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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

(Text with EEA relevance)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

The European Commission and the European Central Bank require inflation measures in the EU to be harmonised in order to ensure the good functioning of the European Union, and in particular to implement effective monetary policy.

Harmonised consumer price indices are essential for assessing and measuring:

- convergence in terms of price stability within the EU; and
- the results of euro area monetary policy, in terms of achieving the objective of price stability.

Harmonised inflation measures are also used for assessing national competitiveness as part of the Commission's macroeconomic imbalance procedure.

For these purposes, consumer price indices need to be comparable across all countries and all product areas. They must be sufficiently detailed and be able to be produced within a reasonable timeframe. The inflation figures calculated from consumer price indices must constitute an objective and unbiased basis for decision making.

In addition, comparable and reliable consumer price indices are, together with other sources, a valuable input for deflating economic values such as salaries, rents, interest rates and National Accounts data. These estimated volume time series show the evolution of a given economic phenomenon without the impact of inflation and are an essential input for political and economic decisions.

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.

Standardised rules ensuring maximum comparability remain important for the main users of HICP, in particular the Commission and the European Central Bank, but certain parameters have changed since the adoption of the original framework:

- The development of the European Statistical System (ESS) has led to a much greater acceptance of the need for a harmonised approach to many of the methodological aspects relating to consumer price indices.
- The technical aspects of data collection and index compilation have changed dramatically due to the rapid rate of technological progress in recent years. Powerful information technology systems make it possible to adopt methods that would not have been considered as little as two decades ago: the advent of scanner data is revolutionising data collection practices and the use of various internet sources for prices is constantly developing.
- The Lisbon Treaty established a new comitology set-up, introducing delegated and implementing acts. This needs to be reflected in the legal framework.

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. Reviewing the HICP Regulation gives stakeholders the chance to reflect on the existing rules

and recommendations, to rationalise them and to focus on particular aspects according to their current relevance and the best interests of various types of users.

Many policy areas in which the EU plays an active role require information on events and developments affecting consumer price indices so that operational objectives can be formulated and progress evaluated. EU legislation also requires Eurostat to provide deflators of the highest possible quality, for which HICP are a valuable input. The indices must be timely, accurate, complete, coherent and comparable at EU level and between different product groups. Only by modernising the European legislation on HICP can these requirements be met.

The proposed HICP Regulation 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.

2. RESULTS OF CONSULTATIONS WITH INTERESTED PARTIES AND IMPACT ASSESSMENTS

The draft HICP Regulation was discussed by expert groups made up of both producers of statistics, in particular national statistical institutes, and users of statistics, including the European Commission, the European Central Bank and national central banks. The European Statistical System Committee was consulted.

An impact assessment was not deemed necessary.

3. LEGAL ELEMENTS OF THE PROPOSAL

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. These are necessary for the systematic production of inflation measures in the European Union.

This proposal simplifies and clarifies the requirements for the compilation of these indices. In particular, it:

- provides a new general framework applying to well-defined categories of product groups;
- establishes a clear and well-defined scope of application;
- maintains specific measures for specific domains such as health, education, social protection and insurance;
- addresses possible differences in interpretation and difficulties for data suppliers in applying the rules;
- ensures that similar product groups are treated in the same way across the EU;
- eliminates provisions that have become redundant; and
- clarifies provisions that have led to misinterpretations in the past.

Where further specification or uniform conditions for implementation are needed, the Regulation provides for the possibility of adopting delegated or implementing acts in

accordance with Articles 290 and 291 of the Treaty on the Functioning of the European Union (TFEU).

In particular, in order to ensure full comparability of consumer price indices, uniform conditions are needed for:

- the breakdown of HICP by European classification of individual consumption according to purpose (ECOICOP) categories;
- the methodology used in producing harmonised indices;
- the meaning and use of statistical units;
- the weights used in calculating harmonised indices and metadata on the weights;
- the annual calendar for transmitting harmonised indices and sub-indices;
- data and metadata exchange standards;
- conditions for revising data;
- basic information and methods to be used, based on the evaluation of pilot studies; and
- technical quality assurance requirements relating to the content of annual quality reports, the deadline for providing these reports to Eurostat and the structure of the inventory.

In accordance with Article 291 of the TFEU, the proposed Regulation therefore confers implementing powers on the Commission.

In accordance with Article 290 of the TFEU, the proposed Regulation delegates to the Commission the power to adopt non-legislative acts of general application to supplement or amend non-essential parts of the Regulation. This will allow the Commission to:

- ensure comparability at international level of the classification of individual consumption according to purpose (COICOP) used for the breakdown of HICP;
- establish a threshold below which there is no obligation to provide sub-indices of harmonised indices; and
- establish a list of sub-indices that Member States are not obliged to produce.

