Features of Corporate Liability for Violation of Competition Law

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Abstract: The relevance of the study is determined by the need to establish corporate responsibility for breach of legislation. In this regard, this paper is aimed at identifying features of competition and corporate responsibility for breach of competition law. Particular attention is drawn to the case when corporations become monopolists and, in fact, dictate market rules. Consideration of the development aspect of competition law suggests that it largely limits the growth of corporate business and forces corporations to formulate strategies for splitting the business, thereby determining the conduct of business. In the modern world, where business is in many respects globalised, such measures can lead to a decrease in market indicators and form a dependence on the operations of certain corporations in the local market. The leading method to the study of this issue is the modelling method, which allows to consider this problem as a targeted and organised procedure related to the improvement and application of competition law, as well as the protection and development of competition. The novelty of the study lies in the possibility of limiting the activities of a corporation in a market that is occupied by it and where there is no practical competition. The authors consider the mechanism of self-regulation as a source of domestic competition law. The paper determines that self-regulation processes are also subject to state supervision and thus corporate self-regulation becomes an aspect of the regulation of competition enforcement by the state at large. The practical significance of the study is determined by the structural feature of the corporation as a quasi-state mechanism and the regulation of external relations between the state and corporations as tax residents on this basis.

Keywords: Corporation, monopoly, regulation, state, legislation.

INTRODUCTION

Self-regulation in economic activity is an important and, under certain conditions, effective alternative to state regulation of economic activity, in which the participants of these relations, with the purpose of regulating and organising their own activities, determine binding principles and rules of behaviour that are reflected in professional codes of conduct, corporate acts, contracts, and obligations (Nicholson 2008). Self-regulation standards are more flexible and easier to adapt to changing circumstances of economic activity compared to state regulation, the use of self-regulation measures significantly reduces the costs of monitoring the implementation of established standards and rules of activity that increase the efficiency of control (Hylton and Xu 2020). The development of self-regulation allows not only to establish, but also to unify the provisions and rules of doing business, determine the principles and rules of good behaviour in the market, and ensure effective monitoring of their compliance (Kauper 2008). Depending on the specifics of the development of business in the market and the level of its regulation, market participants have the opportunity to choose the most appropriate form of self-regulation of business in this market or combine several (Marra and Sarra 2010). The state should control the processes of self-regulation so that the benefits of self-regulation do not turn into a danger to the development of competitive relations. In modern conditions, the most acceptable form of self-regulation is delegated self-regulation and individual contractual self-regulation, which over time should be supplemented by various forms of voluntary self-regulation (Martin and Scott 2017). With the development of competitive relations and the system of institutions for self-regulation of business, an increase is to be expected in the interest of business entities and their representatives in the search for non-state mechanisms for resolving competitive disputes and other conflicts in business. Another promising aspect in this area is the introduction of mediation institutions and an alternative system for resolving disputes between professional participants in competitive relations (Harrington 2003).

At present, in overcoming manifestations of unfair competition, the state, as a regulator of market relations, in many cases relies on the resources of self-regulating organisations, such as chambers of commerce and industry, unions of industrialists and entrepreneurs, associations of producers of goods, etc. (Kumarappan 2010). The advantages of self-regulation

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are that self-regulating organisations, in their daily interaction with business participants, have all the necessary information on the features of their operations, methods of unfair competition, and abuse in market competition, are capable of quickly and effectively solving internal issues of both the organisation and its participants (Parakkal and Bartz-Marvez 2013). Separate moral and ethical problems of professional activity and unfair competition can only be solved by self-regulating organisations. As a rule, self-regulation standards are more flexible, they are easier to adapt to changing circumstances of business as against state regulation. The use of self-regulation measures significantly reduces the costs of monitoring the implementation of established standards and rules of activity, increases the efficiency of control (Melamed 2017).

Along with the advantages, self-regulation is characterised by objective disadvantages:

1) there is a certain mistrust on the part of society regarding the ability of entrepreneurial communities to independently ensure regulation of a certain sector and to monitor compliance with established rules and provisions;

2) the existence of a dispute between the task of protecting the interests of its own members and the business at large and the need to act in the public interest;

3) the activities of business communities can lead to limited competition: the creation of additional barriers to market entry (high membership fees); crowding out of outsider organisations; increase in prices for goods and services;

4) lack of security guarantees and effective market development in conditions of limited competition;

5) a high probability of authoritarian leadership and an informal approach to monitoring the activities of individual community members.

