

COMMUNIQUE
of the 34th Session of the Foreign Investment
Advisory Council in Russia
(19 October 2020)

The 34th Session of the Foreign Investment Advisory Council in Russia (FIAC) was held on 19 October 2020 via videoconference, chaired by Mikhail Mishustin, Prime Minister of the Russian Federation.

The heads of federal executive bodies and major world companies and banks that are members of FIAC took part in the session.

FIAC provides ongoing support for the Russian government's efforts to create favorable conditions for business and improve the investment climate in Russia.

Over the last year, FIAC has carried out a number of initiatives and proposals designed to enhance the legal framework and the enforcement of business regulations.

In 2021, FIAC plans to focus on the following priority areas.

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

Expert support in establishing a legal framework governing GHG emissions in Russia.

Exchanging information on the development and implementation of advanced technological solutions in the areas of renewable energy and energy efficiency, including best available techniques.

Formulating proposals for improving labor law concerning the digitalization of employer-employee relations.

Developing a process audit methodology aimed at the deployment of RPA solutions to improve labor productivity and the establishment of a standard interface facilitating interaction between industrial enterprises and specialist service providers, including through the use of emerging industrial IT platforms.

Development of consumer market and technical regulation

Formulating proposals to introduce tracking mechanisms in Russia and the EAEU, reduce the burden on business and ensure that new systems are introduced in a transparent manner and in conformity with modern business practices.

Formulating proposals to improve the legal regulation of the market of organic products in view of the amendments envisaged by Federal Law No. 280-FZ of 3 August 2018 “On Organic Products and Amendments to Certain Legislative Acts of the Russian Federation” and developing the infrastructure required for organic certification services.

Health care and pharmaceutical industry development

Designing a mechanism for protecting the property rights of patent holders and preventing registration and market access for drugs from violating the legitimate rights of patent holders.

Improving patients’ access to innovative technologies, pharmaceuticals and medical products.

Localization and regional development

Drawing up proposals for improving the existing mechanism to facilitate exports to the CIS and neighboring FSU countries by monitoring changes in the requirements for products imported from Russia, which are adopted in these countries.

Clarifying the requirements for the localization of auto manufacturing in Russia by developing a detailed list of operations and taking into account the specifics of vehicle classes and components already in production.

Tax and customs administration

Developing proposals for enhancing the system of simplified procedures for authorized economic operators and promoting a one-stop-shop concept in regulating foreign trade operations and supporting exports.

Enhancing the procedure for applying investment tax deductions to expenses for the creation (invention) and upgrading (retrofitting) of depreciable assets.

Financial institutions and capital markets

Improving the implementation of laws and regulations on taxes and levies relating to Russian depositories acting as tax agents, including the establishment of a procedure for applying the beneficial owner concept for Russian tax purposes and the possible unification of the list of criteria indicating whether or not there is an actual right to income.

In 2021, FIAC will concentrate on these priority areas, focusing its efforts on the primary goal: an enhanced investment climate in Russia.

As always, the Russian Government is welcome to draw on the expertise of FIAC members in its efforts to strengthen the Russian economy.

FIAC's 35th plenary session is to be held on 18 October 2021.