The Commission should ensure that these delegated acts do not impose a significant additional administrative burden on Member States.

The proposal for a revised HICP Regulation seeks to create a single legal measure covering all uniform conditions. There are currently 20 different implementing regulations. Under the new Regulation these would be combined into a single one, which would give stakeholders and Member States greater clarity and make administration easier and more effective. Simplifying requirements and their implementation in this way is one of the main objectives of the proposed strategy for a new legal framework for HICP.

4. BUDGETARY IMPLICATION

None for the EU budget.

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

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(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 338(1) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Central Bank ¹,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) 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 (the Treaty).
- (2) The European System of Central Banks (ESCB) uses the HICP as an index in order to measure the achievement of the ESCB's price stability objective under Article 127(1) of the Treaty, which is of particular relevance for the definition and implementation of the monetary policy of the Union under Article 127(2) of the Treaty.
- (3) Council Regulation (EC) No 2494/95² established a common framework for setting up harmonised indices of consumer prices. This legal framework needs to be adapted to current needs and technical progress.
- (4) This Regulation takes into account the Commission's better regulation programme and, in particular, the Commission Communication on smart regulation in the Union³. In the statistical field, the Commission has set as a priority the simplification and improvement of the regulatory environment in statistics⁴.

¹ OJ C [...].

² Council Regulation (EC) No 2494/95 of 23 October 1995 concerning harmonised indices of consumer prices (OJ L 257, 27.10.1995, p.1).

³ Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions 'Smart Regulation in the European Union', COM(2010) 543.

⁴ Communication from the Commission to the European Parliament and the Council on 'the production method of EU statistics: a vision for the next decade', COM(2009) 404 final.

- (5) HICP should be broken down by categories of the European classification of individual consumption according to purpose (ECOICOP). This classification should ensure that all European statistics relating to private consumption are consistent and comparable. The ECOICOP should also be consistent with the UN COICOP, which is the international standard classifying individual consumption according to purpose, and should therefore be adapted to changes of the UN COICOP.
- (6) The regular HICP are based on observed prices, which also include taxes on products. Hence, inflation is affected by changes to tax rates on products. For inflation analysis and for convergence assessment in Member States, information also needs to be collected on the impact of tax changes on inflation. To this end, HICP should additionally be calculated on the basis of constant tax rate prices.
- (7) Establishing price indices for dwellings and in particular for owner-occupied housing (OOH indices) is an important step towards improving the relevance and comparability of HICP. House price indices are a necessary basis for compiling OOH indices. In addition, house price indices are important indicators in their own right.
- (8) The reference period of price indices should be updated at regular intervals. Rules for common index reference periods of harmonised indices and their sub-indices integrated at different points in time should be established in order to ensure that the resulting indices are comparable and relevant.
- (9) In order to enhance the gradual harmonisation of consumer price indices, pilot studies should be launched to assess the feasibility of using additional basic information or applying new methodological approaches.
- (10) Guidance on the various stages of producing high-quality harmonised indices should be given in a methodological manual in order to help Member States to produce comparable indices of consumer prices. The methodological manual should be established by the Commission (Eurostat) in close cooperation with Member States within the European Statistical System and regularly updated. In the annual HICP inventory referred to in Article 9(2)(b) of this Regulation, Member States should inform the Commission (Eurostat) about divergences, if any, between the statistical methods used and those recommended in the methodological manual.
- (11) The Commission (Eurostat) should verify the sources and methods used by Member States to calculate harmonised indices and should monitor the implementation of the legal framework by Member States. For this purpose the Commission (Eurostat) should maintain a regular dialogue with the Member States' statistical authorities.
- (12) Background information is essential for assessing whether the detailed harmonised indices provided by the Member States are sufficiently comparable. In addition, transparent compilation methods and practices used in Member States help all stakeholders to understand the harmonised indices and further improve their quality. A set of rules for reporting harmonised metadata should therefore be established.
- (13) In order to ensure the quality of harmonised indices, confidential data and metadata should be exchanged between the Commission (Eurostat), national central banks and

the European Central Bank in accordance with Regulation (EC) No 223/2009 of the European Parliament and of the Council⁵.

