## **Press-release of 29.06.2010**

29 июня 2010, 14:39

Under Article 23 of the Federal Law "On Protection of Competition", the Federal Antimonopoly Service (FAS Russia) presents an annual report to the Government of the Russian Federation on the state of competition in the Russian Federation.

The report gives a comprehensive assessment of the most important aspects of Russian policy towards protection and development of competition and is based on:

- analysis of data available to FAS Russia that characterize the state of competition within the national economy in general and on specific markets;
- the outcome of measures undertaken by FAS Russia to restore and develop competition on particular markets;
- proposal aimed at competition protection and development that have been introduced by FAS Russia when drafting federal laws and other legislative acts or were sent upon a FAS Russia's initiative to the Government of the Russian Federation, the Federal Assembly, federal ministries and agencies.

In particular, FAS Russia analyzed the markets of ammophos, food products, granulated sugar, electric energy, milk, communication services and paid educational services, and some others.

For instance, investigating the market of granulated sugar, FAS Russia concluded that sugar market is moderately concentrated and competitive. No economic entity has a dominant position. Competition on the sugar market should be facilitated by prospective construction and commissioning of several sugar mills in the coming years.

Analyzing regional markets of procurement and processing milk, FAS Russia's experts found that when milk production reaches its maximum, decreasing buying activity on the market of ready products causes the so-called "excessive milk" problem. Fluctuations of prices for milk and dairy products are seasonal and are caused by increasing public demand and growing purchasing prices for raw milk against reduction of their production.

FAS Russia's report highlighted its proposals for developing competition in the Russian Federation. For example, FAS Russia believes that as potentially passenger transportation markets are highly competitive, legal regulation of this field should focus, in particular, on eliminating administrative barriers, excluding discriminatory behavior of market agents, developing competition and , as a result, increasing availability and quality of transport services to the public.