



13 June 2025

REGIONAL DEVELOPMENT COMPOSITE INDEX
2023

FIVE OUT OF THE 26 NUTS 3 SUB-REGIONS STOOD ABOVE THE NATIONAL AVERAGE IN TERMS OF REGIONAL DEVELOPMENT

In 2023, according to the *Regional Development Composite Index*, five out of the 26 NUTS 3 sub-regions stood above the national average in terms of the overall regional development – Grande Lisboa (107.77), Área Metropolitana do Porto (103.33), Região de Aveiro (101.51), Região de Coimbra (100.97), and Alto Minho (100.61).

In the *competitiveness index* only three sub-regions stood above the national average: standing out was Grande Lisboa (116.30), followed by Região de Aveiro (107.18) and Área Metropolitana do Porto (106.60). The *competitiveness index* revealed the highest disparity among the three dimensions of regional development.

In the *cohesion index*, nine NUTS 3, mostly from the Mainland Coast, stood above the national average. In this dimension, Grande Lisboa (108.84), Região de Coimbra (106.09), and Cávado (104.89) stood out with the highest *cohesion indices*.

The *environmental index* results bring out the Inner Mainland sub-regions and the two Autonomous Regions with higher values. The national average was exceeded by 14 NUTS 3 sub-regions, with a regional disparity lower than the one observed for *competitiveness* and *cohesion* indices. Terras de Trás-os-Montes (112.68) was the sub-region with the highest score in the *environmental index*.

The **Regional Development Composite Index** (ISDR) relies on a conceptual framework which benefits from a multidimensional approach to regional development that encompasses three dimensions: *competitiveness*, *cohesion*, and *environmental quality*. The statistical unit observed is the NUTS 3 sub-regions. The technical note at the end of this press release contains the list of indicators considered and their relation with each of the three indices. The correlation matrix of the input indicators to compute ISDR is also presented.

With this edition, Statistics Portugal begins the dissemination of the ISDR results according to the new Nomenclature of Territorial Units for Statistics: NUTS 2024. The results, according to this new NUTS version, have been calculated and are available for the series starting in 2021.

The methodological options as well as annual results for the 2021-2023 period are available at www.ine.pt, as indicated in the technical note in the end of this press release.



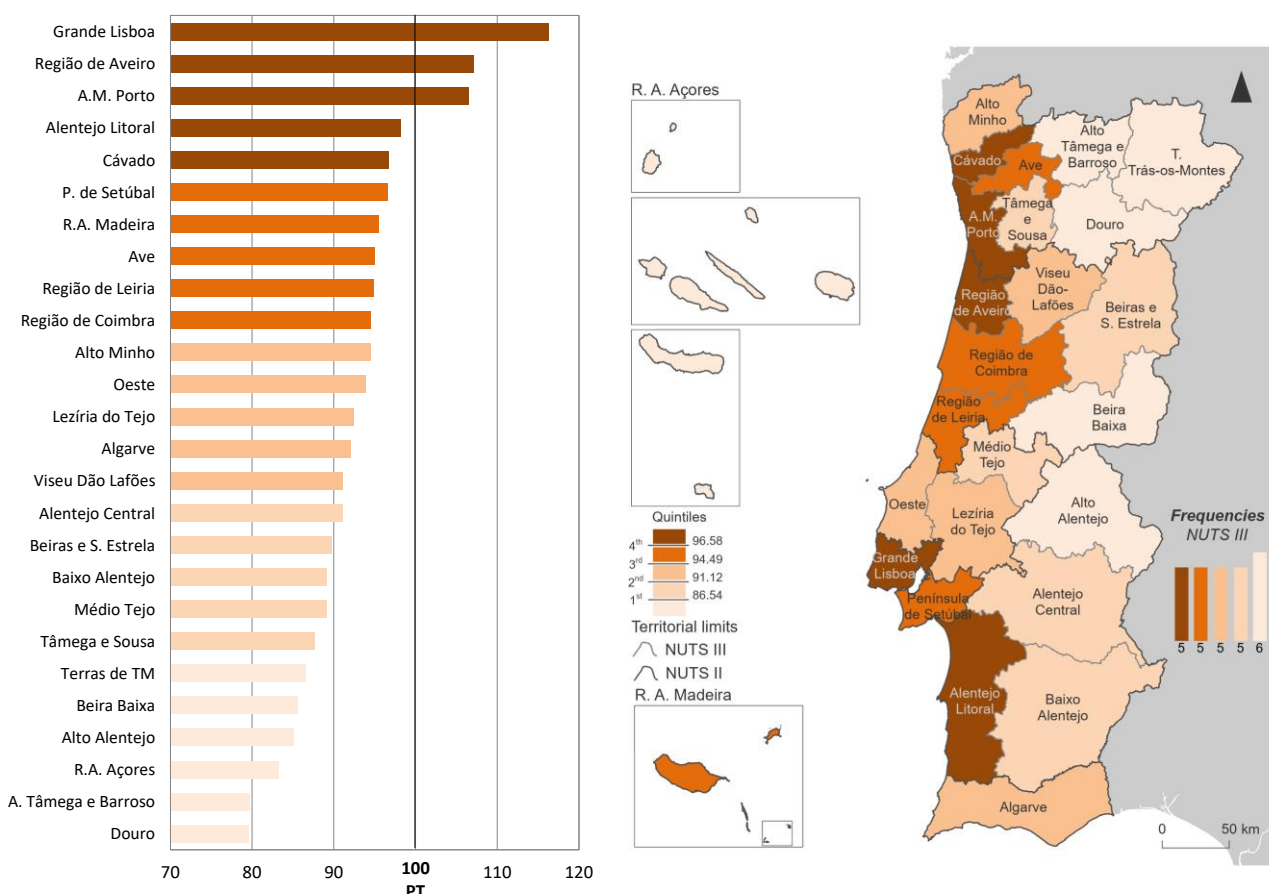
1. The NUTS 3 sub-regions performance in 2023: *competitiveness, cohesion and environmental quality*

