



**Asia-Pacific  
Economic Cooperation**

---

**2010/SOM1/CPLG/024**

Agenda Item: 8

## **Competition Legislation Development in Russia**

Purpose: Information  
Submitted by: Russia



**JAPAN 2010**

**Competition Policy and Law Group Meeting  
Hiroshima, Japan  
28 February-1 March 2010**



FEDERAL ANTIMONOPOLY SERVICE

## Competition legislation development in Russia

*Mr. Andrey Yunak  
Deputy Head  
International Economic Cooperation Department  
FAS Russia  
Hiroshima, 2010*

## Functions of the FAS Russia

### Control over observance of competition legislation:



- ◆ Suppression of abuse of dominance;
- ◆ Fight against cartels;
- ◆ Suppression of anti-competitive actions of the state authorities (including state preferences);
- ◆ Provision of observance of sector legislation (forest, land, living, water, on natural resources);
- ◆ Merger control.

[www.fas.gov.ru](http://www.fas.gov.ru)

## Functions of the FAS Russia

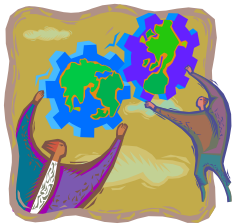


- ◆ Control of the activity of natural monopolies -
  - ◆ Antimonopoly regulation of natural monopolies (including issues of non-discriminatory access);
  - ◆ Provision of pro-competitive character of reformation of natural monopolies sector.
- ◆ Prevention of unfair competition;
- ◆ Control of the legislation in advertizing.

[www.fas.gov.ru](http://www.fas.gov.ru)

3

## Functions of the FAS Russia



- ◆ Control over foreign investments in the economic entities having strategic value to the state security and state defence;
- ◆ Provision of observance of the competition legislation when exercising state regulation of foreign economic activity.

[www.fas.gov.ru](http://www.fas.gov.ru)

4

## Functions of the FAS Russia

### Control over observance of public procurement legislation



Saving of the budget funds made up:

2006 - 107 bln. rubles

2007 - 168 bln. rubles

2008 - 260 bln. rubles

[www.fas.gov.ru](http://www.fas.gov.ru)

5

### Improvement of competition legislation

#### The second antimonopoly package of laws:



- ◆ Federal Law № 164-FZ “On Introducing Amendments to the Federal Law “On Protection of Competition” and some other legal acts of the Russian Federation”;
- ◆ Federal Law № 216-FZ “On Introducing Amendments to the Article 178 of the Criminal Code of the Russian Federation”
- ◆ Federal Law №160-FZ “On Introducing Amendments to the Code of the Russian Federation on Administrative Violations and certain legal acts of the Russian Federation”

[www.fas.gov.ru](http://www.fas.gov.ru)

6

## Improvement of competition legislation

### The notions were specified:



- ◆ A possibility to recognize the company dominant even if its market share is less than 35 %.
- ◆ Significant changes in notions “monopolistically high” and “monopolistically low” price of goods.

7

[www.fas.gov.ru](http://www.fas.gov.ru)

## Improvement of competition legislation

### Anti-cartel tools were strengthened:



- ◆ Powers of the competition authority under conducting inspections of economic entities were extended.
- ◆ Provisions of the “leniency program” were specified.
- ◆ Criminal liability for cartel activity (maximum punishment is 7 years of imprisonment) was introduced.
- ◆ Vertical agreements were exempted from the per se prohibition.
- ◆ Block exemptions were introduced.

8

[www.fas.gov.ru](http://www.fas.gov.ru)

## Improvement of competition legislation

### Strengthening of control over state and local authorities:



- ◆ The FAS Russia received a right to appeal to courts acts of the legislative bodies of the subjects of the Russian Federation, envisaging unjustifiable granting of preferences;
- ◆ Sale of the public property is now possible only through tenders;
- ◆ Disqualification as a measure of administrative liability for state and municipal officials (up to 3 years) was introduced.

9

[www.fas.gov.ru](http://www.fas.gov.ru)

## Improvement of competition legislation

### Principles of merger control were renewed



- ◆ The post-merger notification of transactions within one group of persons united under the “structural” criteria was introduced;
- ◆ Requirement on disclosure of information on final beneficiaries of transaction was set;
- ◆ A right of the competition authority to issue instructions on sale of the certain scope of production at commodity exchange was set forth under clearance of transaction.

10

[www.fas.gov.ru](http://www.fas.gov.ru)

## Improvement of the competition legislation

### Thresholds of assets of organization were increased for the purposes of merger control –



Preliminary approval of transaction by competition authority is needed if the aggregate value of assets of buyer exceeds 7 bln. rubles (before – 3 bln. rubles) or turnover of such person exceeds 10 bln. rubles (before – 6 bln. rubles).

11

[www.fas.gov.ru](http://www.fas.gov.ru)

**THANK YOU FOR  
ATTENTION!**

**[www.fas.gov.ru](http://www.fas.gov.ru)**

12