

June 10, 2010 Ulaanbaatar city

LAW ON COMPETITION

/Revised Version/

CHAPTER ONE

GENERAL PROVISIONS

Article 1.Purpose of the Law

1.1.The purpose of this law is to identify legal basis for and regulate relations connected with an organization to create conditions for fair competition in the market for entrepreneurs, prevent, restrict and prohibit from any activities of market monopoly and impeding competition.

Article 2.Legislation on Competition

2.1.The legislation on competition consists of the Constitution and Civic Code of Mongolia, this Law and other legislation adopted in conformity with these laws.

2.2.If an international treaty to which Mongolia is a part provides differently than specified in this Law, then provisions of an international treaty shall be observed.

2.3.As specified in Article 3.3, Civic Code, the Law on Competition shall be deemed as the legislation that regulates competition relations in detail.

Article 3.Scope of the Law

3.1.This Law shall be applicable to entrepreneurs, government and local self-governing as well as local administrative organizations.

3.2.This Law shall be equally applicable to entrepreneurs with proven evidences of conducting activities, prohibited by this law, outside Mongolia that impacted the market in Mongolia.

3.3.Activities undertaken under the legislation protecting intellectual property and its resulting circumstances shall not be considered as impeding competition.

Article 4.Definitions of the Law

4.1.Following terminologies used in this Law shall have the following meanings:

4.1.1."product" shall mean all kinds of things such as goods, means of payment, services and transferrable rights with a purpose to be sold, exchanged and converted into another type for circulation/revolving in the market;

4.1.2."market" shall mean territory where supply and sales of certain product occurs;

4.1.3."entrepreneur" shall mean for-profit and not-for-profit legal bodies, registered and conducting business activities in Mongolia and organization or individuals without rights of a legal body.

4.1.4."competitor" shall mean entrepreneur supplying and selling the particular types of goods and products on the market

4.1.5."dominating activity" shall mean actual limitation of competition and restriction or hindrance to the customers by limiting quantity, size and cost of the particular goods and products of the market with purposes to restrict conditions for other entrepreneurs to come to the market and to marginalize other entrepreneurs from the market by unlawful use of its dominant position;

4.1.6."Interrelated person" means a business entity that has relations with the business entity specified in Article 27 of the General Tax Law;

/This part was amended according to the law dated March 22, 2019/

4.1.8."geographic boundary of market" shall mean a territory with economic restrictions of purchasing the particular goods and products from other market;

4.1.9."market centralization" shall mean percentage of sales of certain goods and product in the market, by a single entrepreneur solely or together with other bodies or by inter-dependent bodies;

4.1.10."market power" shall mean ability of the particular goods and products of the entrepreneurs to impact the market.

Article 5.Legitimate Monopolistic and Dominant Entrepreneur

5.1.When a single entrepreneur alone accounts for the total supply of particular goods to the market at the lowest average

social cost, it shall be considered as a legitimate monopoly.

5.2. Supply of one third or higher percentages of the productions, sales, or purchases of certain kinds of goods and products in the market by a single entrepreneur, either solely or together with others or by inter-dependent body, shall be considered as dominant entrepreneur.

5.3. Entrepreneurs, under the level prescribed in article 5.2 of this Law, capable to restrict and hinder entry of other entrepreneurs to the market and drive them out of the market, can be considered as dominant, on the basis of its scope of goods and products, geographic boundary of the market, market centralization and market power.

Chapter two

Regulation of a Competition

Article 6. Regulating Activities of a Legitimate Monopolistic Entrepreneur

6.1. Fair Competition and Customer Authority, stated in article 14 of this Law, shall make following regulations to the activities of legitimate monopoly entrepreneurs:

6.1.1. controlling and regulating changes in the quantity and size of products supplied to the market in consistent to its capacity;

6.1.2. reviewing the changes in the selling price of particular products in consistent with the actual costs, and granting permission;

6.2. Legitimate monopolistic entrepreneurs are prohibited to carry out activities, specified in article 7.1 of this Law.

6.3. Provisions 6.1.1. and 6.1.2. of this law is not applicable to the sector having a regulatory organisation, licence is issued in accordance with law and governed by tariff regulation.

