



RSPP. KEY FACTS AND FIGURES.



Dear Colleagues,

We live and work in challenging times. Ten years after the global financial crisis economic growth is contained by trade conflicts and geopolitical tensions.

The Russian Union of Industrialists and Entrepreneurs (RSPP), Russia's leading business association, established in 1991, promotes the interests of Russian and foreign businesses, guided by a vision of a globally competitive economy in a prosperous world.

Business across the world generates growth, creates jobs, drives innovation and provides resources for development. The RSPP is deeply committed to building a strong and inclusive national economy in partnership with the Government of the Russian Federation and local and foreign companies operating in Russia. We consistently work to ensure that the voice of business is heard in policy making at the national level, create investment-friendly environment, enhance competitiveness and improve business climate in Russia.

The RSPP's unique advantage as an employers' union is the formal mechanisms for interaction with authorities through the Russian Tripartite Commission on the Regulation of Social and Labour Relations (RTC), as well as regional and territorial tripartite commissions.

Together with our partners across the world we promote rules-based, fair and open international economic order and contribute to innovative growth and sustainable development.

We look forward to our continued cooperation for the benefit of our economies and societies.

A. Shokhin, the RSPP President

Key areas of activity

1 Economic policy and competitiveness

1.1. Digital Economy and Innovation

The Russian Union of Industrialists and Entrepreneurs with relevant agencies participates in the implementation of a new state program, the “Digital Economy of the Russian Federation”.

The positions of Russian business, formulated with the Union’s contribution, are taken into account when adopting regulation on digitisation regulations, for instance, the Law on Digital Financial Assets. The RSPP helps to ensure that Russia’s digital jurisdiction is attractive to investors. The Expert Council of the RSPP’s Coordination Council on Digitisation, with the support of lawyers and relevant experts, provides an analysis of legislative and regulatory activities in the field of digitisation.

The Working Group for the Selection and Evaluation of Investment Projects, under the Russian Government and the RSPP, assesses the digital content necessary for implementation of investment projects submitted by business in the evaluation.

The RSPP cooperates with foreign partners in the field of digitisation. Within the framework of German-Russian Initiative on Digitisation (GRID), the Union organised a business mission in Germany. On May 25, 2018, and within the framework of the Russia-France business dialogue at the St. Petersburg International Economic Forum, the Russian Union of Industrialists and Entrepreneurs signed the ‘Industry of the Future (Industry 4.0)’, a memorandum of cooperation with the Movement of the Enterprises of France (MEDEF). The digitisation experience of foreign companies helps domestic enterprises advancement in this area.

The RSPP participates in developing strategic documents on innovation and advances implementation of innovation projects through development of effective institutional mechanisms, inter alia.



1.2. Industrial policy, Technical Regulation & Standardization

The RSPP is actively involved in the development and implementation of industrial policy at both federal and regional levels. The Union's priorities for industrial policy are:

Further development, improvements in the efficiency and relevance to business of industrial policy mechanisms aimed at encouraging investment, import substitution development, the implementation of modern technology and fostering competitiveness of Russian industry, including subsidies, the Industrial Development Fund, and special investment contracts. Expanded application of the most sought after tools and mechanisms for investment activity support.

The development of a balanced and consistent regional industrial policy, including Regional Industrial Development Funds, the promotion of Russian industrial clusters, support for regional investment projects, growth in the quantity and quality of industrial technology park residents and priority development zones.

Creation of a modern information support system for industrial activity within the Russian Federation, ensuring the availability, transparency and relevance of information on the development of industrial production while maintaining a balance between business and state interests protection.

The Russian Federation legislative framework for standardisation, which focuses on best practices, was adopted following the RSPP initiative. A significant achievement is an increase of business associations' participation in developing technical regulations for the Eurasian Economic Union.

The RSPP seeks to further expand opportunities for industry to participate in technical regulation and associated standards development, regulation of established procedural deadlines to expedite amendments to the documents.

Numerous fake products, complete with counterfeit (or falsified) certificates of conformity and absence of reliable means of disproving their authenticity, have become a frequent and severe problem on the EAEU market today. The RSPP is proactively engaged in improving transparency in this area by developing the much needed regulatory standards.



The RSPP cooperates with international organisations and business associations on matters concerning standardisation and technical regulation in the context of economy digitisation and Industry 4.0.

