

DRAFT - List of best practices used by International Organisations in defining rural/urban areas - 14 November 2013

Note: This list of best practices is still being updated to include additional International Organisations and may be modified at a later date

International Organisation	Data collection instrument or Database	Current definition of rural/urban areas	Summary definitional criteria	Definition valid since (year)	Number of countries covered	Countries covered	Labour market indicators	Rural/urban disaggregation	Comments
Organisation for Economic Co-operation and Development (OECD)	OECD Regional Database (Indicators of demography, economic accounts, labour market, social and innovation themes)	The OECD Regional Typology classifies regions as: (i) Predominantly Urban if the share of population living in rural local units is below 15%, (ii) Intermediate if the share of population living in rural local units is between 15% and 50%, and (iii) Predominantly Rural if the share of population living in rural local units is higher than 50%. Local units are classified as rural if their population density is below 150 inhabitants per km ² (500 inhabitants for Japan and Korea). A region classified as predominantly rural becomes intermediate if it contains an urban centre of more than 200 000 inhabitants (500 000 for Japan and Korea) representing at least 25% of the regional population. A region classified as intermediate becomes predominantly urban if it contains an urban centre of more than 500 000 inhabitants (1 000 000 for Japan and Korea) representing at least 25% of the regional population). Urban centres are defined by population density and size.	Population density and size	–	34	All OECD countries: European countries, Australia, Canada, Chile, Iceland, Israel, Japan, Korea, Mexico, New Zealand, Turkey and United States.	Labour force, employment and unemployment statistics, disaggregated by region (large regions - employment at place of work by TL2, and small regions - TL3) but not by sector.	OECD Regional Database statistics are disaggregated by region (large regions - rural/urban area).	The OECD Regional Typology and its extended version are applied only to regions at Territorial Level 3 (TL3). The OECD has also an Employment and Labour Market Statistics Database that includes labour force statistics, earnings, hours worked, labour market statistics, labour market programmes (expenditure and participants), employment protection legislation, trade unions, and average annual wages. These indicators are not broken down by rural/urban area.
		In 2009, the OECD adopted an Extended Regional Typology which includes in addition a criterion on the driving time needed to reach a highly populated centre. The resulting classification consists of five types of regions: (i) Predominantly Urban , (ii) Intermediate Close to a city , (iii) Intermediate Remote , (iv) Predominantly Rural Close to a city , and (v) Predominantly Rural Remote .	Population density and size, driving time needed to reach a highly populated centre	2009	30	All OECD countries (European countries, Canada, Mexico and United States in 2009, and Japan in 2011), except Korea, Australia, New Zealand and Chile.			
EUROSTAT	Rural Development Database	The European Union urban-rural typology is based on a variation of the OECD methodology. Two criteria are used to identify urban areas : (i) a population density threshold (300 inhabitants per km ²) applied to grid cells of 1 km ² , and (ii) a minimum size threshold (5 000 inhabitants) applied to grouped grid cells above the density threshold. Rural areas are all those not classified as urban. Predominantly urban region : the rural population accounts for less than 20 % of the total population. Intermediate region : the rural population accounts for a share between 20 % and 50 % of the total population. Predominantly rural region : the rural population accounts for 50 % or more of the total population. A region which had been classified as predominantly rural by the above criteria becomes an intermediate region if it contains a city of more than 200 000 inhabitants representing at least 25 % of the regional population. A region which had been classified as intermediate by the above criteria becomes a predominantly urban region if it contains a city of more than 500 000 inhabitants representing at least 25 % of the regional population.	Population density and size	The typology has been updated in 2010 by taking the latest version of the NUTS classification and population grid into account.	27	European countries	Economically active population, employment and unemployment rates	Statistics are disaggregated by rural/urban area (predominantly rural regions, intermediate regions, predominantly urban regions), and also by sex and age.	EUROSTAT has also a database on labour market statistics that includes employment and unemployment statistics from Labour Force Surveys, job vacancy statistics, earnings, labour costs, and labour market policy. These indicators are not broken down by rural/urban area.
United Nations Statistics Division (UNSD)	Population and Housing Censuses	No definition. According to UNSD, because of national differences, the distinction between urban and rural areas is not amenable to a single definition that would be applicable to all countries. Where there are no regional recommendations on the matter, countries must establish their own definitions in accordance with their own needs. UNSD recommends to classify urban and rural areas according to the size of locality. In countries where, for instance, there are large localities that are still characterized by a truly way of life, UNSD recommends to use additional criteria, such as the percentage of the economically active population employed in agriculture, the general availability of electricity and/or piped water in living quarters and the ease of access to medical care, schools and recreation facilities.	Size of locality, employment in agriculture, availability of electricity/piped water, access to medical care, schools and recreation facilities	Since the 1980 Principles and Recommendations for Population and Housing Censuses	–	–	–	–	UNSD Principles and Recommendations for Population and Housing Censuses, Revision 2 (see Weblinks 1 and 2). The Revision 3 has not yet been issued.