- (14) Since the objective of the present Regulation, namely the creation of common statistical standards for harmonised indices, cannot be sufficiently achieved by the Member States but can be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in the same Article, this Regulation does not go beyond what is necessary in order to achieve this objective.
- (15) In order to ensure comparability at international level of the classification of individual consumption according to purpose used for the breakdown of HICP and to assure adaptation to changes of UN COICOP, to establish a threshold below which there is no obligation to provide sub-indices of harmonised indices and to establish a list of sub-indices that need not be produced by the Member States, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of harmonised indices. It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and the Council.
- (16) In order to ensure full comparability of consumer price indices, uniform conditions are needed for the breakdown of the HICP by ECOICOP categories, for the applied methodology in producing harmonised indices, for the information provided by statistical units, for providing weights and metadata on the weights, for the establishment of an annual calendar for the transmission of the harmonised indices and sub-indices, for the data and metadata exchange standards, for the uniform conditions for revisions, for improved basic information or improved methods based on the evaluation of pilot studies and for technical quality assurance requirements regarding the content of annual quality reports, the deadline for providing the report to the Commission (Eurostat) and the structure of the inventory. In order to ensure such uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council.⁶
- (17) In adopting implementing measures and delegated acts in accordance with this Regulation, the Commission should take the utmost account of cost-effectiveness.
- (18) In the context of Article 7 of Regulation (EC) No 223/2009, the European Statistical System Committee has been asked to provide its professional guidance.
- (19) Regulation (EC) No 2494/95 should be repealed.

⁵ Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European Statistics (OJ L 87, 31.3.2009, p.164).

⁶ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

HAVE ADOPTED THIS REGULATION:

Article 1
Subject matter

This Regulation lays down a common framework for the development, production and dissemination of harmonised indices of consumer prices (HICP) and of housing prices (HPI) at Union, national and sub-national level.

Article 2
Definitions

For the purposes of this Regulation the following definitions apply:

- (a) ‘Development of statistics’ means establishing and improving statistical methods, standards and procedures used in the production and dissemination of statistics, with the aim of designing new statistical measures and indicators.
- (b) ‘Production of statistics’ means all steps involved in compiling statistics, including collecting, storing, processing and analysing statistics.
- (c) ‘dissemination of statistics’ means the activity of making statistics, statistical analyses and non-confidential information accessible to users;
- (d) ‘products’ means goods and services as defined in Annex A, point 3.01 of Regulation (EU) No 549/2013 of the European Parliament and of the Council ⁷ (hereinafter referred to as ‘ESA 2010’);
- (e) ‘consumer prices’ means the purchase prices paid by households to purchase individual products by means of monetary transactions;
- (f) ‘purchase price’ means the price actually paid by the purchaser for products, including any taxes less subsidies on the products, after deduction of discounts for bulk or off-peak purchases from standard prices or charges, excluding interest or services charges added under credit arrangements and any extra charges incurred as a result of failing to pay within the period specified at the time of purchase;
- (g) ‘harmonised indices of consumer prices (HICP)’ means the comparable indices of consumer prices produced by each Member State;
- (h) ‘harmonised indices of consumer prices at constant tax rates (HICP-CT)’ means indices that measure changes in consumer prices over a period of time excluding the impact of changes in tax rates on products during that period of time;
- (i) ‘administered prices’ means prices that are either directly set or influenced to a significant extent by the government;
- (j) ‘owner-occupied housing price index (OOH index)’ means an index that measures changes in the transaction prices of dwellings new to the household sector and of other products that the households acquire in their role as owner-occupiers;

⁷ Regulation (EU) No 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union (OJ L 174, 26.6.2013, p. 1).

- (k) 'house price index (HPI)' means an index that measures changes in the transaction prices of dwellings purchased by households;
- (l) 'sub-index of the HICP' means a price index for any of the categories of the European classification of individual consumption according to purpose (hereinafter referred to as 'ECOICOP') as established in the Annex;
- (m) 'harmonised indices' means the HICP, HICP-CT, OOH indices and HPI;
- (n) 'Laspeyres index' means a price index of the form

$$P_L = \frac{\sum (P_{t_n} \cdot Q_{t_0})}{\sum (P_{t_0} \cdot Q_{t_0})}$$

where P is the relative index of the price levels in two periods, Q are the quantities consumed, t₀ is the base period and t_n the period for which the index is computed;

