II

(Preparatory Acts)

COMMISSION

Proposal for a Council Regulation (EC) concerning Harmonized Consumer Price Indices

(95/C 84/06)

COM(94) 674 final — 95/0009(CNS)

(Submitted by the Commission on 9 January 1995)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 213 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Having regard to the opinion of the European Monetary Institute,

Having regard to the opinion of the Economic and Social Committee,

Whereas Article 109j of the Treaty establishing the European Community requires the Commission and the EMI to report to the Council on the progress by Member States in the fulfilment of their obligations regarding the achievement of economic and monetary union in respect of a high degree of price stability;

Whereas Article 1 of the Protocol on convergence criteria referred to in the said Article 109j states that the required sustainable price performance for Member States should be in terms of inflation measured by means of the consumer price indices on a comparable basis; and whereas existing consumer price indices are not compiled on a directly comparable basis;

Whereas there is a need for the European Community and particularly its fiscal and monetary authorities to have regular and timely consumer price indices for the purpose of providing comparisons of inflation in the macroeconomic and international context as distinct from national and micro-economic purposes;

Whereas it is recognized that inflation is a phenomenon manifesting itself in all forms of market transactions including capital purchases, government purchases, payments to labour as well as purchases by consumers, and whereas it is recognized that a range of statistics, of which consumer price indices form an essential part, is relevant for a full understanding of the inflationary process within and between countries of the European Community;

Whereas comparable indices of consumer prices may be produced instead of or in addition to similar indices of consumer prices already produced or to be produced in future by Member States;

Whereas the production of comparable indices will involve costs to be met partly by the Commission and partly by Member States;

Whereas, according to the principle of subsidiarity, the creation of common statistical standards for consumer price indices is a task that can only be dealt with effectively at Community level and whereas the collection of data and compilation of comparable consumer price indices will be implemented in each Member State under the aegis of the organizations and institutions responsible for compiling official statistics at a national level;

Whereas there will, in prospect of the achievement of economic and monetary union, be a need for a consumer price index for the European Community as a whole;

Whereas the Statistical Programme Committee (SPC), established by Council Decision 89/382/EEC [1], has reached a favourable conclusion on the draft Regulation,

HAS ADOPTED THIS REGULATION:

Article 1

Aim

The aim of this Regulation is to establish Community statistics on consumer prices as follows:

---

[1] OJ No L 181, 28. 6. 1989.

1. Each Member State shall produce a comparable consumer price index hereinafter referred to as the Harmonized Consumer Price Index of the Member State (HCPI).

2. The Commission (Statistical Office of the European Communities — Eurostat hereinafter) shall produce a consumer price index for the European Community based on the HCPIs of the Member States and hereinafter referred to as the European Consumer Price Index (ECPI).

3. The Commission (Eurostat) shall produce a consumer price index for the European Monetary Union based on the HCPIs of Member States without a derogation pursuant to Article 109k of the Treaty, hereinafter referred to as the Monetary Union Consumer price Index (MUCPI), as long as there are any such derogations.

Article 2

Scope

The scope of this Regulation shall be the actual prices of goods and services available for purchase in the economic territory of the Member State for the purposes of the direct satisfaction of individual consumer needs or wants and the associated quantities actually purchased for such purposes.

Article 3

Comparability requirement

HCPIs shall be considered to be comparable if they reflect only differences in price changes or consumption patterns between countries. HCPIs which differ on account of differences in the concepts, methods or practices used in their definition and compilation shall not be considered comparable. The Commission (Eurostat), following the procedure described in Article 14, shall set down rules to be followed to ensure the comparability of HCPIs and notably where the difference between the effect on the annual change in the all-items HCPI of a particular concept, method or practice and the effect of its alternatives is more than one-tenth of one percentage point.

