HARMONISED INDICES OF CONSUMER PRICES

Metadata Referenciale në format Euro SDMX Metadata Structure

(ESMS)

Metadata Referenciale

1. Contact	2
2. Metadata update	2
3. Statistical presentation	2
4. Unit of measure	4
6. Institutional mandate	5
7. Confidentiality	5
8. Release policy	6
9. Frequency of dissemination	6
10. Accessibility and clarity	6
11. Quality managment	7
12. Relevance	7
13. Accuracy and reliability	8
14. Timeliness and punctuality	8
15. Coherence and comparability	9
16. Cost and burden	
17. Data revision	10
18. Statistical processing	10
19. Comment	14
Annex	14

1. Contact	1. Contact	
1.1. Contact organisation	Institute of Statistics, INSTAT	
1.2. Contact organisation unit	Price Sector, Directory of Sectorial Statistics	
1.3. Contact name	Ilirjana Kraja	
1.4. Contact person function	Head, Price Sector	
1.5. Contact mail address	Vllazën Huta Street, Building 35, Entrance 1, Tirana, Zip Code 1017	
1.6. Contact email address	ikraja@instat.gov.al	
1.7. Contact phone number	+(355) 4 233356 / 233/ 240	
1.8. Contact fax number	+(355) 4 228300	
2. Metadata update		
2.1. Metadata last certified	17.01.2025	
2.2. Metadata last posted	17.01.2025	
2.3. Metadata last update	17.01.2025	
3. Statistical presentation	on	
3.1. Data description	 Harmonised Indices of Consumer Prices (HICP) comprises all products and services purchased in monetary transactions by households within the territory of a country; those by both resident and non-resident households. HICPs cover the prices paid for goods and services in monetary transactions. HICP is the bases for comparative measurement of inflation in European countries and as official inflation of European Central Bank with aim of stability of price in Monetary and Economic Union. 	
	Consumer Price Index (CPI) is defined as the measure of the average change of prices of a fixed basket of goods and services, which is purchased by households and which aims to satisfy the households' needs. This index is the official index to measure inflation in Albania.	
3.2. Classification	Individual Consumption by Purpose (COICOP). Main COICOP groups of expenditures are:	
system	01. Food and non-alcoholic beverages;02. Alcoholic beverages and tobacco;03. Clothing and footwear;	

	 04. Housing, water, electricity, gas and other fuels; 05. Furniture household goods and maintenance 06. Health; 07. Transport; 08. Communication; 09. Recreation and culture; 10. Education service; 11. Hotels, coffee-houses and restaurants; 12. Miscellaneous goods and services.
3.3. Sector coverage	CPI covers the expenditure of goods and services acquired by households in Albania. HICP covers the expenditure of goods and services acquired by resident and non-resident households in the territory of Albania.
3.4. Statistical concepts and definitons	 The basket includes goods and services selected to measure relative changes of the price. Price refers to the actual price that consumers pay for goods and services including taxes and subventions. Base prices are the reference prices to calculate the index. Relative price is the ratio of the price of good and service in current period to prices in December of the previous year. A household may consist of either - one person living alone, or - a group of persons who may or may not share relations of blood, marriage, affection and so on, but who live together and share a common or partially common economy. CPI/HICP measure price change in a representative basket of goods and services typically consumed in Albania and are calculated according to a harmonized methodology and sets of regulations. CPI and HICP are Laspeyres index type. Monthly data: CPI/HICP 2020=100 (December 2020=100); Annual rates of change; Monthly rates of change; Annual average changes. Annual data: Average index and rate of change. Item weights in 4-digit levels.
3.5. Statistical unit	Each published index (CPI) or rate of change refers to the "final household monetary consumption" within the economic territory of Albania. Each published index (HICP) or rate of change refers to the "final monetary consumption expenditure" within the economic territory of Albania. The statistical unit is the household who makes consumption expenses in Albania.

