

Republic of Latvia

Cabinet

Regulation No. 259

Adopted 25 June 2002

Regulations On the Exemption of Agreements Entered Into in the Field of Domestic Carriage by Rail and by Road from the Prohibition of Agreements Prescribed by the Competition Law

Issued pursuant to Section 11, Paragraph four, Clause 1 of the Competition Law

1. These Regulations prescribe that agreements of individual carriers entered into in the field of domestic carriage by rail and by road shall be exempted from the prohibition specified in Section 11, Paragraph one of the Competition Law, observing Section 11, Paragraph two of the Law referred to, if such agreements conform to the requirements prescribed by these Regulations. Such agreements are permitted without a notice being submitted to the Competition Council.

2. These Regulations also apply to agreements in the field of services ancillary to transport. Services provided in order to ensure the carriage of freight or passengers, including loading of freight, unloading of freight, expedition services, sale and reservation of tickets, shall be considered as services ancillary to transport.

3. The prohibition of agreements shall not be applied if the object of an agreement or the consequences thereof is technical improvements or technical co-operation by utilising:

3.1. the standardisation of installations, transport equipment, means of transport or fixed installations;

3.2. the exchange or pooling of the staff, installations, means of transport or fixed installations in order to provide transport services;

3.3. the organisation and execution of such transport operations by rail and/or by road as are related, complement, combine or substitute one another, and determining or applying the common carriage price and conditions to the referred to transport operations;

3.4. selection of the most rational routes for carriage by a single type of the means of transport;

3.5. the co-ordination of transport timetables for connecting routes; and

3.6. the grouping of individual freights.

4. The prohibition of agreements shall not be applied if agreements have been entered into by small or medium-sized undertakings and the purpose of such agreements is:

4.1. joint carriage by road; or

4.2. joint financing or acquisition of transport installations or equipment if such activities are directly related to the joint carriage by road referred to in Sub-paragraph 4.1 of these Regulations.

5. Exemption from the prohibition of agreements specified in Paragraph 4 of these Regulations shall be applied if the joint market share of the undertakings that have entered into an agreement does not exceed 25 per cent in the specific market of transport operations.

6. The Competition Council is entitled to prohibit application of the exemption from the prohibition of agreements if it determines that the agreement of carriers does not conform to the conditions of Section 11, Paragraph two of the Competition Law.

Prime Minister

A. Bērziņš

Minister for Economics

A. Kalvītis