Competitiveness index

The 2023 results reveal that the sub-regions with the highest *competitiveness index* are located on the Mainland's Coast. Grande Lisboa (116.30) had the highest index, standing out from the other sub-regions with values above the national average: Região de Aveiro (107.18) and Área Metropolitana do Porto (106.60). In general, the Mainland Interior had a lower *competitiveness index* compared to the Mainland Coast.

Among the three dimensions of regional development, *the competitiveness index* of the Portuguese NUTS 3 sub-regions showed the greatest regional disparity, as measured by the coefficient of variation¹.

Figure 1. Competitiveness (Portugal = 100), NUTS 3, 2023



¹ In 2023, the coefficient of variation for the *competitiveness index* was 8.7%, for the *cohesion index* it was 6.9%, and in the *environmental quality index* it was 4.6%.

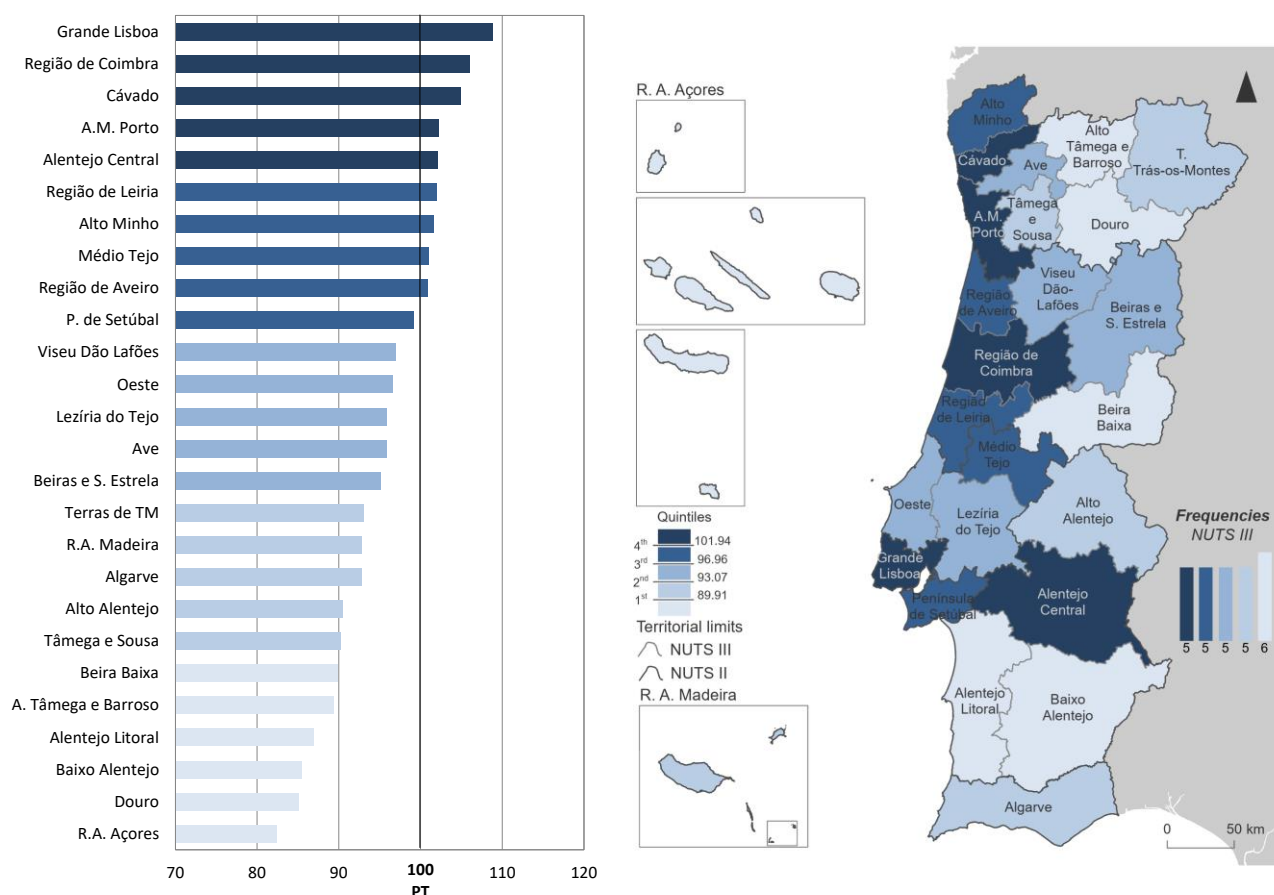


Cohesion index

In the *cohesion index*, the results reflect a more balanced territorial picture than the observed for *competitiveness*, in that nine sub-regions exceeded the national average: Grande Lisboa (108.84), with the highest *cohesion index*; Cávado (104.89), Área Metropolitana do Porto (102.21), and Alto Minho (101.66), on the north coast; Região de Coimbra (106.09), Região de Leiria (101.94), Médio Tejo (101.00), and Região de Aveiro (100.90), on the centre coast; and, further south, Alentejo Central (102.17).

The Região Autónoma dos Açores, Douro, Baixo Alentejo, Alentejo Litoral, Alto Tâmega e Barroso, and Beira Baixa had the lowest *cohesion indices*.

