

Russian Federation

A. Definitions and sources of data

Data on foreign direct investment (FDI) in the Russian Federation are reported by the Central Bank of the Russian Federation (CBR) and the State Committee of the Russian Federation on Statistics (Goskomstat). After the 1991 dissolution of the former USSR, a reform programme was initiated to effect the transition of the economy to a market-oriented system. The country became a member of the IMF in 1992 and a new Constitution was adopted in 1993. Difficulties in implementing further economic reforms led to social unrest through 1996. The ruble was redenominated in January 1998 with three zeros fewer in the new bills. In August 1998, due to the world financial crisis and budgetary shortfalls, the country's financial markets fell sharply with the local currency allowed to float. As the crisis effects continue to dissipate, together with the strong commitment of the Government to push through major tax reforms and to maintain a tight fiscal discipline, it seemed that the country is back on the track of a favourable economic recovery. Endowed with a large domestic market, vast natural resources, considerable reserves of raw materials and diversified manufacturing base, the Russian Federation has attracted high foreign interest. Continued structural-reform implementations, for sustaining GDP growth and enhancing the investment climate, would encourage increased FDI for more businesses.

The Foreign Investment Promotion Center, a governmental co-ordinating body of the Ministry of Economy, is responsible for the promotion of FDI in the country. It provides information on investment opportunities, and helps potential foreign investors to identify joint-venture partners and implement projects. Under the 1991 Investment Code, foreign investors are guaranteed national treatment. Protection against expropriation is available. The unrestricted transfer of profit, other income and of invested capital, in foreign currency, is authorized. Residents may open foreign-exchange accounts at authorized banks. While there are no limitations on current foreign-currency operations, prior approval of the CBR is needed for capital operations. Performance requirements are not generally imposed by law, but may be included in the contracts of large transnational corporations (TNCs) investing in natural resource exploitation or in production sharing agreements. Changes and amendments to legislation are undertaken to simplify project-implementation procedures and to reduce the number of licensed activities and the waiting-time required for starting a business. The legal framework regulating Production Sharing Agreements paved the way for increased major foreign investments in the oil and gas industry.

Foreign investors are defined as entities that carry out investment activities in the country, including foreign legal entities, foreign nationals, persons without citizenship, Russian citizens permanently residing abroad, foreign states and international organizations. An enterprise with foreign investments refers to a company established under the Russian Federation legislation where foreign investments constitute no less than 10 per cent of the legal capital. Contributions to investment capital may be made in foreign currencies, in kind and in rights. Foreign investors may establish wholly- or partially-owned enterprises through sole proprietorships, partnerships, branches, limited liability companies (OOO), privately held closed joint-stock companies (ZAO), publicly held opened joint-stock companies (OAO), or the acquisition of shares in state securities or in existing businesses. Entities may also be acquired wholly or partly through the privatization process. Foreign ownership may, however, be limited in certain specific sectors. The incorporation of an entity has to be made with the Moscow Registration Chamber and the State Registration Chamber. Prior approval has to be obtained from the Ministry of Finance, and possibly with other agencies, for: (a) ventures with foreign participation of over 50 per cent, (b) investments exceeding 50 million rubles, (c) the exploitation of natural resources, and (d) investments in insurance and telecommunication services. Activities in banking are licensed, regulated and supervised by the CBR. Investors need to comply with the anti-monopoly legislation existing in the country.

Since April 1999, the corporate profits tax rate (based on gross profit) was reduced to 30 per cent from 35 per cent in a move to attract more FDI. This tax consists of an 11 per cent federal tax and a 19 per cent regional tax. In January 2001, the tax law allows a regional administration to grant exemption from its

portion of the profit tax. Federal tax holidays may also be granted to small businesses (those having less than 200 employees) in certain sectors and to joint ventures engaging in production activities. Goods imported as in-kind contributions by foreign partners to the charter capital of a new foreign-invested enterprise may be exempted from import duties. The value-added tax is generally fixed up to 20 per cent.

FDI data reported by the CBR, since 1994, are in accordance with the methodology set out in the *Balance of Payments Manual*, 5th edition, 1993 of the International Monetary Fund. They reflect an ownership of 10 per cent or more of the ordinary shares of a direct investor, resident of a foreign country, with a lasting interest in an enterprise resident of the Russian Federation economy. Direct investment comprises not only the initial transaction establishing the relationship between an investor and an enterprise, but also all subsequent transactions between them.

