

**By the Judgement of 4 July 2024 No.35-II, the Constitutional Court assessed constitutionality of Article 15 (part 1) of the Federal Law “On the Protection of Competition”.**

The abovementioned legal provision was subject to consideration insofar as it resolves the issue of the possibility for a local government authority to adopt a legal act on the granting of subsidies to municipal unitary enterprises established by it for the purpose of reimbursing the costs of maintenance and repair of municipal property assigned to them, instead of tendering within the framework of the established system in the sphere of procurement of goods, works and services for municipal needs.

The contested legal provision was recognised as not being contrary to the Constitution in that it does not provide, in its constitutional and legal sense, for the possibility of establishing the fact that a local government authority has infringed the prohibition of adopting acts and taking measures which result or may result in the prevention, restriction or elimination of competition, if the adoption of such an act for the above purposes is based solely on the fact that the law requires a local government authority to choose the tendering procedure as the method, unless it is established that the transfer of the municipal property in question to a municipal unitary enterprise and the granting of subsidies to it for the maintenance and repair of that property had the effect of preventing, restricting or eliminating competition in a particular competitive market.