Figure 2. Cohesion (Portugal = 100), NUTS 3, 2023



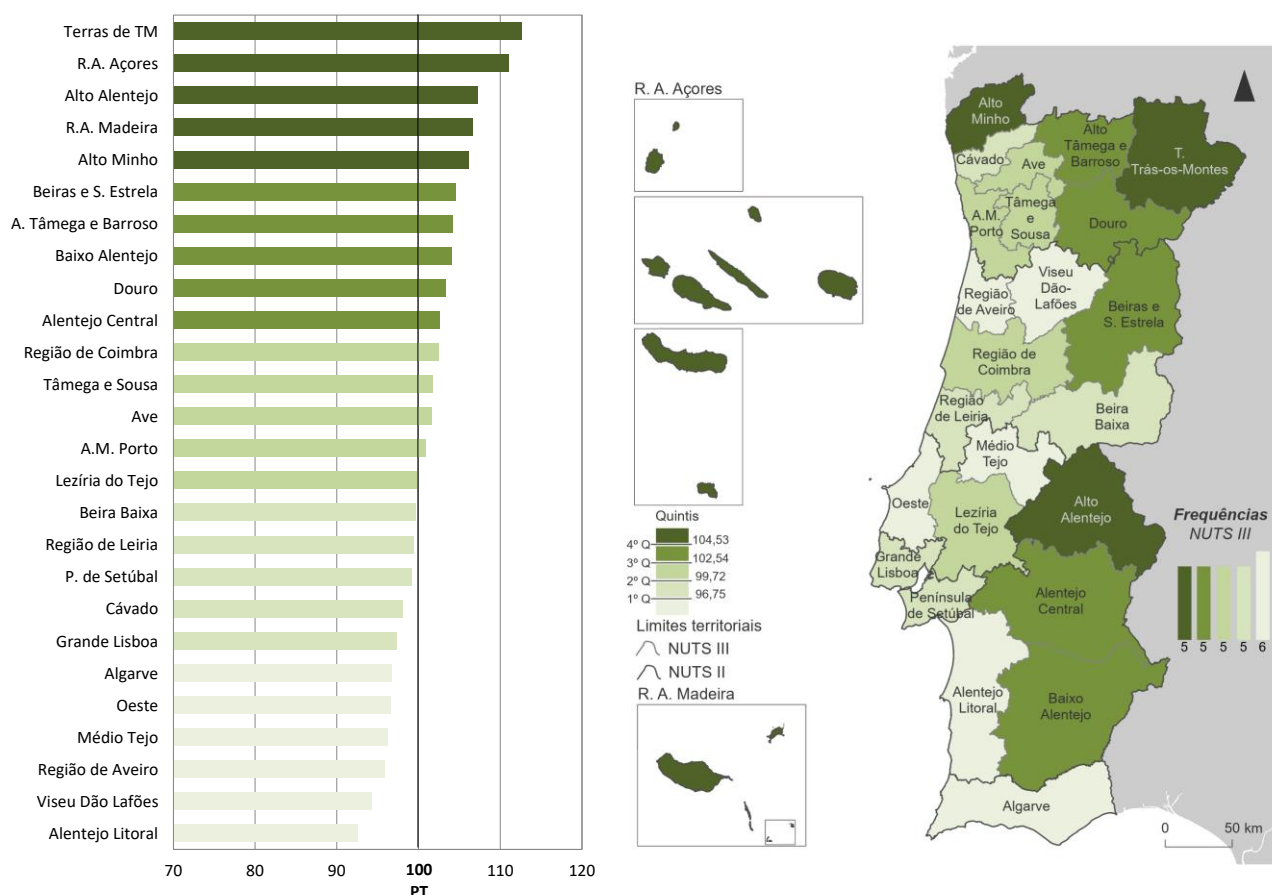


Environmental quality index

The 2023 results reflect a territorial picture that is tendentially symmetrical to that of *competitiveness*, with a concentration of sub-regions with higher *environmental quality indices* in the Mainland Interior and in the Autonomous Regions. In this context, it is interesting to highlight the NUTS 3 regions of the Mainland's Coastal strip – Alto Minho (106.18), Região de Coimbra (102.54), and Área Metropolitana do Porto (100.94) – with results above the national average.