Data compiled by the Goskomstat refer to a direct-investor ownership of at least 10 per cent of the ordinary shares in the equity capital of an enterprise, but not including investments made in monetary institutions and banks. Receipts in rubles from CIS member countries, converted in dollars at the official exchange rate at the time of transaction, are included. The amount of investment is evaluated at market price on the transaction date. Inward flow and stock data, both by geographical origin and industrial sector breakdown, are presented. As for outward FDI stock, only data by industry are available. Since 1998, the methodology was changed and earlier data are not shown as they are non-comparable.

B. Statistics on FDI and the operations of TNCs

Table 1. Summary of FDI

(Millions of dollars)

Variable	Inward	Outward
1. FDI flows, 1998-2001 (annual average)	2 813	2 299
2. FDI flows as a percentage of GFCF, 1998-2001 (annual average)	7.2	5.7
3. FDI stock, 2000	17 956	12 394
4. FDI stock as a percentage of GDP, 2000	7.2	4.9

Sources: Based on table 3a and data provided by the Bank of Russia.

Table 3a. FDI flows, by type of investment, 1993-2001

(Millions of dollars)

Year	Inward investment				Outward investment			
	Equity	Reinvested earnings	Intra-company loans	Total	Equity	Reinvested earnings	Intra-company loans	Total
1993	..	..	..	1 211.0	..	..	..	142.0
1994	..	..	..	690.0	..	..	..	281.0
1995	..	..	..	2 066.0	..	..	..	606.0
1996	..	..	..	2 579.0	..	..	..	923.0
1997	3 804.0	..	1 061.0	4 865.0	3 161.0	..	23.0	3 184.0
1998	2 008.0	137.0	616.0	2 761.0	1 295.0	5.0	- 30.0	1 270.0
1999	2 317.0	115.0	877.0	3 309.0	1 866.0	2.0	340.0	2 208.0
2000	948.0	95.0	1 671.0	2 714.0	2 140.0	2.0	1 036.0	3 178.0
2001	1 232.0	151.0	1 085.0	2 468.0	2 111.0	65.0	363.0	2 539.0

Source : Bank of Russia, unpublished data.

Note : No breakdown is available prior to 1997.

Table 3b. FDI flows, by type of investment, 1994-2001

(Millions of dollars)

Year	Inward investment				Outward investment			
	Equity	Reinvested earnings	Intra-company loans	Total	Equity	Reinvested earnings	Intra-company loans	Total
1994	690.0	..	..	690.0	281.0	..	..	281.0
1995	2 065.0	..	..	2 065.0	605.0	..	..	605.0
1996	2 579.0	..	..	2 579.0	922.0	..	..	922.0
1997	3 803.0	..	1 061.0	4 864.0	3 162.0	1.0	23.0	3 186.0
1998	2 009.0	138.0	617.0	2 764.0	1 294.0	4.0	- 30.0	1 268.0
1999	2 317.9	115.1	876.4	3 309.4	1 866.2	1.5	339.9	2 207.6
2000	947.6	94.7	1 671.8	2 714.0	2 140.2	1.3	1 035.3	3 176.8
2001	1 232.1	151.3	1 085.3	2 468.8	2 110.7	64.9	415.4	2 591.0

Source : International Monetary Fund, September 2002 Balance of Payments CD ROM.

Table 3c : FDI flows in non-financial sectors, by type of investment, 1993-2001

(Millions of dollars)

Year	Inward investment				Outward investment			
	Equity	Reinvested earnings	Intra-company loans	Total	Equity	Reinvested earnings	Intra-company loans	Total
1993	..	..	..	1 157.0	..	..	..	20.0
1994	..	..	..	634.0	..	..	..	292.0
1995	..	..	..	2 071.0	..	..	..	564.0
1996	..	..	..	2 534.0	..	..	..	758.0
1997	3 717.0	..	1 061.0	4 778.0	3 150.0	..	..	3 150.0
1998	1 884.0	..	616.0	2 500.0	1 306.0	1.0	- 4.0	1 303.0
1999	1 930.0	33.0	852.0	2 815.0	1 932.0	..	239.0	2 171.0
2000	830.0	9.0	1 636.0	2 475.0	2 142.0	1.0	694.0	2 837.0
2001	1 150.0	60.0	1 184.0	2 394.0	2 123.0	60.0	420.0	2 603.0

Source : Bank of Russia, unpublished data.