United Nations Department of Economic and Social Affairs (DESA), Revision ; Population Division	Urbanization Prospects (WUP), the 2011 ; Urban and rural population by age and sex (URPAS) version 2, August 2013	No definition. Urban population: de facto population living in areas classified as urban according to the criteria used by each area or country. Rural population: de facto population living in areas classified as rural (that is, it is the difference between the total population of a country and its urban population). The United Nations relies on the data produced by national sources that reflect the definitions and criteria established by national authorities. It has long been recognized that, given the variety of situations in the countries of the world, it is not possible or desirable to adopt uniform criteria to distinguish urban areas from rural areas. Clearly, national statistical offices are in the best position to establish the most appropriate criteria to characterize urban and rural areas in their respective countries.	–	–	230	Countries and territories worldwide	–	–	Total, urban and rural population estimates and projections at the national, regional and global level (1950-2050), and disaggregated by age and sex (1980-2015).
UN Economic Commission for Europe (UNECE)	UNECE Statistical Database	No definition. UNECE Statistical Database does not provide population and labour market data separately for rural and urban areas.	–	–	52	European Union, North American, EECCA, CIS and Western Balkans countries	labour force, total employment, employment by sector, status and occupation, unemployment, youth unemployment, long-term unemployment, economically inactive population, wages, gender pay gap, vulnerable employment, working poor, share of women in wage employment in the non-agricultural sector.	Labour market statistics are disaggregated by age, sex or level of education, but not by rural/urban area. Population statistics are not disaggregated by rural/urban area as well.	UNECE conducted a survey in 2003 on the methods used for measuring rural development statistics in UNECE and OECD member countries, and, in particular, on the criteria used to classify rural and urban areas. The survey showed that there was a large variety of national definitions. However, on the basis of the information then gathered there appeared to be two main definition types. One was based on variables applied to administrative areas such as municipalities or larger areas. The second type was a settlement-based definition , which looked at built-up areas/urban land use irrespective of administrative boundaries. The first type was more commonly found than the second (see Weblink 2).
UN Economic Commission for Latin America and the Caribbean (ECLAC)	CEPALSTAT	No definition. In line with UNSD, ECLAC considers that, because of national differences, the distinction between urban and rural population is not amenable to a single definition that would be applicable to all countries. National definitions are most commonly based on size of locality.	Size of locality	–	41	Latin American and Caribbean countries	Economically active population, employment, unemployment, and wages statistics.	Some indicators are disaggregated by rural/urban area (e.g. labour force participation rate, employment by status, occupation and sector, average earnings).	–
UN Economic Commission for Africa (ECA)	ECA Statistical Database (StatBase)	No definition provided in the StatBase. In its African Statistical Yearbook 2013, ECA reports that population data are derived mainly from the UN DESA "World Urbanization Prospects" and "World Urbanization Prospects". National sources are used to supplement missing data when comparable with the UN series. Urban (rural) population refers to the number of persons living in areas defined as urban (rural) according to national definitions of this concept. Since national definitions differ, cross-country comparisons should be made with care.	–	–	53	African countries	Economically active population (total and by sector), employment to population ratio, unemployment rate, by sex, but not by rural/urban area. Only youth unemployment rate, share of women in wage employment in the rural/urban area. non-agricultural sector.	Labour market statistics are disaggregated by sex, but not by rural/urban area.	–
UN Economic Commission for Asia and the Pacific (ESCAP)	Asia-Pacific Database	No definition. The Asia-Pacific Database uses rural and urban population estimates from the UN DESA "World Urbanization Prospects", which are based on national definitions. There is no common definition in the region of what is "urban". Definitions of urban areas may be based on administrative criteria, population size and/or density, economic functions or availability of certain infrastructure and services or other criteria. Because many countries define "urban" according to administrative criteria, urbanization levels and urban population growth rates may be underreported. Additionally, most growth occurs in the urban periphery, which may be beyond the boundary of "urban" and therefore may not be reflected in official statistics. Cross-country comparability of statistics related to urbanization is therefore limited.	Administrative area, population density and size, economic functions, availability of infrastructure and services	–	58	Countries and territories in Asia and the Pacific	Employment to population ratio, Labour market statistics are disaggregated by sector and status, by sex, but not by rural/urban area. Only unemployment rate, youth unemployment rate, working poor.	Labour market statistics are disaggregated by rural/urban area.	–

UN Economic and Social Commission for Western Asia (ESCWA)	Social Statistics	No definition. ESCWA Social Statistics draw on data provided mainly from national statistical offices. Given national differences in the characteristics that distinguish urban from rural areas, the distinction between urban and rural population is not amenable to a single definition applicable to all countries. Urban population: de facto population living in areas classified as urban according to the criteria used by each country. Rural population: de facto population living in areas classified as rural (that is, it is the difference between the total population of a country and its urban population). National definitions are commonly based on size of locality.	Size of locality	-	17	Western Asian countries	Employment to population ratio, labour force participation rate, employment by sector, status and occupation, unemployment rate.	Labour market statistics are disaggregated by age, nationality and sex, but not by rural/urban area. Only population estimates are disaggregated by rural/urban area.	-
Food and Agriculture Organization (FAO)	FAOSTAT and CountrySTAT	No definition. Urban areas are defined according to national census definitions which can be roughly divided into three major groups: classification of localities of a certain size as urban; classification of administrative centres of minor civil divisions as urban; and classification of centres of minor civil divisions on a chosen criterion which may include type of local government, number of inhabitants or proportion of population engaged in agriculture, as urban. Rural areas comprise all areas not defined as urban.	Size of locality, administrative area, proportion of population engaged in agriculture	-	245 countries and territories (FAOSTAT), 35 countries (CountrySTAT)	Countries worldwide	Economically active population (total, female, male), economically active population in agriculture (total, female, male).	Only population estimates are disaggregated by rural/urban area.	The FAO Statistics Division is currently developing a rural definition that uses spatial aspects of rurality on a rural-urban continuum. Indicators which use distance as a dimension will be evaluated in the context of creating a statistical framework for rural development, e.g. distance to markets, employment, health services, education etc. (see Weblink 4).
