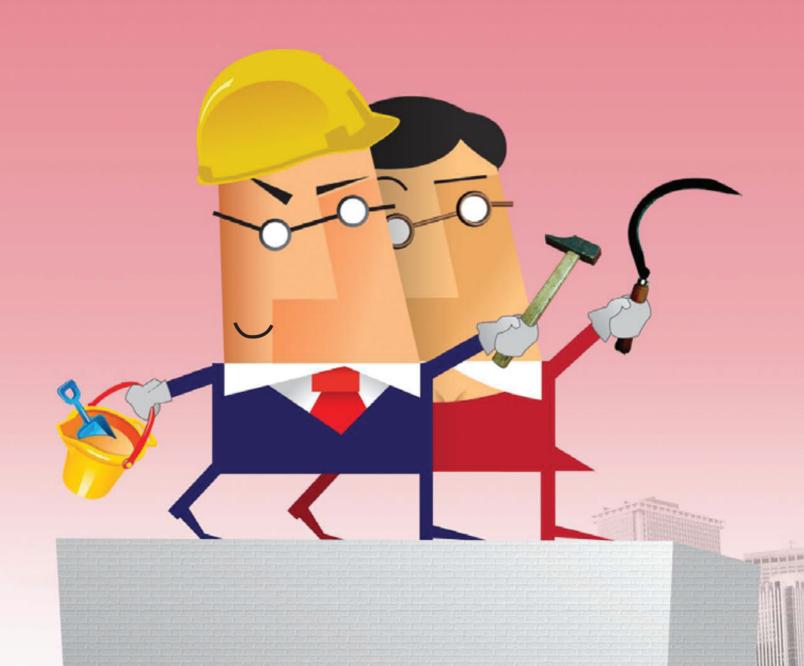


OVERVIEW OF THE MAIN LEGISLATIVE AMENDMENTS

SEPTEMBER THROUGH DECEMBER 2015



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1. EMPLOYMENT LEGISLATION

1.1. DOCUMENTS ADOPTED

THE BAN ON 'AGENCY LABOUR' HAS COME INTO EFFECT

According to Federal Law No. 116-FZ dated 5 May 2014 «On amending certain items of Russian legislation», so-called 'agency labour' is banned starting from 1 January 2016. In connection with the above ban becoming effective, it has been virtually outlawed to use all the tools for providing personnel which used to be common, except for a very limited number of cases.

The secondment of staff (personnel) to third parties will be possible only as expressly prescribed by the law, i.e. only private staff agencies and separate legal entities, for example, affiliates, will be allowed to supply employees. Russian Law No. 1032-1 dated 19 April 1991 «On Employment in the Russian

Federation» specifies the categories of such persons; detailed information concerning these categories will also be provided in a federal law which will be adopted separately.

The risk is quite high that employment relations will be recognised as relations with seconded personnel. Even now, sanctions are applied to employers who avoid formalising or inappropriately formalise an employment contract or who enter into civil contracts which actually regulate an employment relationship. If foreign employees are involved, the consequences for an employer may be even more severe.

These amendments took effect on 1 January 2016.

THE RULES FOR ACCREDITING PRIVATE EMPLOYMENT AGENCIES

In its Resolution No. 1165 dated 29 October 2015, the Russian Government adopted the rules for accrediting private employment agencies («PEAs») to provide staff (personnel).

According to the amendments made to the Russian Labour Code by Federal Law No. 116-FZ dated 5 May 2014, employment agencies may provide personnel (in cases permitted by law) only after they obtain the corresponding accreditation.

The rules for accrediting PEAs make provision for accreditation procedures, and how the accreditation is renewed, suspended and resumed, as well as withdrawn. The accreditation for the PEAs is issued by Rostrud (the Federal Labour and Employment Service). The same institution keeps a register of accredited PEAs.

