



EUROPEAN COMMISSION
EUROSTAT

Directorate C – Macro-economic statistics
C.4 – Price statistics. Purchasing power parities. Housing statistics

February 2024

HICP Compliance Monitoring

Follow-up report – The Netherlands

Date of visit of the Compliance Monitoring

July 2021

Compliance Monitoring Report published ⁽¹⁾

December 2021

Date of follow-up information

February 2024

1. Eurostat's recommendations and progress made by the Statistics Netherlands (CBS)

- **CBS should review the estimation of expenditures for hospital services (ECOICOP 06.3) and for repair and maintenance services (ECOICOP 04.3.2).**

This recommendation has been implemented. CBS will be including ECOICOP 06.3 from January 2024 since the estimate for hospital services is above the threshold of one part per thousand. As expenditures on ECOICOP 04.3.2 are still estimated to be below the one part per thousand threshold, this sub-index will not be included in the HICP.

⁽¹⁾ The report is available on Eurostat's website: [HICP Compliance Monitoring Report - The Netherlands - 2021](https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&plugin=1) ([europa.eu](https://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&plugin=1))

- **The timeliness of the second-hand motor car price index is not fully in line with the legal requirements. According to Article 8(1) of Commission implementing regulation (EU) 2020/1148, the prices should be included in the HICP for the month in which transactions at that price can take place.**

This compliance issue has been fully addressed. CBS is fully compliant with Article 8(1) of the Implementing Regulation since January 2023. Since then, prices are included in the HICP for the month in which transactions take place.

- **CBS should investigate if the data collection frequency for rents (ECOICOP 04.1.1) can be improved, while taking into account cost and burden on respondents.**

This recommendation has not been implemented. Data collection for rents is conducted once per year. According to Dutch law, rents are updated in the month of July and, therefore, price changes measured in any month other than July only apply to new tenants. CBS has no plans to increase the frequency of data collection for new rental contracts, since that would entail a substantial increase in the respondent burden.

- **For camper vans, caravans, and trailers (ECOICOP 09.2.11), CBS should consider a more frequent price collection.**

This recommendation has been fully implemented. The frequency of price collection for vans, caravans, and trailers has increased from twice per year to four times per year since 2021.

- **To avoid a downward bias, CBS should improve the treatment of outlet replacements in connection with reduced (clearance) prices observed in the outlets that are removed.**

This recommendation has been fully implemented. Manual data collection in outlets has been replaced by transaction data or web scraped data. Therefore, CBS can monitor the prices more closely and identify when an outlet is permanently closed, reducing the risk of a downward bias.

- **For supermarket scanner data, CBS should examine the treatment of changes in item codes that are linked to changes in package size and ensure that price changes due to package size changes are properly captured.**

This recommendation has not been implemented. CBS has applied for a Eurostat grant for the period 2024-2025 to investigate the effect of changes in package size (shrinkflation) on the HICP and to improve the linking of new and disappearing items.

- **In order to continuously apply the best possible, most efficient and effective quality adjustment method, CBS should carry out research on explicit quality adjustment methods and on its application in relevant product categories.**

This recommendation has not been implemented. CBS has applied for a Eurostat grant for the period 2024-2025 to improve linking of new and disappearing items, and this will facilitate the use of quality adjustment methods in scanner data.

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- **CBS should treat package holidays using a seasonal method consistent with the legal framework.**

This recommendation has not been implemented. CBS has plans to implement this recommendation from January 2026, when a multilateral method will be used for index calculation.

- **CBS should investigate the treatment of seasonal products with multilateral methods, in particular in relation to window length and splicing method.**

This recommendation has been implemented. In January 2024, a new splicing method (HYCS) is introduced for datasets with several seasonal products like clothing and footwear. This new method improves the quality of the price index.

- **CBS should assess the use of the Dutot index in order to always select the most appropriate method to compile elementary price indices.**

This recommendation has not been implemented. In the future, CBS will investigate the use of a Jevons index in terms of its impact on the result.

2. Additional measures to improve the quality of the Dutch HICP

No additional measures have been implemented since 2021.

3. Conclusion

Eurostat takes good note of the measures implemented by CBS to improve the quality of the Dutch HICP. CBS should continue to implement improvement measures, particularly those related to the recommendations on the frequency of data collection for rents as well as the treatment of seasonal package holidays and the use of a Jevons index. Eurostat welcomes the ongoing work on scanner data, namely on improving the linking of new and disappearing items.