/This Article has been added by Amendment law on Energy dated 19 June, 2015/

Article 7. Illegal Use of Dominant Position

7.1. Entrepreneurs in dominant position are prohibited to conduct following dominating activities:

7.1.1. creating an artificial shortage of the particular goods and products, suspending and restricting volume of the productions and sales of goods and products;

7.1.2. setting too high prices for the goods and products with no grounds;

7.1.3. demanding additional conditions for sale from the entrepreneurs, selling same types of goods and products at differentiated prices on market, refusing sales without grounds. It is not applicable to the price changes of goods and products that incorporated actual transportation costs depending on regional locations and to the bonuses for wholesale and retail buyers from manufacturers and suppliers;

7.1.4. selling goods and products at prices lower than the actual costs, in order to prevent other entrepreneurs from entering that market and to drive them out of the market;

7.1.5. refusing to establish business relationships with other entrepreneurs without actual economic and technical causes, and setting unreasonable criteria;

7.1.6. fixing prices and establishing territories within which the products may be resold;

7.1.7. insisting on condition not to buy products of its competitors as a condition for sale of its own products;

7.1.8. insisting that others sell their products to oneself on a condition that may lead to the reduction of production and sale of those products;

7.1.9. demanding a transfer of entrepreneurs financial means, assets, their rights and labor force to oneself without due cause;

7.1.10. demanding competitors to restructure through merging with, or joining itself, or division and separation;

7.1.11. insisting on including conditions irrelevant to the subject of the contracts and agreements on certain types of goods and products in that contract, and setting differentiated conditions to other parties;

7.1.12. attaching products that are not included in the regular set in selling products;

7.2. Based on the world's best practices, the Government shall adopt a regulation connected with fixing too high prices for goods and products by entrepreneurs in dominant positions.

Article 8. Restructuring of legal body in dominant position through merger and amalgamation, purchase of shares of other companies

8.1. In case legal bodies in dominant position restructure through merger and amalgamation with other bodies, or purchase above 20% of common shares and above 15% of the preferred shares of competitor companies that sell the same type of goods and products, or merge or amalgamate with interdependent bodies, it should apply to the Authority for Fair Competition and Customers.

8.2. Authority for Fair Competition and Customers shall review the application and make accepting or rejecting conclusion within 30 days after the receipt of the application. This timing can be extended up to 30 days and supplementary information can be obtained, if required.

8.3. Authority for Fair Competition and Customers shall make rejecting conclusion if its review considers that competition-restricting circumstances is constituted. Regulation on drawing conclusions shall be approved by the Government.

8.4. Rejective conclusion by Authority for Fair Competition and Customers shall serve as grounds for not registering the legal body in the national register.

8.5. In case the benefits/advantages to the national economy is proven to be higher than the losses/damages to be incurred to competition, article 8.3 of this Law can be disregarded.

Article 9. Prohibition of serving on the management of a competitor

9.1. Individuals from the management of a dominant entrepreneur shall be prohibited from co-serving in the management of competing entrepreneur.

Article 10. Splitting and separating the legal bodies with dominant position

10.1. If a legal body, which has previously been imposed with legal liabilities for conducting monopolistic activities two or more times in one year, is proven to have repeated such illegal activity, the court shall resolve the decision on restructuring the legal body in dominant positions through splitting or separating based on claim by the Authority for Fair Competition and Customers

Article 11. Prohibition of establishing contracts and agreements (cartel) aimed at restricting competition

11.1. Entrepreneurs are prohibited to establish following contracts and agreements (cartel) aimed at restricting competition:

11.1.1. negotiating and agreeing to fix prices of goods and products;

11.1.2. dividing markets by location, production, services, sales, names or types of products or consumers;

11.1.3. restricting production, supply, sales, loading, transporting, opportunity to enter a market, investment, technical and technological renovation of goods and products;

11.1.4. agreeing in advance the price, other conditions and criteria when participating in competitive bid, auction and procurement activities of goods, works and services by state and local funds;

11.2. Following contracts and agreements, established between the entrepreneurs, shall be prohibited if it creates conditions harmful to the public interests or restricting competition:

11.2.1. refusing to establish business relations without economic and technological grounds;

11.2.2. restricting sales to or purchase by third parties of products;

11.2.3. collectively refusing to enter into agreements or negotiations which have significance in competition;

11.2.4. preventing competitors from joining organizations with the purpose of running their businesses profitably;

11.3. Entrepreneurs are prohibited to support or take part in contracts and agreements, stated in articles 11.1 and 11.2 of this Law.