- (o) 'Laspeyres-type index' means an index that measures average price changes on the basis of unchanged expenditure compared to the base period, i.e. holding the consumption pattern of households constant as of the base period.
- (p) 'index reference period' means the period for which the index is set to 100 index points;
- (q) 'basic information' with reference to HICP and HICP-CT means data covering
 - all purchase prices of products which need to be taken into account in order to compute HICP sub-indices in accordance with this Regulation,
 - all characteristics that determine the product price and any other characteristics relevant to the consumer purpose in question,
 - information on taxes and excise duties levied,
 - information as to whether a price is fully or partially administered, and
 - all weights reflecting the level and structure of the consumption of the products concerned.
- (r) 'basic information' with reference to OOH indices and HPI means data covering
 - all transaction prices of dwellings purchased by households which need to be taken into account to compute HPI indices in accordance with this Regulation,
 - all characteristics which determine the dwelling price or other relevant characteristics.
- (s) 'household' means a household as defined in Annex A, paragraph 2.119 (a) and (b) of ESA 2010, irrespective of nationality or residence status;
- (t) 'economic territory of the Member State' means the territory as defined in Annex A, paragraph 2.05 of ESA 2010, with the exception that the extraterritorial enclaves situated within the boundaries of the country are included and the territorial enclaves situated in the rest of the world are excluded;
- (u) 'household final monetary consumption expenditure' means that part of final consumption expenditure incurred by:

- households,
 - in monetary transactions,
 - on the economic territory of the Member State,
 - on products that are used for the direct satisfaction of individual needs or wants, as defined in Annex A paragraph 3.101 of ESA 2010,
 - in one or both of the time periods being compared;
- (v) ‘significant change of production method’ means a change that is estimated to affect the annual rate of change of a given Harmonised Index or part thereof in any period by more than:
- 0.1 percentage points for the all-items HICP or the OOH or HPI,
 - 0.3, 0.4, 0.5 or 0.6 percentage points for any ECOICOP division, group, class or sub-class (5-digit) respectively.

Article 3

Compilation of the harmonised indices

1. Member States shall provide the Commission (Eurostat) with all harmonised indices as defined in Article 2(m).
2. Harmonised indices shall be compiled using a Laspeyres-type formula.
3. The HICP and HICP-CT shall be based on the price changes and weights of products included in household final monetary consumption expenditure.
4. The HICP shall not 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).
5. HICP sub-indices shall be compiled for the categories of ECOICOP. Uniform conditions for the breakdown of the HICP by ECOICOP categories shall be adopted by means of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 11(2).

Article 4

Comparability of the harmonised indices

1. For HICP or OOH indices to be considered comparable, any difference across countries at all levels of detail shall only reflect differences in price changes or expenditure patterns.
2. Any sub-indices of the harmonised indices that deviate from the concepts or methods of this Regulation shall be deemed comparable if they result in an index that is estimated to differ systematically by:
 - (a) less than or equal to 0.1 per cent on average over one year against the previous year from an index compiled following the methodological approach of this Regulation, in the case of HICP;

- (b) less than or equal to one per cent on average over one year against the previous year from an index compiled following the methodological approach of this Regulation, in the case of OOH and HPI.

Where such a calculation is not possible, the consequences of using a methodology which deviates from the concepts or methods of this Regulation must be set out in detail.

3. The Commission shall be empowered to adopt delegated acts in accordance with Article 10 for the modification of the Annex in order to ensure comparability of the harmonised indices at international level.
4. In order to ensure uniform conditions, the appropriate methodology for producing comparable harmonised indices shall be defined by means of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 11(2).

Article 5 ***Data requirements***

1. Member States shall collect basic information representative of their country for harmonised indices and their sub-indices.
2. The information shall be obtained from statistical units as defined in Council Regulation (EEC) No 696/93⁸.
3. The statistical units that provide information on products included in household final monetary consumption expenditure shall cooperate in the collection or provision of basic information as required. The statistical units shall give accurate and complete information, including in electronic form if requested. On request of the national bodies responsible for compiling official statistics, the statistical units shall provide information in electronic form, such as scanner data, and at the level of detail necessary in order to produce harmonised indices and to evaluate compliance with the comparability requirements and the quality of the harmonised indices. Uniform conditions for providing this information shall be established by means of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 11(2).
4. The harmonised indices and their sub-indices shall be scaled to the common index reference period 2015. This scaling shall take effect with the index for January 2016.
5. The harmonised indices and their sub-indices shall be rescaled to a new common index reference period in cases of a major methodological change of harmonised indices or every 10 years starting from 2015. The rescaling to the new index reference period shall take effect with the index for January of the following calendar year. The Commission shall be empowered to adopt delegated acts in accordance with Article 10 to establish detailed rules on rescaling of harmonised indices linked to major methodological changes.

⁸ Council Regulation (EEC) No 696/93 of 15 March 1993 on the statistical units for the observation and analysis of the production system in the Community (OJ L 76, 30.3.1993, p. 1).

6. In order not to impose an unnecessary burden on Member States and to the extent that the sub-indices of harmonised indices are only significant above a certain threshold, the Commission shall be empowered to adopt delegated acts in accordance with Article 10 in order to establish a threshold below which there is no obligation to provide those sub-indices.
7. The Commission shall be empowered to adopt delegated acts in accordance with Article 10 in order to establish a list of sub-indices of ECOICOP that need not be produced by the Member States, either because they do not cover private consumption or because the degree of methodological harmonisation is not sufficient.