3.6. Statistical population	The target statistical population is the final resident household monetary consumption within the economic territory of Albania. CPI comprises all products and services purchased in monetary transactions by private households within or out the territory of a country; by resident households. The CPI excludes interest and credit charges, considering them as financing costs rather than consumption expenditure. The target statistical population is the household (foreign or resident) final monetary consumption expenditure (HFMCE) within the economic territories of the countries compiling the HICP. This definition is based in the National Account concepts in the European System of Accounts (ESA 2010). HICP comprise all products and services purchased in monetary transactions by households, and Albanian and non-Albanian. HICPs cover the prices paid for goods and services in monetary transactions. The prices measured are for those actually faced by consumers. The HICPs exclude interest and credit charges, considering them as financing costs rather than consumption expenditure.		
3.7. Reference area	Albania has 12 prefectures and for CPI and HICP calculations, 11 prefectures are used and Kukës prefecture is covered by Dibër prefecture.		
3.8. Time coverage	CPI for Albania is available since 1993 and HICP for Albania is available since January 2016.		
3.9. Base period	The reference period for CPI and HICP is December 2020 (December 2020=100).		
4. Unit of measure	4. Unit of measure		
4.1 Unit of measure	 Following indicators are used: Index (Index is the ratio of the price of good and service in a given year to prices in the base year and it is expressed in percentage; CPI/HICP can be thought of as the amount that the average consumer would have to spend in a given year to buy the same basic goods and services that one would have to pay 100 monetary units for in the base period); Percentage change on the same period of the previous year (Annual rates). Percentage change on the previous month (Monthly rates); Percentage share of the total (Weights). 		
5. Reference period			
5.1 Reference period	The reference period for CPI/HICP data is the month. This report refers to 2024.		

6. Institutional mandate			
6.1. Legal acts and other agreements	 CPI and HICP are calculated based on: <u>Regulation (EU) 2016/792;</u> <u>Law No.17/2018 on Official Statistics;</u> <u>Official Statistics National Program 2022-2026.</u> The Harmonised Indices of Consumer Prices (HICPs) are harmonised inflation indicators, calculated based on <u>Commission Implementing Regulation (EU)</u> 2020/1148 laying down the relevant methodological and technical specifications for the HICP in accordance with EU Regulation 2016/792. The Regulation includes specific rules for the calculation of harmonised indices for specific products. All recommendations and regulations can be found here: Legislation. Consumer Price Index (CPI) despite methodological changes used by countries, they are official measure of inflation and they are used for internal usage. CPI in Albania is calculated based considerable number of HICP regulations, thus ensuring a high compatibility between indices. 		
6.2. Data sharing	CPI data are sent to EUROSTAT every year. HICP data are sent to EUROSTAT every month.		
7. Confidentiality	7. Confidentiality		
7.1. Confidentiality - policy	The data collected are considered as strictly confidential and used only for statistical purposes and scientific research in accordance with the National Statistical Law No.17/2018 "On Official Statistics", date 10.03.2018 and the Law no. 9887, dated 10.03.2008 "Personal Data Protection", Article 31 of the Law on Official Statistics clearly define that all statistical information collected by INSTAT are confidential and may only be used or published in such summary tables that do not identify the information of the unit. The direct identification is called when a statistical unit is directly identified by the name, address or any officially recognized identification number. When data processing is performed in such a way as to enable the data subject to be identified, the data must be coded immediately so that the entities are no longer recognized.		
7.2. Confidentiality - data treatment	Albanian Institute of Statistics protects and does not disseminate data it has obtained or it has access to, which enable the direct or indirect identification of the statistical units. Albania Institute of Statistics takes all appropriate preventive measures so as to render impossible the identification of individual statistical units by technical or other means that might reasonably be used by a third party. Statistical data that could potentially enable the identification of the statistical unit are disseminated by Albania Institute of Statistics if and only if: a) These data have been treated, as it is specifically set out in the Regulation, in such a way that their dissemination does not prejudice statistical confidentiality; or		