Article 4

Timetable and derogations therefrom

1. The measures necessary to achieve comparable consumer price indices shall be implemented in a staged process, as follows:

(a) *Stage I:*

By March 1996 at the latest, the Commission (Eurostat) shall, in collaboration with Member States, produce for the purposes of the report referred to in Article 109j of the Treaty ('convergence criteria') an interim set of consumer price indices for each Member State. These indices shall be based wholly on data underlying existing national consumer price indices, but adjusted as follows:

(i) to exclude owner-occupied housing;

(ii) to exclude health and educational services;

(iii) to exclude certain other items not covered or treated differently by a number of Member States.

(b) *Stage II:*

The HCPI shall start with the index for January 1997 and shall provide estimates of price changes relative to a common index reference period. Estimates of price changes for the 12 months to January 1997 and subsequent months shall also be provided.

(c) *Stage III:*

By January 1998 Member States shall implement the full range of measures referred to in Article 13.

2. Where necessary the Commission (Eurostat) may, on request from a Member State and after consulting the European Monetary Institute, grant derogations from the provisions of paragraph 1 not exceeding a period of one year in so far as the Member State's statistical system on consumer prices in the scope of this legal act requires significant adaptation.

Article 5

Information required

The information required in practice shall be those prices and values of goods and services within scope, which it is necessary to take into account in order to achieve comparable HCPIs as defined in Article 3.

Article 6

Observation

The price and weighting data used to compile the HCPI shall be collected directly by surveys of statistical units (Council Regulation (EEC) No 696/93 of 15 March 1993 [1]) or indirectly from other sources subject to the

[1]) OJ No L 76, 30. 3. 1993.

conditon that the resulting HCPIs meet the comparability requirement of Article 3.

Article 7

Sources

The statistical units called upon by Member States to cooperate in the collection or provision of price data shall be obliged to allow observation of the prices actually charged and to give honest and complete information at the time it is requested.

Article 8

Frequency

1. The HCPI shall be compiled each month.

2. The required frequency of price collection is once each month. Where less frequent collection does not result in the failure to produce an HCPI meeting the comparability requirement the Commission (Eurostat) may allow exceptions to monthly collection.

3. The weight of the HCPI shall be updated at a frequency sufficient to meet the comparability requirement.

Article 9

Production of results

Member States shall process the data collected in order to produce the HCPI in the detailed categories listed in Annex I (adapted as necessary to meet the purposes of constructing comparable HCPIs) according to methods, procedures and formulae, which, following the procedure laid down in Article 14, are designed to meet the comparability requirement.

Article 10

Transmission of results

Member States shall transmit to the Commission (Eurostat) the results (Article 9) within a period which shall not exceed 30 days of the end of the calendar month to which the indices relate.

Article 11

Publication

The HCPI, the ECPI, the MUCPI and corresponding subindices for a set of categories within those laid down pursuant to Article 9 shall be disseminated in mutual cooperation between national authorities and the Commission (Eurostat) and shall be published within a period which shall not exceed five working days from the end of the period referred to in Article 10.

Article 12

Quality control

Member States shall provide the Commission (Eurostat) at its request with information, including such data collected pursuant to Article 5 as may be confidential, to evaluate compliance with the comparability requirement and the quality of the HCPIs.

Article 13

Consultation

1. The measures for implementing the present Regulation, including measures for adaptation to economic and technical developments, shall be laid down by the Commission (Eurostat) following consultation with the Statistical Programme Committee (hereinafter referred to as the Committee) set up by Council Decision 89/382/EEC, Euratom, and the European Monetary Institute in accordance with the procedure specified in Article 14.

2. The measures in paragraph 1 shall be limited to those which do not involve significant additional resources in any Member State unless agreed by the Member States concerned or unless the Commission (Eurostat) undertakes to meet two-thirds of the additional costs up to the end of the first two years after implementation.

Article 14

Procedure

1. The representative of the Commission shall submit to the Committee a draft of the measures to be taken. The Committee shall deliver its opinion on this draft within a time limit which the chairman may set in the light of the urgency of the matter in hand. The opinion shall be delivered by the majority laid down in Article 148 (2) of the Treaty establishing the European Community for Decisions which the Council of the European Union is required to adopt on a proposal from the Commisison. When the Committee votes, the weightings laid down in the abovementioned Article shall be applied to the votes of the representatives of the Member States. The chairman shall not take part in the vote.

