

“Registered”

by the Ministry of Justice of the Republic of Armenia

31 March 2008

State Registration Number 60408099

**STATE COMMISSION FOR THE PROTECTION OF ECONOMIC COMPETITION
OF THE REPUBLIC OF ARMENIA**

19 March 2008, Yerevan

No 15-N

DECISION

**ON APPROVING THE PROCEDURE FOR DEFINING COMMODITY MARKET
BOUNDARIES, COMPOSITION OF MARKET PARTICIPANTS AND VOLUMES**

Having regard to Article 19(1)(g) and (i) of the Law of the Republic of Armenia on the Protection of Economic Competition, Article 72(1)(1)(b) of the Law of the Republic of Armenia on Legal Acts, the State Commission for the Protection of Economic Competition of the Republic of Armenia has **decided to**:

1. Approve the procedure for defining commodity market boundaries, composition of market participants and volumes in accordance with the Annex.
2. Repeal point 1 of the Decision No 27 of 4 March 2002 of the State Commission for the Protection of Economic Competition of the Republic of Armenia “On approving the procedure for defining a dominant position of an economic entity in a commodity market and the procedure for defining commodity market boundaries and volumes and repealing a number of decisions of the State Commission for the Protection of Economic Competition of the Republic of Armenia”.
3. This decision shall enter into force on the tenth day following its official publication.

Chair

A. Shahnazaryan

Annex

to the Decision of the State Commission for the Protection of Economic Competition of the Republic of Armenia No 15-N of 19 March 2008

PROCEDURE

FOR DEFINING COMMODITY MARKET BOUNDARIES, COMPOSITION OF MARKET PARTICIPANTS AND VOLUMES

1. This procedure lays down the procedure for defining commodity market boundaries, composition of market participants and volumes.
2. Commodity market parameters (product and geographical boundaries, composition of market participants and volumes) shall be defined based on the data covering a certain period of time preceding the analysis of the relevant market by the State Commission for the Protection of Economic Competition (hereinafter referred to as “the Commission”).
3. For the purpose of defining product boundaries of a commodity market, the product to be examined shall be selected, its consumer features shall be revealed (purpose of exploitation, as well as application, qualitative, technical, price or other peculiarities), and based thereon cross-substitutable products, if any, shall be defined.
4. For the purpose of defining product boundaries of a commodity market, the Commission may consider the classification of an examined product under CNEEA (Commodity Nomenclature for Foreign Economic Activities), CPA (Classification of Product by Activity) or any other group.
5. Geographical boundary of a commodity market shall be defined taking into account the economic potential and suitability for the buyer to acquire the relevant product and its cross-substitutable products within a certain geographic territory.
6. The composition of a commodity market participants i.e. seller(s) (vendor(s), supplier(s), alienator(s), provider(s), executor(s)) and purchaser(s) (buyer(s), recipient(s), acceptor(s), consumer(s)) for the relevant product and its cross-substitutable products, commodity market volumes and commodity market participants' sales (purchase) volumes of products in the volume of a commodity market shall be defined based on the documents submitted to the Commission by state authorities and/or economic entities of the relevant commodity market, and/or acquired through studies, controls, examinations, and/or monitoring implemented by the Commission, and/or other documents and information available to the Commission.
7. The total sales (purchase) volume (commodity market volume) of the relevant product and its cross-substitutable products in geographical boundaries of a commodity market shall be the sum of the volumes of sales (purchase) of the given product by commodity market participants.

8. As a rule, commodity market volumes shall be defined in kind where it is possible to calculate the total sales (purchase) volumes of the relevant product and its cross-substitutable products within product boundaries of the market using the same measurement unit (e.g. kilogram, item, metre, etc). In other cases or based on peculiarities of the relevant commodity market, commodity market volumes may be defined in value (monetary) terms.

9. Commodity market volumes shall be defined based on the calculation of market participants' initial sales (purchase) of the relevant product and its cross-substitutable products within the given market.