

ALRUD

Legal Regulatory Guide

Russia

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Table of contents

INTRODUCTION	3
LIFE SCIENCES	4
New regulation in the sphere of veterinary medicines' turnover	4
The EAEU has extended the registration period for medical devices under national legislation	5
Amendments in the distance selling of medicines	5
TMT	6
New administrative fines for failure to deploy SORM	6
New obligations of technological communication networks' owners in Russia	7
Ban on use of foreign messaging apps in governmental and financial sectors in Russia	7
CONSUMERS PRODUCTS	9
Overview of "Chestny Znak" system development	9
New regulation of tobacco products and nicotine-containing products	10
A register of producers of beer and other low-alcohol drinks is being created	11
GENERAL REGULATORY	12
Disposal of goods and packaging: who is responsible?	12
Accountability for withholding information on greenhouse gas emissions	13
Localization of agricultural plant seeds production and other amendments to the seed farming regulations	14
The moratorium on scheduled inspections was extended until 2030	15
An experiment on the introduction of customs monitoring began in Russia	16

Introduction

Dear Readers,

We are happy to present you with a new version of our regulatory Guides describing the developments of the Russian legislation in different regulatory spheres for the first half of the year 2023.

Challenging times for the Russian society and economy still persist; however, as it always happens, market players are doing their best to adapt to the new circumstances – we see stakeholders restructuring their business models and supply chains with due regard for new risks and regulations.

As regards the regulatory background, from the acts adopted and initiatives discussed in 2023 it may be deduced that Russian regulatory authorities are reverting to implementation of previous plans and trends that were put on hold in 2022. Still, state authorities continue to react to new challenges and to support the business in the current circumstances as well. In this Guide we tried to cover both of the above trends and to show key amendments for the major industries and topics:

- [Life Sciences](#) (new and amended regulations on turnover of veterinary medicines, medical devices, and human medicines);
- [TMT](#) (straightening control over SORM and internal communication networks, restrictions on use of foreign messengers);
- [Consumer products](#) (further development of traceability labelling, new regulations on turnover of tobacco products and beverages);
- [General regulatory](#) (new regulations on disposal of products and packaging, liability for withholding information on greenhouse gas emissions, amendments to seed farming regulations, moratorium on scheduled inspections, and customs monitoring experiment).

We hope this material shows a general picture of regulatory amendments introduced in the first half of 2023, and you will find useful information on the topics being of particular interest to you.

We wish you a pleasant reading!



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Life Sciences

New regulation in the sphere of veterinary medicines' turnover

[Federal Law No. 171-FZ of April 28, 2023](#) (the "Law") has introduced accelerated registration of veterinary medicines that have already been registered for human treatment. According to the Law, if the medicine has been already registered for medical use, the following documents may be submitted for registration as the veterinary medicine:

- results of a preclinical study of the relevant medicine for medical use – instead of a developer's report on the results of a preclinical study of a medicine for veterinary use;
- review of scientific papers on the results of clinical studies of the medicine for medical use in the animal species to which the product in question is intended – instead of the report on the results of clinical studies of the medicine for veterinary use.

The accelerated registration procedure does not apply to medicines that were registered for medical use and their state registration was cancelled. New rules will come into force on September 01, 2023.

In addition, there is a new Decree establishing the rules of introduction of veterinary medicines into circulation ([Decree of the Government of the Russian Federation No. 565 of April 08, 2023](#), the "Decree").

In order to put veterinary medicines into circulation, manufacturers and importers must submit the following documents to Rosselkhoznadzor via the veterinary State Information System (GIS):

- for each series of veterinary medicines:
 - a document from the manufacturer of veterinary medicine confirming that the quality of the veterinary medicine to be introduced into circulation conforms with the requirements set forth in its state registration;
 - a confirmation issued by an authorized person of the manufacturer of veterinary medicine stating that the veterinary medicine complies with the requirements set forth in the state registration thereof;

- for the first two series of a veterinary medicines manufactured in the Russian Federation for the first time - test reports confirming that these series of the medicines comply with the quality indicators specified in the regulatory document. The test should be performed by testing laboratories accredited in the national accreditation system in accordance with the Russian Federation legislation on accreditation (the “Test reports”).

