

# **FAS Russia intends to suppress attempts to unreasonably increase prices for socially important groups of food products**

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The Federal Antimonopoly Service (FAS Russia) believes there are signs of collusion on the agriculture-and-food markets for some products groups.

Should such facts of collusion or abusing market dominance be discovered, FAS will apply heavy sanctions.

Major sanctions against the violators include turnover fines and compensation of the inflicted damages to the budget. For participation in competition-restricting agreements and concerted actions violators can face imprisonment for the period of up to three years and possible disqualification.

FAS Russia continuously monitors prices for the main groups of socially important food products. It opens investigations upon each discovered fact of violation and exercises antimonopoly control (initiates cases and imposes administrative fines). Specific instructions have been given to all regional offices.

The Kemerovo OFAS Russia investigated a case against “Gouryevsky Bread Plant” OJSC and was able to prove the fact that the Plant unreasonably fixed different ex-works prices for 1st grade wheat bread for different buyers. Under Article 14.31 of the Code on Administrative Violations “Gouryevsky Bread Plant” OJSC will be imposed a turnover fine, which can reach up to 15% of the company’s annual turnover.

At the final stage are cases initiated by Moscow, Karelia, Penza, Tula, Kaluga, Chelyabinsk and Chuvashia offices of FAS Russia upon the facts of fixing and maintaining unjustified prices on the market of bakery products and raw materials for their production.