

# IDENTIFYING ADMINISTERED PRICES – A PRACTICAL APPROACH –

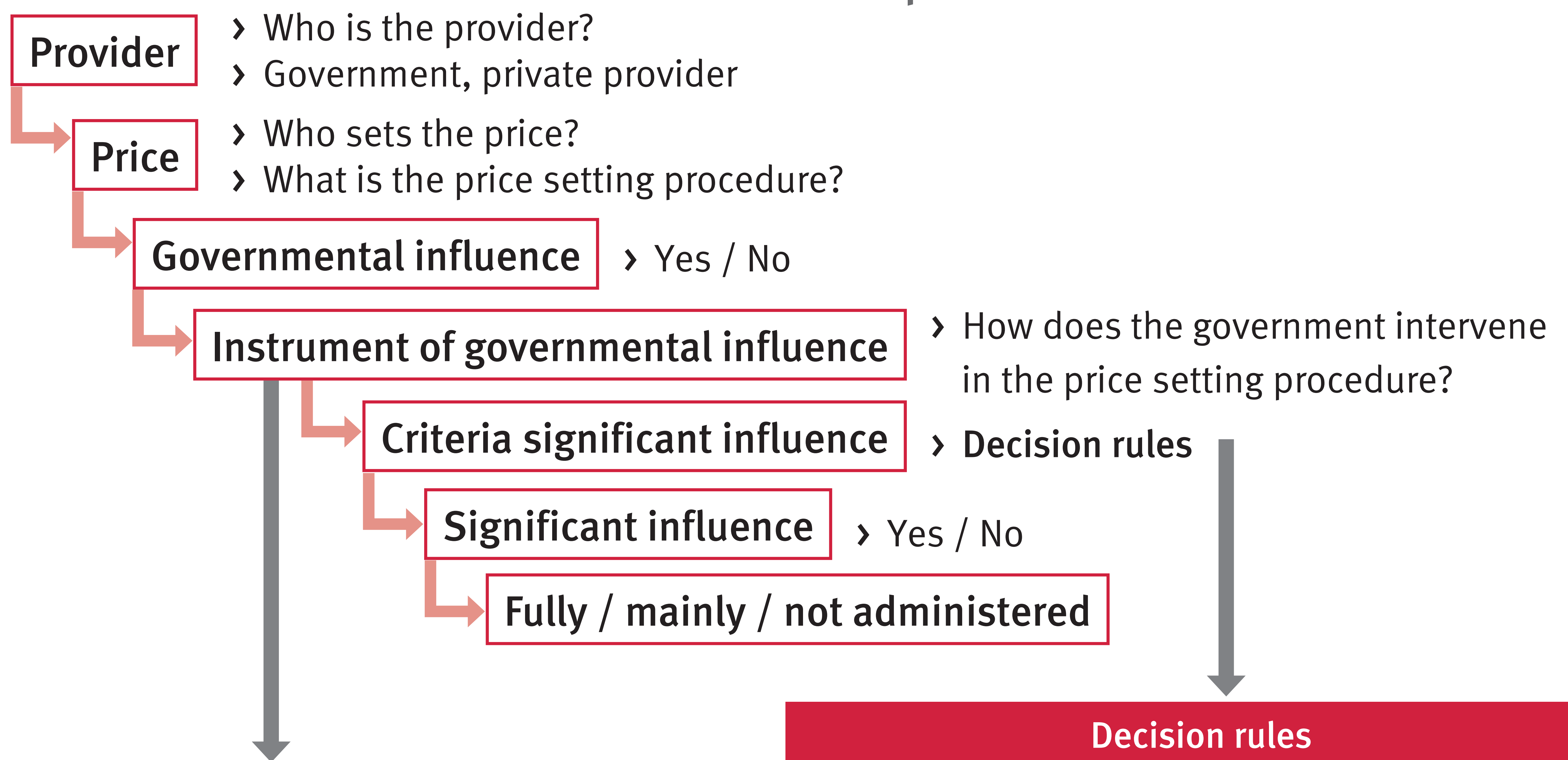
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## Definition of administered prices by Eurostat

- › Fully administered prices: directly set by the government
- › Mainly administered prices: significantly influenced by the government

→ **Aim: Consistent and comprehensible application of the definition**

### Decision steps



Instruments of governmental influence		Decision rules	
		Significant influence	No Significant influence
1	Government/governmental task	Price set by the provider according to rules of a statute	Shareholders have no direct influence on price
2	Market participant on behalf of the government	Shareholders have direct influence on price	
3	Provider with public bodies/shareholders		
4	Price directly set by the government, provider without governmental mandate	Approval of prices of a company with market power/overall sector	Approval is about procedure not about price
5	Approval/permission by regulatory authorities	Direct influence on the price, Objective: promote competition	Regulation of price increases not of the absolute price
6	Mechanisms for price increases	Absolute price limit	No absolute price limit
7	Price floors/caps (by law/regulation)		Definition in relation to the price of another product
8	Government grants, subsidies	Permanent/long-term	Short-term
9	Levies/charges	At least 50 % of the full price administered	Less than 50 % of the full price administered

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