indicators based on the proposed typology, concerning different sectors (demography and agriculture) were calculated and evaluated.

A list of the calculated indicators follows:

Indicators based on demography

1. Migration (as a percentage (%) on the De jure population) for the year 1991
Migration (as a percentage (%) on the De jure population) for the year 2001
2. Population movement for the year 1991
Population movement for the year 2001
3. Permanent population change (%)

* Urban; Predominantly urban
Rural; Significantly rural
Mainly rural; Predominantly urban

4. De facto population change (%)
5. Population change for the year 1991 (age group 0- &14)
Population change for the year 2001 (age group 0- &14)
6. Population change for the year 1991 (age group 15-64)
Population change for the year 2001 (age group 15-64)
7. Population change for the year 1991 (age group 65 and older)
Population change for the year 2001 (age group 65 and older)
8. Social dependency for the total population (year 1991)
Social dependency for the total population (year 2001)
9. Population replacement (%) rate for the year 1991
Population replacement (%) rate for the year 2001
10. Percentage of the graduated students having of a high school and higher educational status for the year 1991
Percentage of the graduated students having of a high school and higher educational status for the year 2001
11. Graduated students having of a high school and higher educational status for the year 2001/graduated students having of a high school and higher educational status for the year 1991
12. Persons per household for the year 1991
Persons per household for the year 2001
- 13 Population Employment Status for the year 1991/ total country's population (aged 15-64 years)
- 14 Population Employment Status for the year 2001/ total country's population (aged 15-64 years)
- 15 Percentage of employment in the primary sector for the year 1991
Percentage of employment in the primary sector for the year 2001
16. Percentage of employment in the secondary sector for the year 1991
Percentage of employment in the secondary sector for the year 2001
17. Percentage of employment in the tertiary sector for the year 1991
Percentage of employment in the tertiary sector for the year 2001
18. Percentage of Employment change for the year 2001/Employment change for the year 1991
19. Unemployed persons for the year 1991/ active population
Unemployed persons for the year 2001/active population
20. Unemployed persons for the 2001/unemployed persons for the 1991

Indicators based on Agricultural Holdings

1. The percentage of insured holders for the Agricultural Holdings in the Agricultural Insurance Organisation (OGA) for the year 1991.
The percentage of insured holders for the Agricultural Holdings in the Agricultural Insurance Organisation (OGA) for the year 2001.
2. The average of Utilized Agricultural Area by holding for the year 1991
The average of Utilized Agricultural Area by holding for the year 2001
3. The percentage of holdings having Utilized Agricultural Area > 100 stremmas for the year 1991
The percentage of holdings having Utilized Agricultural Area > 100 stremmas for the year 2001
4. The percentage of Holders for the Agricultural Holdings aged 65 years and older for the year 1991

The percentage of Holders for the Agricultural Holdings aged 65 years and older for the year 2001

5. Mean age of holders for the Agricultural Holdings (year 1991)
Mean age of holders for the Agricultural Holdings (year 2001)
6. Children per 100 holders of Agricultural Holdings for the year 1991
Children per 100 holders of Agricultural Holdings for the year 2001
7. Number of holdings per tractor for the year 1991
Number of holdings per tractor for the year 2001
8. Utilized Agricultural Area per tractor for the year 1991
9. Utilized Agricultural Area per tractor for the year 2001
10. The percentage of irrigable areas for the year 1991
The percentage of irrigable areas for the year 2001
11. The percentage of members for the agricultural holdings who have other job as primary activity (year 1991)
The percentage of members for the agricultural holdings who have other job as primary activity (year 2001)
12. Number of working days by member of the agricultural holding (year 1991)
Number of working days by member of the agricultural holding (year 2001)
13. Number of working days by worker (year 1991)
Number of working days by worker (year 2001)

Samples of the indicators can be seen in the following charts

Chart 2: Ratio of employment in primary sector 2001/ employment 2001 by LFA- Urbanism OECD 1991

