



Licensing

Federal Law on Licensing of Certain Types of Activity, dated May 4, 2011, No. 99-FZ, determines the types of activity subject to licensing, unifies the system of licensing in Russia and sets forth the basic principles of licensing.

As compared to the previously effective Law on Licensing, the new Law contains fewer types of activity subject to licensing, introduces perpetual licenses and provides for an electronic form of licensing procedures starting from July 1, 2011.

Special attention is paid to the powers of the RF Government in the sphere of licensing and the powers, responsibilities, rights and obligations of the officers of licensing authorities. In particular, the RF Government is granted broader powers and such powers may be delegated to the governmental authorities of the RF constituents.

The Law sets forth the list of documents required for obtaining a license, determines the procedure for suspension, renewal, termination and cancellation of a license.

The Law will come into force on November 4, 2011, except for some provisions which will take effect on other dates.

Bankruptcy

Federal Law on Amendment of Articles 28 and 110 of the Insolvency (Bankruptcy) Law and Article 3 of the Law on Amendment of the Insolvency (Bankruptcy) Law, and Recognition as Stale of Articles 4(18), 4(19) and 4(21) of the Law on Amendment of the Insolvency (Bankruptcy) Law, dated May 3, 2011, No. 91-FZ.

The Law makes more specific the powers of the competent regulating authority regarding approval of the procedure for conducting closed and open tenders in electronic form for sale of debtor's property, requirements to electronic sites and their operators, procedure for confirmation of the bidders' compliance with set terms. The Law also specifies that registration of a tender application must be confirmed to the applicant in the form of an electronic document to be sent on the day of the registration to the applicant's e-mail address indicated in the application.

The Law further specifies how to apply certain provisions of the Insolvency (Bankruptcy) Law concerning tenders for sale of debtor's property. In particular, tenders for sale of enterprises are conducted electronically, except for "sale of an enterprise or debtor's property at closed tenders, if a corresponding announcement is made in the official publication before October 1, 2011, and at open tenders – before May 15, 2011".

The Law came into force on May 3, 2011.

Customs Laws and Regulations

1. Resolution of the Customs Union Commission No. 620 on the New Version of the Consolidated List of Products Subject to Obligatory Assessment (Confirmation) as to Compliance within the Customs Union with Issuance of Uniform Documents, Approved by the CU Commission's Resolution No. 319 of June 18, 2010, was issued on April 7, 2011.

According to the Resolution, products not included in the Consolidated List are subject to obligatory assessment (confirmation) as to compliance in accordance with the national legislation of the CU member-states. A compliance certificate may be issued for a term of no more than 5 years.

Execution and issuance of compliance certificates, as well as registration of compliance declarations for products included in the Consolidated List are governed by the interstate standards and national standards of the CU member-states. Such compliance certificates are issued and such compliance declarations are registered by certifying authorities included in the Consolidated Register of Certifying Authorities and Test Laboratories of the Customs Union.

2. The Letter of the Federal Customs Service on Customs Declaration of Goods, dated March 22, 2011, No. 01-11/1246, gives explanations regarding application of rules on declaration of goods.

Where goods are brought for processing on the customs territory, a customs declaration is submitted by the person holding a permit for such processing of goods or the person that is directly engaged in such processing.

A permit for processing of goods on the customs territory may be obtained by any Russian person, including persons that are not directly engaged in such processing.

A declaration may be made by a person of any CU member-state, if such person entered into a cross-border transaction or a cross-border transaction was made on behalf of such person; or, in the absence of a cross-border transaction, if such person owns or has the right to use and/or dispose of the goods.

The Letter indicates that customs laws and regulations do not contain any limitations regarding declaration of goods by a customs broker for processing on or beyond the customs territory.

Real Estate. Cadastre

Order of the Ministry of Economic Development No. 144 on Approval of the Procedure for Cadastral Division of the Territory of the Russian Federation and the Procedure for Assignment of Cadastral Numbers to Real Estate Property was issued on April 4, 2011.

Pursuant to the approved Procedure, the territory of the Russian Federation is divided into cadastral areas. Each cadastral area is assigned a unique record number and a name. The territory of a cadastral area is divided into cadastral districts. The territory of a cadastral district is divided into cadastral quarters.

The Order specifically notes that any change in the location of borders between the RF constituents, borders of municipalities and settlements, as well as termination of the existence, formation of new and change of the RF constituents, municipalities and settlements does not entail a change in the cadastral division.

The Order sets forth rules for assignation of numbers to real estate properties.

The Order was registered by the Ministry of Justice on May 16, 2011. The previously effective Order of the Federal Service of Land Cadastre of the Russian Federation on Approval of Documents of the State Land Cadastre, dated June 15, 2001, No. P/117, became stale.