The Decree has also established the procedure for issuance of permits for introduction of immunobiological medicines into circulation and test reports on the compliance of the medicine’s series with the quality indicators. Applications for introduction will be accepted online via the public services portal. The Decree comes into force on September 01, 2023 (except for certain provisions), and shall be valid until September 01, 2029.

The EAEU has extended the registration period for medical devices under national legislation

The states of the Eurasian Economic Union (the “EAEU”) have signed the [Protocol on Amendments to the Agreement on Common Principles and Rules for Circulation of Medical Devices \(Medical Devices and Medical Equipment\) within the EAEU](#) (the “Protocol”).

According to the Protocol, it is possible to submit an application for examination or registration of a medical device until December 31, 2025 as it is established by the EAEU law or the legislation of the EAEU state.

By the end of 2025 EAEU states must improve the system required for unified registration of medical devices, including clinical centers and testing laboratories. Therefore, it is envisaged that from January 01, 2025 the registration of medical devices would be performed in accordance with EAEU law only.

The Protocol shall apply provisionally from the date of signing as of February 13, 2023.

Amendments in the distance selling of medicines

On March 1, 2023, an experiment on distance retail selling of prescription medicines began in Moscow, and the Belgorod and Moscow regions. The experiment will be conducted for 3 years.

The experiment will involve pharmacies that have their own website or an agreement with a marketplace. They must have facilities for storing orders and be able to deliver medicines to customers in a timely and safe manner, using, for example, special temperature-controlled cabinets. The experiment is carried out on the basis of applications from medical and pharmacy organizations submitted to regional authorities. These organizations should be connected to the health State Information

System. Pharmacies need to obtain permission to sell medicines remotely. It is possible to apply for relevant permits electronically via the Unified Portal for State and Municipal Services. Pharmacies will not need to reapply for permits after entering into, terminating or changing contracts with the owners of online trading platforms using their sites. It will be enough to send an application to Roszdravnadzor on entering the necessary information in the register of permits, and attach supporting documents.

The list of medicines that may be distributed through the distance selling of prescription medicines has been approved¹.

¹ Order of the Russian Ministry of Health of February 1, 2023 No. 36n “On Approval of the List of Medicines and Pharmacotherapeutic Groups of Medicines Allowed for Sale as part of an Experiment on Distance Retailing of Medicines for Medical Use, Dispensed by Prescription for a Medicine, Remotely”.

TMT

New administrative fines for failure to deploy SORM

Telecom providers in Russia bear a general obligation to deploy the System for Operative Investigative Activities (the «SORM») which is a set of equipment and software meant for lawful interception of information in telecommunications networks operating in Russia. It includes installation of special equipment allowing the Federal Security Service to get remote access to the traffic of the telecom provider (when needed), perform testing of such equipment, arrange coordination with the Federal Security Service in this regard, store users' data for a certain period of time in the territory of the Russian Federation, etc. Prior to the deployment of SORM, the plan of actions for such implementation shall be approved with the Federal Security Service.

From January 01, 2024, special administrative fines for failure to deploy the SORM are introduced². Amendments are made to Article 13.46 of the Code of Administrative Offences of the Russian Federation. According to these amendments, telecom providers will face administrative fines of 0.001% to 0.003% of annual revenue for the first violation. For

repeated violation, a fine is in the range from 0.01% to 0.03% of the annual revenue. In any case the fine may not be less than RUB 1,000,000 (approx. USD 12,000).

Annual revenue from the sale of telecom providers' services will be determined as revenue in the market of the relevant telecommunications services in the region of the Russian Federation where the violation of obligation to deploy the SORM has been exposed.

The initiators of the new amendments argue that during the last year there happened approx. 1,200 violations of the obligation to install the appropriate equipment and refusals to comply with this requirement. They also suggest that proposed administrative fines "are commensurate with the telecom provider's expenses for purchasing such equipment". Additionally, the initiators of the amendments recommend that telecom providers who cannot purchase SORM equipment exploit resources of another provider.