Note : No breakdown is available prior to 1997.

Table 4 : FDI stocks, by type of investment, 1993-2001

(Millions of dollars)

Year	Inward investment				Outward investment			
	Equity	Reinvested earnings	Intra-company loans	Total	Equity	Reinvested earnings	Intra-company loans	Total
1993	..	..	..	..	1 798.7	..	537.8	2 336.5
1994	..	..	..	..	2 274.3	..	673.2	2 947.5
1995	43.3	..	5.6	48.9	3 928.8	..	1 237.5	5 166.3
1996	62.4	..	10.6	73.0	5 673.1	..	1 873.0	7 546.1
1997	64.3	..	13.5	77.8	9 445.2	..	2 921.8	12 367.0
1998	44.4	..	7.8	52.2	9 062.6	..	3 012.8	12 075.4
1999	44.0	0.4	6.7	51.1	10 676.7	32.5	3 803.4	14 512.6
2000	46.2	0.4	8.4	55.0	11 420.4	41.2	5 433.1	16 894.7
2001	48.4	0.4	6.9	55.7	12 382.4	101.3	6 597.2	19 080.9

Source : Bank of Russia, unpublished data.

Notes : The breakdown by components of inward stock are only available for the non-financial sector. Furthermore, they are not available before 1995.

Table 5 : FDI flows in the host economy, by industry, 1998-2000

(Millions of dollars)

Sector/industry	1998	1999	2000
TOTAL	3 361	4 260	4 429
PRIMARY SECTOR	294	1 229	472
Agriculture, hunting and fishing	11	41	31
Mining, quarrying and petroleum	283	1 188	441
Mining and quarrying	-	2	-
Petroleum	283	1 186	441
SECONDARY SECTOR	1 675	1 415	1 401
Food	1 192	963	821
Forestry, wood, pulp and paper	112	140	141
Oil refining industry	24	1	1
Chemical and petrochemical industry	50	19	49
Building materials industry	22	24	26
Ferrous metallurgy	58	18	30
Non-Ferrous metallurgy	39	55	39
Machinery and equipment	127	126	228
Light industry	5	14	8
Unspecified secondary	46	55	58
TERTIARY SECTOR	1 239	1 482	2 414
Electricity power industry	34		2
Construction	108	59	45
Wholesale trade	24	11	30
Distributive trade	489	597	835
Transport	128	517	948
Telecommunications	122	172	378
Finance	66	31	26
Real estate	6		2
Business services	253	83	148
Management	9	12	-
Unspecified	153	134	142

Source : State Committee of the Russian Federation on Statistics (Goskomstat), Department of Foreign States Statistics and International Cooperation, February 2002, unpublished data.

Note : Prior to 1998, data are non-comparable with those of later years.

Table 6 : FDI flows in the host economy, by geographical origin, 1998-2000

(Millions of dollars)

Region/economy	1998	1999	2000
Total world	3 361	4 260	4 429
Developed countries	2 491	3 348	3 295
Western Europe	1 271	1 223	1 947
European Union	1 227	1 131	1 567
France	15	69	97
Germany	328	330	341
Netherlands	610	516	610
Sweden	69	38	257
United Kingdom	205	178	262
Other Western Europe	44	92	380
Gibraltar	3	3	265
Switzerland	41	89	115
North America	1 170	2 104	1 241
United States	1 170	2 104	1 241
Other developed countries	50	21	107
Japan	50	21	107
Developing countries /economies	403	370	678
Asia	403	370	678
West Asia	403	370	678
Cyprus	403	370	678
Unspecified	467	542	456

Source : State Committee of the Russian Federation on Statistics (Goskomstat), Department of Foreign States Statistics and International Cooperation, February 2002, unpublished data.

Note : Prior to 1998, data are non-comparable with those of later years.

