Compared to other parts of the world, Europe is highly urbanised. However, urbanisation levels vary from country to country. In general, western and northern Europe are more urban than the rest. The most urbanised region of Europe is sometimes called the Pentagon because it lies between the cities London, Paris, Milan, Munich and Hamburg. Over three quarters of the population live in urban areas in Germany, the United Kingdom, the Netherlands and Belgium. Eastern Europe, in contrast, is less urbanised. In Poland, Slovenia, Slovakia and Romania, over 40% of the population still lives in rural areas.

Eurostat and the OECD subdivide urban areas into two main categories: cities, and towns and suburbs. The share of the population living in cities is largest in the United Kingdom, Iceland, Malta and Spain, whereas in Slovenia and Slovakia it is the smallest. In the category of towns and suburbs, Belgium and Switzerland have the largest share, but also in Germany, the Netherlands, Italy and Malta over 40% of the population lives in towns and suburbs.