Harmonised indices of consumer prices and house price index

2014/0346(COD) - 27/10/2015 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Economic and Monetary Affairs adopted the report by Roberto GUALTIERI (S&D, IT) on the proposal for a regulation of the European Parliament and of the Council on harmonised indices of consumer prices and repealing Regulation (EC) No 2494/95.

The committee recommended that the European Parliaments position at first reading following the ordinary legislative procedure should amend the Commission proposal as follows:

Subject matter: this Regulation lays down a common framework for the development, production and dissemination of harmonised indices of consumer prices (HICP, HICP-CT, OOH price index) and of the house price index (HPI) at Union, national and sub-national level.

Compilation of harmonised indices: the amended text stipulated that neither the HICP nor the HICP-CT shall cover transactions between households, except in the case of rentals paid by tenants to private landlords, where the latter act as market producers of services purchased by households (tenants).

OOH indices shall be compiled, where possible and provided that the data is available, for the 10 years preceding the entry into force of this Regulation.

Depending on the outcome of the report on the suitability of the owner-occupied housing indices for integration into HICP coverage as provided for in Regulation EU) No 93/2013, the Commission may adopt, within one year of the publication of that report, a delegated act to integrate the OOH index into the HICP.

Comparability of the harmonised indices: the Commission shall be empowered to adopt delegated acts for the amendment of the Annex in order to ensure comparability at international level of the breakdown of HICP by ECOICOP categories.

In order to ensure uniform conditions of implementation, and for the purposes of achieving the objectives of this Regulation, further details for producing comparable harmonised indices shall be defined by means of implementing acts. Such implementing acts shall concern: (i) sampling and representativity; (ii) collection and treatment of prices; (iii) replacements and quality adjustment; (iv) index compilation; (v) revisions; (vi) special indices; (vii) treatment of products in specific areas.

Data requirements: Member States shall collect basic information representative of their country in order to produce harmonised indices and their sub-indices.

The amended text stipulated that the sub-indices of ECOICOP that are not required to be produced by the Member States, either because they do not cover household final monetary consumption expenditure or because the degree of methodological harmonisation is not yet sufficient, shall be as follows: (i) narcotics; (ii) games of chance; (iii) prostitution; (iv) life insurance; (v) Financial Intermediation Services Indirectly Measured (FISIM).

In the event that the degree of methodological harmonisation improves sufficiently, the Commission shall be empowered to adopt delegated acts in order to remove one or more sub-indices listed.

Deadlines, exchange standards and revisions: Member States shall provide the update weights for the monthly indices no later than 13 February each year. The updated weights for the quarterly indices shall be provided no later than 15 June each year.

The text stressed that early provisional information on the monthly Harmonised indices of consumer prices (HICP) in the form of flash estimates is crucial for monetary policy in the euro area. Therefore flash estimates should be provided by Member States in the euro area whenever necessary.

Each Member State in the euro area shall provide a flash estimate of the HICP not later than the penultimate calendar day of the month to which the HICP refers.

Pilot studies: these studies shall assess the feasibility and costs of obtaining improved data quality and composition of basic information or adopting new methodological approaches.

The general budget of the Union shall, where appropriate, contribute to the financing of pilot studies.

Based on the evaluation of the pilot studies, the Commission shall be empowered to adopt delegated acts in order to supplement this Regulation.

Delegated acts: delegated acts shall not impose a significant additional burden on Member States, nor on the respondent units. A cost-effect analysis should be fully considered when adopting and implementing those delegated acts.