11.4. Persons submitting concrete information, along with proof/evidence documents, about bodies concluded contracts and agreements (cartel) and made decisions, stated in articles 11.1 and 11.2 of this Law to the Authority for Fair Competition and Customers, shall be granted a monetary honoraria equivalent to 5% of the fine amount, imposed for the particular violation, and a regulation on issuance of monetary honoraria shall be approved by the Government.

Article 12. Activities Restricting Competition

12.1. Entrepreneurs shall be prohibited to carry out following activities that restrict competition:

12.1.1. disseminating false, inaccurate, or misleading information that may diminish reputation of competitors or its products, or results in losses to competitors;

12.1.2. misinforming or disseminating false or inaccurate information about its/one's own goods and products;

12.1.3. conducting ads and promotions of harmful consequences to competition;

12.1.4. using trademarks, labels, names and quality guarantees of others' products without proper authorization, or copying brand names or packages;

12.1.5. selling, publishing or disseminating scientific, technological, industrial or trade information and confidential information without permission of the patent owners or authors;

12.1.6. concealing quality deficiencies or certain features of products dangerous/harmful to life and health of people and environment;

12.1.7. insisting on condition not to buy products of competitors as a condition for sale of its own products;

12.1.8. disseminating inaccurate information that the particular good and product sales have bonuses or discounts, or making, in advance, agreement and intentional fake/false arrangement to give such bonuses to a certain body;

12.1.9. misleading the competitors from the actual condition of the particular process, when participating in competitive selections, auctions and procurement of goods, works and services with state and local funds, or, pushing or pressing them;

12.1.10. using trade measures harmful to legal interests and illegal losses to customers.

Article 13. Prohibition of competition restriction by the government administrative, local self-governance and local administrative organizations

13.1. Unless otherwise provided by laws, the government administrative, local self-governance and local administrative organizations shall be prohibited to grant permissions, licenses and rights, register and charge fees and payments related to any business activities.

13.2. Unless otherwise provided by law, government administrative, local self-governance and local administrative organizations shall be prohibited to conduct following activities:

13.2.1. to prohibit or restrict entrepreneurs from being engaged in certain types of business activities and productions or sales of goods and products;

13.2.2. to prohibit or restrict entrepreneurs from selling products from one market to another;

13.2.3. to prohibit or restrict entry of competitors into the particular market, or drive them out from the market;

13.2.4. lowering, or maintaining at the same level the price of goods and products;

13.2.5. dividing markets by location, production, amount of sales, name and type of products, scope of sellers or consumers;

13.2.6. giving products of an entrepreneur to other organizations and entrepreneurs on credit;

13.2.7. granting dominance to one of the entrepreneurs;

13.3. Coordination, loan or assistance by the Government or by organizations authorized by the government, extended to compensate losses caused by emergency or force majeure conditions and overcome economic crisis, as well as to ensure livelihood stability of customers via creation of proper conditions for demand and supply of strategic main goods and products, in particular the goods and materials, determined by the Parliament in compliance with the Law on State Resources shall not be deemed as restricting competition.

13.4. The Government can restrict, for specific timeframe, special permissions of some types of business activities in order to ensure public interest, national security and create conditions for effective competition.

CHAPTER THREE

LEGAL STATUS OF AN ORGANIZATION FOR FAIR COMPETITION AND CUSTOMERS

Article 14. Authority for Fair Competition and Customers

14.1. Authority for Fair Competition and Customers is a state administrative organization with functions to supervise the fulfillment of the legislation on competition, nation-wide implementation of competition policy and protection of interests of entrepreneurs and customers.