Table 11 : FDI stocks in the host economy, by industry, 1998-2000

(Millions of dollars)

Sector/industry	1998	1999	2000
TOTAL	11 769	12 757	16 125
PRIMARY SECTOR	1 054	2 050	2 510
Agriculture, hunting and fishing	27	53	79
Mining, quarrying and petroleum	1 027	1 997	2 431
Mining and quarrying	13	15	15
Petroleum	1 014	1 982	2 416
SECONDARY SECTOR	4 854	4 840	5 416
Food	2 384	2 569	3 079
Forestry, wood, pulp and paper	578	496	498
Oil refining industry	235	213	81
Chemical and petrochemical industry	346	301	373
Building materials industry	131	141	142
Ferrous metallurgy	367	280	260
Non-ferrous metallurgy	71	100	122
Machinery and equipment	559	533	639
Light industry	54	36	46
Unspecified secondary	129	171	176
TERTIARY SECTOR	5 251	5 281	7 457
Electricity power industry	38	10	24
Construction	311	315	374
Wholesale trade	78	100	152
Distributive trade	1 276	1 313	1 581
Transport	261	683	1 619
Telecommunications	2 213	2 243	2 810
Finance	268	133	212
Real estate	114	92	98
Business services	601	385	586
Management	91	7	1
Unspecified	610	586	742

Source : State Committee of the Russian Federation on Statistics (Goskomstat), Department of Foreign States Statistics and International Cooperation, February 2002, unpublished data.

Note : Prior to 1998, data are non-comparable with those of later years.

Table 12 : FDI stocks in the host economy, by geographical origin, 1998-2000

(Millions of dollars)

Region/economy	1998	1999	2000
Total world	11 769	12 757	16 125
Developed countries	6 734	8 037	10 427
Western Europe	3 291	3 344	4 726
European Union	3 038	3 036	4 501
Finland	364	259	246
France	127	172	256
Germany	876	1 007	1 255
Netherlands	576	603	1 152
Sweden	214	232	610
United Kingdom	881	763	982
Other Western Europe	253	308	225
Switzerland	253	308	225
North America	3 217	4 541	5 486
United States	3 217	4 541	5 486
Other developed countries	226	152	215
Japan	226	152	215
Developing countries /economies	2 920	2 727	3 224
Asia	2 920	2 727	3 224
West Asia	2 920	2 727	3 224
Cyprus	2 920	2 727	3 224
Unspecified	2 115	1 993	2 474

Source : State Committee of the Russian Federation on Statistics (Goskomstat), Department of Foreign States Statistics and International Cooperation, February 2002, unpublished data.

Note : Prior to 1998, data are non-comparable with those of later years.

Table 14 : FDI stocks abroad, by industry, 1998-2000

(Millions of dollars)

Sector/industry	1998	1999	2000
Total	112	785	382
Primary	2	1	-
Mining, quarrying and petroleum	2	1	-
Petroleum	2	1	-
Secondary	5	56	1
Chemicals and chemical products	1	-	1
Metal and metal products	1	20	-
Basic metals	1	20	-
Manufacture of basic iron and steel	1	-	-
Manufacture of basic precious and non-ferrous metals	-	20	-
Machinery and equipment	3	36	-
Tertiary	105	726	381
Trade	1	1	1
Distributive trade	1	1	1
Transport, storage and communications	-	-	5
Transport and storage	-	-	5
Business activities	104	725	375
Other business activities	104	725	375
Legal, accounting, market research, business and management activities	104	725	375
Business and management consultancy activities	104	725	375
Unspecified	-	2	-

Source : State Committee of the Russian Federation on Statistics (Goskomstat), Department of Foreign States Statistics and International Cooperation, February 2002, unpublished data.

Notes: Manufacture of basic iron and steel refer to ferrous metallurgy while manufacture of basic precious and non-ferrous metals refer to non-ferrous metallurgy.