1.3. Regulatory policy

The control and supervision system began to change radically, new institutions and mechanisms for investment projects support started working, and measures for import substitution and production localisation have been implemented successfully.

The RSPP regards as its utmost priority ensuring transparent procedures for preparation of draft regulations and business community participation in policy-making.

The procedures for assessment of the draft regulations potential impact as well as actual impact of current regulations (Regulatory Impact Assessment) were introduced by and large due to the RSPP initiative.

The RSPP's participation in the Russian Government Commission on Legislative Activity, and in the development and discussion of draft laws within parliamentary procedures enable the Union to exert effective influence on the formation of a business-friendly legal environment.

Building an efficient modern system of state supervision is one of the primary measures needed to reduce the administrative burden on businesses. The RSPP is actively involved in this process through the Government Commission for Administrative Reform, the sub-commission on the improvement of supervisory and licensing functions of federal executive bodies and the governmental working group for finalising the draft Federal Law 'On State Control (Supervision) and Municipal Control in the Russian Federation'. With RSPP expert participation, changes were made to state supervision legislation, such as the application of a risk-based approach to organising state control (supervision), starting from July



1, 2017, a ban on inspections of the USSR and the RSFSR regulatory and legal acts by controlling and supervisory institutions and the use of checklists during reviews, amongst others.

The Russian Union of Industrialists and Entrepreneurs is actively involved in creating fair market competition conditions, working in close cooperation

with Russia's Federal Antimonopoly Service and the Ministry of Economic Development, participating in the development and expertise of strategic documents and legislation changes. The RSPB took part in the preparation of the Presidential Decree 'On the main directions of state policy for the development of competition' and the National Plan for the Development of Competition, which is already being consistently implemented.

The authorities supported the RSPB's proposals regarding improvements to antimonopoly legislation aimed at liberalisation and ensuring greater transparency and predictability of the regulations. This particularly relates to clarifying non-discriminatory access rules, approval of agreements on joint activities, as well as expanding the application and scope of notifications and warnings, which contributed to a significant reduction in the number of antimonopoly cases. The RSPB considers it essential to encourage businesses to implement antimonopoly legislation by promoting the companies' voluntary measures aimed at preventing antimonopoly law violations.

Improving public procurement conditions and mechanisms in which both government and business have an interest is another priority the RSPB considers vital for developing competition and reducing the risk of corruption.

The RSPB specialists make significant contributions to tariff regulation reform. The provisions of the draft Federal Law 'On the Basics of State Regulation of Prices (Tariffs)', which is being prepared by the order of the President of the Russian Federation, should lead to the unification of basic tariff regulation principles and a list of regulated prices (tariffs) and activities.

The RSPB consistently promotes business engagement with the Supreme Court of the Russian Federation to ensure that the rights and interests of the parties to the arbitral, civil, administrative and criminal judicial proceedings are duly protected. The RSPB also cooperates with the Supreme Court to prepare formal interpretations of legal provisions and proposals on improving the judicial system and economic disputes resolution practices.



1.4. Tax policy

The RSPB priorities in the area of tax policy include:
Ensuring a stable level of fiscal burden. The RSPB seeks to prevent

decisions to increase the tax burden or to introduce new mandatory non-tax payments. Responding to proposals from the business community, the President of the Russian Federation has instructed that the level of taxation should remain unchanged until 2024; this ensures predictability of the conditions for companies' projects implementation.

Improved efficiency of the tax benefit system, especially for investment-active companies. The RSPP advocacy resulted in inclusion of benefits in the Russian Federation's Tax Code for companies that execute special investment contracts and other types of projects. Proposals are being prepared to increase the transparency and availability of tax benefits demanded by businesses and to develop appropriate instruments, such as investment protection and promotion agreements. The RSPP is involved in refining the mechanisms of deoffshorization in Russia implemented in line with the OECD recommendations.

Developing a single methodology for fiscal burden assessment. The RSPP has developed a method of fiscal burden evaluation to be used by both business and the Government, which has been recommended to the authorities for practical use.

Enhancing the quality of tax law enforcement. Cooperation between Russia's Federal Tax Service and business has significantly improved the quality of tax administration in recent years. To minimize the number of disputes between tax authorities and taxpayers, the RSPP prepares proposals to ensure the unambiguous interpretation of tax legislation and acts of financial and tax authorities, as well as to reduce the scope for government institutions to act at their discretion and rule out a deterioration in enforcement of laws related to past tax periods.

