

## *Key developments in Russian labour and migration legislation 2018*

### 1. Representatives of employees will be admitted to meetings of corporate boards

Since August 14, 2018 representatives of employees have been entitled to participate in the meetings of a corporate board of the company in which they work. The actual implementation of this right depends on whether it is established:

- by a federal law,
- by the statutes of the company;
- by internal policy of the company,
- by a collective bargaining agreement.

The employees will not be able to influence the decisions of the corporate board of the company directly, since they only have an advisory voice. A trade union or another employees' representative body can appoint the employee who will participate in such meetings. If the employees who participate in the meeting disclose any sensitive information that constitutes a secret protected by law and that has become known to them in connection with participating in a meeting of the corporate board, these employees can be held liable.

### 2. Disciplinary action for failure to comply with anticorruption legislation

The Law, establishing changes to the Russian Labour Code, came into force on August 14, 2018.

The Law provides that 'corruption breaches' constitute a specific type of disciplinary offence by employees, in relation to which there is an extended **three-year term** for the imposition of disciplinary sanctions. Under the Russian Labour Code, a corruption breach is a failure to comply with the restrictions, prohibitions and non-fulfilment obligations established by Russian anticorruption legislation.

### 3. New requirements in relation to migration registration of foreign citizens in Russia

The Law, which sets out amendments to the procedure for registering foreign nationals for migration purposes in Russia, came into force on 8 July 2018.

The Law requires that foreign citizens must be registered at the address where they actually temporary or permanently reside in Russia. More specifically, a foreign citizen can be registered at the following types of addresses:

- the residential property (apartment, etc.) where he or she actually lives;
- A hotel, camp site, resort spa, etc. or medical institution where the foreign national is actually resident.

Under the Law a foreign national can be registered at the address of his or her employer (or at the address of premises owned by the employing entity) only if the foreign national **actually** temporary or permanently resides lives there.

The Law does not have retrospective effect. That means that foreign nationals already registered at the address of their employers (even if they do not actually reside there) do not need to re-register under the new rules as long as their migration registration is valid.

### 4. Visa-free entrance to Russia for World Cup Fan ID owners

The Law allowing visa-free entrance to Russia for foreign nationals who have Fan ID came into force on 3 August 2018.

Fan ID is a document that allowed entrance to Russia and its stadiums during the 2018 FIFA World Cup.

Under the Law, foreign nationals who visited the country during the 2018 FIFA World Cup have free entrance to and exit from Russia until the end of 2018. This means that these foreign nationals do not need a visa to visit Russia in 2018 for tourism purposes.

## 5. New obligations of parties inviting foreign citizens in Russia

A Law introducing new types of obligations for so-called 'inviting parties' who invite foreign nationals to come to Russia was adopted and will come into force on 16 January 2019.

The Law introduces new obligations for inviting parties aimed at preventing violation of Russian immigration laws by foreign citizens. An inviting party must take measures to ensure the timely departure of an invited individual from Russia upon expiry of his or her stay (as per their issued visa). Moreover, according to the Law, an inviting party must also take measures to ensure that the invited person complies with the declared purpose of his or her visit to Russia (e.g. a person who has entered Russia on a business visa cannot be involved in employment activities in Russia).

The Law establishes a new administrative liability for inviting parties who do not comply with the above obligations. The following fines apply:

- for individuals — from RUB 2,000 (approx. EUR 25) to RUB 4,000 (approximately EUR 50);
- for officials of legal entities (e.g. company directors) — from RUB 45,000 (approximately EUR 562,50) to RUB 50 000 RUB (approximately EUR 625);
- for legal entities — from RUB 450,000 (approximately EUR 5,625) to RUB 500,000 (approx. EUR 6 250).

## 6. New grounds for unscheduled checks by State Labour Inspectorate

The Law, which establishes new grounds for unscheduled checks by State Labour Inspectorate, came into force on January 11, 2018.

Under the Law, State Labour Inspectorate may conduct unscheduled checks of the employers in several cases. The grounds for such checks are: (1) intentional evasion from entering into an employment contract with an employee; (2) conclusion of an employment contract with an employee in the improper form; (3) entering into a civil law contract (services, consulting, etc.), which in fact regulates employment relations between an employer and employee. Crucial novelty is that the employer **will not be notified** in advance about check initiated on the above grounds.

The check initiated on the above grounds may be carried out without prior approval of the Prosecution Office (as normally required for the State Labour Inspectorate to rich out an entity with the inspection).



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