14.2. The Government shall adopt the Charter of the Authority for Fair Competition and Customers.

14.3. Authority for Fair Competition and Customers shall fulfill its functions, stated in this Law, autonomously and independently from any bodies.

14.4. General State Inspector, Senior State Inspector and State Inspector shall work in the Authority for Fair Competition and Customers, and State Inspectors in local areas.

14.5. The Chairperson of the Authority for Fair Competition and Customers shall have a title of the General State Inspector, and will appoint or dismiss Senior State Inspectors and State Inspectors.

14.6. Authority for Fair Competition and Customers shall interact under its portfolio issues with the President, the Parliament and

the Government of Mongolia via the respective Secretariat offices and directly with the other organizations, officials and individuals.

14.7. Authority for Fair Competition and Customers shall report its activities to the government annually.

14.8. Expenditures of the Authority for Fair Competition and Customers shall be funded by the state budget and the government shall ensure economic guarantees of its operations.

14.9. Budget of the Authority for Fair Competition and Customers for the particular year cannot be approved at the level lower than that approved for the previous/last year.

14.10. Authority for Fair Competition and Customers shall have a symbol, representing the unique features of the work, and the chairperson of the Authority for Fair Competition and Customers shall define its definition, design and rule of use.

14.11. Authority for Fair Competition and Customers shall use stamps, seals and printed letterheads, made according to the fixed regulation/rule.

14.12. Operations by political parties, coalitions, associations, movements and religious activities are prohibited in the building of the Authority for Fair Competition and Customers.

14.13. Office of the Authority for Fair Competition and Customers shall be under the government protection.

Article 15. Power of the Authority for Fair Competition and Customers

15.1. According to its functions, the Authority for Fair Competition and Customers shall exercise following powers:

15.1.1. to settle culture of competing, develop program on prevention from unfair competition, provide methodological guidance and supervise its implementation;

15.1.2. to develop government policy on creating and protecting competition conditions and to get it resolved;

15.1.3. to develop proposals on upgrading/improving legislation on competition for approval/resolving;

15.1.4. to conduct inspections and issue conclusions regarding implementation of legislation on competition by entrepreneurs and organizations regardless of ownership type and commute administrative penalties;

/This paragraph was revised by the law of 18 May 2017/

15.1.5. to have other unlawful actions, irrelevant to the portfolio issues, revealed by inspection investigated, and transfer relevant documents and materials to the authorized organizations;

15.1.6. to determine and monitor activities of entrepreneurs in legitimate monopolistic and dominant positions in the market. The Government shall approve a regulation on identifying entrepreneurs in legitimate monopolistic and dominant positions;

15.1.7. to submit proposals to relevant organizations or their officials of higher instance or administrative court on overruling decisions of government administrative, local self-governing and local administrative organizations issued in violation of legislation on competition;

15.1.8. to have entrepreneurs, government administrative, local self-governing and local administrative organizations and officials to provide information, data, studies, explanations, statements, financial and other documents required for creating conditions for competition and determining market status urgently free of charge, and to have professional conclusion and expertise drawn;

15.1.9. to inform and promote to the general public about its decision related to creation of conditions for competition;

15.1.10. to involve specialized inspection organizations, other organizations, its staff, and individuals in the inspections and studies;

15.1.11. to take measures on ensuring safety of the organization and its staff;

15.1.12. to receive and resolve requests and complains within the scope of portfolio issues;

15.1.13. to approach relevant organizations on having police organizations to protect witnesses and other bodies, when required, who helped the activities of the organization, and have it resolved;

15.1.14. to cooperate and exchange information with foreign and international similar organizations on issues connected with creating conditions for competition, inspection and competition;

15.1.15. to provide comments and conclusions on draft proposals and decisions by the authorized organizations on privatization of state owned legal bodies;

15.1.16. to review and resolve complaints against/regarding the decisions by State Inspectors;

15.1.17. to approve Code of Ethics for State Inspectors.

Article 16. Meeting of the Authority for Fair Competition and Customers

16.1.Main decision making form of the Authority for Fair Competition and Customers shall be a meeting.