1.5. Investments

The RSPP is deeply involved in development of strategic documents and monitoring of their implementation, including national projects (programmes), roadmaps on business climate improvement, sectoral strategies and other documents vital for business interests. The RSPP members make a significant contribution to attaining the national development goals in investment and infrastructure, inter alia.

To increase the share of capital investment to 25% of the GDP several areas of investment activity are prioritized:

Development of transparent mechanisms to stimulate investment activities. The RSPP is involved in the improvement of legislation governing the implementation of investment projects and the provision of support measures, including guarantees for investors.

Long-term stability and predictability of the business climate. One tool at our disposal is the expansion of the stabilisation clause, not just within the framework of special contracts, but also to a broader range of projects under investment protection and promotion agreements.

Use of digital technology for interaction between companies, development institutions and authorities. In particular, drawing on companies experience to prepare business proposals for a transition to electronic formats of applications, reporting and other documents.

The elimination of barriers to investment projects implementation.

The Russian Union of Industrialists and Entrepreneurs is involved in implementing key roadmaps, including the initiative 'Transformation of the Business Climate', aimed at removing bottlenecks for projects and improving the attractiveness of Russian jurisdiction.

Creating favourable conditions for mobilizing private investments in state-initiated projects on terms comparable to market conditions, using standard instruments (concessions, PPP projects) as well as new mechanisms.

2 Economic sectors

2.1. Agriculture

The agro-industrial sector has shown dynamic breakthroughs over the past five years. Agricultural production volume has grown by more than 20 %. Agricultural exports exceeded \$20 billion, and Russia has become the world largest wheat supplier. The agricultural exports priority destinations are China, India, Southeast Asia, Africa, and the Persian Gulf.

Domestic agricultural producers almost entirely meet the country's demand for the main food commodity groups and are actively entering foreign markets.

The RSPP members consistently prepare proposals on improving further the conditions for development of entrepreneurship to ensure food security for the Russian Federation and to improve the industry's attractiveness to investors, to foster innovative development within the agro-industrial sector and to increase agricultural production and exports. The Union is engaged in promoting domestic technologies in the fields of breeding, genetics, and biotechnology for the production of high quality, environmentally friendly and safe products, as well as stimulating small and medium-sized enterprises.

The agribusiness, united under the auspices of the RSPP, regards as a

priority moving over to the next qualitatively new stage of development in agriculture, where exports will drive the modernisation of Russia's agricultural sector.

The fishery industry has also shown steady growth and is successfully coping with the task of saturating the domestic market with home grown fish products. It has a high export potential and occupies a stable position on international markets. The Russian fishing industry works on the principles of conservation and husbandry of aquatic biological resources and pays great attention to the protection, scientific support and natural population maintenance while keeping biodiversity at a stable level.

The RSPP does an excellent job protecting the fishery industry's interests in ensuring access to aquatic bio-resources, securing fishing rights on responsible fishing terms and combating illegal, unreported and unregulated fishing.

2.2. Finance sector

The RSPP pays special attention to improving the Russian financial and banking system to strengthen its role in accelerating Russia's economic growth rate. The RSPP Commissions for Banks and Banking, Financial Markets, Insurance and Audit are actively involved in the examination and development of proposals for draft laws and regulations governing the financial sector, including the Bank of Russia's monetary policy and draft strategies for developing the Russian financial system for specific periods.



The main areas of the RSPP activity in creating favourable conditions for financial market development include: building an environment of trust, developing competition on the financial market, supporting financial stability and ensuring the availability of financial services to people and business, as well as generating long-term money, and the efficient allocation of financial resources and risks.

2.3. Machine building

The RSPP's machine building sector members include large automotive, transport, energy, oil and gas engineering, machine tool building, and defence



industry engineering enterprises.

In recent years, the railway, power engineering and automotive industries have shown significant breakthroughs. This is the result of deep production modernization, the implementation of modern technology and new quality and safety standards. The integration of production and supplies with the development and localisation

of after-sales services for manufactured equipment allows Russian companies to gain competitive advantages in a number of parameters on the global market over companies from Europe, the USA and China.