	b) The statistical unit has given its approval for the public release of the data.
	The confidential data that are transmitted to Albania Institute of Statistics are used exclusively for statistical purposes and the only persons who have the right to have access to these data are the personnel engaged in this task. Issues referring to the observance of statistical confidentiality are examined by the Albania Institute of Statistics working staff. The responsibilities of this staff are to recommend on: which detailed level the statistical data can be disseminated, so as the identification, either directly or indirectly, of the surveyed statistical unit is not possible; the anonymization criteria for the microdata provided to users; the access granting to researchers on confidential data for scientific purposes.
	CPI/HICP data is represented in index or percentage from (rates) and is therefore not treated for confidentiality.
8. Release policy	
8.1. Release calendar	Announcements regarding the distribution of statistics published in the publication calendar, which is jointly available. Notifications and delays pre- announced in this calendar. In the case of delays, the details of the forthcoming publication shall be specified as well as their explanation with the justification of the delays.
8.2. Release calendar access	Access to the release calendar is granted through the following link: <u>Calendar</u> .
8.3. User access	 In line with the article 34 of Law No.17/2018 "On Official Statistics", INSTAT disseminates statistics on INSTAT website and other media for simultaneous access, respecting professional independence and in an objective, professional and transparent manner in which all users are treated equitably. The following dissemination channels are used to release the results of CPI/HICP: <u>Website</u> - online release; Written requests, (by mail or <u>email</u>); Special publications; <u>Data request</u>, session available for external users.
9. Frequency of dissem	ination
9.1 Frequency of dissemination	CPI/HICP are published on monthly basis.
10. Accessibility and clarity	
10.1. News release	CPI/HICP news release gives information for monthly and yearly changes in prices. The format of news releases has not changed and the template was prepared from dissemination sector, which detects also the publication date. The CPI/HICP news releases are published online in INSTAT web page.
10.2. Publications	All data are published in INSTAT website:

	 <u>Prices;</u> <u>Books.</u>
10.3. On-line database	The database can be accessed in the following link: <u>Database</u> .
10.4. Micro – data access	CPI/HICP data are not available in micro data level, as a consequence of preserving confidentiality.
10.5. Other	Users can submit specific requests for data through the INSTAT website in a dedicated session to contact in the following link: <u>Data request.</u>
10.6. Documentation on methodology	A short description on methodology used to compile CPI and HICP is published on INSTAT website: <u>Consumer Price Index.</u>
10.7. Quality documentation	For internal users, Price Sector documents all processes and procedures used to calculate CPI/HICP.
11. Quality managment	t
11.1. Quality assurance	INSTAT is committed to ensure the highest quality with respect to the compilation of statistical information. In accordance with the Statistics Law, INSTAT use statistical methods and processes in compliance with internationally recognized scientific principles and standards conduct ongoing analyses of the statistics with a view to quality improvements and ensure that statistics are as up to-date. In performing its tasks it follows the general principles of quality management from the European Statistics Code of Practice. INSTAT declares that it takes into account the following principles: impartiality, quality of processes and products, user orientation, employee orientation, effectiveness of statistical processes, reducing the workload for respondents.
11.2. Quality assessments	CPI and HICP are the best indicators to measure inflation in Albania (CPI) and to compare inflation across countries in European Union (HICP). The Prices Unit checks prices every month. If we notice that a price has a big difference compared to the previous month, the interviewer is contacted to confirm this change and if it is well justified, this price is included in further calculations. Else, the interviewer should verify once more the collected price. In the reporting format used to collect prices, a logical control is implemented to signalize prices which have a monthly change of $+$ or -25% . In this reporting format, there is also an explanatory code for different types of big changes on prices.
12. Relevance	
12.1. User needs	 Users of ICP/HICP are classified as external and internal. External users are: Institutions of public administration, Universities, National and international non-profit organizations.

	Private businesses,Researchers, students and other similar groups.
	 Publication of the results of CPI is sent to specific groups of users. Internal users are those within INSTAT, who use CPI and HICP results as input for their work. These users are: National Account Directory; Short Term Statistics.
12.2. User satisfaction	INSTAT conducts the User Satisfaction Survey every year, the results of which will be published on the INSTAT website at the link <u>User Satisfaction Survey</u> . The survey results for 2024 show that the overall quality of the topic "Harmonized Index of Consumer Prices" has been rated 4.03 (80.6%) on a scale from 1 (very poor) to 5 (very good).
12.3. Completeness	Completeness degree of CPI for 2024 is 100%. This calculation has taken into account the indicators required by EUROSTAT in compliance with the Commission Implementing Regulation (EU) 2020/1148.
13. Accuracy and reliab	oility
13.1. Overall accuracy	The accuracy of CPI/HICP is generally considered to be high. There is methodological accuracy in regards of weights and prices and calculations according to European Regulations. The products in the basket are selected using Household Budget Survey HBS data. The goods and services selected are those of most importance to the customers, have a significant share in total consumption and best reflect the changes of prices of related products. Prices are collected in different type of outlets, supermarkets, markets, etc, in 11 prefectures in the country, some of them also via internet and by phone. For the calculation of weights for CPI, are used expenditures of resident households (national concept), and for HICP expenditures of resident and nonresident households in Albania (domestic concept).
13.2. Sampling error	The methodology for calculating the precision of CPI/HICP is not applicable, because CPI/HICP is based in non-probability sample. To reduce errors, we have increased the number of observations for each product.
13.3. Non - sampling error	Nonresponse in observation level is calculated using retail outlets that refuse to give information and enumerators who do not find the required product in the outlet. The non-response rate in observation level for CPI/HICP is 0 %. The non-response rate in variable level for CPI/HICP is 0 %.
14. Timeliness and punctuality	
14.1. Timeliness	The results of the "Harmonized Index of Consumer Price" are published on the

