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Newsletter

New rules of recording labour activities of employees

December 25, 2019

Dear Ladies and Gentlemen,

The Federal Law "On Amendments to the Labour Code of the Russian Federation with regard to the regulation of recording labour activities in electronic form" (hereinafter - "**Law**") has been signed by the President of the Russian Federation. It comes into force on January 1st, 2020.

The Law proposes that employers must record all information, about labour activities of their employees, in electronic form and submit such information to the information system of the Pension Fund of the Russian Federation (hereinafter - "**PFR**").

At the same time, hardcopy labour books will be maintained after December 31st, 2020 only upon employees' applications. Employees shall be notified about amendments and the application requirement by June 30th, 2020. However, even in the absence of the respective requests, the employer shall continue keeping the hardcopy labour book of the employee.

The Law establishes that for all employees, who will be employed for the first time after December 31st, 2020, labour books will only be maintained in electronic form. However, the employees, who requested the record in written form, will enjoy their right, even after a subsequent change in employment. Employers shall submit monthly reports of the labour activity of all employees to the PFR, no later than 15th day of the following month. If there were no changes during the month, then for the current month, it is not necessary to submit information to the PFR.

Additionally, article 5.27 of the Code of Administrative Offenses of the Russian Federation will be supplemented by a new part, establishing sanctions for failure to perform obligations, to submit reports, or for the presenting of distorted data by employers.

All data in the Pension Fund system will be open only to governmental bodies. Therefore, it will be possible to find out about labour experience of individuals only from an employee who can provide a personal account statement from the Pension Fund database, or the respective information from a previous employer.

Thus, employers will be obliged to provide their employees with a certificate of labour experience at the termination date.

The upcoming changes will mitigate the risks of potential disputes with dismissed employees, about the non-provision, or untimely provision, of a labour book and simplify the document flow of the companies.

Source: <u>https://sozd.duma.gov.ru/bill/748684-7</u>

We hope that the information provided herein will be useful for you. If any of your colleagues would also like to receive our newsletters, please let us know by sending us his/her email address in response to

Skakovaya str., 17, bld. 2, 6th fl., Moscow, Russia, 125040 T: +7 495 234 96 92, E: info@alrud.com alrud.com this message. If you would like to learn more about our Labour and Employment Practice, please let us know in reply to this email. We will be glad to provide you with our materials.

Note: Please be aware that all information provided in this letter was taken from open sources. Neither ALRUD Law Firm, nor the author of this letter, bear any liability for consequences of any decisions made in reliance upon this information.

If you have any questions, please, do not hesitate to contact ALRUD Partner



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