² Federal Law No. 223-FZ as of June 16, 2023, on Amendments to Article 13.46 of the Code of Administrative Offences of the Russian Federation.

Taking this into account, risks for telecom providers for non-compliance with SORM requirements are substantially increasing. We expect that monitoring exercised by state authority over this issue will increase as well. Thus, it seems to be reasonable for

all Russian telecom providers (including subsidiaries of international telecom operators) to double check their compliance with SORM requirements and initiate necessary actions beforehand, if needed.

New obligations of technological communication networks' owners in Russia

On September 1, 2023, Federal Law No. 75-FZ on Amending Article 562 of the Federal Law on Communications will come into force (the "Law 75-FZ"), establishing new obligations for the owners of technological communication networks that have an autonomous system number (or the "ASN").

Technological networks are designed to ensure the production activities of organizations, and management of technological processes in the industry. They are not used for direct provision of telecommunications services. ASN is a unique identifier of an autonomous system obtained by the company through registration in RIPE. As a general rule, autonomous systems are used by large companies that exploit complex communication systems in their activities, for instance, by financial institutions, carriers, IT companies, telecom operators, etc.

The adopted law actually extends some provisions of the "Yarovaya Law"³ to the owners of technological communication networks with ASN, obliging them to comply with some requirements regarding information

storage and granting access to it to the law enforcement bodies. Similar obligations apply to the telecom providers.

Technological communication networks owners in Russia are expected to comply with the obligation to store message metadata, information on interaction between users of informational systems, and/or software used in technological communication networks, as well as information on these users in the territory of Russia, for 3 years, and to grant access to it to the state security bodies and bodies carrying out operative and search activity.

From the practical perspective, preparation for Law 75-FZ coming into force requires implementation of specific technical measures to enhance the capabilities to store a large amount of data during the period established by Law 75-FZ. With that in mind, the companies are recommended to carefully assess the risks of applying the new requirements of Law 75-FZ to their activities, and, if necessary, promptly develop its own plan of compliance with the new requirements in the communications sphere.

Ban on use of foreign messaging apps in governmental and financial sectors in Russia

At the end of 2022, a law was passed which imposes ban on use of certain foreign messaging apps to transfer particular information from March 01, 2023⁴. Such ban applies to banks and non-credit financial institutions (for instance, professional participants of the securities market,

management companies, investment funds, depositories, etc.). The ban also applies to governmental officials carrying out official duties or providing state services, companies with state participation over 50%, and participants of the national payment system.

The list of banned foreign messaging apps is provided by the Russian regulator (Roskomnadzor). At the moment, it includes Discord, Microsoft Teams, Skype for Business, Snapchat, Telegram, Threema, Viber, WhatsApp, and WeChat. It is possible that in the future this list will be extended, and other foreign software systems designed for messaging will also be banned.

However, the ban is not of an absolute nature. Foreign messaging apps may not be used only for the purposes explicitly stated in the law. These messaging apps cannot be used in governmental and financial sectors in Russia for transfer of payment documents or information containing personal data of Russian nationals, data on money transfers within the applied forms of cashless settlements, information necessary for making payments or information on bank accounts (deposits) of Russian nationals. Additionally, the listed messaging apps cannot be connected to software and information systems used for ensuring the possibility of transferring funds of Russian nationals within the applicable forms of cashless payments.

On June 24, 2023, administrative fines for violation of ban on use of foreign messaging apps in governmental and financial sectors in Russia were introduced⁵. For companies sanctions include administrative fines up to RUB 700,000 (approx. USD 8,000).

Therefore, companies active in the financial sector in Russia need to reconsider their means of communication with their clients, including possible payment functions embedded in messaging apps. As a publicly available example, VTB Bank (one of the major banks in Russia) is transferring its online banking services previously available via chatbot from Telegram to Vkontakte, a Russian social networking service with private messaging functions.