	INSTAT mobule 17 days ofter the and of the reference neried (T + 17 days). The
	INSTAT website 17 days after the end of the reference period $(T + 17 \text{ days})$. The reference period of the "HICP" results is 31 December 2024.Reference period $12/31/2024$ Date of publication $1/17/2025$ Timeliness 17
14.2. Punctuality	At the end of each year, INSTAT publishes a Publication Calendar with fixed dates for the following year. Based on this calendar the HICP publication has been punctual in time, with 100% of the publications done over the years. Reference period 12/31/2024 Date of announcement 1/17/2025 Date of publication 1/17/2025 Time lag 0
15. Coherence and com	parability
15.1. Comparability - geographical	CPI and HICP are based on a harmonized methodology and they reflect the changes in prices and the differences in the population's consumption in the country. CPI data are comparable between prefectures because the method used for collecting, processing and calculating is the same in all the territory of Albania. All prefectures are covered to the same extent. Also, the inflation in country level depends on relative size (in total expenditure terms) of each prefecture. To compare inflation with EU countries are used data given by HICP.
15.2. Comparability - over time	CPI/HICP data are fully comparable over time. There have been several improvements in methodology since HICP was introduced with the aim of improving reliability and comparability of HICP. However, previous indices are recalculated based on the latest methodology so they can be comparable over time. HICP by main groups, referring to the statistical database is comparable starting from 2016 to 2024, providing a comparability in time series of 9 years (CC2 = Jlast-Jfirst + 1 = 9).
15.3. Coherence - cross domain	 CPI and HICP are two separated indicators to measure inflation. Their main difference is the weight concept. HCIP is based on each monetary unit (ALL) spent in the territory of Albania, from Albanians and non-Albanians. CPI is based on each monetary unit (ALL) spent by Albanians inside and outside the territory of Albania. Other changes are: Consumer Price Index: Weights of goods and services are calculated based on Household Budget Survey HBS data; Weights are expressed in percentage; Monitored by INSTAT.
	Harmonized Index of Consumer Price:

	 Weights of goods and services are calculated based on National Accounts data; Weights are expressed in per thousand; Monitored by EUROSTAT; Imputed income is not a component of expenditure. 	
15.4. Coherence - internal	CPI and HICP are derived from well-defined procedures which controls internal coherence of collected data.	
16. Cost and burden		
16.1 Cost and burden	 Persons working for CPI/HICP: Staff of Price Sector in Central Office: 2 employees; Regional Office Staff: 10 employees; Interviewers: 12 employees. 	
17. Data revision		
17.1. Data revision - policy	 Revision policy of CPI/HICP is done in accordance with general revision policy and errors treatment policy introduced by INSTAT in the links below: <u>Revision Policy;</u> <u>The errors treatment policy</u>. 	
17.2. Data revision - practise	In CPI revisions are done in 2002, 2003 and 2004 because of changes in the methodology of calculation of imputed rents. No reviews of data on "CPI/HICP" for 2024 have been conducted, subject to this report.	
18. Statistical processing		
18.1. Source data	 Product selection is carried out by INSTAT, using the results of Household Budget Survey. Selection of outlets and products for each outlet is done from INSTAT with collaboration of Regional Statistical Offices. Main sources for calculation of the weights for CPI are Household Budget Survey HBS data and for HICP National Accounts data. In 2024 the baskets have 331 products in CPI and 329 products in HICP. On average during the month we collect about 22,753 individual prices in about 3.500 outlets. Number of representative items at the lowest classification level: All- items: CPI 331 (HICP 329): 01 Food and non-alcoholic beverages 101; 02 Alcoholic beverages and tobacco: 6; 03 Clothing and footwear 40; 	

