

Republican Decree of Law No. (19) of 1999, Concerning Competition Promotion,
Monopoly, and Commercial Deception Prevention

The President of the Republic,

Having reviewed the Constitution of the Republic of Yemen, Law No. (24) of 1999 on Supply, and its Amendments, and the Republican Decree Law No. (72) of 1998, on Forming the Government and Naming its Members;
According to the Prime Minister's presentation; and
Pursuant to the Cabinet's approval;

Resolves

Article (1)

This law shall be referred to as "Competition Promotion, Monopoly, and Commercial Deception Prevention Law".

Article (2)

For the purposes of this law application, the following words and expressions mentioned below shall indicate the meanings assigned to them unless the context otherwise given:

- The Republic: Republic of Yemen.
- The Ministry: Ministry of Supply and Trade
- The Regulation: The executive regulation of this law.
- The organization: The Competition Protection and Monopoly Prevention Organization.
- The Establishment: any natural or legal entity performing commercial activity.
- Monopoly: The circulation of goods in a way that prevents competition.
- Concentration: concentrating procurement

c) The application of this law shall not lead to restrictions on the rights that are covered by protection of intellectual property rights, trade marks, inventions' patents rights, and publishing rights; however, its provisions shall apply whenever the use of such rights leads to harmful effects on competition and freedom of trade.

Article (5)

Goods and services' prices are determined, in its respective markets, on the basis of free competition which governed by market factors.

Article (6)

It is not permitted to enter into any contract, written agreement, or to establish a union to monopolize the importation, production, distribution, selling or purchase of any commodity or material that enters in its production or

- 7- The procurement, storage, or destruction of goods so as to increase prices or prevent its reduction.
- 8- The supply of production specifications unusable for use with goods and services produced by a competing establishment.
- 9- The obligation or inducement of an establishment to sell a good or a service to particular clients, according to certain criteria, or prevent its sale to a competing establishment.
- 10- The refusal to deal with a client in accordance with customary commercial conditions and terms.
- 11- The link between the sale or delivery of a certain good or service and the purchase of another good or service from the same establishment.

Article (9)

Concentration is prohibited if it leads to restrain or weaken competition.

Article (10)

A "Competition Protection and Monopoly Prevention Organization" shall be established within the Ministry, aiming at exposing monopolies, vertical integration, and horizontal concentration, or at concealing any commodity material necessary for production or manufacturing another good in the local market at the time of its sale,

Article (17)

In his/her capacity as a researcher/finder of monopoly and concentration cases stipulated in this law, anyone shall not disclose the business' secrets; is also not allowed for any organization staff to provide any data or acquaint others with any data except in legally permitted cases.

Article (18)

Owners of factories and their management are prohibited from limiting their products distribution which would lead to monopoly, distribution shortages, or fabricated price increases.

Article (19)

Organization staff within the Ministry shall cooperate with the general authority for standardization's staff in determining course of goods, commercial department cases as well as taking the legal proceedings in accordance with the laws.

Article (20)

Importers and producers' union, societies, and their alike, are prohibited to exceed their by-law specified goals and come into agreement on prices' fixing or specifications manipulation; the said entities must notify the organization of requested data.

Article (21)

The Minister may take, based on the recommendation of the organization, one of the following measures against those who exclusively import or procure a particular good and exploit the same in prices' manipulation or in quantity reduction:

- 1- Agreement on amicable solution.
- 2- Considering the action totally or partially invalid or as such for a specific period of time.
- 3- Making the action totally void.
- 4- Instructing to correct the status within a specific period of time; otherwise, legal measures to be taken against the establishment.

Article (22)

Without prejudice to the laws in force, anyone who infringes the provisions of this law shall be punished with a fine not less than (Y.R. 10,000)
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Article (24)

The executing Regulation of this law shall be issued by the decision of the prime Minister, based on the Minister's presentation.

Article (25)

This Republican Decree Law shall enter into force with effect of the date of its issuance and publication in the official Gazette.

Issued at the Presidential Palace in Sana'a

Dated: 30 Ramadan 1419 H

Corresponding to: 17 January 1999

Dr. Abdulkareem Al-Aryni
Prime Minister

Ali Abdallah Saleh
The President