

C O M M U N I Q U E
of the 35th Session of the Foreign Investment Advisory Council in Russia
(18 October 2021)

The 35th Session of the Foreign Investment Advisory Council in Russia (FIAC) was held on 18 October 2021.

The Session was chaired by M.V. Mishustin, Prime Minister of the Russian Federation, and was attended by the heads of Russian ministries and agencies as well as the leaders of major global companies that are among FIAC's members.

The unprecedented outbreak of the COVID-19 virus has exacted a heavy toll around the world in 2020-2021. The spread of the infection has sent shockwaves through the global economy, with the number of corporate bankruptcies rising sharply, unemployment rates increasing substantially and GDP growth in many countries reversing.

The Russian Government has received significant support and expert input from FIAC members in its endeavors to improve Russia's business environment and investment climate.

There are a number of initiatives and objectives that will serve as the focal points of FIAC's activities in the coming year.

Development of a digital, low-carbon and knowledge-based economy

Providing expert support in building a regulatory framework to stimulate low-carbon logistics and govern GHG emissions in Russia.

Sharing information and making recommendations on the accelerated development and adoption of advanced technological solutions in the areas of renewable energy and energy efficiency, including best available techniques.

Formulating proposals for improving labor law with a view to digitalizing employer-employee relations.

Helping to assess risks and opportunities for Russian business in connection with the adoption of the new Carbon Border Adjustment Mechanism in the EU.

Natural resources and the environment

Formulating proposals on licensing the export of geological information.

Improving the mechanism for dividing, splitting off and combining mineral sites.

Developing a regulatory framework for packaging and consumer waste management.

Development of the consumer market and technical regulation

Formulating proposals relating to the introduction of product tracking mechanisms in Russia and the EAEU with a view to reducing the burden on businesses and ensuring that new systems are transparent and compatible with modern business practices.

Contributing to government policy-making efforts to promote a healthy lifestyle by creating a favorable regulatory environment for the launch of high-quality and innovative products and by selecting the best scientifically and economically feasible administrative incentives.

Promoting the development of the organic food sector, including imports.

Working with federal bodies and agencies to design a balanced regulatory framework for trade relations in Russia

Development of health care and the pharmaceutical industry

Designing mechanisms for preventing pharmaceutical patent infringements and measures to protect clinical and pre-clinical trial data. Establishing a register of patented pharmacologically active substances.

Providing expert support in building a regulatory framework to improve access to innovative drugs in Russia, including the development of relevant assessment and qualification criteria, with a view to designing differentiated approaches to the pricing and procurement of innovative drugs and encouraging investment in the development and production of such drugs.

Localization and regional development

Improving procedures for verifying the Russian origin of products and eliminating excessive localization requirements.

Supporting the sustainable development of the pet food industry, including by expanding its export potential.

Improvement of tax and customs law and administration

Formulating proposals on improved procedures for determining requirements for intragroup services.

Formulating proposals for further improvements to simplified procedures for authorized economic operators and developing a customs monitoring system and mediation tools to regulate customs relations.

Improving the legal framework and approaches to determining the customs value of imported goods, including accounting for license fees, intragroup payments, dividends, transportation costs and other expenses.

Financial institutions and capital markets

Formulating proposals for improvements to tax law regarding the role of Russian depositories as tax agents, for instance drawing up a unified set of criteria for attributing beneficial ownership of income for Russian tax purposes and making investors liable for withholding tax on securities payments.

These key areas of FIAC's activities substantially reflect the needs and expectations of the business community and government alike as Russia's economy goes through a phase of innovation-driven growth.

FIAC's 36th plenary session will be held on 17 October 2022.