The primary vector for the RSPP's activity in the sphere of industrial engineering is aimed at developing concrete proposals to legislative and executive authorities which would create conditions for growth, improve industry efficiency and competitiveness. The RSPP considers the creation of model lines of research-intensive import-substituting components, intended for a wide range of machine equipment, as well as the establishment of new processing centres, as essential development tasks for the entire machine-building complex.

The RSPP member companies participate in preparing strategies for development of engineering sectors, such as the Development of the Automotive Industry within the Russian Federation for the period until 2025. The document defines the industry development vector for the medium term, and we can already observe concrete results and achievements.

2.4. Basic sectors

The RSPP unites all of Russia's leading iron and steel companies that collectively provide more than 900,000 jobs. These companies also account for 10% of total Russian exports or about 30% of manufacturing industry exports. Today Russia ranks 5th in the world in terms of steel production and 2nd in the production of steel pipes, aluminium, nickel and titanium.

The metallurgy companies have recently carried out an in-depth modernisation of production facilities which currently comply with the best available technologies. Particular attention is paid to improving energy efficiency, reducing production losses and lowering emissions, this has significantly reduced environmental impact.

The implementation of digital technologies in production has become a new

focus for enterprises. This will not only improve performance, but also product quality and value as companies will have better control over all production parameters. The RSPP member companies are actively involved in the dialogue on the metallurgical industry development on the international platforms: the World Steel Association, the OECD, the Global Forum on Steel Excess Capacity, other regional unions and associations.

The RSPP's priorities in the energy sector include enhancement of the fuel and energy complex energy efficiency, active involvement in the development of state regulatory measures for the industry as well as in the global energy policy. The RSPP played a part in developing the new tax regime for the oil industry, based on taxing extra revenue from extracting hydrocarbon resources.

The RSPP member companies make a significant contribution to the project on modernization of generating facilities, amounting to about 40 GW of installed capacity, which would be guaranteed a long-term market and price predictability.

The RSPP considers it important that parties to the agreement to reduce oil production should establish a new Alliance in 2019.

The RSPP participated in preparing the Strategy of the Chemical and Petrochemical Complex Development for the period until 2030, proposals on expanding the application of clusters and technoparks for development of SME in chemical industry, as well as recommendations on high - tech productions.

The RSPP regards as one of its priorities the mineral industry development for enhancing safety and efficiency of agriculture and reproduction of soil fertility. The RSPP consistently pursues development of the mining industry, including improvement of regulation, elimination of barriers to development and implementation of the best available technologies.

2.5. Healthcare and pharmaceutical industries

The Russian Union of Industrialists and Entrepreneurs pays great attention to healthcare issues and development of the pharmaceutical and medical sectors.

The RSPP serves as a platform for experts and professionals in developing a consolidated position for the medical community on top industry issues, such as protecting the health of the working population, preventing and mitigating occupational diseases, conducting clinical examinations and increasing the competitiveness of medicine and medical device production. The RSPP actively engages with relevant ministries and agencies in all these areas.

The RSPP made significant contribution to developing the strategies in the Healthcare, Pharmaceutical and Medical Industries as well as various other

relevant regulatory documents.

The Union has done a lot to improve the circulation system for medicines and medical devices, which has contributed to replacing imports of medical products. Recommendations regarding the conclusion of several special investment contracts facilitated the development, production and delivery to Russian and foreign markets of innovative medicines for diabetes treatment, blood products and drugs treating oncological diseases, based on cutting-edge technology owned by domestic and international companies.

The RSPP was one of the initiators behind establishing the All-Russian Public Movement for Occupational Health Preservation, 'Health 360°'. The list of approved Domestic Medical Devices is updated annually by the RSPP experts and published on the Russian Ministry of Industry and Trade's website.

2.6. Services

In the sphere of services the RSPP prioritizes improvement of trade regulation, congressional and conference activities and their management technologies, commercial advertising law application, regulation of remote access to software and data sets as well other relevant issues.

2.7. Construction & Infrastructure

The RSPP participates in developing strategic documents, roadmaps and normative acts regulating urban planning, territorial development, technological connection to engineering facilities, housing construction. Improvement of institutions of self-regulation in construction is one of the focal areas of attention. The RSPP promotes innovation technologies, pursues improvement of business environment, removal of economic barriers and excessive regulatory constraints for mobilizing private investment into infrastructure projects and transport infrastructure development.

