



## EUROSTAT QUALITY PROFILE

<b>Indicator (definition)</b>	<b>Gas prices (for industrial users and households):</b> The indicator referring to industrial users gives the gas price charged to the standard final industrial end-user of gas. Data referring to industrial prices until 2007 is defined for an annual consumption of 41860 GJ and load factor of 200 days (1600 hours). From 2008 onwards, industrial gas prices refer to users who have an annual consumption between 10 000 and 100 000 GJ. Data referring to household prices until 2007 are defined for typical standard consumers with annual consumption of 83.7GJ. From 2008 onwards, the household prices for natural gas refer to a consumption band between 20 and 200 GJ per year. Prices of both indicators are given in Euro per GJ. Until 2007, the values correspond to prices that are applicable on 1 January for each year, taxes excluded. From 2008 onwards, the values are average prices for the first semester of each year (taxes excluded).
<b>Eurostat Unit</b>	Energy Statistics
<b>Other Commission DGs</b>	
<b>European Statistical System Working Group (WG)</b>	Energy Statistics Working Party
<b>Date</b>	May 2009

**1. Overall assessment of accuracy and comparability** (Description of quality grades under the following link: [http://circa.europa.eu/Public/irc/dsis/structind/library?l=/general\\_information/quality\\_profiles/annex\\_enpdf/EN\\_1.0\\_&a=d](http://circa.europa.eu/Public/irc/dsis/structind/library?l=/general_information/quality_profiles/annex_enpdf/EN_1.0_&a=d))

A     B     C     Indicator to be developed

Data is collected from reliable sources applying high standards with regard to the methodology and ensuring a high degree of comparability across countries. Restrictions to comparability over time are related with the lack of adjustment for changing price levels.

As of 2008, the data is collected with a new methodology. As of 2008 the main changes that are introduced are the use of consumption bands instead of typical standard consumers, and the averaging over 6 months instead of fixed prices on 1<sup>st</sup> January.

### 2. Objective and relevance of the indicator:

The indicator measures price trends in the gas market.

Gas is a substitute for electricity and/or oil. It is used in the production process of several industries and thus, its price influences the cost of goods. Also, gas is used at certain equipment of household instead of oil and electricity. Hence, gas price has impact on the competitiveness of a country's economy and on the cost of living.

The Lisbon Strategy and the Renewed EU Sustainable Development Strategy both call for energy policy with the objectives of security of supply, competitiveness and environmental sustainability. EU energy policy aims to boost market supply, bring down prices for consumers, and encourage an increase in competition, investment and productivity. Its success is considered a prerequisite for the success of the Lisbon strategy which is promoting economic growth and improvement of citizens' quality of life. Also, Lisbon Strategy also aims at creating a friendly environment for starting up and developing business through further efforts of lowering the costs of doing business.

**Restriction of the indicator's relevance and other characteristics which may lead to restrictions in using it in monitoring and reporting**

The reported prices refer to current prices:

- until 2007 applicable on the 1<sup>st</sup> January;

- from 2008 onwards for the first semester of each year (average prices between 1 January and 30 June)

The prices are not adjusted for inflation or different price levels in each country.

Break of series due to the use of a new methodology as of 2008 price data.

### 3. Data availability: details

(t<sub>1</sub>: earliest reference year available; t<sub>2</sub>: latest reference year available in May 2009)

#### Gas prices (Industry)

	Member States	Candidate and Acceding Countries	US and Japan	EEA-EFTA <sup>1</sup>
t <sub>1</sub>	1991: BE, DE, DK, IE, ES, FR, IT, LU, NL, UK 1992: HU 1995: SI, FI, 1996: AT 1997: SE 2000: CZ 2001: PL, PT 2003: EE, LT, RO 2004: BG, LV, SK	2005: HR	-	-
t <sub>2</sub>	2007: DK, AT 2008	2008	-	-

Comments: Data missing: 2002 and 2003 for NL; 2004-2007 for IE. Data not applicable for CY; MT and EL.

