Basic information

2014/0346(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Harmonised indices of consumer prices and house price index Repealing Regulation (EC) No 2494/95 1995/0009(CNS) **Subject** 5.10.02 Price policy, price stabilisation 8.60 European statistical legislation	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ECON Economic and Monetary Affairs	GUALTIERI Roberto (S&D)	13/01/2015
	Shadow rapporteur MARTUSCIELLO Fulvio (PPE) SWINBURNE Kay (ECR) GOULARD Sylvie (ALDE) VIEGAS Miguel (GUE/NGL) EICKHOUT Bas (Verts/ALE) VALLI Marco (EFDD)	

Committee for opinion	Rapporteur for opinion	Appointed
IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	

Council of the European Union

European Commission

Commission DG	Commissioner
Eurostat - European statistics	THYSSEN Marianne

Key events

Date	Event	Reference	Summary

09/12/2014	Legislative proposal published	COM(2014)0724	Summary
15/12/2014	Committee referral announced in Parliament, 1st reading		
13/10/2015	Vote in committee, 1st reading		
13/10/2015	Committee decision to open interinstitutional negotiations with report adopted in committee		
27/10/2015	Committee report tabled for plenary, 1st reading	A8-0313/2015	Summary
18/02/2016	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	PE604.782	
08/03/2016	Decision by Parliament, 1st reading	T8-0070/2016	Summary
08/03/2016	Results of vote in Parliament		
21/04/2016	Act adopted by Council after Parliament's 1st reading		
11/05/2016	Final act signed		
11/05/2016	End of procedure in Parliament		
24/05/2016	Final act published in Official Journal		

Technical information

Procedure reference	2014/0346(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Repealing Regulation (EC) No 2494/95 1995/0009(CNS)
Legal basis	Treaty on the Functioning of the European Union TFEU 338-p1
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	ECON/8/02259

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE564.902	08/07/2015	
Amendments tabled in committee		PE567.477	08/09/2015	
Committee report tabled for plenary, 1st reading/single reading		A8-0313/2015	27/10/2015	Summary
Text agreed during interinstitutional negotiations		PE604.782	18/12/2015	
Text adopted by Parliament, 1st reading/single reading		T8-0070/2016	08/03/2016	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	00001/2016/LEX	11/05/2016	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2014)0724	09/12/2014	Summary
Commission response to text adopted in plenary	SP(2016)270	19/04/2016	
Follow-up document	COM(2020)0354	04/08/2020	
Follow-up document	COM(2020)0810	14/12/2020	
Follow-up document	COM(2025)0761	18/12/2025	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	AT_BUNDESRAT	COM(2014)0724	25/02/2015	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
ECB	European Central Bank: opinion, guideline, report	CON/2015/0010 OJ C 175 29.05.2015, p. 0002	13/03/2015	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Regulation 2016/0792
OJ L 135 24.05.2016, p. 0011 Summary

Harmonised indices of consumer prices and house price index

2014/0346(COD) - 08/03/2016 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 575 votes to 100, with 30 abstentions, a legislative resolution 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.

Parliament's position, adopted at first reading following the ordinary legislative procedure, amended the Commission proposal as follows:

Objective: the amended Regulation stated that **price statistics of high quality and comparability are essential** for those responsible for public policy in the Union, researchers and all European citizens.

This Regulation lays down a common framework for the development, production and dissemination of harmonised indices of consumer prices (**HICP**, Harmonised Index of Consumer Prices at constant tax rates - **HICP-CT**, Owner-Occupied Housing - **OOH** price index) and of the house price index (**HPI**) at Union and 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.

By 31 December 2018, the Commission shall prepare a report which shall address the suitability of the OOH price index for integration into the HICP coverage.

Depending on the outcome of the report on the suitability of the owner-occupied housing indices for integration into HICP coverage, 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 I in order to ensure comparability at international level of the breakdown of HICP by ECOICOP categories. The ECOICOP should also be consistent with the UN COICOP, which is the international standard classifying individual consumption according to purpose, therefore the ECOICOP should be adapted to align it with changes to the UN COICOP.

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.

In order to ensure adaptation to changes to the UN COICOP, to amend the list of items regulated by implementing acts by adding items in order to take account of technical developments in the statistical methods and based on the evaluation of pilot studies, the power to adopt acts should be delegated to the Commission.

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).