	04 Housing, water, electricity, gas and other fuels:
	13(12); 05 Furniture household goods and maintenance House:
	42; 06 Health 12;
	07 Transport 20;
	08 Communications 8;
	09 Recreation and culture 36 (35);
	10 Education service: 7;
	11 Hotels, coffee-houses and restaurants: 19;
	12 Miscellaneous goods and services: 27.
	Average number of price observations per month: 22,753:
	01 Food and non-alcoholic beverages: 7,692;
	02 Alcoholic beverages and tobacco: 444;
	03 Clothing and footwear: 2,751;
	04 Housing, water, electricity, gas and other fuels: 642;
	05 Furniture household goods and maintenance House: 2,774;
	06 Health: 770;
	07 Transport: 1,250; 08 Communication: 410;
	08 Communication: 410; 00 Recreation and culture: 2 131;
	09 Recreation and culture: 2,131; 10 Education service: 305;
	11 Hotels, coffee-houses and restaurants: 1,490;
	12 Miscellaneous goods and services: 2,139.
18.2. Frequency of data collection	Prices of most goods and services are collected each month between the 10th and 25th of the month by full-time price collectors employed by INSTAT. However, in the case of fresh vegetables and fruits price collection is done 2-3 times a month, and average price is used for calculation.
	Air-fare tickets and sea-fare tickets are collected in two months in advanced. Prices for some products such as; university tariffs, price of school books, dormitory tariffs are collected once in the year.
	Outlet selection
18.3. Data collection	Data are collected from the most representative retail outlets in country. In the absence of a real register of outlets, the selection of them is done on the basis of the knowledge of price collection and regional statistical specialist, based on instructions prepared for this aim from staff of Price Unit at INSTAT. The main criteria for selection of outlets in each locality are the coverage of the available 10 shopping areas within each location and the representation of different types of outlets.
	Three criteria are used in the outlet selection process:
	 Popularity with buyers; Turnover; The availability of goods and services included in basket of CPI/HICP.
	Selection criteria are object of updating.

	Once a year, usually in November and December, the sample of outlets is reviewed and updated. The sample covers different types of outlets from market stalls, specialized shops, restaurants and hotels as well as internet shops and catalogues in both center and suburb of the country. Techniques of products selection and specification.
	The representative products to be priced are selected judgmentally at the end of every year by central price statistics staff and specialists of regional statistics, who also determine their specifications.
	 These products are selected on the basis of information obtained from: Household Budget Survey HBS data; Retail trade statistics; The surveyors suggestions for prices, in consultation with product listings, are also used for measuring purchasing power parity; Producer's information; Other sources.
	The specifications for individual good/service are more or less detailed; indicating size, unit, materials, brand, and characteristics.
	The specification will depend also on the nature of the product. If a product has many characteristics which could have effect on its price, then the specification is more exact.
18.4. Data validation	Data validation is done by INSTAT. All collected prices are reviewed by price collectors before being entered into the computer; the second phase of control is incorporated in the computer program for data entry and in the end all data are manually checked by a regional staff. If there are doubts about the reliability of one or several prices, these prices are checked once again by contacting price collectors or, if necessary, checked directly in the field. There is no automatic rejection of observed prices in our validation process.
	Each case (problematic price) is considered individually and all modifications are done on the basis of relevant information.
	Weights for Consumer Price Index.
18.5. Data compilation	The Final Monetary Consumption Expenditures are used for calculation of CPI weights. The main sources of final expenditures are Household Budget Survey HBS data. CPI in year t is based in expenditures of year t-1. Additional sources for calculation of weights for imputed rents, alcoholic beverages and tobacco are National Accounts data. The item weights are expressed as a share of total expenditure on all goods and services falling within the scope of the index. Weights are updated every year based on Household Budget Survey HBS data and other sources.
	Weights for Harmonized Index of Consumer Price.
	The HICP weights are calculated in accordance with <u>Commission</u> <u>Implementing Regulation (EU) 2020/1148</u> . The HICP weights reflect the structure of the FMCE (domestic concept). National accounts are the main