The national average in this dimension was exceeded by 14 NUTS 3, with a lower territorial disparity than that observed for *competitiveness* and *cohesion*. Among the 12 sub-regions with *environmental quality indices* below the national average were six of the 10 most competitive NUTS 3: Grande Lisboa, Região de Aveiro, Alentejo Litoral, Cávado, Península de Setúbal, and Região de Leiria. In 2023, Terras de Trás-os-Montes (112.68) was the NUTS 3 sub-region with the highest performance in the *environmental quality index*.

Figure 3. Environmental quality (Portugal = 100), NUTS 3, 2023





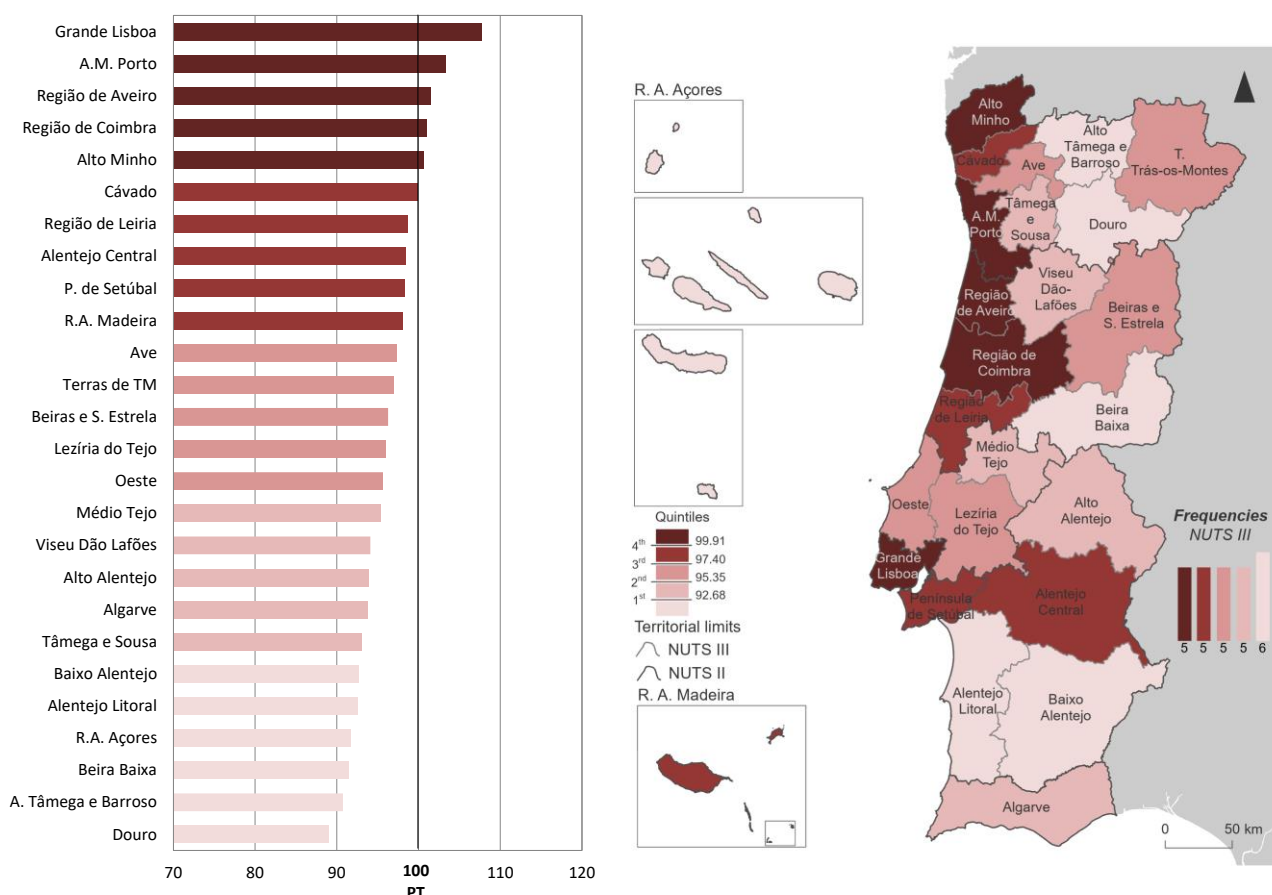
2. The joint analysis of regional development

