<u>Communique of the 31st meeting of the</u> <u>Foreign Investment Advisory Council in</u> <u>Russia (Moscow, 16 October 2017)</u>

The 31st meeting of the Foreign Investment Advisory Council in Russia (FIAC) (hereinafter referred to as the meeting) took place on 16 October 2017 under the chairmanship of Prime Minister and FIAC Chairman Dmitry Medvedev.

The meeting was attended by heads of major world companies and banks.

The Foreign Investment Advisory Council in Russia (hereinafter referred to as the Advisory Council) provides ongoing support to the Russian Government in developing measures to promote good conditions for business activities, attracting investment and encouraging exports.

Advisory Council members took an active part in drafting proposals aimed at upgrading the legislative foundation and law enforcement norms on doing business.

In 2018 the Advisory Council will focus on the following priority areas.

Localising production in Russia

Drafting proposals to use the infrastructure for supporting small and mediumsized business to integrate Russian suppliers into global added value chains.

Improving tax administration

Preserving tax benefits for movable property.

Improving customs procedures

Drafting proposals to improve implementation of customs procedures on customs territory to encourage exports.

Drafting proposals to streamline the work of authorised economic operators.

Removing administrative barriers and improving tax regulation

Bolstering the activities of the Advisory Council members in assessing the effectiveness of legislative acts that concern interests of entrepreneurs and other economic entities with due account of the risks revealed during the assessment of regulatory impact.

Drafting proposals to upgrade the regulatory base in dealing with production and consumption waste, including harmonising conditions for regulated entities and establishing balanced increase in the recycling rate.

Developing trade and the consumer market

Drafting proposals to streamline the introduction of online veterinary certification of monitored products.

Drafting proposals to upgrade state veterinary supervision of processed and packed products of animal origin that were subjected to thermal or other industrial treatment.

Drafting proposals to promote healthy lifestyle and balanced diet and ways of countering non-infectious diseases.

Drafting proposals on elaborating and adopting phytosanitary legislative acts.

Raising energy efficiency

Drafting proposals to improve the mechanisms of implementing investment projects on upgrading generating equipment.

Developing healthcare and the pharmaceutical industry

Drafting proposals to improve the legislative framework regarding the circulation of pharmaceuticals and medical devices, increase the efficiency of benefits to encourage the localisation of medicines, including innovative products, protect intellectual property rights, and foster cooperation in science.

Making better use of natural resources

Drafting proposals to improve the procedure of export of geological information.

Drafting proposals to improve legislation on providing government services to foreign companies and their accredited affiliates.

Developing the banking sector and financial markets

Drafting proposals to improve criteria for selecting banking institutions in which it is possible to place funds of the Government, state corporations and strategic companies and which can issue bank guarantees in behalf of the Government.

Promoting innovative development

Drafting proposals to improve innovation policy, including streamlining the requirements on the localisation of software and electronic components, and cooperation with educational institutions in training highly qualified personnel and ensuring the sustainable development of industry and energy sector.

In 2018 the Advisory Council will concentrate on implementing these priority tasks in order to reach the main goal of improving Russia's investment climate.

In addition, the Advisory Council plans to develop such areas of activity as developing the Far East and Siberia and improving Russia's investment image.

Advisory Council members will further use their expertise to help the Russian Government to implement the tasks of strengthening the national economy.

The next, 32^{nd} meeting of the Advisory Council is scheduled for the third Monday of October 2018.

<u>Press release on Russian Mi-8</u> <u>helicopter crash off Svalbard</u>

Today, Minister of Civil Defence, Emergencies and Disaster Relief Vladimir Puchkov reported to Prime Minister Dmitry Medvedev on search and rescue efforts following the crash of a Mil Mi-8 helicopter with Russian citizens aboard. The crash occurred in the sea off Svalbard (Spitsbergen Island). Mr Puchkov reported on the combined efforts of the ministry and the Norwegian rescue service and the measures taken in cooperation with the service.

Later, Dmitry Medvedev held a telephone conversation with Norway's Prime Minister Erna Solberg at the initiative of the Norwegian side.

Ms Solberg expressed her condolences on the death of Russian citizens in the Mi-8 crash near Svalbard and asked that her words be conveyed to the relatives and friends of the crash victims. Mr Medvedev thanked the Norwegian Government and the authorities of Svalbard for organising the search and rescue operation which included a Russian Emergencies Ministry team.

The heads of government noted the importance of strengthening practical cooperation in the Arctic region and emphasised their mutual interest in the development of Russian-Norwegian relations.

<u>Amended list of products banned from</u> <u>import to Russia</u>

The List of Agricultural Produce, Raw Materials and Food Products banned from import to Russia has been extended to include live pigs and several types of edible livestock byproducts and fats. The imposed restrictions will not affect domestic consumer availability.