 source of data for construction of the HICP weights at the highest levels of aggregation. HICP in year t is calculated with weights of year t-2. Calculations of the index in detailed level. Elementary indices are calculated using un-weighted geometric mean of collected prices for each product. Calculation of the index in aggregate level and total index. Aggregated index and total index are calculated using Laspeyres formula. The relative prices are aggregated geographically to form product indices on items for whole Albania. Aggregation over items then gives the CPI of Albania. Treatment of missing items and replacements. When a non-seasonal item is temporarily missing in a given outlet, the last recorded price is retained for one month to two months, but usually at the same time the price for its substitute is observed. When it is clear that a non-seasonal item is missing permanently (in the third month or cartier), the item is substituted with the most comparable one in the same outlet or its price is extrapolated by price change of the same or similar item in another outlet(s). Introduction of newly significant goods and services of basket is performed, including new products considered as representative during previews year. Treatment of price reductions Seasonal sales, other sales prices and reduced prices (e.g. special offex, discounts, ec.) are included in the index when they are available to all potential consumers. Treatment of easonal products is treated based on the Commission Implementing Regulation (EU) 20201148. Seasonal estimation is carried out in this weights; it means that the yeargy indices of seasonal products are calculated with fix weights. All-seasonal estimation is used. Estimation is carried out in the following way: In the first month, of the out-of-season period, the monthly typical price is calculated as average prices for months; From the second month of		
Bill Elementary indices are calculated using un-weighted geometric mean of collected prices for each product. Calculation of the index in aggregate level and total index. Aggregated index and total index are calculated using Laspeyres formula. The relative prices are aggregated geographically to form product indices on items for whole Albania. Aggregation over items then gives the CPI of Albania. Treatment of missing items and replacements. When a non-seasonal item is temporarily missing in a given outlet, the last recorded price is retained for one month to two months, but usually at the same time the price for its substitute is observed. When it is clear that a non-seasonal item is missing permanently (in the third month or earlier), the item is substitute with the most comparable one in the same outlet or its price is extrapolated by price change of the same or similar item in another outlet(s). Introduction of newly significant goods and services. In December of each year updating of goods and services of basket is performed, including new products considered as representative during reviews year. Treatment of price reductions Seasonal sets, other sales prices and reduced prices (e.g. special offers, discounts, etc.) are included in the index when they are available to all potential consumers. Treatment of seasonal products is treated based on the Commission Implementing Regulation (EU) 2020/1148. Seasonal products of seasonal products are calculated with fix weights. All-seasonal estimation is used. Estimation is carried out in the following way: 18.6. Adjustment Adjustments for quality change: When the CPI/HICP is calculated, it is important that the products are priced without any change in quality, because outer youry pure price		
collected prices for each product. Calculation of the index in aggregate level and total index. Aggregated index and total index are calculated using Laspeyres formula. The relative prices are aggregated geographically to form product indices on items for whole Albania. Aggregation over items then gives the CPI of Albania. Treatment of missing items and replacements. When a non-seasonal item is temporarily missing in a given outlet, the last recorded price is retained for one month to two months, but usually at the same time the price for its substitute is observed. When it is clear that a non-seasonal item is missing permanently (in the third month or earlier), the item is substituted with the most comparable one in the same outlet or its restained for comparable one in the same outlet or its restained for seasonal states, other sales prices and reduced prices (e.g. special offers, discounts, etc.) are included in the index when they are available to all potential consumers. Treatment of seasonal products during the year are treated with fix weights; it means that the yearly indices of seasonal products are calculated with fix weights. All-seasonal products during the year are claculated with fix weights. All-seasonal existence for months: • From the second month of the out-of-season period, the estimated monthy price is applied for each product which is out-of-season. To obtain the price change or to applied for each product which is out-of-season. To obtain the price ratio for semination, only prices for products available in the current and previous months are used. 18.6. Adjustment The first month, of the out-of-season period, the estimated monthy price is applied for each product which is out-of-season. To obtain the price changes, not any due to changes in th		Calculations of the index in detailed level.