Overall index of regional development in 2023

The *Regional Development Composite Index* (overall index) is the result of the combined performance of the *competitiveness*, *cohesion* and *environmental quality* dimensions.

The 2023 results reveal that five out of the 26 NUTS 3 sub-regions exceeded the national average - Grande Lisboa (107.77), Área Metropolitana do Porto (103.33), Região de Aveiro (101.51), Região de Coimbra (100.97), and Alto Minho (100.61).

Figure 4. Overall index of regional development (Portugal = 100), NUTS 3, 2023



In 2023, considering the results for the 26 NUTS 3 sub-regions, the *competitiveness* and *cohesion* indices showed a positive correlation with the *overall index* (+0.9 in both). In the case of *environmental quality*, this correlation was negative (-0.1). Considering the three dimensions of regional development, there was a positive correlation between the performance of all the Portuguese sub-regions in the *competitiveness index* and the *cohesion index*



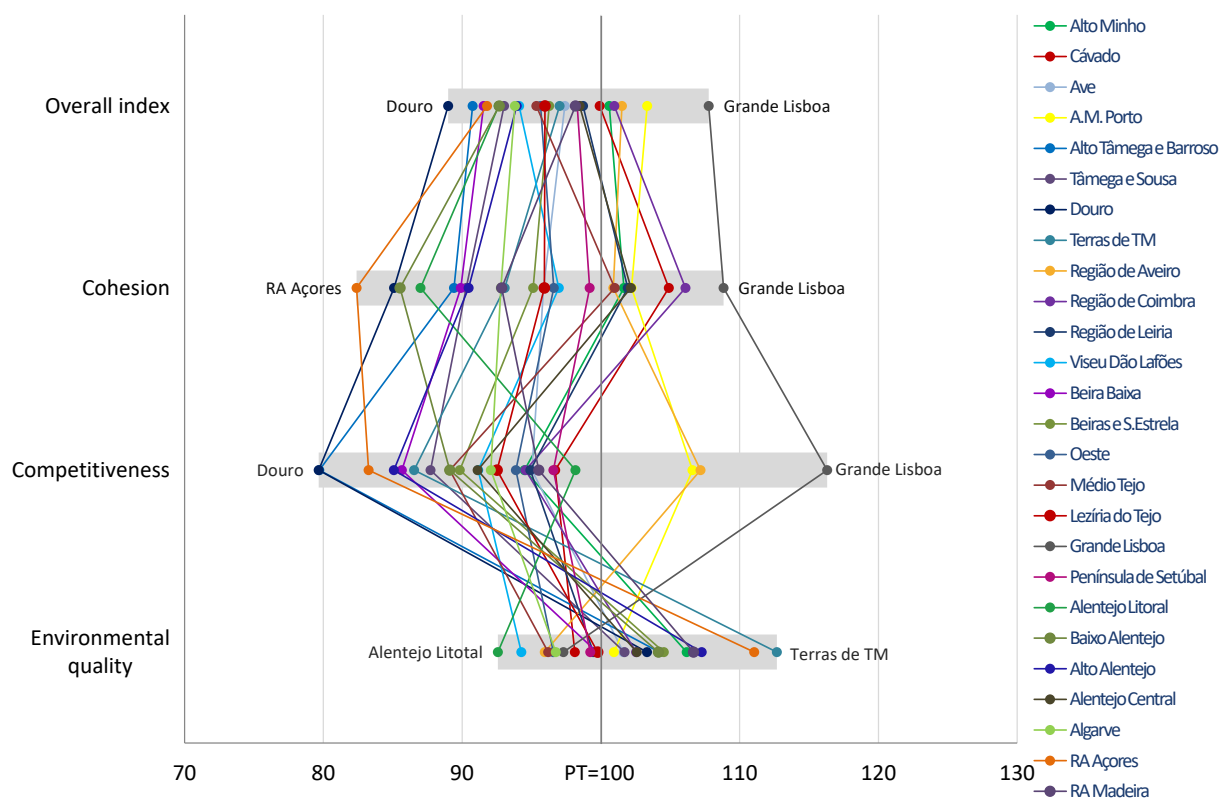
(+0.7), while the correlations between the *environmental quality* dimension and the other dimensions – *competitiveness* and *cohesion* – were both negative (-0.5 and -0.4 respectively).