Article 6
Frequency

1. Member States shall provide the Commission (Eurostat) with HICP, HICP-CT and their respective sub-indices at monthly intervals, including those sub-indices produced at longer intervals.
2. Member States shall provide the Commission (Eurostat) with OOH indices and HPI at quarterly intervals. They may be provided at monthly intervals on a voluntary basis.
3. Member States are not obliged to produce sub-indices at monthly or quarterly intervals where less frequent data collection fulfils the comparability requirements of Article 4. Member States shall inform the Commission (Eurostat) of the ECOICOP and OOH categories that they intend to collect at intervals less frequent than, respectively, monthly or quarterly.
4. Each year, Member States shall review and update sub-index weights for the harmonised indices. Uniform conditions for providing weights and metadata on the weights shall be established by means of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 11(2).

Article 7
Deadlines, exchange standards and revisions

1. Member States shall provide harmonised indices and all sub-indices to the Commission (Eurostat) no later than 20 calendar days after the end of the reference month for monthly series and 85 calendar days after the end of the reference quarter for quarterly series.
2. Member States shall provide the Commission (Eurostat) with the data and metadata required by this Regulation in accordance with data and metadata exchange standards.
3. Sub-indices of harmonised indices that have already been published may be revised.
4. The establishment of an annual calendar for submitting harmonised indices and sub-indices referred to in paragraph 1, the data and metadata exchange standards referred

to in paragraph 2, and the uniform conditions for revision as referred to in paragraph 3 shall be specified in detail by means of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 11(2).

Article 8
Pilot studies

1. Whenever improved basic information is required for the compilation of harmonised indices, or when the need for improved comparability of indices is identified in the methods referred to in Article 4(2), the Commission (Eurostat) may launch pilot studies to be carried out on a voluntary basis by the Member States.
2. The pilot studies shall assess the feasibility of obtaining improved basic information or adopting new methodological approaches.
3. The results of the pilot studies shall be evaluated by the Commission (Eurostat) in close cooperation with the Member States and main users of harmonised indices, taking into account the benefits of having improved price information relative to the additional costs of collection and compilation.
4. Based on the evaluation of the pilot studies, improved basic information or improved methods shall be introduced by means of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 11(2).

Article 9
Quality assurance

1. Member States shall ensure the quality of the harmonised indices provided. For the purposes of this Regulation, the standard quality criteria set out in Article 12(1) of Regulation (EC) No 223/2009 shall apply.
2. Member States shall provide the Commission (Eurostat) with:
 - (a) an annual standard quality report covering the quality criteria referred to in Article 12(1) of Regulation (EC) No 223/2009;
 - (b) an annual inventory with details of data sources, definitions and methods used, including details of any divergences between the statistical methods used and those recommended in the methodological manual; and
 - (c) further related information at the level of detail necessary to evaluate compliance with the comparability requirements and the quality of the harmonised indices if requested by the Commission (Eurostat).
3. If a Member State intends to introduce a significant change in the production methods of the harmonised indices or part thereof, the Member State shall inform the Commission (Eurostat) at the latest three months before any such change would enter into force. The Member State shall provide the Commission (Eurostat) with a quantification of the impact of the change.

4. Technical quality assurance requirements regarding the content of the standard annual quality report, the deadline for providing the report to the Commission (Eurostat) and the structure of the inventory shall be established by means of implementing acts. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 11(2).

Article 10

Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The delegation of powers referred to in Articles 4(3) and 5(5) to (7) shall be conferred for an indeterminate period of time.
3. The delegation of powers referred to in Articles 4(3) and 5(5) to (7) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of the delegated acts already in force.
4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
5. A delegated act adopted pursuant to Articles 4(4) and 5(5) to (7) shall enter into force only if no objection has been expressed by either the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or the Council.

Article 11

Committee

1. The Commission shall be assisted by the European Statistical System Committee established by Regulation (EC) No 223/2009. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011.
2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

Article 12

Repeal

1. Without prejudice to paragraph 2, Member States shall continue to provide harmonised indices in accordance with Regulation (EC) No 2494/95 up to the transmissions of data referring to 2015.

2. Regulation (EC) No 2494/95 is repealed with effect from 1 January 2016. References to the repealed Regulation shall be construed as being made to this Regulation.

Article 13

Entry into force

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

It shall take effect for the first time to data referring to January 2016.

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

Done at Brussels,

For the European Parliament
The President

For the Council
The President