Table 86: Largest home-based TNCs, 2001

(Millions of dollars)

Company	Industry	Sales
A. Industrial		
Gazprom JSC	Petroleum and natural gas	17 713.3
Lukoil JSC	Petroleum and natural gas	14 892.0
Yukos Oil Corporation	Petroleum and natural gas	9 811.8
Avtovaz	Automobile	2 380.2
Rosneft	Petroleum and natural gas	3 128.7
Tatneft	Petroleum and natural gas	3 765.1
TNK Tyumen Oil Co.	Petroleum and natural gas	4 252.1
Sibneft	Petroleum and natural gas	2 398.0
Alrosa Co. Ltd.	Diamond mining and processing	1 848.7
Slavneft	Petroleum and natural gas	2 555.0
Kamaz	Automobile	657.4
Siberian Aluminium	Non-ferrous metals	418.9
B. Tertiary		
Far Eastern Shipping Co.	Transport	318.0
Far Eastern Shipping Co.	Transport	318.0
Novoship Co.	Transport	392.1
Primorsk Shipping Corporation	Transport	145.7
Alexander Pavlovich Lyah	Trade	..
Transneteprodukt	Transport	..
United Energy Systems (Rao EES Rossii)	Electricity	..
C. Finance and Insurance		Assets
Alfa Bank	Banking	..
National Reserve Bank	Banking	..
Vneshekonombank	Banking	..

Sources : UNCTAD, FDI/TNC database; Dun and Bradstreet Ltd., *Who Owns Whom*, CD-ROM, United Kingdom, April 2001. The Europa World Yearbook 2000, The Russian Federation, vol. II, 41 edition (London Europa Publications Ltd., 2000), pp. 3049-3088; and Foreign Investment Promotion Center, Investments in Russian economy, January 1999 (<http://www.fipc.ru/fipc/reviews/events.html>).

Table 88 : Largest affiliates of foreign TNCs in the host economy, 1999

(Millions of rubles)

Company	Home economy	Industry	Sales
A. Industrial			
Technip CIS ZAO	France	Electronic equipment	22 348
BAT Saratov Tobacco Factory OAO	United Kingdom	Tobacco	21 053
Bavaria Brewery OAO	Netherlands	Beverages	17 180
Nevamash ZAO	United States	Machinery	16 212
Hunter Douglas CIS ZAO	Netherlands	Metal products	16 021
Kone Lifts ZAO	Finland	Machinery	14 402
M.F. Tex OOO	Germany	Textiles	6 625
Baltika Brewery OAO	Sweden	Beverages	4 533
Succden Brandnames ZAO	France	Food	4 405
Svetogorsk Paper OAO	United States	Paper	3 485
Sayansk Aluminium OAO	United Kingdom	Basic metals	2 042
Petersburg Products International ZAO	United States	Metal products	1 909
Ammofos OAO	Switzerland	Chemical products	1 874
Comstar OOO	United States	Electronic equipment	1 568
Azot OAO	Indonesia	Chemical products	1 336
Era OAO	Germany	Chemical products	1 239
Confectionery Union Rossiya OAO	Switzerland	Food	1 058
AvtoVAZ AO	United States	Motor vehicles	..
Avtoframos OAO	France	Motor vehicles	..
BMW Avtotor Kaliningrad	Germany	Motor vehicles	..
Coca-Cola Stavropolye Bottler ZAO	United States	Beverages	..
Conoco International Petroleum	United States	Petroleum	..
Danone ZAO	France	Food	..
Daewoo Tagenrog OOO	Republic of Korea	Motor vehicles	..
Dirol ZAO	Denmark	Food	..
Ford Vsevolozhsk	United States	Motor vehicles	..
Klinsky Pivkombinat AO	Belgium	Beverages	..
Krasnodartabak prom OAO	United States	Tobacco	..
Kubansky Gips Knauf OAO	Germany	Non-metallic mineral products	..
McDonald's OOO	United States	Food	..
Neva Chupa Chups ZAO	Spain	Food	..
Nizhegorod Motors ZAO	Italy	Motor vehicles	..
Octyabr ICN OAO	United States	Chemicals	..
Pepsi-Cola General Bottlers ZAO	United States	Food	..
Rothmans Nevo ZAO	United Kingdom	Tobacco	..
Rus Otis ZAO	United Kingdom	Machinery	..
Shell Salym Petroleum ZAO	Netherlands/United States	Petroleum	..
Sun Chemical	Japan	Chemical products	..
Wurth Nordkavkas ZAO	Germany	Non-metallic mineral products	..
Yugraneft Corporation ZAO	Canada	Petroleum	..
ZIL AMO	Sweden	Motor vehicles	..
B. Tertiary			
AWT International ZAO	Germany	Distributive trade	21 625
Mobile TeleSystems	Germany	Telecommunications	8 807
Vimpel-Communications	Norway	Telecommunications	5 560
CTS ZAO	Italy	Construction	1 196
Rusbel ZAO	France	Distributive trade	1 169
Novomoskovskbytchim OAO	United States	Distributive trade	1 157
Akos ZAO	United States	Telecommunications	..
Baltic Communications OOO	United Kingdom	Telecommunications	..
Bukovo OOO	Germany	Construction	..
Containerships St Petersburg ZAO	Finland	Transport	..
Fritz Companies CIS ZAO	Netherlands	Transport	..
Gazprom OAO	Germany	Gas	..
Global One ZAO	Netherlands	Telecommunications	..
Ikea Khanim OOO	Sweden	Distributive trade	..
InterAvtoTim	Japan	Distributive trade	..
Kelebek ZAO	Turkey	Distributive trade	..
Kuehne and Nagel ZAO	Switzerland	Transport	..
Neste St Petersburg ZAO	Finland	Gas	..
Metrocom ZAO	United States	Transport	..
Metropol OOO	United Kingdom	Hotel	..
Merisel Computer Technologies	United States	Business services	..
Banca Cassa di Risparmio di Torino SpA	Italy	Banking	..
Banco Bilbao Vizcaya	Spain	Banking	..

