



## State Policy Developments

### The Ministry of Finance lobbies prompt re-distribution of the budgetary outlays

On July 3, 2017, Kommersant newspaper reported that the Ministry of Finance elaborates the idea of creating possibility to re-distribute the budgetary outlays without making amendments to the law on the federal budget by the Russian Parliament. The major stated purpose is to facilitate the decision-making and improve efficiency of the budgetary outlays.

In order to achieve that, the Ministry proposed the appropriate bill, which envisages introduction of the new articles in the law on the federal budget for 2018-2020. Those articles will provide for possibility of re-distribution of outlays directed for the selected state programs to be explicitly listed in the law on the budget for that purpose.

The Russian Parliament is still supposed to supervise over the process via special commission that will include seven representatives of the State Duma and seven representatives of the Council of the Federation. All decisions related to re-distribution of outlays shall be approved by that commission.

The bill is supposed to be considered by the Russian Parliament until the parliamentary recess dates that start in the middle of July.

Dedicated article by Kommersant newspaper: [Original](#) (Rus) | [Google Translate](#)

### The state considers establishment of the digital economy development fund with the annual budget of RUR 100 billion

*Mr. Vladimir Putin, the Russian President, considers the development of the digital economy as one of the top priorities of the national economic policy. On July 5, 2017, he confirmed that at the seating of the Council on Strategic Development and Priority Projects commenting that "the formation of the digital economy is an issue of national security, independence of Russia and competitiveness of the Russian companies".*

*The draft Program "Digital Economy of the Russian Federation" for the period until 2024 was initially presented to the President in the end of May 2017, and on July 3, 2017 Mr. Putin proposed to adopt the Program. The program assumes tripling the Russian digital economy sector by 2025 with its share in the Russian GDP growing from 3.9% to 8-10% and the number of IT specialists increasing twice (from 500 thousand to 1 million people).*

On June 6, 2017, Kommersant newspaper reported that the Ministry of Telecom and Mass Communications of the Russian Federation estimated the annual budget required

for implementation of the federal program on the digital economy development until 2025 at the level of RUR 100 billion. The Ministry commented that 2/3 of the costs have already been provisioned in the Russian federal budget, but proposed to protect the appropriate articles in the budget. Referring to the Ministry, one of the viable options for that is establishment of the digital economy fund. That approach is yet to be agreed with the other Ministries involved in decision-making.

Draft Program "Digital Economy of the Russian Federation" (web site of the Expert Centre of Electronic Government): [Original](#) (Rus) | [Google Translate](#)

Citing Mr. Vladimir Putin on the digital economy developments (TASS news agency): [Original](#) (Rus) | [Google Translate](#)

Dedicated article in Kommersant newspaper: [Original](#) (Rus) | [Google Translate](#)

### Penalties for not meeting payment schedule in the course of the government purchases are being introduced

On July 7, 2017, the bill on introduction of penalties for the state authorities who allow breach of payment schedule of a state purchases contract passed the second reading in the State Duma. At present, such breaches are widely spread in Russia, and that causes extensive losses to private parties making contracts with the state.

The penalties for not meeting the payment schedule have been stated at RUR 30 000 -50 000 for the state authorities, while the second violation will lead to disqualification of appropriate person for the period of 1-2 years.

The bill at web-site of the State Duma: [Original](#) (Rus)

## National Statistics

### CPI growth accelerated to 4.4% in June 2017

On July 6, 2017, the Russian State Statistics Service published data on CPI in June 2017. The CPI growth was estimated at +0.6% as compared to May 2017, +2.3% as compared to December 2016 and +4.4% as compared to June 2016. The CPI growth in June deviated from the Central Bank's inflation target (4.0% for 2017) primarily due to increasing prices for food and beverages (+1.0% month over month), especially fruits and vegetables (+8.3%).

Dedicated message by the Russian Federal State Statistics Service: [Original](#) (Rus) | [Google Translate](#)