LITERATURE REVIEW

Self-regulation is usually divided into voluntary, delegated, and mixed (general) (Bradford and Chilton 2019). Voluntary self-regulation involves the establishment and maintenance of rules by participants in the system without any support, approval, or protection on the part of the state (Waked 2020). Delegated self-regulation takes place when the state transfers certain market regulation functions to a self-regulating organisation (for example, in the securities market) and determines the general rights and restrictions on the activities of such organisations (Markovits 2017). In case of mixed self-regulation, only part of the functions is transferred to self-regulating organisations, while the state retains only the coercive part of its powers (Hinloopen 2003).

Voluntary self-regulation takes place mainly in the field of professional associations (lawyers, notaries, pharmacists) (Gundlach, Frankel and Krotz 2019). A vivid example of voluntary self-regulation competition is the activity of the International League of Competition Law (LIDC), as well as the Association for Combating Unfair Competition of Corporations in the USA and Japan (Hammer and Sage 2003). The purpose of the activities of these organisations lies in the development of honest customs and rules in entrepreneurship and the creation of a reliable system of support and aid to business entities in their exercise of protection against manifestations of unfair competition (Gundlach and Moss 2015).

In the activities of self-regulating organisations, the most important part is played by the moral and ethics of professional conduct, which, under certain conditions, is more stringent than any measures of state regulation and protection (Miller and Greaney 2003). In some countries, a significant part of the sanctions aimed at protecting the interests of consumers from unfair competition, is stipulated within the framework of voluntary self-regulation system, which is created in the advertising business (especially in Italy, the Netherlands, and the UK). The basis of such self-regulation is the rules and codes of professional conduct. For example, the International Code of Advertising Practice of the International Chamber of Commerce (ICC) today is the basis for self-regulation of the advertising market in 17 European countries (ICC Advertising and Marketing...). With that, in some countries it acts directly, while in others, national codes were adopted on its basis. The International Code can be applied by the courts as a reference document within the framework of relevant legislation. The specificity of the application of self-regulation measures in fair competition is that in those countries where systems operate efficiently, the need for government intervention in regulating relations in commercial and industrial sectors, where self-regulation is introduced, is significantly reduced (Hylton 2003).

Self-regulating organisations (SRO) can operate in the legal forms stipulated for business associations. To

create these associations, participants must agree on their constituent documents and obtain permission from the antitrust authorities if their creation can adversely affect the state of competition in the market or significantly worsen it. Most self-regulating organisations exist in the form of associations (Ross-Lee, Kiss and Weiser 1995). The SRO institution is a tool for protecting business entities from excessive state control and unreasonable government interference in business. SROs, on the one hand, regulate relations between business entities and consumers, and, on the other hand, provide communication between business entities and the state through government and control bodies (Rubinfeld 2008). For example, the development of a system of self-regulation of business in the insurance market is inextricably linked with the processes of demonopolisation and the creation of private insurers.

MATERIALS AND METHODS

Mixed self-regulation is most often used in the insurance and advertising markets, since the entire history of regulation of legal relations in advertising demonstrates the parallel development of legal ideas and self-regulation. The codes of self-regulating organisations contain provisions that emphasise the identity of the goals of regulation and self-regulation, external and internal control. The International Code of Advertising Practice of the World Trade Chamber, which defines the principles for the activities of self-regulating organisations in advertising in the world, determines that all advertising must comply with the current legislation, be honest and truthful. Each advertising message must reflect the appropriate measure of social responsibility of individuals, meet the principles of lawful conduct of business and its social responsibility. However, each state independently determines the level of cooperation between market participants and the state. For example, in Belgium, a special court for advertising ethics was operating for a long time. It investigated the results of monitoring in the most critical areas of advertising. These include issues of proper advertising of cosmetics and medicines, the employment market, the provision of financial services, jewellery advertising. This body provided preliminary consultations to advertisers and distributors of advertisements, which, in particular, are usually not performed by state authorities. The area of interest of the special court also covered issues of security and ethics of presenting information, that is, those aspects of advertising that were not conventionally covered by state regulation. In the United States, a system of self-regulation in the advertising services market (Better Business Bureau) is still in effect. it controls the rules of advertising, fights against abuses in this area, ensures the implementation of out-of-court settlement of disputes between business and consumers (Better Business Bureau).