Table 88 : Largest affiliates of foreign TNCs in the host economy, 1999 (continued)

(Millions of rubles)

Company	Home economy	Industry	Sales
Bank of Austria Creditanstalt (Russia)	Austria	Banking	..
BNP-Dresdner Bank ZAO	France/Germany	Banking	..
Chase Manhattan Bank International	United States	Banking	..
Credit Lyonnais Rusbank ZAO	France	Banking	..
Credit Swiss First Boston	Switzerland	Banking	..
Insurance Compagny AIG Russia	United States	Insurance	..
National Bank of Greece	Greece	Banking	..
Parex Bank	Latvia	Banking	..
Raiffeisen Bank Austria OOO	Austria	Banking	..
Rosno	Germany	Insurance	..
Union Bank of Switzerland	Switzerland	Banking	..
Zurich Rus Insurance Co.	Switzerland	Insurance	..

Sources : Dun and Bradstreet Ltd., *Who Owns Whom*, CD-ROM, United Kingdom, April 2001. The Europa World Yearbook 2000, *The Russian Federation*, vol. II, 41 edition (London Europa Publications Ltd., 2000), pp. 3049-3088; and Foreign Investment Promotion Center, *Investments in Russian economy*, January 1999 (<http://www.fipc.ru/fipc/reviews/events.html>).

C. Legal framework for FDI

1. National policy framework

Despite the shortcomings in its investment climate, Russia strongly recognizes the importance of attracting foreign investment. It is increasingly improving its invest regime. It offers foreign investors national treatment in many respects. The framework for investment is provided by the investment code (1991), the law on foreign investment (1999) and other legislations. As of October 2002, the main features of the national FDI regime included the following:

Admission and establishment: Foreign firms have access to various fields of the economy. Foreign investment is restricted in insurance, banking, natural resources, communication, transportation and defense-related industries. Prior approval is required for investment by foreigners in the following: ventures with more than 50 per cent foreign participation; all investments exceeding 50 million rubles (for investment exceeding 100 million rubles additional registration is required); establishment of new enterprises using assets of existing Russian enterprises; defense industries (may be prohibited in some cases); exploitation of natural resources; or investment to take over incomplete housing and construction projects. Non-residents seeking to make an initial investment in a Russian company need to register the investment with the Central Bank. Registration is not needed in case of follow-on investment, or if the investment is in foreign currency.

Operational Conditions: Generally, there is no performance requirement. However, the product sharing legislation provides that 70 per cent of the content of a project (in its life cycle) must be local. Tariff breaks are granted to large investments in the auto industry if such projects reach 50 per cent domestic content levels within five years. Investors must obtain visas and residence permits. Visas may be renewed annually.

Ownership and control: Foreign legal entities may own businesses through both incorporation and purchase of an already existing one. There are restrictions on FDI in certain sectors: foreign ownership is limited to 25 per cent of an enterprise in the aerospace industry; participation is limited to 11 per cent in the natural gas sector; selling of life or compulsory insurance is prohibited in the operation of insurance sector, foreign charter capital in the entire insurance sector is limited to 15 per cent; in the electric power sector only 25 per cent or less foreign participation is allowed and foreign bank capital is limited to 12 per cent of total banking capital.