Aggregated index and total index are calculated using Laspeyres formula. The relative prices are aggregated geographically to form product indices on items for whole Albania. Aggregation over items then gives the CPI of Albania. Treatment of missing items and replacements. When a non-seasonal item is temporarily missing in a given outlet, the last recorded price is retained for one month to two months, but usually at the same time the price for its substitute is observed. When it is clear that a non-seasonal item is missing permanently (in the third month or earlier), the item is substituted with the most comparable one in the same outlet or its price is extrapolated by price change of the same or similar item in another outlet(s). Introduction of newly significant goods and services. In December of each year updating of goods and services of basket is performed, including new products considered as representative during previews year. Treatment of price reductions Seasonal sales, other sales prices and reduced prices (e.g. special offers, discounts, etc.) are included in the index when they are available to all potential consumers. Treatment of seasonal products is treated based on the Commission Implementing Regulation (EU) 2020/1148. Seasonal products during the year are calculated with fix weights; it means that the yearly indices of seasonal products are calculated with fix weights. All-seasonal estimation is used. Estimation is carried out in the following way: In the first month, of the out-of-season period, the estimated monthly price is applied for each product which is out-of-season. To obtain the price risto for estimation, only prices for products available in the current and previous months are used. 18.6. Adjustment Adjustments for quality change: When the CPI/HICP is ca		
relative prices are aggregated geographically to form product indices on items for whole Albania. Aggregation over items then gives the CPI of Albania. Treatment of missing items and replacements. When a non-seasonal item is temporarily missing in a given outlet, the last recorded price is retained for one month to two months, but usually at the same time the price for its substitute is observed. When it is clear that a non-seasonal item is missing permanently (in the third month or earlier), the item is substituted with the most comparable one in the same outlet or its price is extrapolated by price change of the same or similar item in another outlet(s). Introduction of newly significant goods and services. In December of each year updating of goods and services of basket is performed, including new products considered as representative during previews year. Treatment of price reductions Seasonal sales, other sales prices and reduced prices (e.g. special offers, discounts, etc.) are included in the index when they are available to all potential consumers. Treatment of seasonal products is treated based on the Commission Implementing Regulation (EU) 2020/1148. Seasonal products during the year are treated with fix weights; it means that the yearly indices of seasonal products are calculated with fix weights: All-seasonal estimation is used. Estimation is carried out in the following way: Is In the first month, of the out-of-season period, the estimated monthly price is applied for each product which is out-of-season. To obtain the price rule for estimation, only prices for products, and albele in the current and previous months are used. 18.6. Adjustment Adjustments for quality change: When the CPI/HICP is calculated, it is important that the products are priced without any change in		Calculation of the index in aggregate level and total index.
When a non-seasonal item is temporarily missing in a given outlet, the last recorded price is retained for one month to two months, but usually at the same time the price for its substitute is observed. When it is clear that a non-seasonal item is missing permanently (in the third month or earlier), the item is substituted with the most comparable one in the same outlet or its price is extrapolated by price change of the same or similar item in another outlet(s). Introduction of newly significant goods and services. In December of each year updating of goods and services of basket is performed, including new products considered as representative during previews year. Treatment of price reductions Seasonal sales, other sales prices and reduced prices (e.g. special offers, discounts, etc.) are included in the index when they are available to all potential consumers. Treatment of seasonal products is treated based on the Commission Implementing Regulation (EU) 2020/1148. Seasonal products during the year are treated with fix weights; it means that the yearly indices of seasonal products are calculated with fix weights. All-seasonal estimation is used. Estimation is carried out in the following way: In the first month, of the out-of-season period, the monthly typical price is calculated as average prices for months: From the second month of the out-of-season period, the estimated monthly price is applied for each product any change in quality, because only 'pure' price changes, not any due to changes in the quality of the products observed, should be reflected. 18.6. Adjustment The most commonly used methods of dealing with changes in product quality are: Is decomposition of the price, is assessed as the relative change in package size, as a proportion of the price, is assessed as the rel		relative prices are aggregated geographically to form product indices on items
recorded price is retained for one month to two months, but usually at the same time the price for its substitute is observed. When it is clear that a non-seasonal is substituted with the most comparable one in the same outlet or its price is extrapolated by price change of the same or similar item in another outlet(s).Introduction of newly significant goods and services.In December of each year updating of goods and services of basket is performed, including new products considered as representative during previews year. Treatment of price reductions Seasonal sales, other sales prices and reduced prices (e.g. special offers, discounts, etc.) are included in the index when they are available to all potential consumers. Treatment of seasonal products is treated based on the Commission Implementing Regulation (EU) 2020/1148. Seasonal products during the year are treated with fix weights; it means that the yearly indices of seasonal products are calculated with fix weights; it means that the yearly indices of season period, the monthly typical price is calculated as average prices for months;• In the first month, of the out-of-season period, the estimated monthly price is applied for each product which is out-of-season. To obtain the price ratio for estimation, only prices for products available in the current and previous months are used.18.6. AdjustmentsAdjustments for quality change: When the CPI/HICP is calculated, it is important that the products are priced without any change in quality, because only 'pure' price changes, not any due to changes in the quality of the products observed, should be reflected.18.6. AdjustmentThe most commonly used methods of dealing with changes in product quality are:• Package-size adjustment: The value of a change in package size, as a proportion of the price,		Treatment of missing items and replacements.