Rostrud may not arbitrarily refuse to accredit a PEA, except where a PEA does not meet the accreditation requirements, or if the documents submitted to the accreditation authority contain inaccurate information.

The rules for accrediting PEAs also set out a special form to apply to obtain (or renew) an

accreditation, as well as a form of a notice which the accreditation authority sends to a PEA concerning the decision made after it has considered the application.

The documents took effect on 1 January 2016.

APPROVAL HAS BEEN GIVEN FOR THE LIST OF WORK FOR WHICH PRIVATE EMPLOYMENT AGENCIES MAY NOT PROVIDE STAFF

According to article 18.1 of Russian Law "On Employment in the Russian Federation", secondment of personnel is not allowed for performing activities at hazardous facilities which fall within classes I and II. A list of such activities is approved based on the procedure set by the Russian Government (Resolution of the Russian Government No. 340 dated 10 April 2015). The classes of hazardous facilities, on their part, are established by Federal Law No. 116-FZ dated 21 July 1997 "On industrial safety at hazardous facilities".

In pursuance of the resolution of the Russian Government, the following were issued: Order No. 858n of the Russian Ministry of Labour and Social Protection ("Russian Labour Ministry"); and Order No. 455 of

Rostechnadzor (the Federal Environmental, Industrial and Nuclear Supervision Service) dated 11 November 2015. These orders approve the list of activities for which staff may not be provided.

In particular, such activities include the following:

- work performed at facilities where flammable, toxic and explosive substances are utilised, processed and stored;
- work (as per the list) performed at facilities where chemical weapons are kept;
- work (as per the list) performed at hazardous facilities where drilling is performed and oil and gas are extracted.

A LAW HAS ESTABLISHED THE PROCEDURE FOR PAYING FOR IDLE TIME

In accordance with article 142(2) of the Russian Labour Code, if the payment of salary is delayed for more than 15 days, an employee may, upon written notice to the employer, suspend work until the amounts due have been paid. However, article 142 of the Labour Code does not stipulate how the period should be paid for which the work is suspended.

The existing legal uncertainty was filled in by explanations of the state authorities (for example, Letter No. 14-2-337 of the Russian Labour Ministry dated 25 December 2013), and by court practice. Both the state authorities and the court came to the same conclusion: an employee has the right to retain the average salary during the whole period in which the

salary was delayed, including idle time. This position was highlighted by the Supreme Court (Ruling No. 19-V10-10 of the Russian Supreme Court dated 3 September 2010). Now, this position has been enshrined in legislation. Article 42 of the Labour Code has

been updated with a new part 4 introduced by Federal Law No. 434-FZ dated 30 December 2015. Under the new provision, an employee retains the average salary during the idle time.

The amendments took effect on 10 January 2016.

THE FINES HAVE SIGNIFICANTLY INCREASED FOR NOT DELIVERING STATISTICS REPORTS

Federal Law No. 442-FZ dated 30 December 2015 has amended article 13.19 of the Russian Code of Administrative Offences.

As is known, all legal entities must submit statistics reports, including reports concerning the economic activity of citizens, and payment to and working conditions of the employees. The forms for such reports are approved by orders No. 580 and No. 357 of the Russian Federal State Statistics Service dated 24 September 2014 and 3 August 2015 respectively.

Previously, officers would face liability in the form of a fine of RUB 3,000 to RUB 5,000 for not submitting statistics or not timely submitting them, or for submitting inaccurate primary statistics. Now, the same violation will result in a fine for officers of RUB 10,000 to RUB 20,000, and RUB 20,000 to RUB 70,000 for legal entities.

The same violation will result in a fine for officers of RUB 30,000 to RUB 50,000, and RUB 100,000 to RUB 150,000 for legal entities.

The document came into force on 30 December 2015.