Foreign exchange controls: Remittance of investment returns is allowed. Foreign exchange transactions and lease payments in foreign currency require licensing unless both lessee and lessor are non-residents. Currency controls exist on both import and export transactions, which includes capital transactions. There are account restrictions on residents. The national currency, ruble is the only legal currency.

Incentives: Foreign investors are not offered incentives or other specific benefits.

Source: based on information received from the Economist Intelligence Unit: Internet (<http://www.viewswire.com>), the United States Commercial Service: Internet (<http://www.usatrade.gov>).

2. International framework

a. Multilateral and regional instruments

Russia is a party to the following multilateral and regional instruments: Paris Convention for the

Protection of Industrial Property of 20 March 1883, as amended and revised; the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards of 10 June 1958; the Convention on the Settlement of Investment Disputes between States and Nationals of Other States of 18 March 1965, signed on 24 March 1975, effective 1 June 1991; the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, adopted on 16 November 1977; the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices, adopted on 5 December 1980 by the General Assembly of the United Nations (resolution 35/63); the Convention Establishing the Multilateral Investment Guarantee Agency of 11 October 1985, signed on 30 September 1996; the Declaration on International Investment and Multinational Enterprises, adopted by the Council of the Organisation for Economic Cooperation and Development on 21 June 1976, the Declaration and the Guidelines for Multinational Enterprises attached to the Declaration were revised on several occasions (1979, 1984, 1991 and 2000) and the Energy Charter Treaty of 17 December 1994, effective since 16 April 1998. It also enjoys an observatory status at the WTO.

b. Bilateral treaties

1. *Bilateral investment treaties for the protection and promotion of investments:* Canada 1989, Finland 1989, France 1989, Germany 1989, Italy 1989, Netherlands 1989, United Kingdom 1989, Belgium / Luxembourg 1989, Austria 1990, China 1990, Denmark 1990, Republic of Korea 1990, Spain 1990, Switzerland 1990, Turkey 1990, Poland 1992, United States 1992, Bulgaria 1993, Cuba 1993, Denmark 1993, Greece 1993, Romania 1993, Slovakia 1993, Czech Republic 1994, India 1994, Italy 1994, Kuwait 1994, Portugal 1994, Viet Nam 1994, Albania 1995, Hungary 1995, Mongolia 1995, Norway 1995, Sweden 1995, Serbia and Montenegro 1995, Croatia 1996, Ecuador 1996, Italy 1996, Democratic People's Republic of Korea 1996, Lao People's Democratic Republic 1996, Cyprus 1997, Egypt 1997, Lebanon 1997, The former Yugoslav Republic of Macedonia 1997, Philippines 1997, Turkey 1997, Uzbekistan 1997, Argentina 1998, Japan 1998, Republic of Moldova 1998, Ukraine 1998, Lithuania 1999, Slovenia 2000 and Armenia 2001.

2. *Bilateral treaties for the avoidance of double taxation:* United States 1973, United Kingdom 1974, Norway 1980, Austria 1981, Germany 1981, Sweden 1981, Cyprus 1982, Canada 1985, France 1985, Italy 1985, Spain 1985, United Kingdom 1985, Denmark 1986, Japan 1986, Netherlands 1986, Switzerland 1986, Belgium 1987, Finland 1987, Malaysia 1987, India 1988, Poland 1992, United States 1992, Luxembourg 1993, Sweden 1993, Turkey 1993, Hungary 1994, Ireland 1994, Israel 1994, United Kingdom 1994, United States 1994, Canada 1995, Czech Republic 1995, Mauritius 1995, Mongolia 1995, Switzerland 1995, Serbia and Montenegro 1995, Denmark 1996, Finland 1996, Germany 1996, Italy 1996, Netherlands 1996, Norway 1996, Lebanon 1997, Cyprus 1998, Lithuania 1998 and Turkmenistan 1998.

D. Sources of information

1. Official

Central Bank of the Russian Federation
 Foreign Investment Promotion Center (FIPC)
 Ministry of Economy
 Ministry of Finance
 Ministry of State Property
 State Committee of the Russian Federation on Statistics (Goskomstat)

2. Secondary

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