2. The Commission shall adopt measures that are immediately applicable. However, if they do not accord with the opinion delivered by the Committee, these measures shall be immediately communicated by the Commission to the Council, in which case the Commission shall postpone the application of the measures it has adopted by three months from the date of such communication.

3. The Council, acting by a qualified majority, may adopt a different Decision within the time limit laid down in paragraph 2.

Article 15

Review

The Commission (Eurostat) shall, after consulting the Committee, and within two years of the date of entry into force and again within two years thereafter, submit a report to the Council on the HCPIs constructed pursuant to this Regulation, and in particular in respect of their reliability and the application of the comparability requirement.

Article 16

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.

ANNEX I

CLASSIFICATIONS OF INDIVIDUAL CONSUMPTION BY PURPOSE FROM WHICH COMPONENT INDICES OF THE HCPI TO BE COMPILED WILL BE DETERMINED

1. FOOD, BEVERAGES AND TOBACCO

1.1. **Food**
1.1.1. Bread and cereals
1.1.2. Meat
1.1.3. Fish
1.1.4. Milk, cheese and eggs
1.1.5. Oils and fats
1.1.6. Fruit
1.1.7. Vegetables other than potatoes and other tubers
1.1.8. Potatoes, manioc and other tubers
1.1.9. Sugar
1.1.10. Jam, honey, chocolate and confectionery
1.1.11. Salt, spices, sauces and food products n.e.c.

1.2. **Beverages** (1)
1.2.1. Coffee, tea, cocoa
1.2.2. Other non-alcoholic beverages
1.2.3. Alcoholic beverages

1.3. **Tobacco**

2. CLOTHING AND FOOTWEAR

2.1. **Clothing**
2.1.1. Clothing materials
2.1.2. Garments
2.1.3. Other articles of clothing and clothing accessories
2.1.4. Repair and hire of clothing

2.2. **Footwear**
2.2.1. Shoes and other footwear
2.2.2. Repairs to footwear

(1) For home consumption.

3. HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS

3.1. **Gross rents** (2)
3.1.1. Rents actually paid by tenants (3)
3.1.2. Imputed rents of owner occupiers
3.1.3. Other actual or book rents

3.2. **Regular maintenance and repair of the dwelling**
3.2.1. Products for the regular maintenance and repair of the dwelling
3.2.2. Services for the routine maintenance and repair of the dwelling

3.3. **Other services relating to the dwelling**
3.3.1. Refuse disposal and sanitary services
3.3.2. Insurance in respect of the dwelling
3.3.3. Water supply

3.4. **Electricity, gas and other fuels**
3.4.1. Electricity
3.4.2. Gas
3.4.3. Liquid fuels
3.4.4. Other fuels

4. FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE

4.1. **Furniture, furnishings and decorations, carpets and other floor coverings and repairs**
4.1.1. Furniture, furnishings and decoration
4.1.2. Carpets and other floor coverings
4.1.3. Repair of furniture, furnishings, decorations, carpets and other floor coverings

(2) Imputed rents of owner occupiers: excluded.
(3) Distinguishing private from local authority rents.

4.2. **Household textiles**

4.3. **Heating and cooking appliances, refrigerators, washing machines and similar major household appliances, including fittings and repairs**
4.3.1. Electric household appliances
4.3.2. Non-electric household appliances
4.3.3. Repair of household appliances

4.4. **Glassware, tableware and houshold utensils**

4.5. **Tools and equipment for the house and garden**
4.5.1. Major tools and equipment
4.5.2. Small tools and miscellaneous accessories

4.6. **Goods and services for routine household maintenance**
4.6.1. Non-durable household goods
4.6.2. Domestic services
4.6.3. Home care services excluding domestic service

5. HEALTH

5.1. **Medical and pharmaceutical products and therapeutic appliances and equipment**
5.1.1. Medicines
5.1.2. Other pharmaceutical products
5.1.3. Therapeutic appliances and equipment

