RESOLUTION

of the CABINET OF MINISTERS
of 19 October 1994 #1171

ON PRICE REGULATION FOR PRODUCTS OF BUSINESS ENTITIES, RECOGNISED AS NATURAL MONOPOLISTS.

Taking into account, that price growth and non-payments in the economy are connected with price dictate for the products of business entities recognised as natural monopolists, as well as with a view of implementing the new price policy the CM of the RK

RESOLVES:

1. State Committee of the RK on Pricing and Antimonopoly Policy should do the following:

in two weeks to define more precisely the dominate position of business entities in republican and local markets;

simultaneously with the State Reester with list of names of business entities recognised as monopolists in the RK, to have the State Register of the business entities recognised as natural monopolists: oil and gas producing enterprises, companies dealing with oil gas pipeline transportation, oil and gas refineries, companies of coal industry and railway transport, communication, power and water supply system;

before the 1st of November 1994 to publish the State Register with list of names of business entities recognised as natural monopolists in the republican mass media.

With the view of strengthening the control for the level of monopoly prices to authorize the State Committee of the RK on Pricing and Antimonopoly Policy to do the following:

on the submission of the Ministries and Agencies and according to the acting Regulation on the structure of the expenses to be included into the cost of the products (services, work) and on agreement with the Ministry of Economy, Ministry of Finance, State Committee of the RK on Statistics and Analysis to confirm the sectoral Regulations on the structure of the expenses to be included into the cost of the products (services, work), produced and sold by business entities recognised as natural monopolists;

to adopt decisions on regulation of monopoly high profit of business entities recognised as monopolists depending on the alteration in the cost, volume of output and level of inflation.

2. With the view of protecting the rights of consumers to determine that price bringing up for the products of business entities recognised as natural monopolists might be done not less than one time every quarter starting with the first day of month giving prior notice through

mass media. Should companies recognised as natural monopolists violate the order of prior notice of price bringing up, they are subject to the application of the economic sanctions provided for the Regulation on order to apply the economic sanctions for the violation of the state discipline of prices, confirmed by the Resolution of the CM of the RK of 17 March 1992 #245.

3. Before the 25th of last month of current quarter the Ministry of Economy of the RK jointly with the State Committee of the RK on Statistics and Analysis should publish the information regarding the predicted rates of inflation for next quarter in mass media

4. Before the 1st of January 1995 the State Committee of the RK on Pricing and Antimonopoly Policy should confirm quotations of prices and tariffs for chargeable work and services to be performed by the bodies of state control and supervision, by budget establishments (state expertise, state bodies of public health and education, sanitary-epidemiological and veterinary supervision, motor vehicles inspection and so on).

5. Before the 1st of November 1994 the State Committee on Pricing and Antimonopoly Policy, State Committee of the Financial Control, Main Tax Inspection under the Ministry of Finance of the RK should determine the business structures established with the participation of state enterprises-monopolists duplicating their main activity and on agreement with the State Committee of the RK on State Property to liquidate them. To ensure the return of the state resources invested into those structures with due regard of received dividends. In the future to prohibit establishment of similar business entities, excluding technologically necessary enterprises with state ownership.

6. Before the 1st of December 1994 with the view of cutting down price multiplication in the economy, Ministry of Finance, Ministry of Economy of the RK, GKI, State Committee of the RK on Pricing and Antimonopoly Policy jointly with the Heads of Local Administrations should work out the mechanism of stage by stage transfer of social assets from the balance of the business entities-natural monopolists to responsibility of the Heads of the Local Administrations.

7. Before the 1st of November 1994 State Committee of the RK on Statistics and Analysis on agreement with the State Committee of the RK on Pricing and Antimonopoly Policy should introduce wide monthly accounting on the structure of expenses for the output of products (services, work) by business entities- natural monopolists.

8. Not less than one time every six months, the State Committee of the RK on Pricing and Antimonopoly Policy, Main Tax Inspection of the Ministry of Finance, State Committee of the Financial Control of the RK should carry out joint checking exercises on the actual structure of expenses and of the amount of profit of the business entities-natural monopolists. The Government should be informed on the
results of the inspections.

9. To confirm attached amendments to be made in the decisions of the Government.

10. To recognise as invalid the decisions of the Government of the RK according to attached list.

11. Ministries and Agencies, Heads of the Local Administrations should adjust earlier adopted decisions to the current Resolution.

Prime-Minister of the RK A. Kazhegeldin

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