

Procedure file

Basic information		
CNS - Consultation procedure Regulation	1995/0009(CNS)	Procedure completed
Consumer price indices CPI: approximation		
Repealed by 2014/0346(COD)		
Subject 5.10.02 Price policy, price stabilisation		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs, Industrial Policy		25/01/1995
		PPE LULLING Astrid	
	Committee for opinion	Rapporteur for opinion	Appointed
	ENVI Environment, Public Health and Consumer Protection		18/01/1995
		PSE COLLINS Kenneth D.	
Council of the European Union	Council configuration	Meeting	Date
	Economic and Financial Affairs ECOFIN	1874	23/10/1995
	Economic and Financial Affairs ECOFIN	1863	10/07/1995
	Economic and Financial Affairs ECOFIN	1856	19/06/1995

Key events			
09/01/1995	Legislative proposal published	COM(1994)0674	Summary
03/04/1995	Committee referral announced in Parliament		
15/05/1995	Vote in committee		Summary
15/05/1995	Committee report tabled for plenary, 1st reading/single reading	A4-0114/1995	
19/06/1995	Debate in Council	1856	Summary
13/07/1995	Debate in Parliament		Summary
14/07/1995	Decision by Parliament	T4-0379/1995	Summary
23/10/1995	Act adopted by Council after consultation of Parliament		
23/10/1995	End of procedure in Parliament		

27/10/1995

Final act published in Official Journal

Technical information

Procedure reference	1995/0009(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
	Repealed by 2014/0346(COD)
Legal basis	EC before Amsterdam E 213
Stage reached in procedure	Procedure completed
Committee dossier	ECON/4/06470

Documentation gateway

Legislative proposal	COM(1994)0674 OJ C 084 06.04.1995, p. 0007	09/01/1995	EC	Summary
Committee report tabled for plenary, 1st reading/single reading	A4-0114/1995 OJ C 166 03.07.1995, p. 0003	15/05/1995	EP	
Economic and Social Committee: opinion, report	CES0575/1995 OJ C 236 11.09.1995, p. 0011	31/05/1995	ESC	Summary
Text adopted by Parliament, 1st reading/single reading	T4-0379/1995 OJ C 249 25.09.1995, p. 0200-0224	14/07/1995	EP	Summary
Implementing legislative act	32005R1708 OJ L 274 20.10.2005, p. 0009-0010	19/10/2005	EU	Summary
Implementing legislative act	32006R0701 OJ L 122 09.05.2006, p. 0003-0004	25/04/2006	EU	Summary

Additional information

European Commission	EUR-Lex
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Final act

Regulation 1995/2494 OJ L 257 27.10.1995, p. 0001 Summary
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Consumer price indices CPI: approximation

The draft regulation seeks to create a framework for developing and establishing comparable consumer price indices (CPI) between the Member States, in order to provide a comparable assessment of inflation with a view to completing economic and monetary union. Guidelines for establishing national harmonized consumer price indices (HCPI) are established within the framework of the Regulation and proposals are drawn up as regards the establishment of a Community index based on the HCPI of the Member States. The Regulation deals with the actual price of goods and services offered for sale in the economic territory of the Member State with a view to meeting consumer demand directly, and with the corresponding quantities which are actually purchased to this end. The measures needed for producing comparable consumer price indices are to be applied in three phases: - Phase 1 (March 1996): the Commission (Eurostat) will draw up, in collaboration with the Member States, a provisional series of consumer price indices for each Member State; - Phase 2 (January 1997): date of entry into force of the HCPI, which will provide estimates of price variations over a common index reference period; - Phase 3 (January 1998): implementation of the entire regulation. ?

Consumer price indices CPI: approximation

The report by Mrs LULLING was adopted. The report concerned the proposal for a regulation establishing comparable consumer price indices with a view to achieving price stability, the first convergence criteria, on the whole supported the text put forward by the Commission. The only two amendments related to comitology. ?

Consumer price indices CPI: approximation

The Opinion endorsed the proposal for a regulation but pointed out that the statistical data omitted in the first stage should be included in the second stage (compilation of the harmonised consumer price index) so that the convergence criteria provided for in the EU Treaty could be assessed fairly. As regards the monetary union consumer price index, the ESC felt that the inclusion of a larger basket of products would enhance its value as a statistical instrument.

Consumer price indices CPI: approximation

The Council noted that there was broad agreement on the draft, although certain aspects had yet to be finalised to enable the Regulation to be adopted at its next meeting, after receipt of the European Parliament's opinion. The Regulation is needed in order to assess, on a uniform statistical basis, the progress made by Member States in fulfilling their obligations regarding the achievement of a high degree of price stability, which is an important criterion in the process of achieving EMU.