The RSPP members debate most acute issues and develop proposals on housing and utilities management, including tariff regulation, mechanisms of public-private partnerships and concessional agreements, use of best available technologies and innovative solutions.

2.8. Textile & Forestry

The RSPP contributes to elaboration of strategic documents on textile and light industries development. A new area of cooperation is introduction of

a marking system providing means of identification for certain groups of goods. Digitalization of the industry is one of the RSPP members' priorities. In the forestry complex the RSPP promotes application of modern technologies, transition to the model of intensive use and reproduction of forests, enhancing effectiveness of regulation.

3 Social Policy and Corporate Responsibility

3.1. Ecology, Climate & Industrial Safety

The RSPP closely cooperates with state authorities to improve industrial ecology regulations in areas such as transition to 'best available' technologies; management of industrial and consumer waste; controls of hazardous emissions and the automation of negative environmental impact controls.

During Russia's preparation for ratification of the Paris Climate Agreement under the UN Framework Convention on Climate Change, the RSPP has been involved in developing a domestic regulatory and legal framework that defines national regulatory mechanisms governing greenhouse gas emissions. The key task is to find the optimal balance between fulfilling the country's obligations under international climate change prevention agreements and the interests of socio-economic development.

The Union member companies contribute to implementation of the national 'Ecology' project. RSPP representatives participate in the Russian Federation's State Council working group on 'Ecology and Natural Resources'; its main focus is to improve the framework of environmental regulations.

The RSPP has designed a set of tools for voluntary non-financial reporting. The Union's website provides open access to the National Register database of companies' Non-financial Reports conforming to international standards. The environmental indicators, along with economic and social aspects, constitute the main elements of non-financial reporting. In the framework of its annual All-Russian competition 'Leaders of Russian Business: Dynamics and Responsibility' the RSPP awards leaders nominated



for 'Environmental Responsibility'.

The RSPP advocates that state regulation on greenhouse gas emissions should focus on energy efficiency, the modernisation of production facilities and improving methods for evaluating greenhouse gas absorption by forests within the Russian Federation.

The RSPP participates in improving the legal framework regulating industrial safety, including hazardous facilities' operations.

3.2. Labour Market, Skills & Social partnership

The RSPP proceeds from the fact that one of socio-economic policy priorities is to provide conditions for an efficient employment structure based on modern, productive, well-paid jobs, conducive to labour productivity improvements.

PSPP has initiated and actively participated in the activities linked to the National Qualification System development, including work on professional standards elaboration, establishment of professional qualification councils on the basis of employers organizations and business associations and introduction of an independent assessment of qualifications system. Since 2014 the President of RSPP is leading the National Council under the President of the Russian Federation on Professional Qualifications. This work is carried out in close coordination with the RSPP Committee on vocational training and professional qualifications and the National Agency of Qualification Development.

Goals of enhancing labour productivity and production efficiency, streamlining employment structure and the associated employees' numbers optimisation determine the need for more flexible personnel management regulations.

The RSPP consistently works on modernization and strengthening of labour relations mechanisms in the Russian Federation. It develops new mechanisms that enable employers to respond flexibly to changing market



conditions, create sustainable workforces with optimal economic costs and respect for employers' key obligations, including workers' occupational safety. The RSPP is actively involved in modernising Russia's labour laws to move away from excessive labour relations regulation with strict legal requirements while strengthening the role and status of labour

contracts and responsibility for their execution. The RSPP Committee on Labour market and social partnership is supervising this work. It is important for the RSPP to create a compulsory social insurance system, including compulsory insurance in case of temporary disability, compulsory medical and pension insurance.

Productivity improvement is one of the Russian Union of Industrialists and Entrepreneurs' key working areas, including participation in implementing of the national 'Labour Productivity and Employment Support' project. The RSPP is paying particular attention to areas such as:

eliminating administrative barriers for companies implementing projects to improve labour productivity, this includes creation of conditions for a transition to best global regulatory practices using modern technology.

Creating effective incentives for companies implementing labour productivity improvement projects. The Industry Development Fund launched a program to support these projects. Many companies consider the Fund to be one of the most effective development tools. Proposals on introducing tax incentives are in the pipeline.

Promoting the application of digital technology. Transition to electronic engagement in many HR management areas is underway.