#### Gas prices (Households)

	Member States	Candidate and Acceding Countries	US and Japan	EEA-EFTA
t <sub>1</sub>	1991: BE, DE, IE, ES, FR, IT, LU, NL, UK 1992: HU 1995: SI, FI 1996: AT 1997: SE 1999: DK 2000: CZ, 2001: PL, PT 2003: EE 2004: BG, LV, LT, SK; 2005: RO	2005: HR	--	-
t <sub>2</sub>	1999: FI 2007: DK 2008	2008	-	-

Comments: Data not applicable for CY, MT and EL.

### 4. Overall accuracy

High



The overall accuracy can be considered as high. Prices of gas charged to industrial end-users are collected under Council Directive 90/377/EEC which defines certain principles and methodology. The data collection has been extended on a gentlemen's agreement basis to cover also households.

Gas prices are communicated by National Statistical Institutes or by major gas vendors to Eurostat. They include all charges payable: network charges plus energy consumed minus any rebates or premiums, plus

<sup>1</sup> While being a member of the EEA, Liechtenstein has complete or partial exemptions from several statistical requirements due to its size. Thus, Liechtenstein is excluded from this overview as most of the data are missing.

other charges (standing charges, meter rental, etc.). Initial connection charges are excluded. Aggregates are produced by weighted averages based on market share. Member States must ensure that a representative share of the national market is covered in the survey. All industrial users of gas are considered apart from those who use gas for electricity generation in power plants and in CHP plants or for non-energy uses (e.g. in the chemical industry), as well those with consumption of more than 4000000 GJ per year.

EU-27 and euro area figures are weighted averages of national prices based on the corresponding annual national consumptions. Eurostat carries out quality checks, mainly on the consistency of the provided information across countries and with historical data.

A new methodology that defines details of the data collection was introduced as of the prices for 2008. As the new methodology is significantly different compared to the old methodology, the user should pay attention when comparing old methodology with new methodology prices.

Restricted   
(sources, errors,  
methodology, etc.)

#### 5. Comparability across countries

High  Comparability across countries is high as its collection is based on a prescribed methodology. Besides, Eurostat verifies to the extent possible if the reported data respect the prescribed methodology. However, some features should be taken into account:

- Greece, Cyprus and Malta do not report gas prices because they do not have a gas market altogether. For the same reason, Finland does not report gas price for households.
- Differences among average price levels should be considered when gas prices of countries are compared.

Restricted

#### 6. Comparability over time

High   
Restricted  The series of price data contain current prices and not constant (i.e. adjusted for inflation) prices. Comparisons of values between different years are therefore hampered by changes in the general price levels.

A new methodology that defines details of the data collection was introduced as of the prices for 2008. As the new methodology is significantly different compared to the old methodology, the user should pay attention when comparing old methodology with new methodology prices.

#### 7. Development perspective for improving the quality of this indicator (including as far as possible an indication of the burden on Member States and respondents.)

A new methodology has been introduced in 2007, and this is used for the data collection of industrial gas prices from 2008 onwards. A similar methodology has been developed for household consumers, but these declarations are made on a voluntary basis. Main changes are attributed to consumption bands that replace typical standard consumers, and to the averaging over 6 months of the price data.

#### 8. Contribution to the coherence of the set/potential to qualify for an integrated policy analysis

The indicator of gas prices is part of a group of indicators related to the cost of main utilities (along with price of electricity and telecommunications). It can be used together with these for grossly assessing related costs. The indicator can be combined with indicators related to gas production, supply and consumption for policy monitoring of the gas market. It can also be analysed along with information on the market situation in each country to assess the effect of gas market liberalisation to the price charged to customers.

**Relevant European legislation**

Council Regulation (CE) No 322/97 of 17 February 1997 (OJ No L 52/1) and Council Regulation (EURATOM, EEC) no 1588/90 of 11 June 1990 on the transmission of the data subject to statistical confidentiality to the Statistical Office of the European Communities (OJ No L 151/ 1).

Commission Decision 2007/394/EC of 7 June 2007 amending Council Directive 90/377/EEC with regard to the methodology to be applied for the collection of gas and electricity prices charged to industrial end-users.

Council Directive of 29 June 1990 concerning a Community procedure to improve the transparency of gas and electricity prices charged to industrial end-users.

[Top of the page](#)