Consumer price indices CPI: approximation

According to Mrs LULLING (EPP, L), in order to measure the inflationist temperature it was essential to create a unique 'thermometer' by way of harmonised consumer price indices. This Regulation was therefore a framework law within which detailed rules could be laid down in the form of a regulation by the Commission. In spite of the fact that this Regulation went outside the qualified majority procedure, for which there was the 'modus vivendi' with the Council and the Commission, Parliament wanted to be more closely involved in this decision-making stage. Commissioner BRITTAN pointed out that the timetable for EMU provided for an initial stage of consumer price harmonisation in 1996. As regards the legal basis, the Commission considered that Article 213 of the Treaty was adequate and appropriate. Therefore, as Article 213 did not imply the codecision procedure provided for in ex-Article 189b, the Commission could not take over the amendments on the legal basis. The remaining six amendments could not be taken over as they were redundant or unimportant in relation to this Regulation.

Consumer price indices CPI: approximation

The European Parliament approved the proposal for a regulation with the following amendments: - in respect of comitology, Parliament made reference to the interinstitutional "modus vivendi" in a new recital. It also asked to be included at parity with the Council in the measures to be taken on the basis of the regulation, in cases where the statistical programme committee expressed an opinion against the measures proposed by the Commission; - the Commission was called on to ensure total transparency in respect of the consequences which the addition or removal of elements of the harmonized system of consumer price indices might have on national price indices. Parliament also pointed out that while it was willing to accept the legal basis of the proposed Article 213, it would oppose any attempt to base this regulation on Article 235, and that in this case it would call for Article 100 A to be applied. ?

Consumer price indices CPI: approximation

- OBJECTIVE: to create a framework for developing and establishing comparable consumer price indices (CPI) between the Member States, in order to provide a comparable assessment of inflation with a view to completing economic and monetary union. - COMMUNITY MEASURE: Council Regulation (EC) No 2494/95 on harmonized consumer price indices. - SUBSTANCE: * The regulation establishes the statistical bases required for calculating comparable consumer price indices at Community level; * The harmonized consumer price index (HCPI) is based on the actual price of goods and services offered for sale in the economic territory of the Member State with a view to meeting consumer demand directly, and on the corresponding quantities which are actually purchased to this end. * The measures needed for producing comparable consumer price indices are to be applied in two phases: - Phase 1 (March 1996 at the latest): the Commission (Eurostat) will draw up, in collaboration with the Member States, a provisional series of consumer price indices for each Member State; - Phase 2 (January 1997): date of entry into force of the HCPI, which will provide estimates of price variations over a common index reference period; * Member States will transmit the HCPI to the Commission (Eurostat) within a period of 30 days after the end of the index reference month; * The Commission will be assisted by the statistical programme committee; - ENTRY INTO FORCE: 16.11.95. ?

Consumer price indices CPI: approximation

PURPOSE: to lay down detailed rules for the implementation of Council Regulation 2494/95/EC as regards the common index reference period for the harmonised index of consumer prices, and amending Regulation 2214/96/EC.

LEGISLATIVE ACT: Commission Regulation 1708/2005/EC.

CONTENT: The aim of this Regulation is to establish common rules for determining certain index reference periods in order to ensure that the resulting Harmonised Indices of Consumer Prices (HICPs) are comparable and relevant.

There shall be three types of common reference or base periods used in the construction of HICPs which may be chosen independently of each other, namely:

(a) The 'weighting reference period' is as defined in Article 2 of Commission Regulation 2454/97/EC.

(b) The 'price reference period' is the period from which the current price change is measured and for which prices are used as denominators in the index calculations; it refers to the prices used for the volume valuation in the HICP weights.

(c) The 'index reference period' is the period for which the index is set to 100 index points.

The HICP common index reference period shall be set at 2005 = 100. The full time series of the HICP all-item indices and subindices shall be rescaled to another common index reference period when deemed appropriate. Upon updates, the full time series of all HICPs and HICP sub-indices shall be rescaled to the common index reference period. The rescaling to the new index reference period shall take effect with the index for the January of the following calendar year.

The Commission (Eurostat) may update the index reference period after consulting the Statistical Programme Committee established by Decision 89/382/EEC, Euratom. Any additional COICOP/HICP sub-indices to be integrated within the HICP shall be linked in December at the level of 100 index points and take effect with the index for the following January.

ENTRY INTO FORCE: 09/11/2005.

Consumer price indices CPI: approximation

ACT: Council Regulation 701/2006/EC laying down detailed rules for the implementation of Regulation 2494/95/EC as regards the temporal coverage of price collection in the harmonised index of consumer prices.

CONTENT: this Regulation seeks to establish minimum standards for price collection periods in order to improve the comparability, reliability and relevance of HICPs.

Representation: The HICP is a sample statistic, which shall represent the average change in prices between the calendar month of the current index and the period to which it is compared.

Minimum standards for price collection: Price collection shall take place across at least a one working week period at, or near, the middle of the calendar month to which the index pertains. In cases where products typically show sharp and irregular price changes within the same month, price collection will take place over a period of more than one working week. The rules apply, in particular, to energy products and fresh food (such as fruit and vegetables).

The Regulation's provisions will be implemented in December 2007, at the latest, and take effect with the index for January 2008.

ENTRY INTO FORCE: 29 May 2006.