Figure 5. Correlation matrix, NUTS 3, 2023

	Overall index	Competitiveness	Cohesion	Environmental quality
Overall index	-			
Competitiveness	0.9	-		
Cohesion	0.9	0.7	-	
Environmental quality	-0.1	-0.5	-0.4	-

The different behaviour in the three dimensions of development reflects the multidimensionality and complexity of regional development, which the *Regional Development Composite Index* aims to capture.

Figure 6. Overall index of regional development, competitiveness, cohesion and environmental quality (Portugal = 100), NUTS 3, 2023



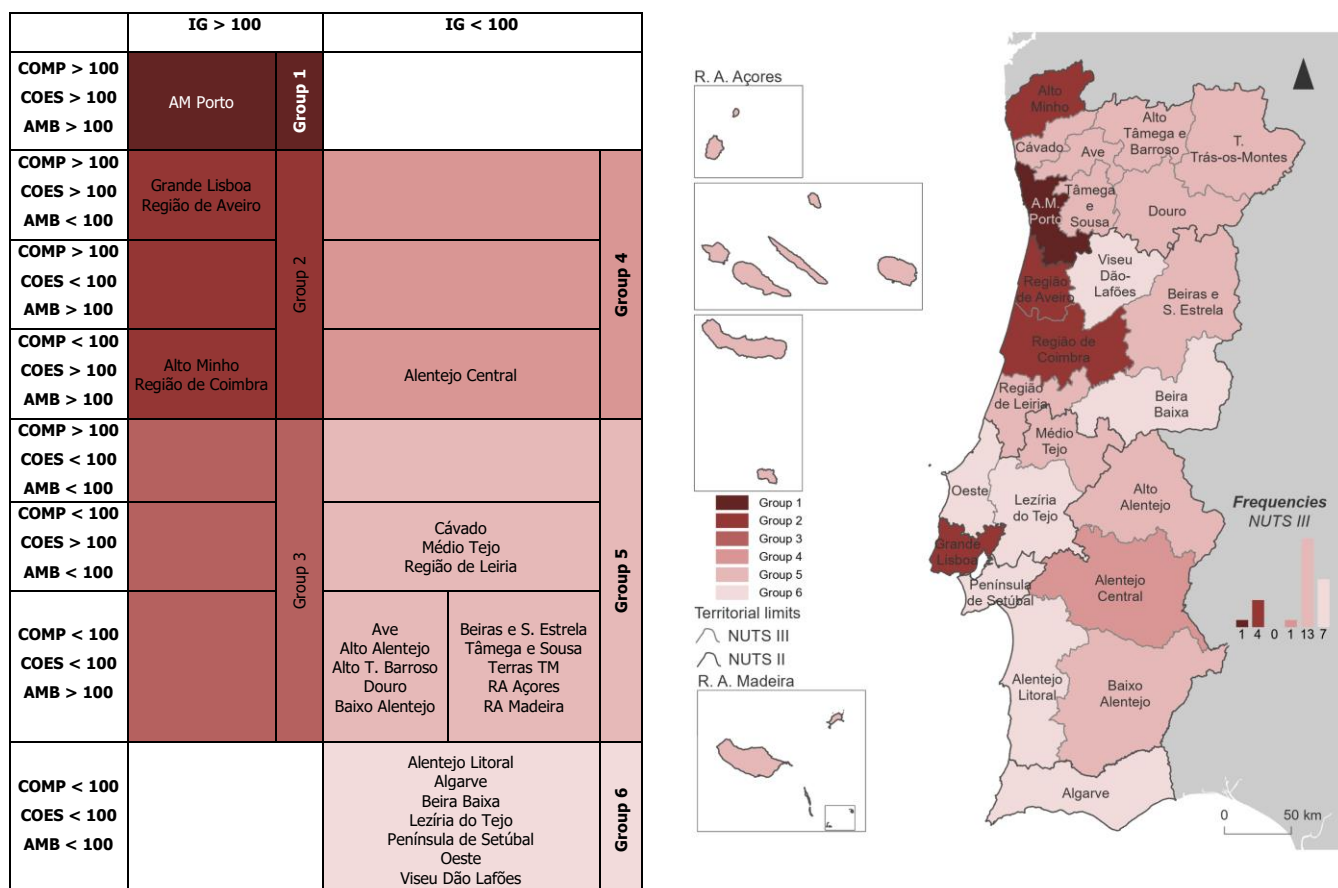


In 2023, Área Metropolitana do Porto was the only sub-region to show a performance above the national average in all four composite indices. Grande Lisboa, Região de Aveiro, Região de Coimbra, and Alto Minho were also above the national average in the *overall index*, sharing the characteristic of being below that reference in at least one of the three partial indices: Grande Lisboa and Região de Aveiro did not exceed the national average in *environmental quality*, while Região de Coimbra and Alto Minho did not reach the national average in *competitiveness*.

On the other hand, with results below the national average in all four indices were the NUTS 3 Algarve, Beira Baixa, Lezíria do Tejo, Península de Setúbal, Oeste, and Viseu Dão Lafões.

The most common regional profile, covering 10 NUTS 3, consisted of a performance in the *environmental quality index* above the national average, along with results in the *competitiveness* and *cohesion* indices below the national value.

Figure 7. Overall index of regional development, competitiveness, cohesion and environmental quality: performance in relation to the national average (Portugal = 100), NUTS 3, 2023



Note: IG refers to the overall index, COMP to the competitiveness index, COES to the cohesion index and AMB to the environmental quality index.



TECHNICAL NOTE

The Regional Development Composite Index (ISDR) is calculated annually for the Portuguese NUTS 3 sub-regions. Three dimensions are considered - *competitiveness*, *cohesion*, and *environmental quality* - which, considering data availability, determined the selection of base indicators for the calculation of the index for the Portuguese regions. It is, however, worthwhile to highlight the diversity of territorial contexts among these regions, of which the Autonomous Regions are representative, as well as the heterogeneity regarding the size of the NUTS 3 sub-regions, namely in terms of population.