16.2.Decision is made by the majority of the members attending the meeting, in case equal votes of the members attending the meeting, the issue shall be resolved by a vote of the chairperson of the meeting.

16.3.Decisions of the Authority for Fair Competition and Customers shall be signed by the chairperson of the Authority.

16.4.The meeting shall be held not less than once a month, and the meeting procedure shall be defined.

16.5.In case chairperson and members of the Authority for Fair Competition and Customers are in marriage with or relatives to the body, whose issue is being discussed during the meeting, s/he should notify about it before the meeting starts and shall not attend discussion and decision making processes of the issues in the meeting.

16.6.The meeting shall be valid by attendance of the majority of the members.

16.7.The meeting can be announced and organized in cases except stated in article 16.4 of this Law, based on requests made in writing at least by 3 members and by the decision of the chairperson of Authority for Fair Competition and Customers.

16.8.The meeting shall make decisions in a form of resolution.

Article 17.Appointing Chairperson and Members of the Authority for Fair Competition and Customers

17.1.Authority for Fair Competition and Customers shall function by the principles of collaborative management, and it shall consist of a chairperson and 8 members, out of which 2 will be full time and 6 will be part time basis.

17.2.Chairperson, 2 full time members and 3 part time members of the Authority for Fair Competition and Customers shall be nominated by the Prime Minister, and the Chamber of Commerce and Trade, Confederation of Trade Unions and a NGO on customers' rights protection shall nominate one person each for the 3 part-time members who will be appointed and dismissed by the government.

17.3.Following bodies cannot be nominated for the chairperson or members of the Authotiy for Fair Competition and Customers:

17.3.1.Political appointees;

17.3.2.Leaders of political parties;

17.3.3.Members of Constitutional Court, judges and prosecutors of all levels;

17.3.4.bodies from state-owned or private business entities;

17.3.5.managers from NGOs that pursue professional business activities;

17.4.Chairperson of the Authority for Fair Competition and Customers shall be a citizen of Mongolia, specialized either in economics or legislation, who has exercised her/his profession for at least 5 years including not less than 3 years of employment record in government organizations.

17.5.Members of the Authority for Fair Competition and Customers shall be a citizen of Mongolia, specialized either in economics or legislation, who has exercised her/his profession for at least 3 years including not less than 1 yeas of employment record in government organizations.

17.6.In case the government doesn't approve the candidates, stated in article 17.2 of this law, the body authorized to nominate shall nominate another person within 10 workdays who will be reviewed and appointed by the government within 15 days from the date of the receipt of the nomination proposal.

Article 18.Terms of the Chairperson and Members of the Authority for Fair Competition and Customers

18.1.The term of the chairperson and members of the Authority for Fair Competition and Customers shall be 4 years and can be re-appointed for one more term.

18.2.The term of the chairperson and members of the Authority for Fair Competition and Customers shall commence by/upon the government decision made on his/her appointment and ends up upon the appointment of the next chairperson and members.

Article 19.Power of the Chairperson of the Authority for Fair Competition and Customers

19.1.The chairperson of the Authority for Fair Competition and Customers shall exercise following powers:

19.1.1.To represent the organization in national and foreign relations;

19.1.2.To attend parliamentary sessions and Standing Committee meetings when required and Cabinet Meeting constantly/at all times and express positions of the organization;

19.1.3.To determine agenda, set up date for and chair the meeting, as stated in article 16.1 of this law;

19.1.4.To do labor division of the members and supervise the performances;

19.1.5.other rights stated in legislation.

19.2. During temporary absence of the chairperson of the Authority for Fair Competition and Customers, a member, appointed by the chairperson, shall act as acting chairperson.

Article 20. Rights and Responsibilities of State Inspectors

20.1. State Inspectors, specified in article 14.4 of this law, shall use work ID and badge with official and personal numbers, and printed letterhead, approved by the Authority for Fair Competition and Customers.

20.2. State Inspectors of the Authority for Fair Competition and Customers shall exercise powers of State Inspectors prescribed in article 10 of the Law on State Supervision and shall be provided with guarantees to exercise the powers prescribed in article 11 of the same law.

