
Armenian Regulatory Commission Initiates Administrative Proceedings

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The RA Public Services Regulatory Commission has initiated administrative proceedings in connection with unjustified price rise on four commodities markets.

Commission Chairman Ashot Shahnazaryan reported that monitoring conducted by the Commission revealed disproportionate price fluctuations. "We receive similar signals from almost all the Armenian regions. We register and deal with them. After summing up the results, we considered it advisable to initiate administrative proceedings on the market of vegetable oil and butter, household appliances and medicines," Shahnazaryan told a press conference.

He said that the Commission received numerous signals about price fluctuations on the medicines market. The fluctuations were quite serious, without any economic reasons.

Shahnazaryan added that, as a result of negotiations, sugar was purchased at 250 AMD for 1kg in the Armenian regions yesterday evening against the previous 270 AMD. Shahnazaryan stressed that 300 AMD for 1kg is an inadmissible price limit for the Commission.

"At present appreciable downward trends are to be observed in shops. We have a list of shops, including those in the Armenian regions, which allowed disproportionate price rise, and we will present it to the RA Public Revenues Committee," Shahnazaryan said. He reported that the Commission is going to institute further proceedings on commodities markets.

Specifically, fluctuations of prices for bread have been registered in some Armenian regions, and the Commission intends to focus its attention on this market.

Shahnazaryan stressed that some stores either did not raise prices or the price rise was not high. Among the stores are the following store chains: Yeritsyan, SAS, Star, Yerevan City, as well as Parma.

This Tuesday the CBA Board took into account the gradually worsening trade conditions amid the present global economic and financial crisis, as well as lower capital flow rates, and decided to restrict its interventions in the currency market thereby reverting to its floating exchange rate policy. CBA experts believe that the USD average exchange rate will be 360-380 AMD/\$1 this year.
