

FAS Russia proposed to exempt from inspections such companies that have effective antimonopoly compliance systems

April 27, 2017

Dear Ladies and Gentlemen,

We would like to inform you that the Federal Antimonopoly Service (hereinafter – "**FAS Russia**") proposes to exempt from inspections such companies that have effective antimonopoly compliance systems

FAS Russia also intends to implement a risk-oriented approach and develops criteria for the companies to be included in the list of scheduled inspections. According to the Deputy Head of FAS Russia Mr. Sergey Puzyrevskiy, the aim of innovations is to inspect only those companies, which have a particularly high risk of violations. Natural monopolies with the revenue of more than RUB 7 billion per year will be definitely included into such kind of list. It is highly probable that all companies with such revenue will be included into the list – as they can have dominant position in the market. Small and medium business will not fall under scrutiny of FAS Russia.

Large companies, which have implemented antitrust violations prevention procedures, might be excluded from scheduled inspections – a final decision on that issue has not yet been taken but it is quite possible that such initiative will be supported and amendments entailing such changes would be adopted, says Mr. Puzyrevskiy.

Previously, the only issue to discuss was the reduction of fines for those who have effective antimonopoly compliance system (risk assessment, measures for reduction of risks, employee development etc.). In 2016 FAS Russia prepared draft amendments to the Federal Law "On Protection of Competition" and the Code on Administrative Offences of the Russian Federation which will reduce the fine for up to 1/8 for such companies that elaborated compliance system. The project is being discussed in the Government of the Russian Federation and is almost ready for submission to the State Duma of the Russian Federation.

In 2016, FAS Russia conducted 156 scheduled and 400 unscheduled inspections. According to Mr. Puzyrevskiy, compliance will not execute the companies from unscheduled inspections, but might result in reduction of the fine in case violation will be revealed.

ALRUD lawyers have extensive experience in provision of comprehensive support to clients in all areas of law, including antimonopoly law. ALRUD lawyers are ready to provide the necessary legal assistance on all issues related to development of internal compliance procedures and support of the companies during scheduled/unscheduled inspections conducted by the competition authority.

Hope that the information provided herein would be useful for you. If any of your colleagues would also like to receive our newsletters, please let us know by sending us his/her email address in response to this message. If you would like to learn more about our [Antitrust/Competition practice](#), please let us know about it in reply to this email. We will be glad to provide you with our materials.

If you have any questions, please, do not hesitate to contact the Partner of ALRUD Law Firm [German Zakharov](#) at gzakharov@alrud.ru.

Kind regards,
ALRUD Law Firm

Note: Please be aware that all information provided in this letter was taken from open sources. The author of this letter bears no liability for consequences of any decisions made in reliance upon this information.