Improving efficiency in employment services: improving the quality of services and providing more effective educational services for freed-up workers are top priorities.

Since 1992 the RSPP represents employers' interests in regulating social-labour relations at the national, regional and industrial levels. The RSPP, along with its Committee on labour market and social partnership participates in the formation and development of institutional foundations for social labour partnerships in Russia. Annually the RSPP experts draft around 100 conclusions on federal laws and other regulations.

The RSPP represents employers' associations in the leading national social partnership body - Russian Tripartite Commission on the Regulation of Socio-Labour Relations (RTC). The RSPP President A. Shokhin is the RTC coordinator on behalf of the employers' associations.

The RSPP promotes business participation in the signing of branch and regional agreements on socio-labour issues. The RSPP maintains the National Register of current agreements, amounting to more than 130.

At the international level the Russian Union of Industrialists and Entrepreneurs works closely with the International Labour Organization (ILO) and the International Organization of Employers (IOE). The RSPP is a member of the ILO's Governing Body and a member of the IOE's Management Board. Since 2018 the RSPP is leading the IOE's policy working group on Sustainable Development

Goals. Significant examples of this cooperation are implementation of the ILO's 'Future of Work' initiative under the Programme of Cooperation between the Russian Federation and the ILO for the period 2017-2020 including projects on youth employment and education.

3.3. Corporate social responsibility and sustainable development



The Russian Union of Industrialists and Entrepreneurs (RSPP) priorities include promoting the Agenda for Sustainable Development, the principles of corporate social responsibility in business practice while maintaining a proper balance of interests between society, government and business.

The RSPP has developed a set of tools that allows for the wider practical application of responsible business principles, the implementation of advanced standards in business culture, informing stakeholders about company activity outcomes, improving business transparency and accountability. This can also ensure an exchange of experience based on proven corporate practice. The RSPP's tools consist mainly of methodological recommendations, analytical surveys and reviews, a developing corporate reporting process and assessment tools (public assurance procedure, sustainable development indices, awards), the establishment of national registers of non-financial reporting, social partnership agreements, the collection and dissemination of the best corporate practices, etc. Since 2014 the RSPP has been compiling corporate sustainability, responsibility and transparency indices based on public information produced by 100 Russian largest companies. The RSPP's sustainability indices have been added to the global reporting resources database <https://www.reportingexchange.com/>.

In 2003 the RSPP founded the UN Global Compact in Russia and today actively continues to support the UN GC Network within the country. Additionally, the RSPP is a Global Reporting Initiative Data Partner and the head of the IOE Sustainable Development Policy Working Group.

The Committee on Corporate Social Responsibility and Demographic Policies and the Council of the Non-financial Reporting are the RSPP working bodies that unite the companies, NPO and experts interested in promoting the CSR principles in business practice and support the RSPP initiatives in this area.

3.4. Corporate Governance & Anticorruption Policy

The RSPP is actively engaged in developing legislation and promoting best practices in corporate governance. Acting on behalf of the business community, the RSPP experts participated in drafting the key laws, for example, large-scale changes to the Civil Code, as well as other legal acts, in particular, the Corporate Governance Code.

The RSPP carries out its work on improving corporate legislation within the framework of two leading platforms: the 'Business Climate Transformation' project and a special working group under the Russian Federal Government.

To promote best corporate governance practice, the RSPP acts as a co-organizer of key public annual events in the corporate governance field, such as the All-Russian Forum on Corporate Governance and the National 'Director of the Year' Award.

The RSPP established the National Register of Independent Directors, a single community of professionals working as members of Boards of Directors. The National Register serves as a mechanism for Russian and foreign organisations, as well as government agencies, to mitigate the risks associated with employing independent directors on company Boards of Directors. More than 1,300 National Register members took part in nominations to boards of directors including major Russian companies.

The RSPP priority is the introduction of high standards of business practice and compliance with mandatory requirements for corruption prevention in economic activity.

To achieve this goal, the RSPP has developed the Anti-Corruption Charter for Russian Business, which was signed in 2012 by the heads of leading business associations at the 11th Investment Forum in Sochi with the participation of Russia's Prime Minister Dmitry Medvedev.

The purpose of the Charter is to promote the voluntary implementation of special anti-corruption programs by companies, which include measures of internal control procedures, open-bid procurement, financial control and personnel training and others.