REQUIREMENTS HAVE BEEN SET FOR EQUIPPING SMOKING AREAS

On 14 October 2015, the following order entered into force: order No. 756/pr of the Russian Ministry of Construction, Housing and Utilities and order No. 786n of the Russian Ministry of Healthcare dated 28 November 2014 "On requirements for allocating and equipping designated outdoor areas for smoking and for allocating and equipping isolated premises for smoking". Now, smoking areas must be equipped in line with that order.

For instance, smoking areas must be equipped with a special sign, an ash-tray and properly lit.

Indoor smoking areas must also be equipped with doors, combined extract and input ventilation and fire extinguishers.

Violating the requirements for equipping smoking areas may result in employers being held administratively liable as envisaged by article 6.25(2) of the Russian Code of Administrative Offences. This takes the form of a fine imposed on the head of a legal entity of up to RUB 30,000, and of up to RUB 80,000 imposed on a legal entity.

THE NEW MOSCOW TRIPARTITE AGREEMENT HAS COME INTO EFFECT

On 15 December 2015, the Government of Moscow, the Moscow Federation of Trade Unions and the Moscow Confederation of Industrials and Entrepreneurs entered into the Moscow Tripartite Agreement for the years 2016-2018. The Agreement will be in effect from 2016 to 2018. Generally, the content of the new Agreement is similar to the previous one.

According to clause 9 of Law No. 4 of the City of Moscow dated 11 November 2009 "On social partnership in the City of Moscow",

the Moscow Tripartite Agreement covers all entities in Moscow which failed to submit to the Moscow Tripartite Commission a well-grounded written application stating their dissent with the whole agreement or with specific provisions of it, within 30 calendar days after the text of the agreement was officially published. The text of the agreement was officially published on 22 December 2015 in 13 Tverskaya (Issue 153), the official newspaper of the Moscow Government.

The agreement took effect on 1 January 2016.

JOINING THE FEDERAL INDUSTRY AGREEMENT FOR THE TEXTILE, CONSUMER GOODS AND PORCELAIN AND EARTHENWARE INDUSTRIES IN RUSSIA FOR THE YEARS 2015-2017

At federal level, an industry agreement has been adopted which sets out additional obligations. These obligations automatically extend to textile, consumer goods and porcelain and earthenware companies in Russia. On 5 November 2015, Rossiyskaya Gazeta published a letter of the Russian Ministry of Labour and Social Protection about joining the Federal Industry Agreement.

That industry agreement sets out additional obligations for textile, consumer goods and porcelain and earthenware companies, if such companies did not submit to the Labour Ministry a well-grounded refusal to join the industry agreement before 4 December 2015.

JOINING THE FEDERAL INDUSTRY AGREEMENT FOR COMPANIES IN THE CHEMICAL, PETROCHEMICAL, BIOTECHNOLOGICAL AND CHEMICAL AND PHARMACEUTICAL INDUSTRIES FOR THE YEARS 2016-2018

At federal level, an industry agreement has been adopted which sets out additional obligations. These obligations automatically extend to companies in the chemical, petrochemical, biotechnological and chemical and pharmaceutical industries in Russia. On 22 October 2015, Rossiyskaya Gazeta published a letter of the Russian Ministry of Labour and Social Protection about joining the Federal Industry Agreement.

That industry agreement sets out additional obligations for companies in the chemical, petrochemical, biotechnological and chemical and pharmaceutical industries, if such companies did not submit to the Labour Ministry a well-grounded refusal to join the industry agreement before 20 November 2015.

JOINING THE FEDERAL TARIFF AGREEMENT IN THE LIFT INDUSTRY AND VERTICAL TRANSPORT FOR THE YEARS 2016-2018

At federal level, an industry agreement has been adopted which sets out additional obligations. These obligations automatically extend to companies in the lift industry and vertical transport in Russia. On 9 December 2015, Rossiyskaya Gazeta published a letter of the Russian Ministry of Labour and Social Protection about joining the Federal Tariff Agreement in the lift industry and vertical transport for the years 2016 - 2018.