Without essentially being a state regulation (with the exception of certain types of delegated self-regulation), self-regulation is a specific type of legal regulation. Self-regulation ensures independent, proactive activities of business entities to achieve their goals within the framework of the current legislation, aimed at streamlining public relations through the creation of rules and regulations. With that, business entities whose activities are regulated, have the ability to legally and promptly influence the activities of the subject of self-regulation.

It should be noted that all participants in business relations are interested in the creation and functioning of organisations of self-regulation of business. Participants of self-regulating organisations gain the opportunity to take advantage of the benefits provided by the organisation: participation in an organisation that has a positive reputation, increases the rating of its participants; access to information on the state and prospects of market development; the opportunity to use the brands assigned to the organisation and collective brands; participation in the organisation creates the conditions for a “tranquil life” for its participants, since the business activity of competitors is controlled by the conditions of participation in the organisation. Furthermore, members of the organisation have the opportunity to resolve all conflicts and controversial business issues within the framework of the organisation, thereby reducing expenses and minimising costs in public image, etc. For business entities of market participants that are not participants of self-regulation, the positive thing from the creation of self-regulating organisations is that the rules and technical standards that are usually introduced by self-regulation participants spread over time to the entire market, and under such conditions, without even being members of such organisations, they become able to access innovations and new technical standards without spending money and other resources for entry.

RESULTS AND DISCUSSION

The main public good arising from the activities of self-regulating organisations is the establishment and maintenance of business rules. Of great importance for

the development of business is the introduction of a system of out-of-court dispute resolution. Out-of-court dispute resolution systems can develop outside of self-regulating organisations. Thus, out of the 27 business dispute resolution organisations supported by the Ombudsman in the UK and Ireland, about a third function as independent state-funded government agencies, while others are elements of a business self-regulation system (funded and managed by the business). Out-of-court dispute resolution systems vary in each country depending on the legal system and legal traditions. However, most of them have the following common features: the decision of the dispute settlement body is mandatory for a member company of a self-regulating organisation and, if the legal system allows it, for other market participants; the dispute resolution procedure is free for the consumer and much cheaper for the company compared to the judicial procedure; the decision is made not only based on the applicable law, but also based on codes of business conduct of self-regulating organisations, common sense, and justice considerations. Unlike litigation, the dispute resolution process is confidential. As a rule, the procedure for out-of-court dispute resolution is a three-step process. First, the consumer or competitor must independently contact the defendant. Many out-of-court dispute resolution systems simply refuse to accept complaints if such a complaint was not initially directed to the complaint company. If independent negotiations between the consumer and the company were unsuccessful, informal negotiations are organised with the mediation of a representative of the dispute settlement structure. At this stage, the representative of such a structure does not act as a judge, but as a mediator, helping the parties come to an agreement. If the conflict is not resolved even at this stage, then a formal hearing is held and a formal decision is made according to a special procedure. In this case, the procedure in any case is much less formalised than the trial. The decision of such a quasi-judicial body in most countries is binding on the parties if they previously signed an agreement to resolve the dispute by such a body. Experience has proven that most disputes are resolved in the first two stages. Thus, in 1996, the British Bank Ombudsman examined 6,167 complaints, of which only 184 cases (less than 3%) required formal examination, and the Ombudsman of construction companies examined 87 cases out of 11,375 (less than 1%).

Elements of self-regulation also contain corporate acts, in particular constituent agreements and charters, which determine the rules for organising and conducting business within the framework of an association between a corporation and its members, including other acts that determine the conditions for cooperation between the corporation and other market participants. Corporate acts of self-regulation provide an opportunity to regulate both internal corporate relations and, to a certain extent, external relations between counterparties, regulatory bodies and the corporation, its participants and management bodies. A feature of corporate self-regulating acts is that they contain the self-obligation of individuals to comply with the rules and principles of the corporation, consolidate the general position of the participants, provide for voluntary compliance with the requirements and responsibility for their implementation. Corporate acts of self-regulation include codes of corporate ethics, rules of ethical conduct for corporate representatives, as well as acts on non-disclosure of corporate secrets and know-how. Despite the local nature of these acts, their adoption can significantly affect the development of business.