The RSPP maintains the Register of organisations participating in the Charter and issues the Certificate of incorporation in the Register,



which is posted on the Charter's official website (<http://against-corruption.ru>). Monitoring and assessment of the effectiveness of the companies' anti-corruption measures are carried out by Expert Centres for public acknowledgement of the Charter provisions implementation, which receive special accreditation and possess the required experience and human resources. At companies' requests they are able not only to assess current anti-corruption measures but also to develop additional recommendations and documents guided by the best Russian and international practices in implementing corporate anti-corruption programs.

This Russian business initiative has found government support. The objectives of the Charter implementation are reflected in the National Anti-Corruption Plans, endorsed by the Executive Order of Russia's President. Participation in the Charter and consistent pursuit of its provisions contribute to implementation of the Federal Law, 'On Countering Corruption, and become a serious reputational advantage for companies, including their foreign economic relations.

4 Alternative Dispute Resolution

An alternative dispute resolution system operating under the auspices of the RSPP; includes the Joint Mediation Service, the Arbitration Centre and the Joint Commission on Corporate Ethics.

The Arbitration Centre accepts claims for any domestic or international dispute that maybe subject to arbitration, including corporate disputes and those involving natural persons. The Arbitration Centre was the first institution in Russia to be granted the right to carry out arbitration administering activities (Russian Federal Government Resolution No. 798-p, April 27, 2017).

The Arbitration Centre has a vast practical experience in resolving disputes, as it is the successor of the Arbitral Tribunal under the RSPP (established in 2006), the Arbitration Board under the PJSC "Moskovskaya Birzha" (established in 1994) and the Arbitral Tribunal of the National Association of Securities Market Participants (NAUFOR) (established in 1997).

For the convenience of parties to the proceedings the Arbitration Centre opened branch offices in many Russian regions.

In order to resolve disputes that require special professional knowledge in narrow fields of law, dedicated panels of arbitrators were created to hear disputes between actors in various sectors of the economy.

The Joint Mediation Service provides conciliation procedures between

parties in dispute with the participation of an independent mediator. The mediator's task is to examine the positions of the conflicting parties, to determine the terms of compromise, and to promote the conclusion of a settlement agreement.

The Joint Commission on Corporate Ethics examines actions of parties to corporate and other economic disputes from the ethical point of view and provides recommendations on addressing corporate ethics violations. In case of non-compliance with the recommendations, the Commission may apply measures of public influence to companies and individuals found guilty of violating corporate ethics, which may include being listed as unreliable corporate partners.

5 Regional policy

The Russian Union of Industrialists and Entrepreneurs has branches and representative offices in all 85 administrative regions of the Russian Federation. To pool the efforts of the business community on improving business climate across the regions, Coordinating Councils were established in the federal districts.



The RSPП's first inter-territorial working body was the Coordinating Council for Development of the Northern Territories and the Arctic, set up in 2014. The Federal RSPП Council develops proposals and recommendations on the key areas of activities, drawing on the RSPП best practices in regional branches and coordinating councils.

In 2018 the RSPП established the 'Mono-town' Development Working Group to prepare proposals and forge a consolidated position on the development of municipalities socially and economically dependent on a single-industry or company.

The RSPП has signed agreements on various areas of cooperation with 12 of Russian regional authorities. To improve the investment climate in the regions, the RSPП supports local authorities and the business community in attracting foreign and domestic investors in priority regional projects. The RSPП serves as a platform to present the investment and economic potential of Russia's regions. Since 2014 the RSPП regional branches participate in compiling the National Ranking of Investment Climate in Russia's Federal regions.

6 International cooperation and integration

The RSPP's international cooperation has three main objectives: promoting the integration of Russian business into global and regional value chains and supporting exports; coordinating cooperation of Russian and foreign market players aimed at improving conditions for 'doing business' in Russia; representing and promoting Russian business positions on multilateral international platforms and facilitating international best practices implementation in Russia.

The RSPP's key partners in addressing these tasks are foreign business associations and leading foreign companies, many of which joined the Union, and play active roles in RSPP events and working structures.



