

**COMMUNICATION**  
**from the European Affairs Committee of the Federal Council**  
**of 4 February 2015**  
**to the European Parliament and the Council**  
**pursuant to Article 23 f (4) of the Austrian Constitutional Act**

**COM (2014) 724 final**

**Proposal for a Regulation of the European Parliament and the Council on harmonized indices of consumer prices and repealing Regulation (EC) No. 2494/95**

Council Regulation (EC) 2494/95 established a common framework for setting up harmonized indices of consumer prices. To date, twenty implementing regulations have been adopted on the basis of this regulation. This legal framework is to be consolidated and adapted to current needs and technical progress.

This common legal framework regulates the establishment of harmonized indices of consumer prices (HICP), including the acquisition, compilation, processing and submission of HICP. It also covers modernized practices to be applied in data acquisition and in the production of indices.

In general, we welcome the consolidation and modernization of the legal framework. The HICP is an important economic indicator; uniform methods and, consequently, results that are comparable at European level represent a positive development. However, the impact of modernization has not been subjected to a detailed assessment. In the opinion of the Federal Council, the following essential issues need to be resolved prior to a positive conclusion of the negotiations.

→ Impact assessment still outstanding

On page 3 of the Explanatory Memorandum, the Commission states that national statistical institutes participated in the elaboration of the draft regulation and an impact assessment was not deemed necessary. The Federal Council is unable to follow this line of argumentation. As illustrated by the specific examples referred to in the following, an impact assessment will have to be submitted by the Commission.

### → Deficiencies in the presentation of methodological aspects (e.g. scanner data)

The wording of Article 5, para.3, gives rise to concern. It provides for the obligatory reporting of scanner data, which will give rise to practical problems. On the one hand, this requirement is likely to result in an increased workload for the respondents, as the reporting obligation may involve a need to provide more comprehensive information. On the other hand, the issue of data quality control arises. At any rate, it will first have to be established which sectors use barcode scanning systems and can therefore provide scanner data. In this context, the situation of small and medium-sized enterprises should be taken into consideration. In principle, reporting of scanner data is welcomed as a positive step, but for practical reasons the aforementioned paragraph has to be reworded.

### → Principle of proportionality and subsidiarity

Major amendments to the draft submitted will be necessary in order to comply with the principle of proportionality and subsidiarity:

In accordance with the principle of subsidiarity, the European Statistical System (ESS) provides for a clear division of responsibilities. “Core activities”, such as data acquisition, definitions, the use of administrative data and data dissemination, continue to be performed by the national statistical offices, whereas the tools and methods to be applied are developed jointly by all ESS members. Consequently, regulations on statistics, as a rule, only specify the type of data to be provided (output orientation). It remains for the Member States to decide how to meet their data delivery obligations (primary data acquisition, use of administrative data, methods of statistical estimation).

The direct reporting obligation provided for in the draft regulation would have to be specifically and thoroughly motivated. However, such motivation is lacking. Recital 14 only contains the usual standard wording.

### → Extensive delegation of legal acts is rejected

The draft regulation provides for an extensive delegation of legal acts to the European Commission. Details regarding the acquisition of scanner data, for example, are to be regulated through implementing acts in accordance with the examination procedure pursuant to Article 5 of Regulation 182/2011.

The Federal Council objects to such comprehensive delegation of legal acts.

→ Safeguarding data protection and statistical secrecy

In conjunction with a number of new legislative provisions (e.g. PSI Directive) as well as other legislation yet to be adopted, the inclusion of a provision on data protection and statistical secrecy in the proposed draft regulation appears to be appropriate.