UN Industrial Development Organization (UNIDO)	Industrial Statistics Database (INDSTAT)	No definition. The INDSTAT does not provide employment data separately for rural and urban areas.	-	-	135	Countries worldwide	Number of establishments, number of employees, number of female employees, wages and salaries.	Indicators are not disaggregated by rural/urban area. Data are available for country, year and ISIC at the 3- and 4-digit levels of ISIC (Revision 3), which comprises 151 manufacturing sectors and sub-sectors.	Data only available on CD-ROM
World Bank	World Development Indicators	No definition. Urban and rural areas are distinguished based on national definitions. According to the World Bank, there is no consistent and universally accepted standard for classifying urban and rural areas, in part because of the wide variety of situations across countries. Most countries use an urban classification related to the size or characteristics of settlements. Some define urban areas based on the presence of certain infrastructure and services. And other countries designate urban areas based on administrative arrangements.	size or characteristics of settlements, presence of infrastructure and services, administrative area	-	214	Countries worldwide	Labour market and social protection indicators, including employment to population ratio, employment by sector and status, labour force participation rate, unemployment, and long-term unemployment, vulnerable employment.	Most indicators are disaggregated by sex, age or level of education, but not by rural/urban area.	Labour market statistics (e.g. labour force participation rates, vulnerable employment, unemployment) are from ILO's KILM, 7th edition, database.
World Trade Organization (WTO)	Statistics Database (Services Profiles)	No definition. The WTO Statistics Database does not provide employment data separately for rural and urban areas.	-	-	124	Countries worldwide	Employment in services, employment in the transportation, telecommunications, and finance and insurance sectors.	Employment statistics are not disaggregated by rural/urban area.	-
International Monetary Fund (IMF)	World Economic Outlook Databases (WEO)	No definition. The WEO does not provide employment data separately for rural and urban areas.	-	-	189	Countries worldwide	Total employment, unemployment rate.	Indicators are not disaggregated by rural/urban area.	-
Inter-American Development Bank (IDB)	Sociometro-BID	No definition. Employment data are not provided separately for rural and urban areas.	-	-	21	Latin American and Caribbean countries	Participation rate, employment rate, unemployment rate, hours worked, indicators	Indicators are available at the national level and are disaggregated by region, but not by rural/urban area.	-
	Latin American and Caribbean Macro Watch Data Tool				26		Unemployment rate, wages	Indicators are available at the country, regional and global level, but they are not disaggregated by rural/urban area.	
African Development Bank (AfDB)	AfDB Socio-economic Database	No definition. The AfDB Socio-economic Database uses rural and urban population estimates from the UN DESA "World Urbanization Prospects", which are based on national definitions.	-	-	53	African countries	Economically active population (total, female, male), economically active population in agriculture (total, female, male).	Indicators are available at the country and regional level, but they are not disaggregated by rural/urban area.	Statistics on the economically active population are taken from the FAO Statistics Division.
Asian Development Bank (ADB)	Statistical Database System (SDBS)	No definition provided in the SDBS. In its Key Indicators for Asia and the Pacific 2013 (44th Edition), ADB declares that statistics on the urban and rural population are compiled according to each economy's national definition, as there is no agreed international standard for defining urban and rural areas. National estimates are used for urban and rural ratios. If national estimates are not available, the data of the World Urbanization Prospects 2011 are used. National definitions are most commonly based on size of locality.	Size of locality	-	48	Countries in Asia and the Pacific	Labour force, total employment, employment by sector, unemployment, underemployment, economically active population, child labour, working poor, vulnerable employment.	Population estimates and poverty indicators are disaggregated by rural/urban area, but not labour market indicators. Some labour market indicators are disaggregated by sex and age.	-