³ In the media and public discussions "Yarovaya Law" refers to Federal Law dated July 6, 2016, No. 374-FZ and Federal Law dated July 6, 2016, No. 375-FZ

⁴ Art. 10 (8-10) of Federal Law No. 149-FZ as of July 27, 2006, on Information, Information Technology and Information Protection.

⁵ Federal Law No. 277-FZ as of June 24, 2023, on Amendments to the Code of Administrative Offences of the Russian Federation.



Consumers products

Overview of “Chestny Znak” system development

In recent years, the Russian state authorities shifted the special focus to developing the mechanisms of controlling the products that are often counterfeited. A national track & trace digital labelling system called “Chestny Znak” (the “T&T System”) was created to achieve this purpose. A general overview of the system can be found in our newsletter entitled [“The Russian Government has adopted rules for digital labelling of new products and order of access to labelling information”](#) or on the [official website of Chestny ZNAK](#) (the latter is available also in English and Chinese languages).

Since its implementation, the T&T System has covered a number of new categories of products that should be mandatorily labelled starting from the specified dates. Among the recent additions are the following groups of products:

- biologically active food additives (since October 1, 2023) with obligatory registration in the T&T System since September 1, 2023;
- certain medical devices (since October 1, 2023) with obligatory registration in the T&T System since September 1, 2023;
- antiseptics (since October 1, 2023) with obligatory registration in the T&T System since September 1, 2023;
- wheelchairs (since October 1, 2023) with obligatory registration in the T&T System since September 1, 2023;
- soft drinks and drinking water for children (since October 1, 2023) with obligatory registration in the T&T System since September 1, 2023;
- bicycles and bicycle frames (since September 1, 2024).

Another experiment on labeling caviar of sturgeon and salmon fishes has started since April 15, 2023 and will continue till March 31, 2024.

As of now, the new initiative on protection brand through the T&T System is being discussed. It is proposed to connect the T&T System with the customs register of intellectual property objects to control the illegal parallel imports.

All in all, we see that the T&T System undergoes further development and is intended to become a universal tracing

mechanism which allows to combat counterfeit in the market. Thus, we think it advisable for all Russian and foreign manufacturers whose products are represented in the Russian market (even if they are not subject to T&T System as of the current moment) to carefully trace development of the system and the respective emerging requirements.

New regulation of tobacco products and nicotine-containing products

On September 1, 2023, the new law on comprehensive regulation of the tobacco market (Federal Law No. 203-FZ as of June 13, 2023 “On state regulation of production and turnover of tobacco products, tobacco production, nicotine-containing products and raw materials for their production”) comes into force (the “Law on Tobacco”). The Law on Tobacco introduces legal bases for production and turnover of the respective goods.

In particular, the Law on Tobacco introduces the following new regulation:

- The Law on Tobacco introduces licensing of production and turnover of tobacco and nicotine-containing products (applicable from March 1, 2024).
- In terms of technological equipment:
 - The main technological equipment, the list of which is established by Order of the Government of the Russian Federation dated June 21, 2023 No. 1633-r, is subject to state registration in the unified state register of basic technological equipment.
 - The manufacturer of products and raw materials shall have passports or other documents and information for the main technological equipment that allows identifying the specified equipment (the

regulation comes into effect on July 1, 2025).

- Tobacco products, raw materials, nicotine-containing products, nicotine raw materials, and basic technological equipment shall be withdrawn in case the illicit trafficking is found.
- Miscellaneous:
 - Nicotine-containing products shall not be sold below the established minimum price.
 - In addition, in respect of nicotine-containing liquids, nicotine-free liquids and nicotine solutions (including liquids for electronic nicotine delivery vehicles), the Government of the Russian Federation has the right to determine a list of substances aimed at increasing the attractiveness of such products and additives that enhance nicotine dependence and shall be banned.
 - Since March 1, 2024, it would not be possible to conclude certain contracts in relation to tobacco and nicotine-containing products (e.g. barter, transfer of debts/assignment of claims (except for monetary) etc.).