The existence and functioning of self-regulating organisations requires the development and implementation of rules and standards in the field of self-regulation. It is these rules that determine the conditions for access to the market and the specifics of the activities of members of self-regulating organisations. For example, according to the draft Procedure for the registration of self-regulating organisations in the field of architectural activity, it is stipulated that the adopted rules and standards of entrepreneurial or professional activity, which are mandatory for all members of a self-regulating organisation to perform, determine the following: requirements for members of a self-regulating organisation, the quality of their goods, work, and services at a level not lower than defined by legal requirements, building codes, state standards and rules; mechanisms for monitoring compliance with the rules and standards of business or professional activity; internal certification procedures for members of a self-regulating organisation in order to monitor the quality of the goods they provide, work performed (services); cost recovery scheme for losses caused to consumers as a result of the provision of goods, rendering work (services) of inadequate quality by members of a self-regulating organisation. Rules and standards of entrepreneurial activity and amendments to them are subject to coordination with relevant ministries.

Contractual self-regulation is of great importance for the settlement of business relations. In modern

conditions, the development of contractual self-regulation of public relations by its participants turns the agreement into a universal legal form of coordination of activities between individuals and their communities and testifies not only to self-disclosure, mainstreaming of the opportunities already laid in it, but to change of the very essence of business relations, to the desire of participants to conscientiously and responsibly influence their development. Parties to a business agreement, by voluntarily entering into contractual relations, consider themselves obliged and responsible before contractors and third parties not only for the result, but for the entire procedure of performing the contract. The conclusion of a business contract enables the parties, under certain conditions, to control and influence each other's business activities. It is this current business competition law that obliges business participants to comply with certain rules upon performing concerted actions or to obtain permission to perform certain types of concerted actions, if their performance or consequences can adversely affect business competition in the market. Recently, a there has been an intensifying tendency towards the creation and application of industry rules of professional conduct, which regulate the behaviour of not only a separate business entity, but apply to many participants in the industry at once. In particular, in recent years, business entities have developed and agreed with the rules of professional conduct in the market of alcoholic beverages, mobile communications, the activities of banks and insurance companies, confectionery, and pharmaceuticals. The development of these rules is primarily conditioned upon the following:

- the rules of professional conduct in competition can be used when concluding contracts, as well as in the development of constituent and other documents of business entities;

- such industry rules can settle relations that are not governed by the current legislation or are governed ambiguously (for example, regarding the establishment of good faith or dishonesty of certain business practices, etc.);

- the rules of professional conduct actually contain trading and other honest customs in business activity, establish the uniform "rules of the game" for companies that have joined them, and can serve as the basis for the fight against the shadow sector (unscrupulous participants in the relevant market);

- the collaboration of business entities on rules of conduct and the process of their coordination with relevant departments can serve as the basis for a constructive dialogue and raising awareness of regulatory bodies regarding the specifics of the functioning of a particular industry.

Nowadays, most companies are ready to create self-regulating organisations to govern relations in certain areas. However, for the time being there is no legislative framework that would determine the status of self-regulating organisations and endow the business with all the necessary tools for self-regulation, sufficient to effectively resolve conflict situations, including in competition. An important direction in the development of a system for protecting the rights and legitimate interests of competitors and consumers from manifestations of unfair competition is the assertion of the advantages of developing fair competition and the creation of a system of joint regulation and self-regulation in the field of competition.Study of the experience of developed countries in the field of self-regulation and cooperation with international organisations that formulate approaches and practices in self-regulation and joint regulation in competition has a considerable impact on the development of self-regulation rules in fair competition and the formation of a non-state system of support and protection against unfair competition.

One of the most influential international organisations of self-regulation in competition is the International Bar Association (IBA), a professional association that was founded in 1947 and has become the main international organisation of practicing lawyers. The activities of the IBA are largely aimed at the development of reforms in the field of legislation and the formation of professional standards for lawyers and barristers, as well as practice of law. At present, over 30 thousand independently practicing lawyers and 195 associations and unions of lawyers are members of the IBA. At the International Bar Association, work in areas related to competition and antitrust law is carried out in the Antitrust Committee of the Legal Practice Division. The Antitrust Committee currently employs almost 1,500 participants from 75 countries, which allows to consider this department as a special platform for discussing the matters of antitrust law and cooperation with international organisations such as the OECD, WTO, UNCTAD, etc. The Antitrust Committee of the International Bar Association has formed several task forces that investigate specific

issues related to the improvement and application of antitrust law, as well as the protection and development of competition, etc. The IBA develops comments, recommendations, and analytical materials concerning both national and supranational regulation.