That industry agreement sets out additional obligations for companies in the lift industry and vertical transport, if such companies did not submit to the Labour Ministry a well-grounded refusal to join the industry agreement before 7 January 2016.

JOINING THE FEDERAL INDUSTRY AGREEMENTS FOR COMPANIES IN THE TIMBER INDUSTRY FOR THE YEARS 2015-2017

At federal level, an industry agreement has been adopted which sets out additional obligations. These obligations automatically extend to companies in the timber industry. On 9 September 2015, Rossiyskaya Gazeta published letters of the Ministry of Labour about joining the Federal Industry Agreement for Russian Companies in the Timber Industry for 2015-2017 and about joining the Federal Industry Agreement for the Russian Timber Industry for 2015-2017.

That industry agreement sets out additional obligations for companies in the timber industry, if such companies did not submit to the Labour

Ministry a well-grounded refusal to join the industry agreement before 8 October 2015.

If that industry agreement, together with any of the above industry agreements, is not complied with, the state labour inspectors will have all the grounds for imposing administrative liability on employers. In addition, if an employer does not comply with the terms and conditions of the agreement, this creates a risk that labour disputes with the employees may arise.

(More details about the industry agreements can be found on Pepeliaev Group's website at http://www.pgplaw.ru/analytics-and-brochures/alerts/).

THE AMOUNT OF THE MINIMUM MONTHLY WAGE IN MOSCOW HAS BEEN INCREASED TO RUB 17,300

On 30 October 2015, the Government of Moscow, the Moscow Federation of Trade Unions and the Moscow Confederation of Industrials and Entrepreneurs introduced amendments to the Minimum Monthly Wage Agreement for the City

of Moscow for the year 2015 entered into by the Government of Moscow, Moscow associations of trade unions and Moscow associations of employers. According to the Agreement, the minimum monthly wage for Moscow is set at RUB 17,300 starting from 1 November 2015.

THE AMOUNT OF THE FEDERAL MINIMUM MONTHLY WAGE IN MOSCOW HAS BEEN INCREASED TO RUB 6,204

Federal Law No. 376-FZ dated 14 December 2015 "On amending article 1 of Federal Law 'On the minimum monthly wage'" has been adopted.

The new law stipulates that the amount of the minimum monthly wage in the Russian Federation is RUB 6,204 starting from 1 January 2016.

THE FEDERAL TAX SERVICE RECOMMENDS COLLECTING OUTSTANDING TAXES PAYABLE BY INDIVIDUALS THROUGH THEIR EMPLOYERS

According to the explanations of the Russian Federal Tax Service (letter No. GD-4-8/18402@ dated 21 October 2015 "On the actions of tax authorities to increase the efficiency of collecting tax from individuals"), if the amount of outstanding tax does not exceed RUB 25,000, it is recommended that the tax authorities send to the organisation from which the debtor receives his/her wage, a writ of execution (a court order which has come into force) stating that the outstanding tax must be collected.

If, after receiving the writ of execution, the company does not comply with the requirement to withhold from the relevant employee the outstanding tax within two months, the tax authorities will notify the bailiffs' service that the court decisions have not been complied with. This may entail the risk that the relevant company will be held liable for not complying with the requirements of an enforcement document, in accordance with article 17.14(3) of the Russian Code of Administrative Offences.

THE LABOUR MINISTRY EXPLAINS THAT THE REQUIREMENT OF THE RUSSIAN LABOUR CODE TO PAY VACATION ALLOWANCE IS MANDATORY FOR ALL CASES AND THERE ARE NO EXCEPTIONS TO IT

Article 136(9) of the Labour Code provides for vacation allowances to be paid no later than three days before the vacation actually starts. However, in practice the employee often asks the employer to grant a paid vacation less than three days in advance.

