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LEGAL ALERT

REGULATIONS ON BLOCK EXEMPTIONS IN VERTICAL CONCERTED ACTIONS TOOK EFFECT IN UKRAINE

1. The Regulation on Block Exemptions in Vertical Concerted Actions (Regulation) took effect after its publication on December 05, 2017. The Regulation was adopted by the Antimonopoly Committee of Ukraine (AMCU) to perform some of Ukraine's obligations under the EU-Ukraine Association Agreement.
2. The Regulation is based on the EU Commission Regulation # 330/2010 and AMCU is further expected to use EU secondary legislation, frameworks, guidelines and other administrative acts at least for the purpose of interpretation.
3. While the old general Regulation on block exemptions in concerted actions remains valid, it will now apply only to horizontal, conglomerate and mixed concerted actions.
4. The Regulation does not differ significantly from the recently published Draft. For more details (who may and who may not enjoy exemption etc.) please see our [Legal Alert](#) dated July 24, 2017.
5. To make all Ukrainian provisions on block exemptions consistent, AMCU is also promoting relevant amendments to the laws (e.g. adoption of the Draft law # 6723 by the Ukrainian parliament).
6. Adoption of the Regulation is expected to provide many businesses in Ukraine with more clarity in assessment of vertical agreements.

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7. Some businesses in Ukraine may face busy and hard times reassessing their contract arrangements and making them compliant with the Regulation. Those are businesses which usually operate at highly concentrated markets and unfortunately may not always enjoy consistent and established approaches of AMCU to market definition (e.g. AMCU applied different market approach in recent cases on vertical concerted actions and merger clearances on pharmaceutical market).
8. Businesses affected by the Regulation may (as an option) apply to AMCU with a request to confirm whether relevant contract arrangements constitute vertical restraints and if they require prior approval of AMCU. We believe that this approach is the most secure and reasonable one.

If you have any questions, please contact:

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