The International Bar Association includes the Global Competition Forum, founded in 1991 and comprising leading experts and specialists in economics and law, scientists and practitioners from North America, Europe, Asia, current and former leaders of national competitive departments. The main purpose of the Forum is to ensure a dialogue between experts on issues related to factors influencing competition policy, information, and other resources for training and joint study of experience, etc. The International League of Competition Law (LIDC) is a powerful international organisation for self-regulation in the field of protection of fair competition. The main objectives of this association are to study competition of antitrust law, intellectual property law, and unfair competition at both the national and international levels. According to LIDC experts, its activities contribute to the implementation of the principles of justice and legitimacy in competitive trade. The LIDC comprises national and regional expert groups on antitrust regulation, intellectual property, and unfair competition, which adhere to the objectives of LIDC and take part in its activities. Every year, LIDC organises an international Congress, which discusses two groups of issues related to tendencies in the application of competition law and legislation both on the territory of individual states and at the European level, as well as on conflict-related issues of the application of intellectual property law and/or unfair competition. National and regional groups report on each issue, which is the subject of discussion. Based on these reports, international experts prepare an in-depth report and a draft resolution, which are discussed at the international congress. The debate concludes with a resolution on each issue by the LIDC General Assembly. Based on the results of the congress and debates, the LIDC General Assembly makes recommendations to state authorities and proposes solutions aimed at solving the issues considered at the congress.

The status of LIDC members and their impact on ensuring the protection of the rights of competitors and consumers from manifestations of unfair competition varies and depends on the principles of public-private partnership that operates in each country. For example, the German Centre for Combating Unfair Competition is the largest and most influential institution in Germany for the implementation of the law against unfair competition. The centre was founded in 1912 in Berlin. In Germany, the Centre has five branches: in Berlin, Dortmund, Hamburg, Munich, and Stuttgart. The main mission and statutory goal of the Centre is the fight against unfair competition. The main activity of the Centre is focused on the fight against dishonest actions of business entities, which the Centre carries out in collaboration with key unions of the German economy, chambers of commerce and industry. The scope of the Centre's activities also includes legal research, educational (enlightenment) and informational work with the purpose of promoting and developing fair stream of commerce. The Centre promotes the development of responsibility of enterprises before society and consumers in the interests of fair competition. The Centre is not an alliance of lobbying or promoting interests, it does not represent the economic interests of either individual industries or individual enterprises. The Centre is an institution of the economy controlled only by itself, with the task of protecting competition in the public interest. Neutrality and independence are fundamental principles of the activity and self-presentation of the Centre and its members. According to part 2 of paragraph 3 of Article 8 of the Act against Unfair Competition, the Centre has the right to file a claim against unfair market participants in order to protect the rights and interests of its members (The German Act… 2019).

At present, the Centre has over 1,600 members, in particular, all chambers of commerce and industry in the Federal Republic of Germany, craft chambers and the German assembly of artisans, as well as about 400 unions. With that, the consulting and educational activities of the Centre are not limited to members only. Each year, the Centre for the settlement and protection of rights receives about 20,000 cases of unfair competition. Complaints of fraud come from consumers, competitors – market participants, both members of the Centre and independent entities whose rights or interests were violated by fraudulent activities. The main reason for the creation of such centres, as well as its main mission, is to promote the development of fair competition at the national and international levels, protect consumer rights, promote and help members of the organization in the fight against manifestations of monopolism and unfair competition, in particular: unfair competition in the field of intellectual property, piracy and counterfeiting, comparative advertising, manifestations of market discredit, violation

of trade secret rights, violation of economic competition, violation of the concentration of business entities, dumping or cartel conspiracies, concerted market actions and abuse of monopoly position, creating barriers to market entry for new participants, etc.

Participants in such centres for combating unfair competition have the opportunity to receive information and aid on the most complex issues of developing and protecting fair competition in the market: assistance in the creation and codification of fair trade and competition rules in the relevant sectors; procurement of all the necessary information regarding the development of competition law and the fight against unfair competition; assistance in procuring clarifications on pressing issues of law-making and law enforcement; generalisation of judicial practice; assistance in organising business development in a competitive environment; support in relations with government agencies involved in the fight against unfair competition; the opportunity to learn about foreign practices and the creation of mechanisms for their application, etc. Thus, such centres for combating unfair competition are engaged in cooperation with state bodies that carry out state regulation in business competition and in relations with which the centres act as a communication bridge between the state and market participants.

