COMMISSION REGULATION (EC) No 2602/2000

of 17 November 2000

laying down detailed rules for the implementation of Council Regulation (EC) No 2494/95 as regards minimum standards for the treatment of price reductions in the Harmonised Index of Consumer Prices

(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 harmonised indices of consumer prices [1], and in particular Article 4 in conjunction with Article 5(3) thereof,

After consulting the European Central Bank [2],

Whereas:

(1) By virtue of Article 5(1)(b) of Regulation (EC) No 2494/95, each Member State is required to produce a Harmonised Index of Consumer Prices (HICP) starting with the index for January 1997.

(2) There is considerable scope for procedural differences in the treatment of price reductions and the relationship between price reductions and purchase price. A harmonised methodology for the treatment of price reductions in the HICP is necessary to ensure that the resulting HICPs meet the comparability requirement of Article 4 of Regulation (EC) No 2494/95. It will also improve their reliability and relevance.

(3) Prices used in the HICP should be purchaser prices actually paid by households to purchase individual goods and services in monetary transactions, including any taxes less subsidies on the products, after deductions for discounts for bulk or off-peak purchases from standard prices or charges, and excluding interest or services charges added under credit arrangements and any extra charges incurred as a result of failing to pay within the period stated at the time the purchases were made.

(4) In the event of changes in specification, prices should be treated in accordance with the rules regarding quality adjustment set out in 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 [3], as last amended by Council Regulation (EC) No 1688/98 [4].

(5) The measures provided for in this Regulation are in accordance with the opinion of the Statistical Programme Committee (SPC) established by Council Decision 89/382/EEC, Euratom [5],

HAS ADOPTED THIS REGULATION:

Article 1

Aim

The aim of this Regulation is to specify the treatment in the Harmonised Index of Consumer Prices, hereinafter referred to as 'HICP' of reductions in prices for individual goods or services in order to ensure that HICPs are reliable and relevant and meet the comparability requirements laid down in Article 4 of Regulation (EC) No 2494/95.

Article 2

Purchaser prices

Unless otherwise stated purchaser prices used in the HICP shall in general take account of reductions in prices of individual goods and services if such reductions:

(a) can be attributed to the purchase of an individual good or service;

(b) are available to all potential consumers with no special conditions attached (non-discriminatory);

(c) are known to the purchaser at the time when they enter into the agreement with the seller to purchase the product concerned; and

(d) can be claimed at the time of purchase or within such a time period following the actual purchase that they might be expected to have a significant influence on the quantities purchasers are willing to purchase.

In particular, reductions in the prices of individual goods and services which are likely or expected to be available again at standard prices or are available elsewhere at standard prices shall be taken into account in the HICP. Standard price means the price without any conditions or qualifications and not described as a special price.

[1] OJ L 257, 27.10.1995, p. 1.
[2] Opinion delivered on 24 November 2000 (not yet published in the Official Journal).
[3] OJ L 229, 10.9.1996, p. 3.
[4] OJ L 214, 31.7.1998, p. 23.
[5] OJ L 181, 28.6.1989, p. 47.

Article 3

Inducements

The market value of something temporarily offered to consumers to persuade them to purchase a particular product, hereinafter referred to as an 'inducement', may be deducted if known. That market value shall be added back at the time the offer is withdrawn. Inducements in the form of extras, such as extra quantity of the product concerned, inclusion of a different product 'free of charge' or other benefits, shall be disregarded if they are not significant.

Article 4

Specification change

Where specification changes, prices shall be treated in accordance with the rules on specification changes, and in particular those regarding quality adjustment in Article 5 of Regulation (EC) No 1749/96.

Article 5

Implementation

The provisions of this Regulation shall be applied by Member States in December 2000 at the latest and take effect either with the index for January 2001 or with the index for January 2002.

Article 6

Revision

1. As a transitional measure, where the implementation of the provisions of this Regulation affects the annual rate of change (m/(m−12)) of the all-items index by more than one-tenth of one percentage point compared with an index which does not take account of price reductions, the index series concerned shall be revised appropriately.

2. General provisions relating to the revisions policy for the HICPs shall be adopted in accordance with the procedure laid down in Article 14 of Regulation (EC) No 2494/95, whereupon the transitional measures shall cease to apply.

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 Communities*.

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

Done at Brussels, 17 November 2000.

For the Commission

Pedro SOLBES MIRA

Member of the Commission