

Key developments in Russian labour and migration legislation 2018

1. Representatives of employees will be admitted to meetings of corporate boards

Since August 14, 2018 representatives of employees have been entitled to participate in the meetings of a corporate board of the company in which they work. The actual implementation of this right depends on whether it is established: (i) by a federal law, (ii) by a constituent document of the company, (iii) by a local statutory act of the company, (iv) by a collective bargaining agreement. The employees will not be able to directly influence the decision of the corporate board of the company, since they have only an advisory voice. A trade union or another employees' representative body, may appoint the employee who will participate in such meetings. In case the employees, who participate in the meeting, disclose any sensitive information constituting a secret protected by law, which has become known to them in connection with participation in a meeting of corporate board, such employees can be held liable.

2. Disciplinary action for failure to comply with anticorruption legislation

The Law, establishing changes to the Russian Labour Code, came into force on August 14, 2018.

The Law provides for that corruption breaches constitute a specific type of disciplinary offence, in relation to which there is an extended term of imposition disciplinary actions - **three years**. Under the Russian Labour Code, corruption breaches is failure to comply with restrictions and prohibitions and non-fulfillment obligations, established by Russian anticorruption legislation.

3. New requirements in relation to migration registration of foreign citizens in Russia

The Law, which sets out amendments to procedure of migration registration of foreign nationals in Russia, came into force on July 08, 2018.

The Law requires that foreign citizen shall be registered at the address where the foreign citizen **actually** resides/lives in Russia. In particular, foreign citizens can be registered at the address of:

- Residual property (apartment, etc.) where he//she actually lives;
- Hotel, camping, resort spa, etc. as well as medical institutions where foreign national actually resides.

Under the Law a foreign national can be registered at the address of his/her employing entity (or at the address of premises owned by the employing entity) only if such foreign national **actually** resides/lives there.

The Law does not have retrospective effect. It means that there is no need to re-register under new rules foreign nationals already registered at the address of the employers (even if they do not actually reside/live there) as long as their migration registration is effective.

4. Visa-free entrance to Russia for World Cup Fan ID owners

The Law, allowing visa-free entrance to Russia for foreign nationals who have Fan ID, came into force on August 03, 2018.

Fan ID is a document that allowed entrance to Russia and its stadiums during the 2018 FIFA World Cup.

Under the Law, foreign national who visited the country during the 2018 FIFA World Cup have free entrance to and exit from Russia until the end of 2018, i.e. such foreign nationals are not required to get visa in order to visit Russia in 2018 for tourist purpose.

5. New obligations of parties inviting foreign citizens in Russia

The Law, introducing new types of obligations for so-called "inviting parties" of foreign national was adopted and will come into force on January 16, 2019.

The Law introduces new obligations for inviting parties aimed at preventing violation of Russian immigration laws by foreign citizens. Inviting party shall take measures to ensure timely departure of an invited individual from Russia upon expiry of his/her stay (as per issued visa). Moreover, according to the Law inviting party shall also take measures to ensure that the invited person complies with the declared purpose of his/her entry into Russia (e.g. , a person entered into Russia based on business visa cannot be involved in employment activities in Russia).

The Law establishes new administrative liability of inviting parties for non-compliance with the above obligations in a form of fine:

- For individuals — from 2 000 RUB (approx. EUR 25) up to 4 000 (approx. EUR 50);
- For officials of legal entities (e.g. General Director) — from 45 000 (approx. EUR 562,5) up to 50 000 RUB (approx. EUR 625);
- For legal entities — from 450 000 (approx. EUR 5 625) up to 500 000 RUB (approx. EUR 6 250).

6. New grounds for unscheduled checks by State Labour Inspectorate

The Law, which establishes new grounds for unscheduled checks by State Labour Inspectorate, came into force on January 11, 2018.

Under the Law, State Labour Inspectorate may conduct unscheduled checks of the employers in several cases. The grounds for such checks are: (1) intentional evasion from entering into an employment contract with an employee; (2) conclusion of an employment contract with an employee in the improper form; (3) entering into a civil law contract (services, consulting, etc.), which in fact regulates employment relations between an employer and employee. Crucial novelty is that the employer **will not be notified** in advance about check initiated on the above grounds.

The check initiated on the above grounds may be carried out without prior approval of the Prosecution Office (as normally required for the State Labour Inspectorate to rich out an entity with the inspection).



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