For such cases, the Labour Ministry stresses in its letter No. 14-2/V-644 dated 26 August 2015 "On delays

in paying vacation allowances" that the regulation is imperative in nature and there are no exceptions to it. If the employer has defaulted on paying the vacation allowance on time but is not at fault (for example, if the employee asked the employer for an unscheduled vacation one day before the start of such vacation), this circumstance does not free the employer from any possible liability.

THE FEDERAL LABOUR AND EMPLOYMENT SERVICE HAS CONFIRMED THAT A STAMP MAY BE USED WHEN FILLING IN THE WORK RECORD BOOK

Many companies use a stamp to record the company's name in an employee's work record book. However, the Guidelines for Filling In Work Record Books (approved by Resolution No. 69 of the Labour Ministry dated 10 October 2003) and the Rules of Keeping and Storing Work Record Books (approved by Resolution No. 225 of the Russian Government

dated 16 April 2003) do not regulate the use of a stamp when records are made in the work records book concerning the employer's name.

In its letter No. 1922-6-1 dated 19 August 2015 "On a stamp in a work record book", the Federal Labour and Employment Service has confirmed that using a stamp to record the employer's name in the work record book does not contravene current legislation and is actually treated as a valid record made in the work record book. However, the Federal Labour and Employment Service has made the reservation that the stamp must bear both the full name and the abbreviated name of the entity (if appropriate).

1.2. DRAFT DOCUMENTS

THE EMPLOYER'S OBLIGATIONS REGARDING THE HIRING PROCESS MAY BE EXTENDED

Employers may face an additional obligation: to inform the employee who is being hired about the pension fund schemes available and the legal succession of the pension savings. Draft law No. 841810-6 has been submitted to the State Duma; it

provides for amending article 68 of the Labour Code accordingly.

The draft law has been considered by the State Duma Council and is included in the programme of legislative drafting activities.

THE RUSSIAN LABOUR MINISTRY PROPOSES TO CHANGE THE LENGTH OF SERVICE FOR CALCULATING SICK LEAVE

The Russian Labour Ministry has developed and published on its portal http://regulation.gov.ru/ the draft Federal Law «On amending the Federal Law 'On compulsory social security in case of temporary unemployment and in connection with maternity'".

The above draft law stipulates that temporary unemployment allowances should be paid at 100% of the average income to those employees whose pensionable service record is 15 years or more.

It is proposed to increase the pensionable service record from 8 to 15 years for those who are to receive the allowance at 80% of the average income. For those whose service record is less than 5 years, it is proposed to pay the sick allowance at 60% of the average income.

The draft law has not yet been submitted to the State Duma.

THE RUSSIAN GOVERNMENT IS PROPOSING TO ABOLISH THE PAYMENT OF DAILY ALLOWANCES FOR BUSINESS TRIPS WITHIN RUSSIA

The Russian Government's draft resolution "On amending Resolution No. 749 of the Government of the Russian Federation dated 13 October 2008" has been posted on the Federal Portal of Draft Regulatory Acts.

If the Russian Government adopts this resolution, daily allowances for business trips will be replaced by compensation for meals, the everyday necessities, and the sanitary and hygienic needs of an employee and other similar expenses relating to the employee's business trip.

2. NEWS AND EVENTS

THE PLENUM OF THE SUPREME COURT HAS EXPLAINED THE PROCEDURE FOR REINSTATING AN EMPLOYEE TO WORK

The Plenum of the Russian Supreme Court has adopted Resolution No. 50 dated 17 November 2015 "On courts implementing legislation when considering certain issues that arise during enforcement proceedings".

The above resolution clarifies, for instance, how court decisions should be implemented to reinstate an employee. For example, according to clause 38 of the Resolution, an enforcement document concerning reinstatement is deemed implemented when it is confirmed that the order of dismissal (or redeployment) has been revoked in relation to the

claimant and if the employer takes measures to actually admit the employee to fulfil the previous job duties, including measures to observe the conditions for such an employee to be admitted to the appropriate position (such as access to state secrets, undergoing medical examinations, etc.).

