



EUROPEAN COMMISSION
EUROSTAT

Directorate C: Macro-economic statistics
Unit C-4: Price statistics. Purchasing Power Parities. Housing statistics

HICP Compliance Monitoring

Follow-up report

Belgium

July 2018

Date of visit

- March 2014

CM report published

- August 2014

Date of follow-up information

- January 2017

1. Recommendations and the progress made by the NSI

- **Product and outlet samples should be refreshed at regular intervals.**

This recommendation has been followed up. The CPI was changed from a fixed base to a chained Laspeyres-type index. This allows for updating the product and outlet samples in yearly frequency.

- **Outlets should be stratified by outlet types.**

Work on this recommendation is still ongoing. Work started in 2015 with the implementation of stratification for several product groups. Stratification will be extended for further product groups during 2018.

- **Used cars, currently not covered in the Belgian HICP, should be covered in ECOICOP 07.1.1 (motor cars) if their weight is significant.**

Work on this recommendation is still ongoing. As expenditure on this product group is significant, price collection has started via web scraping. Due to the volatility of this segment, the Belgian NSI considers necessary to collect data and observe price developments for a sufficiently long time period before introduction into the HICP. Currently the expenditure is still added to the expenditure for new cars.

- **Flights departing from regional airports like Charleroi (Brussels South Airport), currently not covered in the Belgian HICP, should be covered.**

Work on this recommendation is still ongoing. Price collection for flights originating from Charleroi (Brussels South) airport has started via web scraping. Due to the volatility of prices, the Belgian NSI considers necessary to collect data and observe price developments for a sufficiently long time period before introduction into the HICP. Inclusion in the HICP was planned from 2018.

- **For health care, not only tariffs but also prices above the tariffs should be surveyed.**

This recommendation has been followed up. The Belgian NSI has found an agreement with doctors for data provision. The first results of the survey show different pricing behaviour among doctors: some charge the official tariff, some do not. Hospital charges could not be surveyed. Due to difficulties of local price collection, the Belgian NSI is seeking cooperation of sickness insurances.

- **The Belgian NSI should check regularly if there are no price movements for insurances within the quarter.**

This recommendation has not yet been followed up. The Belgian NSI plans to consult the professional federation of insurance companies to examine the possibility of more frequent data provision. Since this is not expected to influence the long-term trend, other issues have been given priority. Eurostat encourages the Belgian NSI to follow up on this issue in nearest future.

- **The Belgian NSI should check at regular intervals if list prices correctly reflect the evolution of transaction prices.**

The Belgian NSI has carried out a comparison of price developments for new cars. It was concluded that while there are differences in monthly price developments among list prices and actual transaction prices, this does not appear to affect long-term price developments. Eurostat recommends that the same price observations should be used for the HICP as for the national CPI.

Eurostat further encourages the Belgian NSI to carry out similar comparisons for pharmaceutical products and package holidays and repeat them at regular intervals.

2. Additional measures that improved the quality of the Belgian HICP

- **Weights**

Since 2017, weights are calculated on the basis of national accounts data down to level 5 of ECOICOP for most sub-classes. Otherwise most recent household budget data is still used.

The weights are price updated at level 5 of ECOICOP to the December price level of year t-1.

- **Scanner data**

Scanner data were implemented in 2016 for some product groups such as food, beverages, tobacco non-durable household goods, products for pets and personal care and slightly extended to further product groups in 2017. Prices are still collected in outlets for which no scanner data is available. Explicit weights are attributed to each segment based on turnover data or household budget data.

3. Conclusion

Belgium made good progress on the implementation of measures increasing the relevance and reliability of the Belgian HICP. Eurostat encourages Belgium to follow this path and implement further measures in the near future.