The adopted law shows the overall tendency of restricting turnover of tobacco and nicotine-containing products, which is also reflected by a new law on additional restrictions over devices for consumption of nicotine-containing products adopted on April 28, 2023 (which introduced new regulation of trade

in novel nicotine-containing products and devices for their consumption). We expect that the Law on Tobacco will have material impact on the Russian market of tobacco products and will require substantial efforts from the market's participants to ensure compliance with all its new requirements.

A register of producers of beer and other low-alcohol drinks is being created

The companies will have to be included in a special register in order to be able to manufacture beer and beer drinks, cider, poire, and mead. The register will be maintained by the Federal Service for Alcohol Market Regulation as of September 1, 2023⁶.

To be included in the register, a producer needs to submit to the Federal Service for Alcohol Market Regulation an application, a calculation of production capacity, and other information about the main technological equipment. It will be possible to submit the documents through the Unified Portal for State and Municipal Services, through the Unified State Automated Information System, or on paper. Transitional period provisions establish the grounds and conditions for the inclusion of producers in the register without submitting the necessary documents.

The procedure of entering the information into the register shall depend on the volume of production. For example, if its capacity is more than 100 thousand decaliters per year, then, before including the producer in the register, among other things, an on-site assessment will be carried out.

The information contained in the register is subject to posting on the official website of Federal Service for Alcohol Market Regulation on the Internet.

⁶ Federal Law No. 108-FZ of April 3, 2023 "On Amendments to the Federal Law "On State Regulation of the Production and Turnover of Ethyl Alcohol, Alcoholic and Alcohol-Containing Products and on Restricting the Consumption (Drinking) of Alcoholic Products"



General Regulatory

Disposal of goods and packaging: who is responsible?

After several years of deliberation, the Government introduced [a bill](#) substantially amending Federal Law No. 89-FZ of June 24, 1998 “On Production and Consumption Waste” (the “Bill”). The Bill has been already submitted to the State Duma (the lower chamber of Russian Parliament). It will make certain changes to the Extended Producer Responsibility mechanism (the “EPR”).

Affected persons

As a reminder, producers and importers of goods currently are obligated to dispose waste from the use of goods (including via certain subcontractors) or to pay the environmental fee.

The Bill suggests shifting the responsibility for recycling of goods to producers of packaging and importers of packaging and goods (including importers from EAEU member states).

How to fulfill obligations under the EPR mechanism?

Market players will still have a choice between recycling and paying an environmental fee.

RECYCLING

It will be possible to recycle waste by:

- self-disposal

To fulfill the recycling obligation a person should have waste disposal infrastructure, be registered in a special register of recyclers, comply with the recycling standards, and report to the authorized body.

- engaging a recycler

A person should contract a legal entity or an individual entrepreneur registered in a special register of recyclers. In other words, producers

and importers will no longer be able to dispose of waste by engaging the Russian Environmental Operator or an association of producers/importers.

The Bill also provides that a recycler will be obliged to pay an environmental fee if it fails to fulfil/ improperly fulfils its obligations to the client.

The obligation to ensure recycling is deemed to be fulfilled if waste is disposed of by using it for production of goods, performance of work, provision of services, or extraction of useful components for re-use.

It should be noted that not all waste can be disposed for subsequent re-use. It is envisaged that the Russian Government will adopt a list of types of waste, as well as a list of goods that can be produced by recycling this waste.

NB! Packaging recycling rates will be increased gradually. By January 01, 2027, producers and importers will have to ensure recycling of 75% of produced or imported packaging (in contrast to current 10-45%).

ENVIRONMENTAL FEE

The obligation to recycle waste may be

replaced by payment of an environmental fee. The Bill proposes a new methodology for calculating environmental fee rates which are supposed to differentiate between types of waste.

NB! When importing goods from countries that are not EAEU member states, an importer will be obliged, prior to customs release of goods, to:

- pay environmental fee; or
- obtain a bank guarantee corresponding to the amount of the environmental fee (in case of self-disposal); or
- conclude a surety agreement with a recycler.

Perspectives of the Bill

It is widely agreed that the probability of the Bill being adopted is very high. If adopted, most of provisions of the Bill will come into force on January 01, 2024.

