VEGAS LEX EXPERT TALKS ON FOURTH ANTIMONOPOLY PACKAGE FOR RSPP BUREAU

Igor Artemyev, Alexander Shokhin and Alexander Sitnikov have spoken at a meeting of the Bureau of the Russian Union of Industrialists and Entrepreneurs Board.

On December 9, 2015 LEX Managing Partner <u>Alexander Sitnikov</u> spoke about some issues raised by the adoption of the amended Law on Protection of Competition (fourth antimonopoly package) and tariff regulation problems at a meeting of the Bureau of the Russian Union of Industrialists and Entrepreneurs (RSPP) Board*, also attended by the Federal Antimonopoly Service leadership.

RSPP President Alexander Shokhin noted that RSPP and FAS Russia have had long-standing effective cooperation on legislative initiatives, including the preparation of the fourth antimonopoly package. Their interaction was sealed with the signing of a cooperation agreement calling for joint improvement of antimonopoly legislation; for mutual assistance in cutting government intervention and removing administrative barriers for business; and for prevention of violations of antimonopoly laws.**

Mr. Sitnikov presented the consolidated position of major Russian businesses on behalf of the RSPP Committee^{***} on the fourth antimonopoly package. He thanked the representatives of the Federal Antimonopoly Service for the open and constructive dialogue with the business during the work on the amendments and for their active cooperation.

Mr. Sitnikov noted the positive aspects of the newly-adopted amendments to the Law on Protection of Competition that should certainly benefit the business, such as the expansion of the scope of application of warnings; the cancellation of the register of entities with a market share of more than 35%; the new boards within the central office of the Federal Antimonopoly Service; and more detailed rules for considering antimonopoly cases.

He also drew the audience's attention to the fourth antimonopoly package provisions that can limit the freedom of economic activity and may hinder the development of competition. These provisions include private companies' obligation to procure from small businesses (10% of their procurement budget); the convergence of procurement modes stipulated by the 223-FZ and 44-FZ laws; the extension of the 223-FZ procurement mode to companies involved in investment projects regardless of the cost (funding) of such projects; the extension of antimonopoly requirements to biddings organized by private companies; antimonopoly immunity of commercial use of intellectual property; the non-discriminatory access rules; broader application of warnings; reduced liability for cartels; tariff regulation and others.

*The Bureau of the RSPP Board performs operational management of the Employers' Union. The Bureau members include: Alexander Shokhin, Alexander Abramov, Vagit Alekperov, Oleg Belozyorov, Grigory Beryozkin, Andrei Bokarev, Viktor Vekselberg, Sergei Galitsky, Sergei Generalov, Oleg Deripaska, Vladimir Dmitriyev Vladimir Yevtushenkov, Igor Zyuzin, Leonid Kazinets, Anatoly Karachinsky, Andrey Kostin, Vladimir Lisin, Andrei Melnichenko, Alexei Mordashov, Vladimir Potanin, Dmitry Pumpyansky, Viktor Rashnikov, Zakhar Smushkin, Alisher Usmanov, Mikhail Fridman, Anatoly Chubais, and David Yakobashvili. <u>http://www.rspp.ru/simplepage/23</u>.

**Source: RSPP website <u>http://rspp.ru/news/view/8525</u>.

***For more information on the RSPP Competition Development Committee please click <u>here</u>.

For more information on VEGAS LEX's services in the area of antimonopoly regulation, click <u>here.</u>

For more information on VEGAS LEX's contribution to policy-making, please click <u>here</u>.