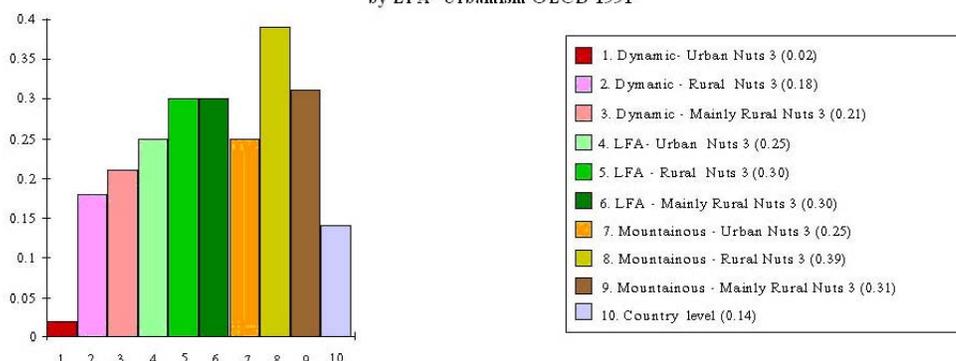
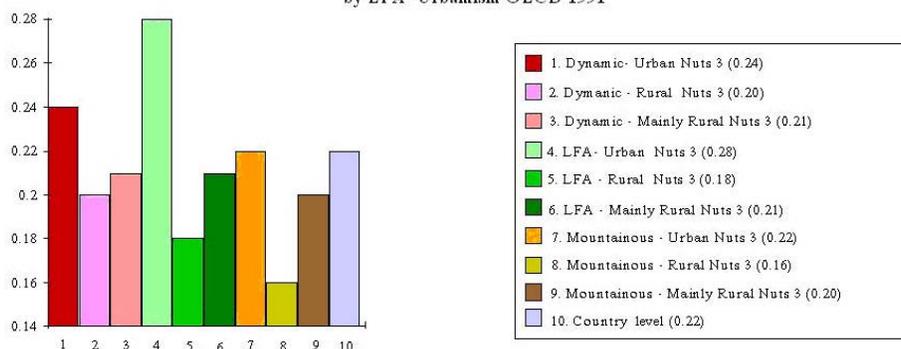
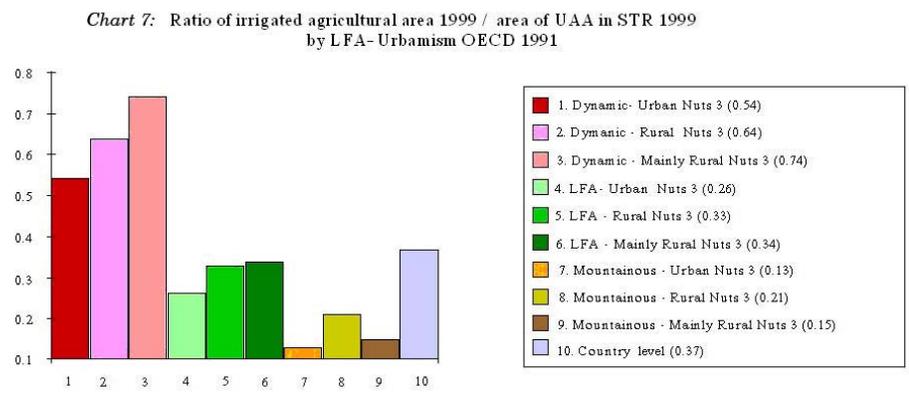
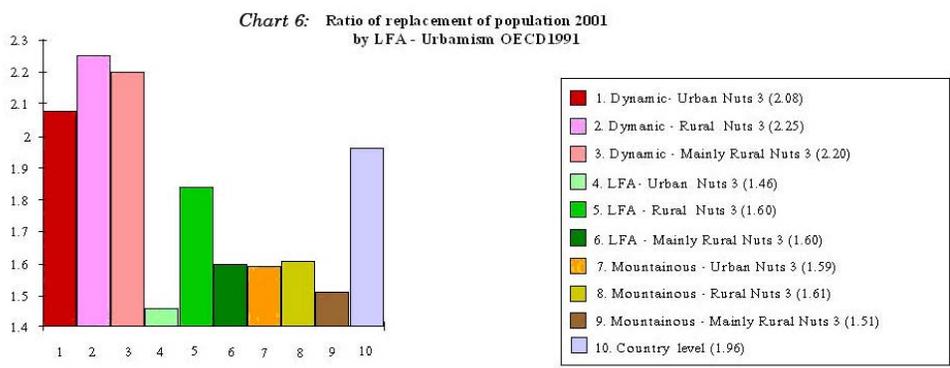
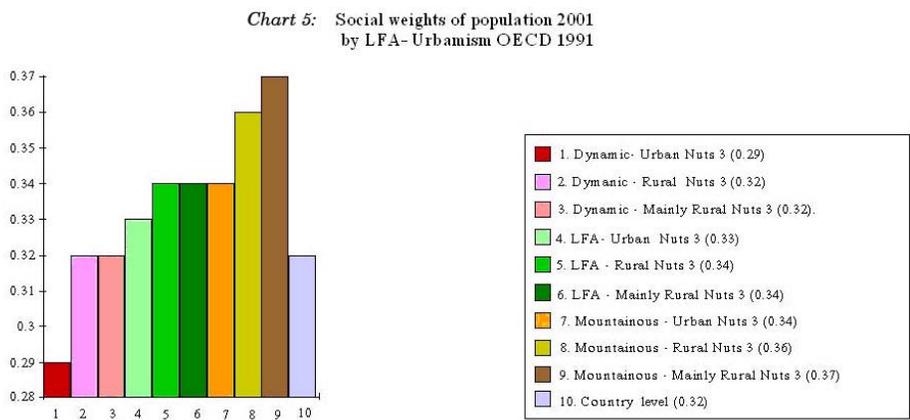
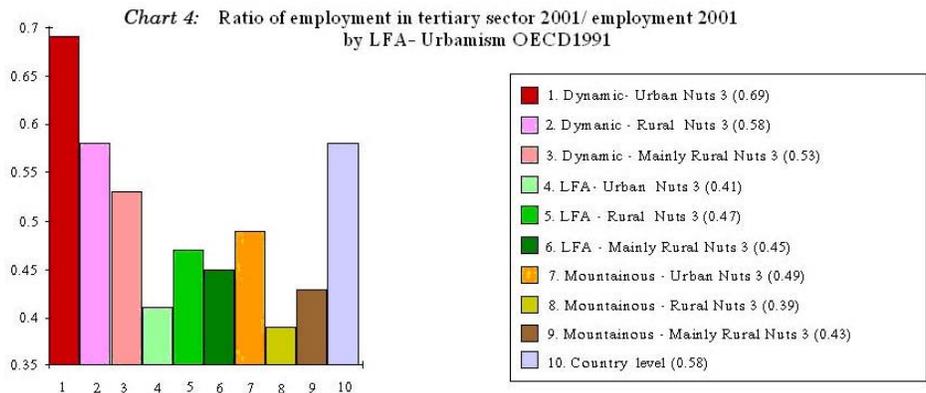


