

COMMISSION REGULATION (EC) No 330/2009**of 22 April 2009****laying down detailed rules for the implementation of Council Regulation (EC) No 2494/95 as regards minimum standards for the treatment of seasonal products in the Harmonised Indices of Consumer Prices (HICP)****(Text with EEA relevance)**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

COICOP/HICP ⁽⁴⁾ by division (two-digit level), group (three-digit level) and class (four-digit level).

Having regard to the Treaty establishing the European Community,

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

Whereas:

- (1) Harmonised Indices of Consumer Prices (HICP) are harmonised inflation measures required by the Commission and the European Central Bank for the performance of their functions under Article 121 of the EC Treaty. HICPs are designed to facilitate international comparisons of consumer price inflation. They serve as important indicators for the management of monetary policy.
- (2) Under Article 5(1)(b) of Regulation (EC) No 2494/95, each Member State is required, as part of the implementation of that Regulation, to produce an HICP starting with the index for January 1997.
- (3) Commission Regulation (EC) No 1749/96 of 9 September 1996 on initial implementing measures for Council Regulation (EC) No 2494/95 concerning harmonised indices of consumer prices ⁽²⁾ defines the coverage of the HICP as those goods and services which are included in household final monetary consumption expenditure incurred on the economic territory of the Member State, in one or both of the time periods being compared.
- (4) Article 2 of Commission Regulation (EC) No 2214/96 of 20 November 1996 concerning harmonised indices of consumer prices: transmission and dissemination of sub-indices of the HICP ⁽³⁾ defines a breakdown of

- (5) Article 2 of 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 ⁽⁵⁾ defines the 'weighting reference period' of an HICP as a 12-month period of consumption or expenditure. According to Article 3 thereof Member States should each month produce HICPs using weightings which reflect the consumers' expenditure pattern in the weighting reference period.

- (6) Consequently weightings at the level of COICOP/HICP divisions, groups and classes are required not to vary between months during the year. Nevertheless weightings at a more detailed level of COICOP/HICP might be allowed to reflect a seasonally varying consumption pattern. Although indices without and with seasonal weighting variability correspond to different statistical targets, restrictions on the methodology may ensure the necessary comparability between those two approaches, as well as comparability between Member States within the approaches.
- (7) Seasonal products are typically not available or their purchased volumes are negligible for certain periods in an annual cyclical pattern and according to Article 6 of Regulation (EC) No 1749/96 where target samples do not require monthly observation of actual prices throughout the year estimated prices should be used instead.
- (8) Commission Regulation (EC) No 1921/2001 of 28 September 2001 laying down detailed rules for the implementation of Council Regulation (EC) No 2494/95 as regards minimum standards for revisions of the harmonised index of consumer prices and amending Regulation (EC) No 2602/2000 ⁽⁶⁾ sets the framework for revisions in the HICPs.

⁽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.⁽⁴⁾ Classification of Individual Consumption by Purpose adapted to the needs of HICPs.⁽⁵⁾ OJ L 340, 11.12.1997, p. 24.⁽⁶⁾ OJ L 261, 29.9.2001, p. 49.

- (9) Article 4 of Council Regulation (EC) No 2494/95 provides that HICPs which differ on account of differences in concepts, methods or practices used in their definition and compilation should not be considered comparable. However, the methodologies applied in the Member States for seasonal products differ substantially and the results may not be sufficiently comparable. Therefore a harmonised approach with respect to seasonal products in the HICPs is necessary in order to ensure that the resulting HICPs meet the requirements as to comparability, reliability, and relevance under the third paragraph of Article 4 and under Article 5(3) of Regulation (EC) No 2494/95.
- (10) The European Central Bank has been consulted in accordance with Article 5(3) of Regulation (EC) No 2494/95 ⁽¹⁾.
- (11) The measures provided for in this Regulation are in accordance with the opinion of the Statistical Programme Committee established by Council Decision 89/382/EEC, Euratom ⁽²⁾,

HAS ADOPTED THIS REGULATION:

Article 1

Subject matter

This Regulation establishes minimum standards for the treatment of seasonal products in order to improve the comparability, reliability and relevance of the Harmonised Indices of Consumer Prices (HICPs).