Based on a matrix of 65 statistical indicators, for the Portuguese NUTS 3, properly normalized (statistical standardization and *minmax* rescaling, with the minimum and maximum reference values extracted from the set of 65 standardized indicators for the time span available), distributed by three dimensions – *competitiveness*, *cohesion*, and *environmental quality* – and subsequently aggregated by a non-weighted average, for the dimensions level as well as from the dimensions level to the *overall index* level, four composite indicators are produced – *competitiveness*, *cohesion*, *environmental quality*, and *overall index of regional development*. The four composite indicators are referenced to the national value (Portugal = 100), being the national value the average of the NUTS 3 indices weighted by the resident population. As the national value, the indices for the NUTS 2 regions correspond to the population weighted average indices of their respective NUTS 3.

The ISDR methodological options are presented in the methodological document “Índice Sintético de Desenvolvimento Regional, código 127 / versão 3.0, INE” (available at www.ine.pt, in Metadata, Metadata System, Methodological documentation). The need to revise this methodological document compared to the previous version 2.1 results from the adoption of the new NUTS geography (NUTS 2024), which includes changes to the territorial division of the Portuguese NUTS 3 that are the target population of this statistical study.

Therefore, the data now released is not directly comparable with previously released data. The annual results for the 2021-2023 period, according to version 3.0 of the methodological document, are available at www.ine.pt, under Statistical Information, Statistical Data, Database:

[Regional development composite index \(Overall index\)](#)

[Regional development composite index \(Competitiveness\)](#)

[Regional development composite index \(Cohesion\)](#)

[Regional development composite index \(Environmental quality\)](#)

The following table lists the 65 indicators that are part of the *Regional Development Composite Index*, with an indication of the dimension to which they are associated. The correlation matrix of the baseline indicators is also presented.