If, after the enforcement proceedings, the employer cancels its order by which the employee was reinstated, then the senior bailiff or his/her deputy may, on their own initiative, or upon the claimant's application, revoke the resolution of the court-appointed bailiff terminating the enforcement proceedings.

THE FEDERAL LABOUR AND EMPLOYMENT SERVICE WILL KEEP AN ALL-RUSSIAN JOB BASE "WORKING IN RUSSIA"

The Russian Government's Resolution No. 885 dated 25 August 2015 has approved the Rules for Setting Up, Keeping and Modernising the Information and Analytical System "All-Russian Job Base 'Working in Russia'".

The All-Russian Job Base will host free of charge any information concerning job opportunities, employers needing staff, job postings and vacancies, and individual job seekers.

The system consists of a federal and a regional segment. The federal segment includes the all-Russian base of jobs and resumes, as well as applicants' or employers' personal accounts.

The regional segment comprises the account of the employment service of the relevant constituent entity of the Russian Federation, as well as the personal account of an employee of the relevant multi-purpose centre of state and municipal services.

3. OCCUPATIONAL HEALTH AND SAFETY LEGISLATION

3.1. DOCUMENTS ADOPTED

STATUTORY REGULATIONS HAVE BEEN LAID DOWN FOR OCCUPATIONAL HEALTH AND SAFETY FOR ACTIVITIES INVOLVING THE USE OF DEVICES, MECHANISMS AND OTHER TOOLS

In its Order No. 552n dated 17 August 2015, the Russian Labour Ministry adopted the Occupational Health and Safety Rules for activities involving the use of instruments and tools. The requirements set out in the rules are mandatory for employers who are engaged in activities using certain types of instruments and tools (hand tools, mechanical hand tools, electric hand tools, etc.).

The Rules also set out requirements for ensuring occupational health and safety during work, production processes and usage of the instruments and tools, as well as safety requirements for the production areas.

On the federal level, compliance with the rules is supervised by state labour inspectorates. The document took effect on 8 January 2016.

WHEN FILLING IN THE SPECIAL ASSESSMENT CHART FOR WORKING CONDITIONS, THE PERSONAL PENSION ACCOUNT NUMBER OF THE EMPLOYEES WORKING AT THE RELEVANT WORK PLACE MUST BE INDICATED

In accordance with the Methodology for Conducting a Special Assessment of Working Conditions approved by Order No. 33n of the Russian Labour Ministry dated 24 January 2014, when filling in a Special Assessment Chart for the Working Conditions at a work place, line 021 must state the personal pension account number of the employees working at the relevant work place. In this connection, employers often faced the problem of whether the number of the personal pension account number should be changed when a new employee is hired, or the personal pension account number in the chart should remain the same as for the previous employee.

In its letter No. 15-1/V-1929 dated 25 May 2015 "On the procedure for recording the personal pension account number of employees in special assessment charts for working conditions", the Russian Labour Ministry explained that if there are changes to staff (and, accordingly, other personal pension account numbers of the new employees apply), the personal pension account numbers may be changed in the special assessment charts only when the next special assessment is performed at the relevant work place.

In addition, the Labour Ministry has published its plans to develop a regulatory act which provides

for the personal pension account number of an employee to be recorded in the chart immediately

when the employee is acquainted with the results of the special assessment of the working conditions.

THE PROCEDURE HAS BEEN APPROVED FOR RECORDING THE RESULTS OF A SPECIAL ASSESSMENT OF WORKING CONDITIONS

According to article 18 of Federal Law No. 426-FZ dated 28 December 2013 «On the special assessment of working conditions", which took effect on 1 January 2016, starting from 1 January 2016 the results of a special assessment of working conditions are submitted by the organisation which performed such an assessment to the Federal State Record Keeping System of Results of the Special Assessment of Working Conditions.