In December of each year updating of goods and services of basket is performed, including new products considered as representative during previews year. Treatment of price reductions Seasonal sales, other sales prices and reduced prices (e.g. special offers, discounts, etc.) are included in the index when they are available to all potential consumers. Treatment of seasonal products is treated based on the Commission Implementing Regulation (EU) 2020/1148, Seasonal products of seasonal products are calculated with fix weights; it means that the yearly indices of seasonal products are calculated with fix weights. All-seasonal estimation is used. Estimation is carried out in the following way: In the first month, of the out-of-season period, the monthly typical price is calculated as average prices for months; From the second month of the out-of-season period, the estimated monthly price is applied for each product which is out-of-season. To obtain the price ratio for estimation, only prices for products available in the current and previous months are used. 18.6. Adjustment Adjustments for quality change: When the CPI/HICP is calculated, it is important that the products are priced without any change in quality, because only 'pure' price changes, not any due to changes in the quality of the products observed, should be reflected. 18.6. Adjustment The most commonly used methods of dealing with changes in product quality are: • Package-size adjustment: The value of a change in package size, as a proportion of the price, is assessed as the relative change in package-size;		recorded price is retained for one month to two months, but usually at the same time the price for its substitute is observed. When it is clear that a non-seasonal item is missing permanently (in the third month or earlier), the item is substituted with the most comparable one in the same outlet or its price is
18.6. Adjustment Adjustments for quality change: When the CPI/HICP is calculated, it is important that the products are priced without any change in quality, because only 'pure' price changes, not any due to changes in the quality of the products 18.6. Adjustment Adjustment The most commonly used methods of dealing with changes in product quality are: 18.6. Adjustment The most commonly used methods of dealing with changes in product quality are:		Introduction of newly significant goods and services.
 important that the products are priced without any change in quality, because only 'pure' price changes, not any due to changes in the quality of the products observed, should be reflected. 18.6. Adjustment The most commonly used methods of dealing with changes in product quality are: Package-size adjustment: The value of a change in package size, as a proportion of the price, is assessed as the relative change in package-size; 		 performed, including new products considered as representative during previews year. Treatment of price reductions Seasonal sales, other sales prices and reduced prices (e.g. special offers, discounts, etc.) are included in the index when they are available to all potential consumers. Treatment of seasonal products is treated based on the <u>Commission Implementing Regulation</u> (EU) 2020/1148. Seasonal products during the year are treated with fix weights; it means that the yearly indices of seasonal products are calculated with fix weights. All-seasonal estimation is used. Estimation is carried out in the following way: In the first month, of the out-of-season period, the monthly typical price is calculated as average prices for months; From the second month of the out-of-season period, the estimated monthly price is applied for each product which is out-of-season. To obtain the price ratio for estimation, only prices for products available in
 are: Package-size adjustment: The value of a change in package size, as a proportion of the price, is assessed as the relative change in package-size; 		important that the products are priced without any change in quality, because only 'pure' price changes, not any due to changes in the quality of the products
proportion of the price, is assessed as the relative change in package- size;	18.6. Adjustment	
		proportion of the price, is assessed as the relative change in package-

 during the annual revision of the consumer basket. December is taken as the 12-link month when prices are collected for both the old and new samples. Quality differences between these two samples are then eliminated by the "annual overlap" method; Direct comparison: Price collectors are instructed to measure the price for the same variety throughout the year. If the variety disappears permanently from the market, they should choose another with the most similar quality. In these cases, direct comparison is applied because the difference in quality between the old and new varieties is minor; Supported judgment: Means that the value of the quality change between a replaced and replacement product-offer is calculated by using supplementary information sources. Central office staff deals with quality adjustments. In regional level, interviewers cannot make adjustments; they are only instructed to report in central office for any considerable change on quality of the substituting product.