The Bill is expected to reform EPR mechanism, impose obligations on the new market players (importers, producers, recyclers), and ensure transparency and control of information on waste management.

Accountability for withholding information on greenhouse gas emissions

On June 13, 2023, the State Duma (lower chamber of Russian Parliament) passed the Law⁷ introducing administrative liability for failure to report or misrepresentation of information on greenhouse gas emissions.

What are the violations for which administrative liability is introduced?

- failure to submit or untimely submission of a report on greenhouse gas emissions

- knowingly submitting inaccurate information in a report on greenhouse gas emissions

What liability will be imposed on the offenders?

- warning
- administrative fine imposed on:
 - officials – from RUB 10,000 up to 50,000;

⁷ Federal Law No. 218-FZ of June 13, 2023 "On Amendments to the Code of Administrative Offences of the Russian Federation"

- individual entrepreneurs – from RUB 50,000 up to 150,000;
- legal entities – from RUB 150,000 up to 500,000.

When will the Law take effect?

On July 01, 2025.

Localization of agricultural plant seeds production and other amendments to the seed farming regulations

On May 16, 2023 the Russian Government adopted the final version of the Rules on Localization of Agricultural Plant Seeds Production⁸ (the “Rules”).

Who will be affected?

Russian and foreign-owned companies and individual entrepreneurs, which:

- create, breed, and identify plant varieties and/or hybrids (the “Creation”); and/or
- cultivate agricultural seeds (the “Cultivation”).

NB! Foreign-owned companies means JVs between Russian and foreign investors, where foreign investors directly or indirectly hold not more than 49% share in a JV. If foreign ownership percentage exceeds the threshold, a company will be banned to do the said business in Russia (though the consequences are yet unclear).

How to localize Production?

The localization criteria vary depending on the types of activities:

CREATION	CULTIVATION
title to at least 2 land plots in different light zones in Russia	title to land plots in Russia
title to immovable property and technological equipment for creation of plant varieties and hybrids	availability of production facilities and equipment in Russia
performance of full-cycle crossbreeding in Russia (<i>in cooperation with Russian scientific or higher educational organizations</i>)	use of Russian-made original and elite seeds or seeds provided by foreign shareholders in cultivation in Russia (<i>in cooperation with Russian scientific or higher educational organizations</i>)
title to a nursery for creation of plant varieties and hybrids in Russia	

⁸ Decree of the Government of the Russian Federation of May 16, 2023 No. 754 “On Approval of the Rules for Localization of Agricultural Plant Seed Production in the Russian Federation”

The persons subject to the Rules should also annually draft their own localization plans by 1st of March that will be reviewed by the Ministry of Agriculture of Russia. The plans will be used by the Ministry for adoption of a federal localization plan that is supposed to be used for implementation of state support measures, as well as customs, tariff, and non-tariff measures.

Any easings?

It will be allowed to:

- engage contractors which comply with the Rules;
- use Russian and/or foreign germplasm and engage foreign nurseries during the Creation.

Effective date of the Rules

The Rules are supposed to be applied from September 01, 2023 until September 01, 2029 with no exceptions.

Other developments of seed farming laws and regulations in Russia

Given that the new Seed Farming Law comes into effect on 1st of September 2023, the Russian authorities are gradually developing a regulatory framework for its enforcement, including:

- List of genera and species of agricultural plants the varieties and hybrids of which are to be included in the State Register of Agricultural Plant Varieties and Hybrids Approved for Use⁹
- Indicators of variety and sowing (planting) quality of agricultural plant seeds¹⁰
- Procedure for sale and transport of agricultural plant seeds and its labelling¹¹
- Rules for import into and export from Russia of agricultural plant seeds¹²
- New procedure for imposing temporary restrictions on import of seeds of agricultural plants¹³
- Rules for auditing foreign laboratories for testing seeds of agricultural plants to confirm their competence¹⁴

The moratorium on scheduled inspections was extended until 2030

Under newly adopted Resolution of the Government of the Russian Federation as of March 10, 2023 No. 372 (the "Resolution 372") the Government has adjusted the details of the organization and conducting state and municipal control.