20.3. A State Inspector shall exercise following rights and responsibilities:

20.3.1. to monitor implementation of the legislations on competition and impose administrative penalty;

20.3.2. to obtain data, information, reports, remarks, statements and other documents, required for studies and inspections by relevant organizations, officials and entrepreneurs free of charge;

20.3.3. to be fully responsible for the accuracy/ of the inspections carried out;

20.3.4. to carry out inspection of the body of the persons inspection in office spaces, industrial areas, warehouses, documents, computers and things/other belongings and temporary confiscate the required documents and items of the body under investigation, in accordance with procedure provided by the Law on Offence Investigation, to find footprints and evidences of breaches and clarify other important circumstances relevant to the breaches.

/This paragraph was revised by the law of 18 May 2017/

20.3.5. to ensure fulfillment of the decisions on administrative penalty imposed by oneself and by the Authority for Fair Competition and Customers;

20.3.6. to use special safeguard instruments to protect oneself from direct/sudden attack which may cause harm/loss to life and health of oneself and the family members and assets;

20.3.7. to call in the relevant bodies by written notices during the inspection process;

20.3.8. other powers stated in legislation.

Article 21. Guarantee for Chairperson, Members and Staff of the Authority for Fair Competition and Customers

21.1. Chairperson, members and staff members of the Authority for Fair Competition and Customers shall be provided with the following supplementary guarantees in addition to the working conditions, guarantee, salary, compensation, assistance, awards, honoraria pension and allowances to civil servants, specified in the Law on Civil Service:

21.1.1. termination and dismissal of chairperson and members at the grounds other than specified in the laws are prohibited;

21.1.2. in case staff temporarily loses working ability or becomes disabled during official duties, the government shall bear the discrepancy of the salaries, pension or allowances and costs of prosthesis if s/he had it made;

21.1.3. to provide/grant one time grant assistance, equivalent to 5 years' salary of the position, to the family in case the staff passes away during official duties or is murdered in connection with the official duties;

21.1.4. to issue one time grant assistance equivalent up to 36 months salary of the position to the staff who reaches the age of pension after having worked for at least 10 years;

/This part was removed by the law of 23 January, 2015/

21.1.5. staff's life and health must be insured, and insurance cost shall be paid from the particular organization's budget;

21.1.6. to compensate inevitable costs incurred in fulfilling power of the staff to carry out inspection;

21.2. Part time members of the Authority for Fair Competition and Customers shall be paid honoraria and honoraria rate shall be determined by the government.

21.3. Economic guarantee to the staff, specified in this law, shall be enjoyed without coincidence of the same type of pension, allowances, assistance and additions, and selection shall be made by the staff him/herself.

21.4. The official who issued orders or assignments shall be responsible for the losses and negative consequences incurred as a result of fulfillment of the orders and assignments by staff.

Chapter four

inspection

/The title of this Chapter was revised by the law of 18 May 2017/

Article 22. Carry out inspection

/The title of this Chapter was revised by the law of 18 May 2017/

22.1. Inspection on the implementation of competition laws and regulations shall be carried out on the following grounds:

/The title of this Chapter was revised by the law of 18 May 2017/

22.1.1. Application and complaint by entrepreneurs, organizations and individuals;

22.1.2. Information broadcast through press and media;

22.1.3. Upon own initiatives;

22.1.4. other basis stated in laws.

Article 23. Inspection time frame

/The title of this article was revised by the law of 18 May 2017/

23.1. State Inspector shall carry out inspection within 60 days.

/The paragraph was revised by the law of 18 May 2017/

23.2. If investigation of breaches cannot be completed within the timing specified in article 23.1 of this law, the chairperson of the Authority for Fair Competition and Customers can extend it for up to 30 days.

23.3. Timing of investigation of breaches, specified in the Law on Administrative Accountability, is not applicable to this law.

/The paragraph was annulled by the law of 18 May 2017/

23.4. State Inspectors should declare the investigation results to the chairperson of the Authority for Fair Competition and Customers within 5 workdays after the completion of investigations.