6.1 Bilateral cooperation

The RSPP consistently strengthens cooperation with business associations in European partner countries: such as the Association of European Business, the Confederation of European Business (BUSINESSEUROPE), the Federation of German Industries (BDI), the German Eastern Business Association, the German-Russian Chamber of Commerce, the Movement of the Enterprises of France (MEDEF), the General Confederation of Italian Industry (Confindustria), the SEV Hellenic Federation of Enterprises, the Confederation of Finnish Industries (EK) and the Confederation of Netherlands Industry and Employers (VNO-NCW).

Collaboration with the US-Russia Business Council (USRBC) and the American Chamber of Commerce in Russia (AmCham) is aimed at developing Russian-American economic cooperation. Engagement with the Russo-British Chamber of Commerce (RBCC) remains an important factor in preserving economic relations between Russia and the UK.

Cooperation with the Japan Business Federation (Keidanren), the China Council for the Promotion of International Trade (CCPIT), the Confederation of Indian Industry (CII), and the Federation of Korean Industries (FKI) rests on a solid foundation of many years of engagement, helps to develop partnerships in new areas, facilitates attraction of foreign investment into the Russian economy and promotes the interests of Russian companies in the Asia-Pacific Region.

The RSPP develops partnerships with business associations in South America – the Argentine Industrial Union (UIA), and the Employers Confederation of the Mexican Republic (COPARMEX).

6.2 Multilateral cooperation

The Russian Union of Industrialists and Entrepreneurs' priority is to counter unlawful restrictive unilateral measures and ensure fair and competitive trading and investment conditions for Russian business through the WTO tools, the Business 20 mechanisms (B20) and the Business and Industry Advisory Committee to the OECD (BIAC).

The RSPP represents employers of the Russian Federation in the International Labour Organization (ILO) and the International Organisation of Employers (IOE).

Foreign companies, business associations and chambers of commerce participate in the work of the International Council for Cooperation and Investment (ICIS), a consulting body established in 2008 as a platform for dialogue between foreign businesses and Russian authorities. The Council has become an effective mechanism for developing mutually beneficial and constructive decisions that reflect the interests of both business and government.

6.3 The Eurasian Economic Union

The Russian Union of Industrialists and Entrepreneurs, and its leading working bodies, actively participated in integration processes across the CIS countries, in preparation and conciliation of the Treaty on Eurasian Economic Union signed in 2014.

One of the important mechanisms driving Eurasian integration is the engagement of business communities within the EAEU member states. The Business Council of the Eurasian Economic Union –a coordinating and advisory body of the EAEU businesses was created in 2015 on the basis of the Belarusian-Kazakh-Russian business dialogue, established in 2010 by the three countries' leading business associations to develop joint positions on topical issues of cooperation and to establish



a single Customs Union. The Business Council Presidium includes the heads of coordinating business associations from Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia. In 2017 the Union of Industrialists and Entrepreneurs of Moldova was granted an observer status on the Business Council.

The Business Council closely cooperates with the Eurasian Economic Commission. Business representatives participate on a permanent basis in almost all Advisory Committees under the EEC Board. The Advisory Council for engagement between the EEC and the EAEU Business Council is headed by the Chairman of the Eurasian Economic Commission Board. The Commission's Advisory bodies are mostly comprised of businesses: The Working Party on the key integration areas under the Advisory Council, and the Business Dialogue with the EAEU member state business communities. Joint thematic events, surveys and analytical studies support the integration processes.

The RSPP has established an Integration Council on Cooperation with the EEC, which consists of representatives of the RSPP leading committees and commissions. The Council reviews and develops Russian business positions on integration issues, which can then be submitted to the EAEU Business Council Board meetings, the Advisory Council and the Business Council.

The experience of direct engagement between business communities of the five states and the Eurasian Economic Commission in developing the EAEU Customs Code confirms the effectiveness and potential of such cooperation. More than 70% of proposals received from businesses were reflected in the document's text.

In 2018 the Russian Federation chaired the Eurasian Economic Union bodies. The RSPP chaired the EAEU Business Council Board. The Business Council focused on issues and problems of technical regulation; sectoral cooperation within the framework of the Agreement between the EAEU and China; marking goods by means of their identification; assisting EAEU member states producers in expanding exports to foreign markets; removing barriers within the EAEU single food market; cargo transit through the EAEU territory; gradual convergence of various specialist professional qualifications; the formation of a single EAEU payment area and expansion of transactions in Union member states national currencies.

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