The following steps were taken to facilitate the conduct of business:

- until 2030, scheduled control and supervisory measures and scheduled inspections are carried out only in respect of objects classified as bearing extremely high risk and high risk, as well as hazardous production facilities and hydraulic structures of hazard class II;

⁹ Decree of the Government of the Russian Federation of December 08, 2022 No. 3835-r

¹⁰ Order of the Ministry of Agriculture of Russia dated May 26, 2023 No. 528

¹¹ Order of the Ministry of Agriculture of Russia dated April 06, 2023 No. 347

¹² Decree of the Government of the Russian Federation of December 20, 2022 No. 2358

¹³ Order of the Ministry of Agriculture of Russia dated May 24, 2023 No. 527

¹⁴ Decree of the Government of the Russian Federation of May 27, 2023 No. 817

- in respect of educational institutions of preschool, primary, basic, secondary general education (in case they have facilities classified as high or extremely high risk), preventive visits are carried out instead of the scheduled control and supervisory measures. Still, such preventive visits cannot be refused.

For the period up to 2030, an additional control event was introduced – a preventive visit on behalf of the President, the Prime Minister or his deputies (the “Mandatory Preventive Visit”). The person being checked cannot refuse such a visit (unlike a regular preventive visit). A Mandatory Preventive Visit implies assessment of compliance with mandatory requirements, conducting inspections, tests, examinations and instrumental examinations, samples, and requesting documents. A Mandatory Preventive Visit lasts 1 business day. It can be extended when an instrumental examination is necessary, but not by more than 4 business days. The time allotted for a Mandatory Preventive Visit may be suspended if an examination or test needs to be carried out.

Furthermore, Resolution 372 abolished the restriction on the authorities of controlling bodies: earlier the supervisory authority could issue instructions on elimination of violations

only if the violation entailed a threat of harm to life and health of citizens, defense of the country and security of the state, occurrence of natural or man-made emergencies. Now prescriptions are issued again for any violations, even minor ones.

If the order to eliminate a violation is issued before March 1, 2023 and the deadline for its execution has expired, then in 2023 an unscheduled inspection or an unscheduled inspection visit can be carried out only in agreement with the prosecutor’s office and only in case when the order is issued in connection with life and health of citizens, defense of the country and security of the state, occurrence of natural or man-made emergencies.

Thus, we may see that a general trend on strengthening restrictions over scheduled inspections and relieving business from cumbersome control of state authorities continues. It seems reasonable for owners and management of Russian companies to be aware of their rights and current exemptions (including under Resolution 372), so in case they are approached by state officials with an inspection or visit they could understand whether it is grounded and how they can react to this situation.

An experiment on the introduction of customs monitoring began in Russia

The member states of EAEU have launched an experiment on a customs monitoring system¹⁵, that will last from April 3, 2023 till November 1, 2024.

The purpose of the experiment is to test customs monitoring in order to identify signs of violation of customs regulations on the level of EAEU and the Russian Federation and eliminate their negative consequences, as well as to provide a participant with the option of self-assessment based on the results of customs monitoring.

The following entities may take part in the experiment:

- legal entities established in accordance with the legislation of the Russian Federation and included in the register of authorized economic operators;
- participants of an industrial cluster engaged or intending to engage in production of industrial products.

¹⁵ Decree of the Government of the Russian Federation of February 16, 2023 No. 240 “On conducting an experiment of customs authorities monitoring information available to them and received from persons participating in this experiment from the goods accounting systems”

The Unified Automated Information System will:

- automatically collect information about the customs declarations of the participants;
- compare data from declarations with information from internal goods accounting systems of the participants;
- issue opinions on customs risks to companies and a proposal to independently assess and eliminate existing violations.

Participants will need to:

- ensure traceability of the moved goods;
- assign a unique identifier to each product;
- store information about the goods throughout the period of customs control;

- generate reports;

- provide customs officers with access to information about goods and to their information resources.

In return, participants in the experiment will be able to expect a reduction in the number of on-site inspections. We believe that if the experiment is successful, this system may become a permanent feature.





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