Chart 3: Ratio of employment in secondary sector 2001/ employment 2001 by LFA- Urbanism OECD 1991





The study of indicators calculated concluded in the following summary table with the basic characteristics of rural areas.

Table 7: SUMMARY TABLE WITH THE BASIC CHARACTERISTICS OF RURAL AREAS OF THE PRESENT PROPOSAL

BASIC CHARACTERISTICS	Dynamic LAU2 of significantly Rural Prefectures	Dynamic LAU2 of predominantly Rural Prefectures	Less favoured LAU2 of predominantly Urban Prefectures	Less favoured LAU 2 of significantly Rural Prefectures	Less favoured LAU2 of predominantly Rural Prefectures	Mountainous LAU2 of predominantly Urban Prefectures	Mountainous LAU2 of significantly Rural Prefectures	Mountainous LAU2 of predominantly Rural Prefectures
Local advantages	Yes	Yes	Yes	Signs of no existence	Signs	Signs	Signs of no existence	Signs of no existence
Industrial (sectoral) employment structure	Weak	Weak	Weak	Weak	Weak	Weak	Weak	Weak
Change of permanent population	Positive	Positive	High	Positive	Positive	Positive	Static	Negative
Dependency ratio	Equal to national	Equal to national	Slightly higher than national	Slightly higher than national	Higher than national	Higher than national	Higher than national	Higher than national
Rate of Population replacement	Good	Good	Very low	Lower than national	Lower than national	Lower than national	Lower than national	Lower than national
Graduates of intermediate and higher education	Low	Low	Very low	Low	Low	Low	Very low	Low
Employment in the primary sector	High than national	High than national	Very high	Much higher than national	Much higher than national	Higher than national	Much higher than national	Higher than national
Employment in the secondary sector	Lower than national	Slightly lower than national	Very high	Lower than national	Lower than national	Equal to national	Much lower than national	Lower than national
Employment in the tertiary sector	Equal to national	Slightly lower than national	Much lower than national	Lower than national	Lower than national	Lower than national	Much lower than national	Lower than national
Ratio of the farm holders insured in OGA	Low	Slightly lower than national	Very high	Slightly higher than national	Slightly higher than national	Higher than national	Higher than national	Higher than national
UAA per agricultural holding	Low	Low	High average	High average	High average	High average	High average	Low average
Ratio of the agricultural holdings above 10 ha.	Low	Low	Significant	Low	High	Higher than national	Lower than national	Lower than national
Ratio of the irrigated area	High	High	Low	Low	Low	Very low	Low	Very low
Farm holders of agricultural holdings with other main activity.	High	Equal to national	Low	Higher than national	Lower than national	Equal to national	Lower than national	Equal to national