The Commission shall be empowered to adopt delegated acts to modify the list set out above in order to include **games of chance** in the HICP and the HICP-CT.

Deadlines, exchange standards and revisions: Member States shall provide the Commission (Eurostat) with the harmonised indices and all sub-indices by no later than: (a) 15 calendar days for the February to December indices, and 20 calendar days for the January indices, after the end of the month for which the indices are calculated; and (b) 85 calendar days after the end of the quarter for which the indices are calculated.

Member States shall provide the Commission (Eurostat) with the updated weights by no later than the 13 February each year for the monthly indices and the 15 June each year for the quarterly indices.

Member States **whose currency is the euro** shall provide the Commission (Eurostat) with the flash estimate of the HICP no later than the penultimate calendar day of the month to which the flash estimate refers.

Pilot studies: the Commission (Eurostat) may launch pilot studies, to be carried out on a voluntary basis by Member States. They 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. By 31 December 2020 and every five years thereafter, the Commission shall submit a report to the European Parliament and the Council evaluating, if applicable, the main findings of the pilot studies.

Delegated acts and implementing measures: in adopting implementing measures and delegated acts in accordance with this Regulation, the Commission should consider, where appropriate, cost-effectiveness and ensure that those measures and acts **do not impose a significant additional burden** on Member States or respondents.

Harmonised indices of consumer prices and house price index

2014/0346(COD) - 13/03/2015 - European Central Bank: opinion, guideline, report

Opinion of the European Central Bank (ECB) on a proposal for a regulation of the European Parliament and the Council on harmonised indices of consumer prices and repealing Council Regulation (EC) No 2494/95.

On 17 December 2014, the ECB received a request from the European Parliament for an opinion on this proposal. On 26 January 2015, the ECB was consulted on the same proposal by the Council of the European Union.

The proposed regulation lies within the ECB's fields of competence as the ECB is a key user of HICP statistics. Harmonised indices of consumer prices are important indicators in the context of monetary policy. They are of crucial importance to the ECB's primary objective of maintaining price stability in the euro area.

The ECB supports the efforts undertaken by the European Commission (Eurostat) concerning the review and modernisation of the Union legal framework for compilation of HICP statistic.

It made the following remarks:

Consultation of the ECB: the ECB is to be consulted on any implementing and delegated acts, which the Commission may adopt under the revised legal framework for the HICP. The proposed regulation should reflect the ECB's competence to be consulted on implementing and delegated acts adopted under the proposed regulation.

Use of delegated and implementing acts:

Regarding the Commission's power to adopt delegated acts, the ECB considers the threshold below which there is no obligation for Member States to provide sub-indices of harmonised indices, and the list of sub-indices that need not be produced by Member States to be essential elements of the proposed regulation. These items are fundamental to ensure sound and harmonised consumer price indices. These issues should be decided and laid down in the proposed regulation.

The ECB supports the proposed Article 5(1) in connection with Article 2(q) on the collection of information about 'administered prices' as part of the 'basic information' that should be provided with reference to HICPs (and HICPs at constant tax rates). For indices that refer to, or exclude administered prices, the ECB would welcome if the Commission would provide guidance ensuring the harmonised definition and application of these concepts in an implementing act.

Methodological issues:

Article 4(2)(b) of the proposed regulation introduces a wider margin for systematic differences in annual growth rates of the owner-occupied housing price index (OOH-price index) and of the house price index (HPI) that may result from deviations from the concepts or methods laid down in the proposed Regulation. While Commission Regulation (EU) No 93/2013 is silent on this issue, the ECB strongly suggests applying the standard of 0.1 percentage points that is used for assessing the comparability of sub-indices.

The production of sub-indices at intervals less frequent than required by the proposed regulation should remain subject to prior approval by the Commission (Eurostat).

Harmonised indices of consumer prices and house price index

2014/0346(COD) - 09/12/2014 - Legislative proposal

PURPOSE: to establish a common legal framework for the production of harmonised indices by Member States.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: harmonised indices of consumer prices (HICP) are designed to measure inflation in a harmonised manner across Member States. The Commission and the European Central Bank use the HICP in their assessment of price stability in Member States under Article 140 of the Treaty on the Functioning of the European Union.

Harmonised consumer price indices are essential for assessing and measuring: (i) **convergence in terms of price stability within the EU**; and (ii) **the results of euro area monetary policy**, in terms of achieving the objective of price stability.

