

## TECHNICAL REGULATIONS IN THE RF: Current state of affairs

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The technical regulation and standardization play a significant role in the economic sphere of every state, especially in the developing ones. Modern technical regulations and standards may foster the rapid modernisation and efficient production. Russia started to reform its technical regulations and standards more than seven years ago and should have completed it by January 1<sup>st</sup> 2010, however this goal was not achieved. By this date only 3 out of 17 technical regulations that were stipulated in the law were adopted by the Russian authorities. Whereas, in accordance with the set procedure there were 11 technical regulations adopted altogether. That showed that the reform of technical regulation has to be modified due to the inefficiency of the procedure of adoption of such documents.

This fact led to some essential legislative changes in the Federal Law on “Technical regulation” (hereinafter Federal Law) that were adopted by State Duma in December 2009. The amendments suggested a more simplified procedure for technical regulations adoption by:

- Allowing international standards to be approved and directly applied in Russia, however, only on the voluntary bases;
- Allowing Russian companies to follow either existing Russian standards, or apply foreign standards that were duly approved by the Russian authorized body;
- Extending the competence of the Russian Government and respective Ministry to issue acts in technical regulation sphere.

These changes also established that a certain authorized body would be able to issue technical regulation and approved the suggested foreign ones. Such authorized body would be the Ministry of industry and trade. This novel will certainly expedite the procedure of technical regulation adoption.

The amendments introduced several new definitions such as “regional standard”, “standard of a foreign state” and others that clarify which standards may be adopted in Russia. Thus, any person who is interested in applying international, regional or national standards on the voluntary bases may apply to the authorized body to analyze and adopt the suggested standard/standards. However, in order for a foreign standard to be adopted in Russia several things need to be done:

- The suggested standard should be duly translated and notarized into Russian language;
- The applicant should obtain a conclusion/feedback in relation to the suggested standards by one of the Russian business associations or Chamber of Commerce and Industry of the Russian Federation;
- The submitted documents are sent to the Technical Committee (within Rostekhnregulirovanie), which has to give its official opinion. Such opinion will lead either to the adoption, or refusal of the suggested standard (may be challenged in the court);

It should be specially noted that such standards once approved in the Russian Federation will not be obligatory for application by all companies of the respective industry. Such standards will be applied only on the voluntary bases and non compliance with them will not be deemed as a violation of the safety regulations. All companies in Russia would be able to follow old (existing) standards before the new ones are adopted and become obligatory in Russia.

Another very significant change in the sphere of technical regulation is the reduction of the number of goods in relation to which it is compulsory to obtain a certificate of compliance. In accordance with para 3 article 46 of the Federal Law before all relevant technical regulation are adopted the Russian Government should:

- issue a list of goods in relation to which there should be an official certification procedure in place;
- issue a list of goods in relation to which a declaration of conformity procedure may be applied.

This year an essential number of goods were excluded from the first list, among which the following may be mentioned: sugar, wine, kitchenware, cosmetics, etc. That is definitely a step forward towards the reduction of a number of administrative barriers and improving investment and business climate in Russia. Even though Russian legislation allowed to use declaration of conformity instead of compulsory certification (which may be rather costly), it was not practically broadly applied as only 13% out of all goods were declared and the rest 87 % were certified. That shows quite a disproportionate division, whereas the current correlation is 46% and 54% accordingly.

Such decision entailed a significant public reaction and resonance as by doing so, the Russian government allows “bad faith” producers to abuse this remission and invade Russian markets with low quality goods. However, Russian officials stated that soon the respective amendments to the Code of administrative liability will be made, which will strengthening the liability (increasing of fines) for producing goods of an inappropriate quality. Such measure should compensate the simplification that was introduced and should secure customers’ rights to purchase goods of an appropriate quality.

Finally, the questions of technical regulation will be inevitably also regulated within the recently created Customs Union. In fact certain steps in this regard were already made. In December 2009 the Interstate Council of the Eurasian Economic Community (the highest authority of the Customs Union) decided that in the Customs Union there should be created a Single Register of all certifying agencies and laboratories of the Customs Union, which would be able to issue unified certificates, valid on the whole territory of the Customs Union.

In February 2010, the ministry of industry and trade submitted to the Russian government the development program on technical regulations, which suggested that by July 1<sup>st</sup> 2010 some 22 technical regulations should be adopted by the Russian governments that will cover more than 40% of the certified goods. Most of these 22 regulations had already been prepared and discussed either within the Governments or State Duma, however, still quite a few documents should be prepared from scratch (e.g. Technical regulation on Food safety). Moreover, based on the abovementioned amendments, Russian government also plans to approve 19 Kazakh Technical regulations that among others relate to the road construction, food additives, children food, pesticides, perfumery and cosmetics, etc. These technical regulations will be applied in Russia until respective national regulations are prepared and adopted. The process of replacement respective Kazakh regulations should be completed by the year 2012.

AEB strongly supports the reform on technical regulation as it indeed may help the modernization of the Russian economy. However, it is highly recommended that documents like Technical regulations, which are crucial for the businesses, are discussed and coordinated with the business community. It will not only help the business to prepare for the future changes and adjust its activities accordingly, but also provide stakeholders with the qualified expertise.