

Russia's Bogor Goals Progress Report (as at 13 August 2012)*

Highlights of Achievements and Areas for Improvement

- Changes in the tariff regime are taking place to implement the Customs Union with Belarus and Kazakhstan. Additional changes expected as part of the commitments agreed by Russia after finalizing its accession to WTO.
- Some goods are subject to import/export restrictions or licensing.
- Reforms in the financial sector are being implemented.
- In relation to customs procedures, legislation on Authorized Economic Operators was introduced. Nevertheless, more efforts need to be done to reduce cost, time and procedures to trade across borders.
- Amendments to antitrust legislation with clearer and more transparent rules. Sanctions are applicable to cartel agreements.
- Initiatives to simplify administrative procedures are under implementation. The electronic submission of documents is reducing time and cost to have access to government services.

Summary of Updates

Tariffs

In 2011, Russia made substantial changes in its tariff regime as part of the implementation of the Customs Union with Belarus and Kazakhstan. This led to changes in tariff levels in both directions. Tariff reductions were implemented for some industrial, chemical and agricultural goods and import tariff quotas were reduced for pork and poultry in 2011. On the contrary, tariffs were increased for heavy engineering products, large-sized agricultural and industrial equipment. However, there will be further market access liberalization in the upcoming years, as part of the commitments agreed by Russia to accede to the WTO.

Non-Tariff Measures

Measures were implemented to simplify imports of pharmaceuticals. Import controls of veterinary pharmaceuticals were eliminated. A temporary export ban on grain crops was abolished in June 2011. However, as at January 2012, there were still 22 goods with export or import restrictions. Import of meat products are subject to licensing, with the exception of meats from the Community of Independent States (CIS).

Services

A new Federal Law introducing a new system to license several activities was introduced in Russia. 49 activities are covered by this law.

Russia implemented some measures to reform the financial sector, increase the capacity and transparency of the financial markets at the federal and local levels, improve the financial legislation and create a more advantageous tax climate.

* This brief report was prepared with information from Russia's submission of 2012 APEC Individual Action Plan (IAP) template.

Investment

The Russian Government adopted in 2011 an Action Plan for Improving Investment Climate. The Action Plan aims to facilitate investments by improving regulations, administrative paperwork and infrastructure, as well as providing tax incentives, easier immigration procedures.

Standards and Conformance

Russia continued the implementation of domestic policies regarding standards and conformance. Measures include amendments to the Federal Law on technical regulations, changes to the conformity assessment of new products, and new rules concerning the registration of declaration of conformity, among others.

Customs Procedures

Russia has been implementing measures to implement the Customs Union territory with Belarus and Kazakhstan. In July 2011, customs control was eliminated within the Customs Union territory.

The legal framework of Russia's customs regulation was adapted to create a flexible customs environment, which aims to maintain customs control effectiveness and trade facilitation. The changes are simplifying procedures at customs, as well as reducing the time of the release of goods. In addition, provisions concerning Authorized Economic Operators were introduced.

However, despite these measures, more works need to be done to reduce the time, cost and procedures to trade across borders.

Intellectual Property Rights

Russia has developed a draft law on amendments to the Civil Code in order to be ready to implement the TRIPS Agreement.

In terms of the effective enforcement of IPR, an agreement with Belarus and Kazakhstan on uniform principles in the areas of protection and enforcement of IPR entered into force in January 2012. In December 2011, amendments on the criminal code concerning IPR matters were put in force. New legislation was also introduced in December 2011 to establish a specialized commercial court to resolve disputes in IPR.

Competition Policy

In January 2012, Russia put in force amendments to antitrust legislation. These amendments include clearer and more transparent rules concerning prices established by monopolies; the introduction of the term "cartel"; the establishment of criminal convictions for cartel agreements, including price fixing and maintenance, bid rigging, market share allocation and termination of production; the requirement to determine a dominant position to initiate a case; and unified thresholds for transactions which need approval of the antimonopoly authority; among others.

Government Procurement

Russia has been giving emphasis to the provision of state and municipal services through electronic means. The federal program Electronic Russia allows submitting an application and documents in electronic form for more than 60 services. The public can also have access to get

these government services electronically through public access centers, which are available in all cities.

Dispute Mediation

Two legislative changes in dispute mediation were adopted: 1) the founding of the Court on Intellectual Rights; 2) adoption of a training mediators program.

Mobility of Business People

Russia has joined the APEC Business Travel Card (ABTC) scheme as a transitional member in May 2010. In 2011, reforms were implemented to facilitate migration of highly-qualified foreign specialists and their family members. These reforms include the simplification of the procedures for entry to and exit from Russia.

The amendments to the law concerning the status of foreign citizens in Russia introduced the term “permanent residence” for foreign citizens.

Transparency

According to Article 15.3 of the Constitution of the Russian Federation, laws and other regulatory acts relating to human rights, freedom and duties are subject to official publication. Any federal laws or acts passed by the Parliament are published in official gazettes. Information concerning draft legislations is available in official websites.

Executive bodies are required to ensure public access to information concerning laws, Presidential Decrees, resolutions, regulations, orders, and rules, among others. The information is available through printed documents or via internet.

RTA/FTAs

Currently, Russia is reporting three trade agreements in force (Customs Union with Belarus and Kazakhstan, FTA at the Community of Independent States and FTA with the former Federal Republic of Yugoslavia, which applies equally between Russia and Serbia and Montenegro). The Customs Union formed by Russia, Belarus and Kazakhstan is negotiating trade agreements with New Zealand and EFTA.