Article 2

Definitions

For the purpose of this Regulation, the following definitions shall apply:

1. 'seasonal products' means those goods and services that are not available for purchase, or purchased in small or negligible volumes, for certain periods in a typical annual cyclical pattern. The in-season period is meant to cover at least one month;
2. 'subdivision of COICOP/HICP' means COICOP/HICP class in the case of goods and services in a COICOP/HICP class, and COICOP/HICP group for groups that are not subdivided into

classes according to the harmonised COICOP/HICP classification as laid down in Regulation 1749/1999 of 23 July 1999 amending Regulation (EC) No 2214/96, concerning the subindices of the harmonised indices of consumer prices ⁽³⁾;

3. 'counter-seasonal estimation' means the estimation of a price for a product-offer of a product that is out-of-season so that:

— in the first month of the out-of-season period, the estimated price is equal to a typical price observed in the previous in-season period, and,

— from the second month, the estimated price is equal to the estimated price for the preceding month, adjusted by the change in observed prices on average over all seasonal products that are in-season in the same subdivision of COICOP/HICP,

4. 'all-seasonal estimation' means the estimation of a price for a product-offer of a product that is out-of-season so that:

— in the first month of the out-of-season period, the estimated price is equal to a typical price observed in the previous in-season period, and,

— from the second month, the estimated price is equal to the estimated price for the preceding month, adjusted by the change in observed prices on average over all available products in the same subdivision of COICOP/HICP,

5. 'strict annual weights index' means a price index using weightings that do not differ between months within the same year at all levels of index calculation;

6. 'class-confined seasonal weights index' means a price index using weightings that within the same year:

— do not differ between months for any COICOP/HICP subdivision taken as a whole,

— do not differ between months for products within any COICOP/HICP subdivision that does not contain any seasonal product,

⁽¹⁾ OJ C 58, 12.3.2009, p. 1.

⁽²⁾ OJ L 181, 28.6.1989, p. 47.

⁽³⁾ OJ L 214, 13.8.1999, p. 1.

— within the in-season period do not differ between months for products within any COICOP/HICP subdivision that contains seasonal products, except to the extent that it is necessary to allow for month-on-month changes in the composition of the basket,

Article 3

Scope

1. The minimum standards shall apply to seasonal products within the following COICOP/HICP classes and groups:

- 01.1.3 Fish
- 01.1.6 Fruit
- 01.1.7 Vegetables
- 03,1 Clothing
- 03,2 Footwear

2. Where appropriate, the minimum standards shall serve as guidance also concerning seasonal products within COICOP/HICP classes and groups other than those listed in the first paragraph.

Article 4

Minimum standards

1. In any given month, seasonal products shall be deemed to be either in-season or out-of-season. In-season periods may vary from one year to another.

2. An HICP sub-index at elementary product group level shall be a strict annual weights index or a class-confined seasonal weights index.

3. For an HICP that is a strict annual weights index, estimated prices shall be used for seasonal products that are out-of-season, in accordance with Article 6(1)(b) of Regulation (EC) No 1749/96.

4. For an HICP that is a strict annual weights index, an estimated price for a product-offer of a seasonal product that is out-of-season shall be defined either by counter-seasonal estimation or by all-seasonal estimation. Hereby counter-seasonal estimation shall be preferred where the Member State deems it feasible with respect to the availability of observed prices, as may be likely for clothing and footwear. Where counter-seasonal estimation is not deemed feasible, all-seasonal estimation shall be used.

5. For an HICP that is a class-confined seasonal weights index, a seasonal product that is out-of-season shall have a weight of zero.

6. For an HICP that is a strict annual weights index, estimations may also be performed at a more detailed level than the subdivision of COICOP/HICP, such as for strata if a stratified sample is being used. For an HICP that is a class confined seasonal weights index, seasonal weights may also be established at a more detailed level.

7. Changes in prices of seasonal products for which the share of the total consumption expenditure, covered by the HICP, during a typical in-season period is likely to be at least two parts per thousand shall be reflected in the HICP.

8. The weights for seasonal products shall be compiled and updated as necessary in accordance with Articles 2 and 3 of Regulation (EC) No 2454/97. The indices used for the annual price updating of weights, where the index computation so requires, shall refer to the average prices of the month used for updating.

Article 5

Comparability

HICPs constructed following standards other than those required in Article 4 of this Regulation shall be deemed comparable if they result in indices which do not differ systematically from an index compiled following the provisions of this Regulation by more than:

- (a) one tenth of one percentage point on average over one year against the previous year for the all-items HICP;
- (b) three, four or five tenths of a percentage point on average over one year against the previous year for any COICOP/HICP division, group or class;
- (c) one tenth of one percentage point on average for an individual month against the previous month of the all-items HICP.

Article 6

Application

The changes deriving from this Regulation, and in particular Article 4 thereof, shall be applied from December 2010 and take effect with the index for January 2011.

*Article 7***Entry into force**

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

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

Done at Brussels, 22 April 2009.

For the Commission
Joaquín ALMUNIA
Member of the Commission
