



# Changes to the procedure for granting accreditation to branches and representative offices of foreign legal entities.

Raisa Alexakhina  
Alfia Mukhamatyanova  
Daria Lebedeva

Legal Services  
Tax & Legal department

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# Related legislation

- Federal Law No.106-FZ of 5 May 2014 “On amending certain legislative acts of the Russian Federation” (“the Law”) introduces amendments to the following legislative acts:
  - Federal Law No.160-FZ of 9 July 1999 “On foreign investments in the Russian Federation”
  - Law No.5340-1 of 7 July 1993 “On Chambers of Commerce and Industry in the Russian Federation”
  - Federal Law No.395-1 of 2 December 1990 “On banks and banking activity”
  - Federal Law No.114-FZ of 15 August 1996 “On the procedure for exiting and entering the Russian Federation”
  - Federal Law No.115-FZ of 7 August 2001 “On Anti-Money Laundering and Combating the Financing of Terrorism”
  - Federal Law No.86-FZ of 10 July 2002 “On the Central Bank of Russian Federation (the Bank of Russia)”
  - Federal Law No.115-FZ of 25 July 2002 “On the legal status of foreign citizens in the Russian Federation”

# New rules for accreditation

- According to the Law, functions related to the accreditation of branches and representative offices of foreign legal entities (except for those operating in the sphere of civil aviation and the representative offices of foreign banks) are transferred to an authorised executive body (“the Authorised Body”), to be assigned by the Government of the Russian Federation.
- According to a RF Government draft Resolution prepared by the RF Ministry of Finance, the Federal Tax Service will be authorised to render services with regard to the accreditation of such branches/representatives offices.
- According to the Law, the list of documents required for accreditation will be stipulated by the Authorised Body.
- Foreign legal entities shall submit the necessary documents for accreditation within twelve months of the decision to establish the branch or representative office being taken.
- The Bank of Russia will provide accreditation to representative offices of foreign banks, as well as granting permission to establish them.
- Accreditation will be provided to branches and representative offices of foreign legal entities operating in the sphere of civil aviation by the Federal Air Transport Agency (Rosaviatsiya).
- Properly-submitted applications for accreditation shall be considered by the Authorised Body (or Rosaviatsiya), and a decision rendered as to whether to grant accreditation, within 25 working days of their submission.

# Terminating accreditation

The accreditation of a branch or representative offices of a foreign legal entity may be terminated at the request of that legal entity.

In addition, the Authorised Body may terminate the accreditation if, during the preceding 12-month period:

- the branch/representative office fails to provide the Authorised Body with reporting documentation in accordance with Russian tax and duty legislation
- it proves impossible to contact the branch/representative office at its registered address
- the branch/representative office does not conduct any transactions on a single account opened with a bank or other credit institution licensed by the Bank of Russia.

Finally, if the necessary information regarding a branch/representative office is not submitted in accordance with the deadlines stipulated by the Law (see table on following slide), its accreditation shall be terminated on 1 April 2015.

# New deadlines for submitting information to the Authorised Body

Expiry date of current accreditation	Responsible for submitting information to the Authorised Body	Actions	Deadline for submitting necessary documents
Branches and representative offices of foreign legal entities operating in the sphere of civil aviation and representative offices of foreign banks			
After 1 April 2015	Federal Air Transport Agency; Bank of Russia	Notify the Authorised Body electronically	1 April 2015
Branches and representative offices of other foreign legal entities			
Accreditation expires between 1 January 2015 and 31 January 2015 (e.g. 15 January 2015)	Branch/representative office of foreign legal entity	Submit information to the Authorised Body	1 February 2015 - 28 February 2015 (inclusive)
Accreditation expires between 1 February 2015 and 31 March 2015 (e.g. 15 February 2015)	Branch/representative office of foreign legal entity	Submit information to the Authorised Body	Up to 30 days before expiry date of accreditation
Accreditation expires on or after 1 April 2015*	Branch/representative office of foreign legal entity	Submit information to the Authorised Body for entry into the State Register of Accredited Branches and Representative Offices	1 April 2015

*\*Branches and representatives offices whose accreditation expires on or after 1 April 2015 and which are already included in the State Register of Accredited Branches and Representative Offices are considered accredited until the actual expiry date of their accreditation*

# Roles of the RF Chamber of Commerce and Industry

- Conduct the personal accreditation of foreign employees of branches and representative offices of foreign legal entities (except those operating in the sphere of civil aviation and the representative offices of foreign banks).
- Render visa support services to the foreign employees of branches and representative offices of foreign legal entities (except those operating in the sphere of civil aviation and the representative offices of foreign banks), as well as their family members.
- Render representative services during the process of accreditation of branches and representative offices.
- Submit files relating to branches and representative offices whose accreditation expires on or after 1 January 2015 to the Authorised Body by 1 February 2015.

## Other issues

- According to the Law, in addition to branches, representative offices now have the right to hire highly-qualified specialists (HQS) as of 1 January 2015.
- The Law provides the chance to receive free access to the soon-to-be-established registry of accredited branches/representative offices on the official website of the Authorised Body.
- The Bank of Russia shall grant personal accreditation to foreign employees of representative offices of foreign banks and assist in drawing up the necessary documentation to enable said employees to enter and exit the Russian Federation.

# Our team



**Raisa Alexakhina**

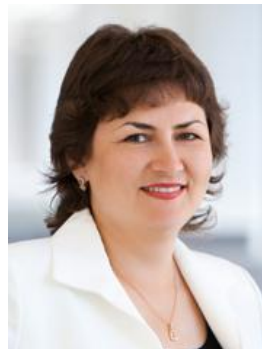
**Partner**

Tax & Legal department  
CIS Head of Legal Services

**Contacts:**

Tel.: +7 (495) 787 06 00 (ext. 2950)

email: [ralexakhina@deloitte.ru](mailto:ralexakhina@deloitte.ru)



**Alfia Mukhamatyanova**

**Senior Manager**

Tax & Legal department  
Legal Services group

**Contacts:**

Tel: + 7 (495) 787 06 00 (ext. 2985)

email: [amukhamatyanova@deloitte.ru](mailto:amukhamatyanova@deloitte.ru)



**Daria Lebedeva**

**Consultant**

Tax & Legal department  
Legal Services group

**Contacts:**

Tel: + 7 (495) 787 06 00 (ext. 1228)

email: [dalebedeva@deloitte.ru](mailto:dalebedeva@deloitte.ru)





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