

COMMISSION REGULATION (EC) No 2454/97

of 10 December 1997

laying down detailed rules for the implementation of Council Regulation (EC) No 2494/95 as regards minimum standards for the quality of HICP weightings

(Text with EEA relevance)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 2494/95 of 23 October 1995 concerning harmonized indices of consumer prices⁽¹⁾, and in particular Articles 4 and 5 (3) thereof,

After consulting the European Monetary Institute,

Whereas by virtue of Article 5 (1) (b) of Regulation (EC) No 2494/95, each Member State is required to produce a harmonized index of consumer prices (HICP) starting with the index for January 1997;

Whereas Commission Regulation (EC) No 1749/96⁽²⁾ established initial implementing measures for Regulation (EC) No 2494/95;

Whereas further implementing measures are necessary for ensuring comparability of HICPs and for maintaining the reliability and relevance of HICPs in accordance with Article 5 (3) of Regulation (EC) No 2494/95; whereas such implementing measures should be adopted taking the greatest account of cost-effectiveness in accordance with Article 13 of the said Regulation;

Whereas Article 8 (3) of Regulation (EC) No 2494/95 requires the weighting of HICPs to be updated with a frequency sufficient to meet the comparability requirement but does not require family budget surveys to be carried out more frequently than once every five years, except in Member States which are acknowledged as experiencing changes in consumption patterns such as to make more frequent surveys necessary; whereas consumer price indices from which HICP weightings are derived are updated at different frequencies with the result that the HICPs based thereon may fail to meet the comparability requirement of Article 4 of that Regulation; whereas an operational measure of non-comparability is required in order to establish which weightings should be updated in order to ensure comparability;

Whereas Article 9 of Regulation (EC) No 2494/95 requires HICPs to be price indices of the Laspeyres type; whereas, when relative prices of different goods and

services change, consumers' expenditure patterns can change to an extent that makes it necessary for weightings of the corresponding expenditure groups, and in particular their underlying quantities, to be updated in order to ensure their relevance;

Whereas, by virtue of Article 4 of Regulation (EC) No 1749/96, the HICP should be compiled to include the price changes of newly significant goods or services;

Whereas this Regulation should not require Member States to carry out new statistical surveys;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Statistical Programme Committee,

HAS ADOPTED THIS REGULATION:

*Article 1***Aim**

The aim of this Regulation is to ensure that the HICPs are constructed using weightings which are sufficiently reliable and relevant for the purpose of international comparisons.

*Article 2***Definition**

For the purpose of this Regulation, the 'weighting reference period' of an HICP is defined as the 12-month period of consumption or expenditure from which the weightings are estimated for the compilation of the latest HICP index figure. 'Sub-indices' are as defined in Commission Regulation (EC) No 2214/96⁽³⁾.

*Article 3***Minimum standards for weightings**

1. Each month Member States shall produce HICPs using weightings which reflect consumers' expenditure patterns in a weighting reference period ending no more than seven years before the preceding December.

⁽¹⁾ OJ L 257, 27. 10. 1995, p. 1.

⁽²⁾ OJ L 229, 10. 9. 1996, p. 3.

⁽³⁾ OJ L 296, 21. 11. 1996, p. 8.

2. Each year, Member States shall carry out a review of weightings in order to ensure that they are sufficiently reliable and relevant to meet the comparability requirement established in Article 4 of Regulation (EC) No 2494/95. The review may be confined to weightings at the level of sub-indices and their major components.

3. In the review, Member States shall check whether or not there have been any important changes since the weighting reference period in current use regarding price developments of each major component index relative to the HICP, or sustained market developments in each major component group.

4. Where reliable evidence shows that changes referred to in paragraph 3 indicate a weighting change that would affect the change in the HICP by more than 0,1 percentage point on average over one year against the previous year, Member States shall adjust the weightings of the HICP appropriately. Member States shall not be obliged to take account of any changes occurring within a two-year period ending in December before the review.

5. Any adjustments made pursuant to paragraph 4 shall be implemented by Member States, at the latest, in the index for January following the year of the review.

Article 4

Quality control

Member States shall provide the Commission (Eurostat) at its request with sufficient information on the weightings used to construct the HICP including the weighting reference period used, the outcome of the annual review and the adjustments made for compliance with this Regulation to be evaluated.

Article 5

Entry into force

This Regulation shall enter into force on the 20th day following its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 10 December 1997.

For the Commission

Yves-Thibault DE SILGUY

Member of the Commission
