

# **Institutional Overview of the National Agency of the Kyrgyz Republic for Antimonopoly Policy and Development of Competition within the New Regulatory Framework**

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Kyrgyz Republic, Jule 17-21, 2006

**National Agency of the Kyrgyz Republic for Antimonopoly Policy and Development of Competition (NAAPDC) was established by the Decree of the President # 488 as of October 10, 2005 pursuing the goal of efficient public administration, and optimization of the staff structure and size of public administration bodies dedicated to protection and development of competition. The Agency was set up using the capacities of two administrative units, namely the State Department on Antimonopoly Policy under the Ministry of Economic Development, Industry and Trade of the Kyrgyz Republic and State Agency on Energy under the Government of the Kyrgyz Republic.**

Partnership Program, Bishkek, The  
Kyrgyz Republic, July 17-21, 2006

In accordance with the **Commission on National Agency of the Kyrgyz Republic for Antimonopoly Policy and Development of Competition** endorsed by the Decree of the President of the Kyrgyz Republic # 57 as of February 13, 2006 the Agency is the state antimonopoly body that implements comprehensive national policy in following: (i) protection and development of competition, (ii) national regulation and control of subjects operating in natural and authorized monopolies aimed at warning, limiting and precluding monopolistic activity and unfair competition, and (iii) **regulation of fuel and energy complex.**

## The Objectives of the NAAPDC are:

- - Implementation of the national policy of antimonopoly regulation, regulation of **fuel and energy complex**, **and** protection of consumers' rights and advertisement.
- - Facilitation to formation of market relationships through antimonopoly regulation, fight antimonopoly efforts in monopolized sectors of the economy, protection and fostering of competition, building favorable environment for entrepreneurship.

## **Authorities and commitments of the NAAPDC with regard to Fuel and Energy Complex**

- Hold reviews of the cases when fuel and energy complex legislation had been violated and take decisions based on results of the reviews;
- Provide local governments, legal and physical entities, regardless forms of ownership, with mandatory instructions on cessation of violations with respect to the issues falling under the authority of the Agency, and elimination of the by-violation consequences;
- Take decisions (issue regulations) on penalties and economic sanctions addressed to the executive bodies and local governments including their servants, companies, organizations and establishments including their management, and physical entities in case of violation of correspondent legislation of the Kyrgyz Republic;
- Address the Government of the Kyrgyz Republic proposals concerning improvement of the fuel and energy complex legislation;
- In established order and within the limits of embodied authority design and adopt legal-regulatory acts on fuel and energy complex.

## Authorities and commitments of the NAAPDC with regard to Fuel and Energy Complex

- Initiate checks for compliance with Fuel and Energy Complex and Customers Rights legislation, and assure the fair price building by companies; obtain all necessary documentation, information and explanations in written and verbal forms;
- In cases when the laws are violated, submit the materials to the law enforcement bodies in order to institute legal proceedings;
- Demand an audit of the energy objects and request an access to all audit materials;
- Provided consultations on implementation of Fuel and Energy Complex legislation;
- Assure compliance with conditions indicated in the licenses in accordance with the Law of the Kyrgyz Republic on Licensing and other legal-regulatory acts.
- Implement state regulation of rates, goods and services provided by natural and authorized state monopolies.

## **Regulatory functions of NAAPDC with regard to Fuel and Energy Complex**

- Implementation of state supervision of compliance with Fuel and Energy, Consumer's Rights and other legislations and legal-regulatory acts of the Kyrgyz Republic
- In established order implement state regulation of the subjects of natural and authorized state monopolies;
- Within the limits of embodied authority implement state regulation of state inspection bodies;
- Development of arrangements for regulating energy export and import;
- Issuance of licenses that authorize production, transmission, distribution and sale of electricity, thermal energy, natural gas; process oil and natural gas; construct power stations, substations, and transmission lines; export and import of energy.

# Regulatory functions of NAAPDC with regard to Fuel and Energy Complex

- Agreement of standards and normative documents with a purpose of providing services to consumers of energy resources and improving these services; and assuring availability of the services.
- Endorsement of the electricity, thermal energy, and natural gas rates;
- Development of standard supply contracts that provide for the rights and responsibilities of transmission utilities and consumers, and distribution of contracts to energy and gas market participants in established by the Kyrgyz Laws order;
- Supervision of technical and economic indicators and established target indicators of quasi-fiscal deficit in energy sector.



## NAAPDC Working Arrangements

- The Agency comprised of a collegial body (Council), Executive Council, Central Apparatus, territorial divisions, and other structural units that altogether build a single structure;
- The Agency is headed by a Director that is appointed and resigned by the President;
- The Director has a Deputy. The Deputy Director is appointed and resigned by the Decree of the President of the Kyrgyz Republic at the proposal of the Director;
- State secretary of the Agency is appointed and resigned by the President of the Kyrgyz Republic at the proposal of Council on Civil Service.

## Director of the NAAPDC:

- Takes personal responsibility for achievement of goals and objectives of the Agency;
- Distributes responsibilities and determines extent of authority of Deputy Directors, heads of territorial divisions, and structural units of the Agency;
- Endorses administrative structure of the Agency, staff schedule of the Central Apparatus, and provisions, structure, and staff schedule of territorial divisions and other structural units of the Agency;
- Appoints and resign staff of the Central Apparatus and territorial divisions of the Agency, and takes rewarding and disciplinary measures in accordance with the legislation of the Kyrgyz Republic;
- Determines working order and financing of scientific, training, consulting, information and other organizations established under the Agency;
- Issues commissions and takes other decisions within limits of embodied authority;
- Determines working regulations of the Agency;
- Within the limits of given authority concludes international agreement, holds negotiations, and signs agreements, with correspondent bodies from abroad, international organizations and legal entities;
- Submits annual reports to the President and Government of the Kyrgyz Republic;
- Carries out other functions and responsibilities related to the management of the Agency in accordance with the legislation of the Kyrgyz Republic.

Per the Special Journal, Bishkek, Kyrgyz Republic, July 17-21, 2006

## **Executive Council of the Agency**

The structure of the Agency provides for the Executive Council comprised of 3 members. All members possess with equal voting and decision-making rights.

The Executive Council reviews the issues of rate building and licensing in fuel and energy complex, and technical and economic indicators of the utilities. The working regulations of the Executive Council are determined in accordance with legislation of the Kyrgyz Republic and approved by the Director.