Date of the next press release – June 2026



List of individual indicators of the *Regional Development Composite Index*

Code	Designation	Competitiveness	Cohesion	Environmental quality
COMP1	Gross domestic product per inhabitant	+		
COMP2	Apparent labour productivity	+		
COMP3	Proportion of sales and services rendered abroad in the turnover of companies	+		
COMP4	Population density	+		
COMP5	Persons employed in establishments per 100 persons aged 15 or over	+		
COMP6	Renewal index of the population in active age	+		
COMP7	Proportion of employees with higher education	+		
COMP8	Potential Broadband Territorial Coverage (ADSL)	+		
COMP9	Lodging capacity in hotel establishments with 3 or more stars per 1 000 inhabitants	+		
COMP10	Proportion of resident population in urban areas with 10 000 or more inhabitants	+		
COMP11	Participation rate in youth oriented education/training modalities at upper secondary education	+		
COMP12	Degree of specialisation within advanced competitive factors	+		
COMP13	Proportion of sales and services rendered abroad in the turnover of companies in high and medium-high technology sectors	+		
COMP14	Proportion of gross value added in international activities branches	+		
COMP15	Technological intensity of industrial activity and services	+		
COMP16	Proportion of persons employed in information and communication technology activities	+		
COMP17	Proportion of employees that have changed enterprise of work related to total employment	+		
COMP18	Enterprises birth rate	+		
COMP19	Survival rate of enterprises on international activities' branches	+		
COMP20	Proportion of persons employed in enterprises with mostly foreign capital	+		
COMP21	Proportion of gross expenditure on research and development (GERD) by enterprises in enterprises' GVA	+		
COMP22	Proportion of gross expenditure on research and development (GERD) in GDP	+		
COMP23	Crude migratory rate	+		
COMP24	Net attraction rate of employees	+		
COMP25	Persons employed, inside and outside the territorial unit, of enterprises with head office in the territorial unit per person employed in the territorial unit of enterprises with head office outside the territorial unit	+		
COES1	Life expectancy at birth		+	
COES2	Quinquennial infant mortality rate		-	
COES3	Municipal dispersion of family income per inhabitant		-	
COES4	Gross reported income less personal income paid tax per inhabitant		+	
COES5	Retention capacity of the generated income		+	
COES6	General fertility rate		+	



Code	Designation	Competitiveness	Cohesion	Environmental quality
COES7	Young registered unemployment per 100 inhabitants aged between 25 and 34 years old		-	
COES8	Medical doctors per 1 000 inhabitants by place of residence		+	
COES9	Pharmacies and mobile medicine depots per 1 000 inhabitants		+	
COES10	Teachers per students enrolled in tertiary education		+	
COES11	Number of live shows performances per 1 000 inhabitants		+	
COES12	Proportion of resident population in urban areas with 5 000 or more inhabitants		+	
COES13	Gross enrolment rate in pre-primary education		+	
COES14	Gross enrolment rate in upper secondary education		+	
COES15	Average monthly earnings		+	
COES16	Average value of social security pensions		+	
COES17	Youth rate		+	
COES18	Beneficiaries of social integration income, of social security per 1000 inhabitants in active age		-	
COES19	Retention and desistance rates in primary and lower secondary education		-	
COES20	Transition/ completion rate in upper secondary education		+	
COES21	Crime rate against people		-	
COES22	Registered unemployment per 100 inhabitants with 15 and more years old		-	
COES23	Gender disparity in the relationship between registered unemployment and the average resident population in active age		-	
COES24	Proportion of marriages between Portuguese and foreigners		+	
COES25	Teenage fertility rate		-	
AMB1	Safe water			+
AMB2	Air quality			+
AMB3	Urban waste collected per inhabitant			-
AMB4	Wastewater sewerage per capita			-
AMB5	Local and regional non-governmental organizations for environment (ONGA) members per 1 000 inhabitants			+
AMB6	Proportion of use of potential non-urban land			+
AMB7	Proportion of urban waste landfilled			-
AMB8	Proportion of urban waste selective collected			+
AMB9	Proportion of classified areas			+
AMB10	Proportion of burnt forestry areas			-
AMB11	Regional contribution to replacing fossil primary energy electricity production with renewable energy or lower emission content			+
AMB12	Proportion of the surface area of rehabilitation works in the total surface area of completed works			+
AMB13	Territorial concentration of new constructions			+
AMB14	Fresh water supplied per inhabitant			-
AMB15	Energy intensity of the economy in final energy			-