5.2. **Non-hospital medical and paramedical services**
5.2.1. Services of physicians
5.2.2. Dentistry
5.2.3. Medical analyses
5.2.4. Services of medical auxiliaries
5.2.5. Other non-hospital services

5.3. **Hospital services**
5.3.1. Basic hospital services
5.3.2. Medical services for hospitalized persons
5.3.3. Medical analyses for hospitalized persons
5.3.4. Services of medical auxiliaries for hospitalized persons
to
5.3.5. Food and drink for hospitalized persons

5.4. **Sickness and accident insurance services**
5.4.1. Private sickness and accident insurance services
5.4.2. Public sickness and accident insurance services

6. TRANSPORT

6.1. **Purchase of vehicles**
6.1.1. Motor cars
6.1.2. Cycles and motor cycles

6.2. **Operation of personal transport equipment**
6.2.1. Spare parts and accessories
6.2.2. Fuels and lubricants
6.2.3. Maintenance and repairs
6.2.4. Other services in respect of personal transport equipment

6.3. **Transport services**
6.3.1. Local transport
6.3.2. Long-distance transport
6.3.3. Removals and furniture storage

7. LEISURE, ENTERTAINMENT AND CULTURE [1]

7.1. **Equipment and accessories including repairs**
7.1.1. Equipment for the reception, recording and reproduction of sound and pictures
7.1.2. Photographic and cinematographic equipment, optical instruments
7.1.3. Data processing equipment
7.1.4. Other major durables for leisure and culture
7.1.5. Games and toys; equipment for sport, camping and open-air recreation.
7.1.6. Recording media for pictures and sound
7.1.7. Gardening and pets
7.1.8. Repair of equipment and accessories for leisure and culture

7.2. **Recreational and cultural services**
7.2.1. Group recreational and cultural services
7.2.2. Other recreational and cultural services

7.3. **Newspapers, books and stationery**
7.3.1. Books
7.3.2. Newspapers and miscellaneous printed matter
7.3.3. Stationery and drawing materials

8. EDUCATION

8.1. **Educational services**
8.1.1. Pre-primary and primary education
8.1.2. Secondary education
8.1.3. Education at the third level
8.1.4. Education not defined by level

8.2. **Educational materials**
8.3. **Ancillary educational services**
8.3.1. School canteens and university refectories
8.3.2. Accommodation services
8.3.3. Health care services
8.3.4. Other ancillary educational services

9. HOTELS, CAFES AND RESTAURANTS

9.1. **Catering**
9.1.1. Restaurants and cafés [2]
9.1.2. Canteens

9.2. **Accommodation services**

[1] The classification of package holiday expenditure to be decided.
[2] Distinguishing meals out from drinks out.

10. MISCELLANEOUS GOODS AND SERVICES

10.1. **Personal care**

10.1.1. Hairdressing salons and personal grooming establishments

10.1.2. Electrical applicanes for personal care

10.1.3. Other articles for personal care; toiletries

10.2. **Personal effects n.e.c.**

10.2.1. Jewellery, clocks and watches

10.2.2. Other personal effects

10.3. **Communications**

10.3.1. Postal services

10.3.2. Telephone and telegraph

10.4. **Social services**

10.4.1. Social welfare with accommodation

10.4.2. Social welfare without accommodation

10.5. **Financial services n.e.c.**

10.6. **Other services n.e.c.**

Amended proposal for a Council Regulation on fees payable to the European Agency for the Evaluation of Medicinal Products [1]

(95/C 84/07)

COM(95) 27 final — 94/0220(CNS)

(Submitted by the Commission pursuant to Article 189 A (2) of the EC Treaty on 6 February 1995)

Following the opinion of the European Parliament given on 19 January 1995, the following new Article is added to the Commission's original proposal (COM(94) 0167):

Article 1b

1. The Agency shall enter, in its annual estimate for the Commission's preliminary draft budget, forecasts of fees payable the following financial year separately from total estimated expenditure and any Community contribution.

2. Any surpluses from fees shall be used to reduce the Community contribution.

---

[1] OJ No C 398, 31. 12. 1994, p. 20.