Reference

The document was amended by the Russian Ministry of Agriculture.

Government Resolution No. 778 of 7 August 2017 specifies the agricultural produce, raw materials and food products subject to an import ban to Russia through 31 December 2018, originating from the United States, countries of the European Union, Canada, Australia, Norway, Ukraine, Albania, Montenegro, Iceland and Liechtenstein (hereinafter referred to as the List).

The signed resolution extends the List with the following items:

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live pigs (with the exception of purebred breeding animals);

fresh, chilled or frozen edible byproducts of cattle, pigs, sheep, goats, horses, donkeys, mules and hinnies (with the exception of goods used in pharmaceutical production;

fresh, chilled or frozen, salted, marinated, dried or smoked pork fat separated from lean meat, and poultry fat, neither rendered nor extracted by another method;

– pork fat (including lard) and poultry fat;

– cattle, sheep and goat fat';

– lard stearin, lard oil, oleostearin, oleo oil or animal oil, emulsified, mixed or prepared by any other method.

The imposed restrictions will not affect domestic consumer availability.

Amendments to the list of agricultural produce, raw materials and food products originating from the Republic of Turkey, the import of which has been banned since 1 January 2016

Amendments to the list of agricultural produce, raw materials and food products originating from the Republic of Turkey, the import of which has been banned since 1 January 2016, stipulate that the term "fresh or chilled tomatoes" be amended with a footnote saying that the produce imported within the import quota approved by the Agriculture Ministry shall be excluded from the ban.

Reference

The resolution was drafted by the Ministry of Agriculture.

Government Resolution No. 1296 of 30 November 2015 approved the list of agricultural produce, raw materials and food products originating from the Republic of Turkey and subject to an import ban effective 1 January 2016 (hereinafter referred to as the List).

The resolution makes amendments to the List. Under the resolution, the term "fresh or chilled tomatoes" (EAEU Commodity Classification of Foreign Economic Activity 0702 00) has been amended with a footnote saying that the produce imported within the import quota approved by the Agriculture Ministry shall be excluded from the ban.

The resolution enters into effect on 1 November 2017.

The amendment will allow Turkey to export tomatoes in the amounts approved by the Agriculture Ministry under the guarantee of a competent Turkish agency and under the supervision of the Federal Service for Veterinary and Phytosanitary Supervision (Rosselkhoznadzor) starting 1 November 2017.

<u>Cooperation with the European</u> <u>Organisation for Nuclear Research</u> (CERN) on upgrading detectors of the Large Hadron Collider (LHC)

The Ministry of Education and Science has been instructed to draft supplements to the memorandums of understanding on upgrading four detectors of the Large Hadron Collider (LHC) and to make a one-time payment of 2.8983 million Swiss francs to the European Organisation for Nuclear Research (CERN) in 2017. The federal budget for 2017 provides for these allocations. The Russian Government will also earmark 330 million roubles from its reserve fund under the state programme Developing Science and Technology 2013-2020 to Russian organisations for the production, supply and assembly of equipment as Russia's in-kind contribution to the LHC's modernisation. Russian scientists will continue taking part in CERN's international research.

Reference

Submitted by the Ministry of Education and Science.

The upgrading of the detectors of the Large Hadron Collider (LHC) by CERN is envisaged by the protocol on participation in implementing the programme of experiments at the LHC. The protocol is part of the agreement between the Russian Government and CERN on further developing scientific and technical cooperation in high energy physics of 19 December 2003.

In April 2013, the LHC Resources Review Board – the highest body overseeing LHC experiments – made a decision to upgrade four detectors in 2013-2022.

Considering that Russia is a stakeholder in the operation of the detectors, the Resources Review Board prepared for signing supplements on LHC detectors, in which Russia's total contribution to their modernisation was estimated at 6.9593 million Swiss francs.

In accordance with the terms of modernisation work, Russia will pay CERN 2.8983 million Swiss francs. Russian organisations will contribute the rest as in-kind contributions.

The Ministry of Education and Science has been instructed to sign supplements to the memorandums of understanding on cooperation on four LHC detectors (LHCb, CMS, ALICE and ATLAS) and to make a one-time payment of 2.8983 million Swiss francs to CERN in 2017. The relevant allocations are envisaged in the 2017 federal budget.

The Russian Government will also earmark 330 million roubles from its reserve fund: 263 million roubles will be paid to the Kurchatrov Institute National Research Centre and 67 million roubles to the RAS Nuclear Research Institute. The Russian organisations will spend these sums on the production, supply and assembly of equipment and spare parts for the LHC experimental complex as Russia's in-kind contribution to the modernisation of the detectors. These sums have been provided under the state programme Developing Science and Technology 2013-2020.

Russian scientists will continue taking part in international research at the LHC under CERN.

The documents were reviewed and approved by the Government of the Russian Federation at its meeting on 19 October 2017.