

FAROE ISLANDS			
COMPETITION FRAMEWORK			
Competition Law	The Competition Act no 35 was enacted on May 3, 2007.		
Competition Authority	Faroese Competition Authority. <b>Website:</b> <a href="http://www.kapping.fo/Default.aspx?sectionid=91">http://www.kapping.fo/Default.aspx?sectionid=91</a>		
STATUS OF THE COMPETITION AUTHORITY			
Accountability			
Does the Competition Authority have obligations before the executive?	Yes	X	Obligations to report to the executive on on-going investigations upon request.
		X	The decisions of the Competition Authority may be vetoed by a ministry or by the executive branch.
		√	The Competition Authority has to report on an annual basis to the executive.
		<b>Other obligations/comments:</b> the Competition Authority has an obligation to report its activities before the Ministry of Trade and Industry. However, the ministry is not able to intervene in the Authority's independent decision making.	
Does the Competition Authority have obligations before the legislature?	No	X	Obligation to publish an annual report on its activities.
		X	Obligation to stand before parliament and to respond to congressmen on an annual basis.
		X	Its activities are monitored by an independent auditor or by oversight committees.
		<b>Other obligations/comments:</b> article 6(3) of the Competition Act states that "[t]he Competition Council may publish information concerning its activity as well as general reports."	
Does the Competition Authority have obligations before the judiciary?	Yes	√	Decisions of the Competition Authority are subject to judicial review.
Independence			
Are the criteria for appointment and removal of the head/board members clear and transparent?	Yes	<i>See</i> Part 7, article 20(3) of the Competition Act.	
Does the executive have powers to decide on specific cases based on public interest?	No		
Does the executive retain decision-making powers over the Competition Authority?	No		
Is the Competition Authority obliged to publish its reasoned decisions to ensure transparency?	Yes	<i>See</i> Part 6, article 19(2) of the Competition Act.	
Is there a provision of the national budget allocated by law to the Competition Authority to ensure its proper functioning?	Yes	<b>Fiscal year budget for 2012:</b> approximately 1.9 million Danish Kroner.	
Can the Competition Authority be financed by its own means (notification fees, fines, etc.)?	No		
GOVERNANCE OF THE COMPETITION AUTHORITY			
Is the Competition Authority governed by a single chairman or by a collegiate body?	Collegiate body	The Competition Council is composed of a chairman and four members. The Competition Authority serves as a secretariat to the Competition Council in respect of cases under the Competition Act and handles the day-to-day administration of the Act on behalf of the Competition Council.	
Are the heads appointed by a minister?	Yes	The Minister for Economic and Business Affairs shall appoint the chairman and the other members.	
Are the heads appointed by representatives of more than one government branch?	No		
Is there a fixed period during which removal is prohibited?	No	There is only a maximum limit of four years. <i>See</i> Part 7, article 20(1) of the Competition Act.	
Is the tenure of the heads renewable?	No		
Are the heads required to have certain minimum qualifications (degree in law or economics, age, experience)?	No	<i>See</i> Part 7, article 20(3) of the Competition Act only states that the Council shall have "comprehensive insight into public as well as private enterprise activity, including expertise in legal, economic, financial and consumer-related matters."	
ARCHITECTURE			
Is the Competition Authority a stand-alone agency with an independent physical location or is it part of a bigger entity such as a minister?	Stand-alone agency	Kappingarefúrlitið, Skálatrøð 20.	
POLICY-MAKING AGENTS -DIVERSIFICATION-			
How many agencies are responsible for competition enforcement?	One agency and no regulator enforcing competition law.		

Have the Competition Authority and other agencies signed protocols or memoranda of understanding with sector regulators?	No		
<b>POLICY DUTIES</b>			
Does the Competition Authority have exclusive mandate on competition or multiple mandates?	Exclusive competition mandate	X	Concurrent consumer protection mandate.
		X	Concurrent IP mandate.
		Other mandates: Not applicable.	
<b>PORTFOLIO INSTRUMENTS</b>			
<b>Law Enforcement</b>			
Does the Competition Authority have powers to investigate cartels?	Yes		
Does the Competition Authority have powers to conduct dawn raids at premises?	Yes		
Can the Competition Authority investigate <i>ex officio</i> cases?	Yes		See Part 7, article 20(1) of the Competition Act.
Does the Competition Authority have powers to accept leniency applications?	Yes		
Does the Competition Authority have powers to accept seek criminal punishment?	Yes		
<b>Advocacy</b>			
Can the Competition Authority issue opinions on draft legislation?	Yes		The opinions are not binding, but the corresponding ministry is obliged to respond to the Competition Authority.
Is the executive and/or the legislature obliged to request the opinion of the Competition Authority when drafting legislation that may impact competition?	No		
<b>Rulemaking</b>			
Can the Competition Authority issue guidelines or other type of secondary legislation?	Yes	X	Guidelines on the calculation of fines.
		X	Guidelines on merger control.
		X	Guidelines on the economic analysis of abuse of dominance cases.
<b>Research &amp; Reporting</b>			
Can the Competition Authority carry out market studies?	Yes		
Can the Competition Authority report to the legislature on the results of market studies?	No		
<b>DECISION-MAKING FUNCTIONS</b>			
<b>Aggregated Functions</b>			
Does the Competition Authority make the decision to investigate and to prosecute cases?	Yes		
Does the Competition Authority make guilty findings?	Yes		
Does the Competition Authority impose punishments?	Yes		
Is there a single body that carries out the investigation and the guilty findings within the Competition Authority?	Yes		
Can the Competition Authority's decisions be appealed to a court?	Yes		
<b>Disaggregated Functions—Prosecutorial Model</b>			
Are there different authorities that make the decision to investigate and to prosecute cases?	No		
Are disputes presented for decision to a separate entity/tribunal?	No		