23.5. If the action has the nature of offence such action shall, in accordance with procedure provided by Law on Offence Investigation, be investigated and legally penalized.

/The paragraph was revised by the law of 18 May 2017/

Article 24. Measures following the inspection

/The title of this Article was revised by the law of 18 May 2017/

24.1. A State Inspector who investigated the breaches shall issue/make one of the following decisions:

24.1.1. to impose administrative penalty if the person in breach is proved to be guilty;

24.1.2. if the conditions prescribed in article 28 of this law is constituted, to commute administrative penalties of the relevant bodies;

/This part has been revised by the law of 04 December, 2015/

24.1.3. to transfer all relevant documents to the investigation organizations if the breach is of a criminal nature;

24.2. When resolving complaints filed against the decisions by the State Inspector

the Authority for Fair Competition and Customers can have comments and conclusions drawn by an independent third party audit organization if required.

24.3. Dissemination of any data and information, harmful to the reputation of the entrepreneurs, is prohibited when no final decision is made by State Inspectors who investigated breaches of the legislation on competition.

24.4. The Authority for Fair Competition and Customers shall investigate and impose legal penalties on the body/person of fault if an entrepreneur files complaint on breach of article 24.3 of this law, which impacted on its business reputation and business income and caused losses.

Article 25. Support to Inspection

/The title of this Article was revised by the law of 18 May 2017/

25.1. All level public organizations and officials shall provide the required support to and ensure conditions for State Inspectors to carry out investigations within the power authorised by the law.

25.2. In case of actual danger and threat to the lives, health and assets of the chairperson, members and staff of the Authority for Fair Competition and Customers and their family members in connection with the fulfilment of the legal duties the police organization

shall ensure their safety.

CHAPTER FIVE

MISCELLANEOUS

Article 26. Rights and Responsibilities of Entrepreneurs, Organizations and Officials

26.1. Entrepreneurs, organizations and officials shall exercise following rights and responsibilities:

26.1.1. must implement legal decisions by the Authority for Fair Competition and Customers and State Inspectors within the specified timeframe;

26.1.2. to provide, free of charge, urgently without dispute, accurate data, information, documents and materials required for creation of competition conditions, study of market situation and inspections within the specified timeframe;

26.1.3. A person considering decision of the State Inspector as unlawful may file its complaint to the Authority for Fair Competition and Customers within 30 days after receipt or acknowledgment of the relevant decision.

26.2. A person considering decision of the Authority for Fair Competition and Customers as unlawful may file its complaint to the Court within 30 days after receipt or acknowledgment of the relevant decision.

Article 27. Liabilities for violation of law

27.1. Unless an official who has breached this law is subject to the criminal liability, he or she shall be held liable under the Law on Public Service.

27.2. An individual, legal person who has breached this law is subject to the liability in accordance with Criminal Law or Law on Offence.

/This Article has been revised by the law of 04 December, 2015/

Article 28. Commuting administrative penalties

28.1. If an entrepreneur in breach of articles 11.1 and 11.2 of this law voluntarily discloses the case, administrative penalties prescribed in this law can be commuted depending on the size of the losses.

28.2. If an entrepreneur in breach of articles 11.1 and 11.2 of this law voluntarily discloses the case it can be remitted from the administrative penalties prescribed in this law for 100%, and an entrepreneur admitting the incorrect action within 30 days since the starting date of investigation of breaches, stated in article 23.1 of this law, can be granted up to 50% commuting.

28.3. Chairperson of the Authority for Fair Competition and Customers shall make decisions on remittance of administrative penalties if entrepreneurs, stated in article 28.1 of this law, meet following conditions:

28.3.1. to have provided sufficient evidences about the breach;

28.3.2. to be obliged to provide required documents and materials during inspection process;

28.4. The Authority for Fair Competition and Customers shall approve the rule on remittance from administrative accountabilities of entrepreneurs as stated in article 28.1 of this law.

/This Article has been revised by the law of 04 December, 2015/

SPEAKER OF THE PARLIAMENT OF MONGOLIA DEMBEREL.D