To make these provisions work, the Russian Labour Ministry issued order No. 843n dated 3 November 2015. This approves the procedure for forming, keeping and using the results of a special assessment performed, in the above record keeping system.

For instance, the procedure sets out specific information that must be recorded in the record keeping system.

The procedure stipulates that the organisation which performs the special assessment submits to the record keeping system the results of the assessment in the form of an electronic document signed with a qualifying electronic signature, within ten business days after the special assessment report has been approved.

If the organisation performing the special assessment of the working conditions fails to comply with the above requirements, the employer may submit the appropriate information it possesses to the territorial division of the Federal Labour and Employment Service.

The Russian Labour Ministry acts as the operator of the record keeping system.

3.2. DRAFT DOCUMENTS

EMPLOYERS MAY BE OBLIGED TO REPORT ANY ACCIDENTS TO THE INVESTIGATORY BODIES OF THE RUSSIAN INVESTIGATIVE COMMITTEE

A draft federal law has been submitted to the State Duma regarding amendments being introduced to the Russian Labour Code (draft law No. 910925-6).

The draft law stipulates that employers must inform and send to the Russian Investigative Committee investigation reports regarding work accidents. It is planned that the injured person or, if the employee dies, such person's relatives and the labour inspectorate will be informed of the decision of the relevant investigative body of the Investigative Committee to initiate or refuse to initiate criminal proceedings.

The draft law has been considered by the State Duma Council and is included in the programme of legislative drafting activities.

4. MIGRATION LAW

4.1. DOCUMENTS ADOPTED

ANTI-TURKISH SANCTIONS HAVE ALSO AFFECTED EMPLOYMENT RELATIONS

Decree No. 583 of the Russian President dated 28 November 2015 has banned the entry into employment relations and civil law contracts with Turkish citizens. The ban covers only employment and civil contracts entered into after that law was adopted.

The ban extends to all employers except those which are defined in Resolution No. 1458 of the Russian Government dated 29 December 2015.

The documents took effect on 28 November 2015.

A NEW FORM HAS BEEN INTRODUCED FOR OBTAINING A DUPLICATE WORK PERMIT

According to article 18(6) of Federal Law No. 115-FZ dated 25 July 2002 "On the legal status of foreign citizens in the Russian Federation", the Federal Migration Service is responsible for approving the forms of work permits for foreign citizens and the forms of applications filed in relation to such a work permit being issued, renewed, a duplicate of a work permit being issued, or a work permit being amended.

In pursuance of that regulation, the Federal Migration Service has approved forms for applications to issue a duplicate work permit and forms for applications to amend the information contained in a work permit (Order No. 458 of the Federal Migration Service dated 14 October 2015).

Obtaining a duplicate work permit may be an urgent matter if foreigners requiring a visa lose their work permit, or if it is stolen or damaged. In such a case, foreigners requiring a visa should apply to the Federal Migration Service for a duplicate and should file their application in accordance with the new form.

A foreign citizen also must file an application in accordance with the appropriate form if his/her name or surname or the details of his/her ID change.

The documents took effect on 4 December 2015.

RULES HAVE BEEN APPROVED FOR ESTABLISHING THE PERIOD FOR ENGAGING LIMITED NUMBERS OF FOREIGNERS IF THERE IS A BAN ON THEIR ENGAGEMENT

According to article 18.1(6) of Federal Law No. 115-FZ dated 25 July 2002 "On the legal status of foreign citizens in the Russian Federation", the head of a constituent entity of the Russian Federation may every year impose a ban on employers engaging foreign citizens (who work by virtue of licences referred to as work 'patents') to perform certain economic activities.

When imposing such a ban, the head of the constituent entity is to determine the period for employers to bring the number of foreign citizens engaged into line with the number specified in the ban. Until now, no such procedure has been in place.

To bridge this gap, appropriate Rules were approved in Resolution No. 1327 of the Russian Government dated 7 December 2015.