Apart from these institutions, self-regulation functions in the field of competition are carried out by the chambers of commerce and unions of goods producers. Unfortunately, any comprehensive cooperation on the development and protection of fair competition by these institutions is not performed. Some unions of goods producers from time to time attempt to develop rules of professional conduct and coordinate them with regulatory bodies. The adoption of these rules establishes the general principles of professional conduct, moral and ethical standards, rules and general agreements, based on which enterprises producing food, food-concentrate products, and fast food carry out their business activities. The purpose of developing the relevant rules is, in particular: to abstain from any action in competition that contradicts trade and other honest customs in economic activity; to ensure truthful information on the quality of food, food-concentrate products, and fast food, and reliable protection of consumer rights regarding the proper quality of goods; to aid in establishing mechanisms of self-regulation and prevention of breach of legislation on the protection of business competition and consumer rights. The rules are developed in accordance with the requirements of the legislation on protection against unfair competition and with consideration of the specifics of the functioning of the market for food, food-concentrate products, and fast food, factoring in the best practices and the Paris Convention for the Protection of Industrial Property (Paris Convention...).

The main interaction and self-regulation is carried out mainly at the level of legal and consulting firms, which represent the interests of companies in relations with antitrust authorities and courts. Cooperation, as a rule, is limited to discussing the positions of business entities and analysing the practice of applying existing legislation within the framework of international forums and conferences.

CONCLUSIONS

In our opinion, the further development of competitive relations will necessitate the coordination of the activities of many public organisations of entrepreneurs and consumers in order to ensure and develop business competition, create an effective system of interaction between private companies and unions, and implement corporate social responsibility strategies by business entities and their associations. To this end, various forms of coordination of the activities of business entities should be implemented, and self-regulating organisations and associations should be created (public organisations, forums, temporary and permanent conferences of representatives of the business environment, scientists, and consumers) the purpose of which should be to support the competitive foundations of business development, advancement and protection of business competition, promotion of ideas of honesty, reasonableness, and justice in all areas public life. The result of cooperation between self-regulating organisations and consumer unions can be the creation of a standalone independent self-regulating organisation, following the example of the German Centre for Combating Unfair Competition or the delegation of appropriate powers to centres for combating unfair competition.

In modern conditions, unions of industrialists and entrepreneurs do not have the necessary authority to appeal to the competition agencies in order to protect the interests of their participants from manifestations of unfair competition. Despite a significant increase in the number of cases of unfair competition and other

violations of the principles of fair competition in business activity, there is practically no request for alternative ways to resolve disputes in competitive legal relations, which is inherent in other countries of the world. Still, with the development of the system of self-regulation of business activity, an increase in the interest of business entities and their representatives should be anticipated with regard to the search for non-state mechanisms for resolving competitive disputes and other conflicts in business activity. In our opinion, the introduction of institutions of mediation and arbitration proceedings in considering certain categories of cases to ensure the development and protection of fair competition, and the creation of an effective alternative system for resolving disputes between professional participants in competitive relations can be promising in this respect.

In our opinion, it is advisable to create a Centre for mediation and reconciliation on competition issues at the Chamber of Commerce and Industry of any region. This will allow business entities to choose their own solution in the process of discussing and resolving a dispute and settle the dispute. The mediation procedure involves the active participation of the parties in the reconciliation process, since the mediator should only create conditions for resolving the dispute, and not solve it. With that, the mediation procedure will allow each of the parties to evaluate its own behaviour in the market and its compliance with the requirements of good faith and reasonableness. At its core, the mediation procedure provides the opportunity to ensure the confidentiality of the procedure for the consideration and resolution of disputes in competitive relations, which will allow the parties to find the most acceptable means of settling the conflict without compromising their reputation. As evidenced by world practice, the use of mediation promotes stability in business, and especially in competitive relations between the parties to the dispute, and has a positive impact on the development of the economy at large. In 2002, the UN Commission on International Trade Law (UNCITRAL) adopted the Model Law on International Commercial Conciliation.

Based on the UNCITRAL Model Law, on May 21, 2008, the European Parliament and the Council of the European Union adopted Directive 2008/52/EC on certain aspects of mediation in civil and commercial matters. In our opinion, these documents should form the basis for the mediation procedures of the Centre for mediation and conciliation on competition issues at the Chamber of Commerce and Industry of the regions. If it is impossible to resolve the dispute between the parties with the use of mediation procedures, the dispute must be referred to the court with the consent of the parties.

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