Discussion:

Comparing the most important methodologies, we can point out the following:

The OECD methodology is focused only on the population density in order to characterise the Municipal Departments (LAU-2) with an arbitrary density threshold and subsequently classifies the areas of NUTS 3 level according to the population percentage so that it distinguishes the Municipal Departments (LAU-2) into densely and sparsely populated. Accordingly, for Greece the non-rural Prefectures (predominantly urban) are only Attiki and Thessaloniki. The rest NUTS 3 areas are classified as rural (significantly rural) or intensely rural (predominantly rural).

It is well known that behind population density are “hidden” almost all the particularities of economic and environmental reality. The methodology is internationally implemental because as a rule all the necessary demographic data are available at a low geographical level. However, it is impossible for the OECD methodology to be completely acceptable as it is not appropriate for implementing a rural policy and mainly for implementing development programs for the countryside, due to the existence of smaller geographical units, inside the areas of the OECD methodology, which are differentiated from the corresponding NUTS 3 (LAU 2) unit in which they belong.

On the other hand EUROSTAT methodology is a tool for the classification of urban centres rather than for rural areas. The simplicity of demographic indicators allows the international comparisons but does not allow the implementation of rural policy because it is not based on the usual requirements of the community regulations.

NSSG methodologies offered for many years a simple tool for the classification according to the degree of urbanism and “mountainous character” by using population and altitude thresholds. It is evident that this methodology is also insufficient for implementing physical and rural planning measures or agricultural policy based on the existing community regulations.

Finally the informal proposal of the Ministry of National Economy is a multi criteria analysis of space classification. This methodology also uses various thresholds and subsequently gives a mark to each criterion. It is an interesting proposal with a potential of being implemented for a more general physical planning policy but with the following disadvantages. Firstly, the evaluation of criteria is subjective and therefore biased. Secondly, the implementation of existing Community structural development

regulations for the rural areas is not ensured. This methodology is feasible in Greece thanks to the availability of the majority of statistical data.

On the other hand the proposed by this study classification provides several advantages.

The OECD methodology provides the framework for a broad classification at higher level relying on the population density while the LFA classification is a strong tool for rural areas development programs so the new methodology takes into account all the necessary economic, social and physical-geographical criteria in order to classify the Municipal Departments.

Furthermore the proposed methodology is innovative, provides international standards, spatial planning standards and policy oriented standards.

Finally it has been successfully used in Greece for the development programs of rural areas.

Conclusion:

The present project is innovative, both in methodology and in content. It may constitute an appropriate base and may provide the functional tools for specific policy measures destined to support the socio-economic pattern of rural areas in Greece.

It has been successfully used in Greece for the development programs of rural areas. The most important of these was the program of compensatory allowance, which aims at persuading the population of rural areas to continue living in the countryside. It has been also used for the implementation of structural regulations (1275/99) etc

The previous remark can be considered as particularly useful after the recent reorientation of the Common Agricultural Policy of the European Union, whose focus shifts from the support of agricultural products, to the support of local incomes and local abode, by means of multifunctional and other environmentally - friendly procedures.

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