Intellectual Property

Decree of the RF President on the Federal Service for Intellectual Property, dated May 24, 2011, No. 673, has come into force. Pursuant to the Decree, the Federal Service for Intellectual Property, Patents and Trademarks (Rospatent) has become the Federal Service for Intellectual Property.

The Federal Service for Intellectual Property is a successor of Rospatent as well as of the RF Ministry of Justice to the extent of legal protection of the interests of the state in the process of economic and civil-law circulation of the results of R&D and technological work of military, special and double purpose. The activity of the Service is governed by the RF Government.

The Decree determines the functions of the Service. In particular, the Service will exercise control and supervision in the area of legal protection and use of intellectual activity results, including with respect to customers and contractors under state contracts for carrying out R&D and technological work; render services in the assigned sphere of activity; issue legal rules and regulations on matters concerning control, supervision and provision of state services in the assigned sphere of activity.

Register of Disqualified Persons

According to Regulations of the RF Government on Amendment of Certain Acts of the RF Government Regarding Formation and Keeping of the Register of Disqualified Persons, dated May 6, 2011, No. 349, the powers to form and keep the register of persons disqualified on the basis of effective court judgments, as well as to provide to interested persons information about disqualified persons, are delegated to the Federal Tax Service. Previously, that function was performed by the RF Ministry of Internal Affairs.

The changes will come into force on January 1, 2012.

Electronic Signature

Under Order of the RF Ministry of Finance on Approval of the Procedure for Issuance and Receipt of Electronic Invoices Through Telecommunication Channels Signed by Electronic Digital Signature, dated April 25, 2011, No. 50-n (registered by the Ministry of Justice on May 25, 2011), upon mutual agreement of the parties to the transaction invoices may be issued in electronic

form and signed by an electronic signature. For this purpose the parties should have compatible technical means for receipt and processing of such documents.

The Order specifies how to issue and receive electronic invoices through telecommunication channels; sets forth a requirement to use the means of cryptographic protection which should meet certain requirements, including compatibility with the means used by the Federal Tax Service. Participation in the electronic circulation of documents requires involvement of an operator, obtainment of signature key certificates, identifiers, etc. The Order also establishes a procedure for coordinated actions of the parties involved in the electronic circulation of documents.

Counteraction to Corruption

Federal Law on Amendment of the RF Criminal Code and the RF Code of Administrative Offences in Connection with Improvement of State Governance in the Field of Counteraction to Corruption, dated May 4, 2011, No. 97-FZ.

The Law introduces criminal liability for mediation in bribery – direct passing of a bribe on request of the briber or bribetaker or other assistance to the briber and (or) bribetaker in the achievement or realization of an agreement between them regarding the giving and taking of a bribe in a significant amount; and specifies circumstances in which a mediator is relieved of criminal liability.

Criminal liability is differentiated depending on the amount of bribe – ordinary, significant, big and especially big. A fine is calculated on the basis of an amount multiple of the amount of a commercial bribe and is imposed as an alternative punishment along with personal restraint or imprisonment.

Changes in the Code of Administrative Offences concern the procedure for legal assistance in administrative offence cases. Requests for legal assistance are to be sent through the RF Supreme Court, RF Supreme Arbitration Court, RF Ministry of Justice, RF Ministry of Internal Affairs, RF Federal Security Service, RF Federal Service for Drug Circulation Control, a body authorized in accordance with an international treaty, and the RF Prosecutor General's Office.

The Court of the Eurasian Economic Community

Federal Law on Ratification of the Statute of the Court of the Eurasian Economic Community, dated May 3, 2011, No. 82-FZ, determines the fundamental principles of the Court's activity.

The Court considers economic disputes arising in connection with the implementation of decisions of the EurAsEC' bodies and provisions of agreements effective within the EurAsEC. The Court is also competent to consider cases concerning compliance of acts issued by the Customs Union bodies with international treaties.

The Statute determines the composition of the Court and sets forth requirements to judges, procedure for their appointment and their powers. The proceedings of the Court have certain specifics. In particular, a decision of the Court is final and not subject to appeal, but may

be reviewed on request of one of the parties to the dispute on the ground of newly discovered circumstances.

A separate chapter of the Statute grants the Court the right to render consultative opinions as a recommendation on request of the parties, bodies of the EurAsEC and the Custom Union, supreme judicial bodies. While the Court of the EurAsEC is in the process of formation, its functions are to be performed by the Economic Court of the CIS.

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This newsletter is not intended to provide legal advice and/or any other form of legal assistance that may be rendered by attorney-at-law to client. The exclusive purpose of this review is to make aware its recipient of certain recent changes in Russian laws and regulations, and of the development of law application practice. Any use of the information contained herein for particular purposes may require more detailed case-specific explanations. Further information can be obtained via +7 (495) 933 75 67 or office@agp.ru



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