For instance, the Rules stipulate that the period for engaging a limited number of foreign employees who work by virtue of a patent may not exceed one year. The specific period is to be determined in a regulatory act of the constituent entity of the Russian Federation which imposes such a ban. The Rules prescribe that the above period must be determined taking into account the time when issued patents will expire, the number of foreign employees engaged by business entities to perform certain activities, the possibilities of engaging workforce from other constituent entities of the Russian Federation, and other factors.

The documents took effect on 18 December 2015.

QUOTAS OF FOREIGN EMPLOYEES ENGAGED BY BUSINESS ENTITIES IN RUSSIA HAVE BEEN ESTABLISHED FOR THE YEAR 2016

In its Resolution No. 1358 dated 12 December 2015, the Russian Government provides for, among other things, the following quotas:

- 65% in construction;
- 50% in growing vegetables;
- 35% in land passenger and cargo transport;

- 25% in sports;
- 15% in retail sales of alcoholic beverages, including beer, and tobacco products in specialised shops;
- 0% in retail sales of medicines in pharmacies, in retail sales at temporary retail facilities and in markets, and in retail sales outside of shops, kiosks and markets.

BELARUS CITIZENS DO NOT NEED TO CONFIRM THEIR KNOWLEDGE OF RUSSIAN

According to article 15.1(5)(8) of Federal Law No. 115-FZ dated 25 July 2002 "On the legal status of foreign citizens in the Russian Federation", citizens of Belarus are exempted from the obligation to confirm their knowledge of Russian when applying

for temporary residence or for a residence permit. The amendments have been introduced by Russian Federal Law No. 465-FZ dated 30 December 2015 "On amending article 151 of Federal Law 'On the legal status of foreign citizens in the Russian Federation'" and took effect on 1 January 2016.

КОНТАКТНАЯ ИНФОРМАЦИЯ



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For over 15 years, Julia has provided legal support to clients (primarily, multinational and major Russian companies) on the full range of legal issues that may have an impact on their business from the perspective of employment and migration law. She offers solutions that enable clients to protect their business interests and mitigate their risks. Julia has an extensive track record of resolving employment disputes out of court and in court. She is also involved in legislative drafting as an expert advisor.

"The 'client-oriented' Julia Borozdna at Pepeliaev Group is very professional in solving complicated projects, as well as in urgent cases," comments The Legal 500: EMEA. Chambers Europe, 2012 views Julia as a "serious player with terrific skills." Clients say that Julia Borozdna as a Department head gives "very clear and confident" support (Chambers Europe) and her team has 'great experience in providing legal support on the full range of employment and migration law issues' (The Legal 500: EMEA).

Julia is a member of the expert board of Employment Disputes magazine. She is also recognised by authoritative international legal directories as one of the leading experts in employment law in Russia, including The Best Lawyers 2012-2014, PLC Which Lawyer, 2012-2013, Chambers Europe 2010-2014, European Legal Experts Guide 2010, Who's Who Legal: CIS, The European Legal 500 Guide.

The Legal 500 recognizes Julia as a "very ethical and client oriented" expert. Meanwhile, according to Chambers Europe 2011: "Head of practice Julia Borozdna receives glowing recommendations for her strong communication skills and understanding of clients' needs". Vedomosti newspaper's special issue dedicated to legal business in Russia ranked Julia among the top employment and labour law advisers (in 2011, 2012 and 2013).

In 2014 Julia was appointed Chairperson of the Association of European Businesses' Labour Law Sub-committee.

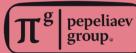
Julia has authored and co-authored numerous articles on employment, migration, personal data, trade secret protection, and other legal issues. These have been published in The Moscow Times, Vedomosti, Corporate UK, New Legislation & Legal Practice, General Director, Corporate Lawyer, Trudovyie Spory, Kadrovoye Delo, Kadrovik.ru, Nalogoved, Getting the Deal Through, and many others.

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