In October 1995, a Council Regulation on harmonised indices of consumer prices (HICP) was drafted and adopted, followed by 20 implementing regulations in the following 17 years.

Certain parameters have changed since the adoption of the original framework: (i) the development of the European Statistical System (ESS); (ii) the technical aspects of data collection and index compilation have changed dramatically due to the rapid rate of technological progress in recent years; (iii) the Lisbon Treaty established a new comitology set-up.

These various changes all **necessitate redrafting of the legislation on HICP** so as to modernise and rationalise the legal basis and adapt it to today's needs, both actual and potential.

CONTENT: the objective of this proposal is to establish a common legal framework for the production of harmonised indices by Member States, which involves collecting, compiling, processing and submitting harmonised consumer price indices.

The proposal for a revised HICP Regulation seeks to create a **single legal measure** covering all uniform conditions. It would combine the different implementing regulations into a single one, which would give stakeholders and Member States greater clarity and make administration easier and more effective.

This proposal **simplifies and clarifies the requirements** for the compilation of these indices. It enshrines the principles of the European Statistics Code of Practice relating to commitment to quality, sound methodology, cost-effectiveness, relevance, accuracy, reliability, coherence and comparability.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the treaty on the Functioning of the European Union.

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 Parliament's 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.

Harmonised indices of consumer prices and house price index

2014/0346(COD) - 11/05/2016 - Final act

PURPOSE: to lay down a common framework for the development of harmonised indices of consumer prices and of the house price index (HPI).

LEGISLATIVE ACT: Regulation (EU) 2016/792 of the European Parliament and of the Council on harmonised indices of consumer prices and the house price index, and repealing Council Regulation (EC) No 2494/95

CONTENT: the Regulation establishes 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 and national level.

The harmonised index of consumer prices (HICP) is designed to measure inflation in a harmonised manner across Member States. Price statistics of high quality and comparability are essential for those responsible for public policy in the Union, researchers and all European citizens.

The new Regulation adapts the legal framework laid down in Council Regulation (EC) No 2494/95 to current requirements and technical progress, thereby further improving the relevance and comparability of harmonised indices of consumer prices and the HPI. It establishes rules regarding:

- the compilation of the harmonised indices;
- the comparability of the harmonised indices
- the frequency and the time limits for providing harmonized indices to the Commission.

Requirements on data: basic information collected by Member States for the harmonised indices and their sub-indices shall be representative at Member State level.

Member States **shall not be required to produce the following sub-indices**, either because they are not included in the household final monetary consumption expenditure or because the degree of methodological harmonisation is not yet sufficient: (i) narcotics; (ii) games of chance; (iii) prostitution; (iv) life insurance; (v) Financial Intermediation Services Indirectly Measured (FISIM).

Pilot studies: whenever improved basic information is required for the compilation of the harmonised indices, or when the need for improved comparability of the harmonised indices is identified, the Commission (Eurostat) may launch pilot studies, to be carried out on a voluntary basis by Member States. The general budget of the Union shall, where appropriate, contribute to the financing of such pilot studies.

By 31 December 2020 and every five years thereafter, the Commission shall submit a report to the European Parliament and the Council evaluating, if applicable, the main findings of the pilot studies.

Delegated acts and implementing measures: the Regulation also takes account of the new provisions introduced in the Treaty of Lisbon on the decision-making process of the Union, which give the Commission (as Eurostat) the power to adopt implementing measures or legislative measures for the purpose of amending non-essential elements of a regulation (delegated acts).

In adopting implementing measures and delegated acts, the Commission should consider, where appropriate, cost-effectiveness and ensure that those measures and acts do not impose a significant additional burden on Member States or respondents.

ENTRY INTO FORCE: 13.6.2016.

APPLICATION: the Regulation shall apply for the first time to data relating to January 2017.

DELEGATED ACTS: the Commission may adopt delegated acts in order to: (i) amend Annex I, in order to ensure comparability of the harmonised indices at international level; (ii) take account of technical developments in the statistical methods in the production of harmonized indices; (iii) include games of chance in the HICP and the HICP-CT. The power to adopt such acts is conferred on the Commission for a period of **five years from 13 June 2016** (which may be tacitly extended for the same period). The European Parliament or Council may raise objections to a delegated act within **three months** of the date of notification (which may be extended by three months). If Parliament or Council raise objections, the delegated act may not enter into force.