## Reports and Forecasts on Russia Traced by Factosphere

Date	Publisher	Document name	URL
n/a (05.07.2017)	<a href="#">Coface</a>	Country risk assessment Russian Federation	<a href="#">Original</a> (Eng)
03.07.2017	<a href="#">The Russian Ministry of Economic Development</a>	Report on operations of special economic zones in Russia for 2016	<a href="#">Original</a> (Rus)
05.07.2017	<a href="#">Levada Center</a>	President 2018. Public opinion poll on the president and Russian policy developments.	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
05.07.2017	<a href="#">ROMIR</a>	Progressing economy. Survey on consumer spendings.	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
06.07.2017	<a href="#">Levada Center</a>	Parliamentary elections. Public opinion poll on the Russian Parliament elections.	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
06.07.2017	<a href="#">Levada Center</a>	Parliamentary elections. Public opinion poll on the Russian Parliament elections.	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
06.07.2017	<a href="#">Gaidar Institute</a> in cooperation with <a href="#">Russian Presidential Academy of National Economy and Public Administration</a>	Economic Policy magazine #3, 2017	<a href="#">Original</a> (Rus)
06.07.2017	<a href="#">PwC</a>	Effects of scale. The first global ranking of agglomerations	<a href="#">Original</a> (Rus)
06.07.2017	<a href="#">PwC</a>	The Future is Coming: Cities Readiness Rating	<a href="#">Original</a> (Eng)
06.07.2017	<a href="#">Association of European Business</a>	Newsletter July 2017	<a href="#">Original</a> (Eng)
06.07.2017	<a href="#">The Russian Ministry of Economic Development</a>	Picture of the economy. May 2017.	<a href="#">Original</a> (Rus)
06.07.2017	<a href="#">VTB</a>	Weekly Custody newsletter #25 / 2017	<a href="#">Original</a> (Eng)
07.07.2017	<a href="#">Analytical Centre under the Government of the Russian Federation</a>	Consumer demand: regional differences (bulletin on the Russian economy trends).	<a href="#">Original</a> (Rus)
07.07.2017	<a href="#">BOFIT</a>	BOFIT Weekly	<a href="#">Original</a> (Eng)
07.07.2017	<a href="#">PwC</a>	The concept of unjustified tax benefit will be incorporated into the Tax code soon	<a href="#">Original</a> (Eng)
07.07.2017	<a href="#">Commerzbank</a>	Week in Focus	<a href="#">Original</a> (Eng)

## Statistical Publications Traced by Factosphere

Date	Publisher	Document name	URL
03.07.2017	<a href="#">The Russian Ministry of Finance</a>	Weekly data on budget funds in deposits, public budget loans and REPO	<a href="#">Original</a> (Eng)
03.07.2017	<a href="#">The Russian State Statistics Service</a>	GDP breakdown by income in 1Q 2017	<a href="#">Original</a> (Rus, xls)
03.07.2017	<a href="#">The Russian Central Bank</a>	Balance of Payments of the Russian Federation (Standard Components)	<a href="#">Original</a> (Eng)
03.07.2017	<a href="#">The Russian Central Bank</a>	Balance of Payments of the Russian Federation (Analytical Presentation)	<a href="#">Original</a> (Eng)
03.07.2017	<a href="#">The Russian Central Bank</a>	Merchandise Trade of the Russian Federation (per Balance of Payments Methodology), Detailed Components	<a href="#">Original</a> (Eng)
03.07.2017	<a href="#">The Russian State Statistics Service</a>	Statistical information for monitoring of social and economic developments of subjects of the Federation in May 2017	<a href="#">Original</a> (Rus, rar)
03.07.2017	<a href="#">The Russian State Statistics Service</a>	Social and economic developments of Russia in January-May 2017	<a href="#">Original</a> (Rus, pdf)
03.07.2017	<a href="#">The Russian State Statistics Service</a>	Short-term economic indicators of Russia in May 2017	<a href="#">Original</a> (Rus, Eng, rar)
03.07.2017	<a href="#">The Russian Ministry of Finance</a>	Average Urals crude oil price in January-June 2017	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
03.07.2017	<a href="#">The Russian Ministry of Finance</a>	On results of placement of assets of the Reserve Fund and the National Wealth Fund	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
04.07.2017	<a href="#">The Russian State Statistics Service</a>	Consumer expectations in Russia in 2Q 2017	<a href="#">Original</a> (Rus)   <a href="#">Google Translate</a>
04.07.2017	<a href="#">The Russian Central Bank</a>	International Investment Position of the Russian Federation in 2001-2017 (Standard Components) (BPM6)	<a href="#">Original</a> (Eng)
04.07.2017	<a href="#">The Russian Central Bank</a>	International Investment Position of the Russian Federation (Main Components) (BPM6)	<a href="#">Original</a> (Eng)



<b>Date</b>	<b>Publisher</b>	<b>Document name</b>	<b>URL</b>
05.07.2017	<a href="#">The Russian State Statistics Service</a>	On CPI estimate for June 27-July 3, 2017	<a href="#">Original</a> (Rus)  <a href="#">Google Translate</a>
05.07.2017	<a href="#">The Russian Ministry of Finance</a>	On the revenues from the oil and gas sector and operations on sale and purchase of foreign currency in the local market	<a href="#">Original</a> (Rus)  <a href="#">Google Translate</a>
06.07.2017	<a href="#">The Russian Ministry of Finance</a>	Volume of the Reserve Fund	<a href="#">Original</a> (Eng)
06.07.2017	<a href="#">The Russian Ministry of Finance</a>	Volume of the National Wealth Fund	<a href="#">Original</a> (Eng)
06.07.2017	<a href="#">The Russian Ministry of Finance</a>	Allocation of National Wealth Fund's assets to preferred equities of Russian banks as of 1 June 2017	<a href="#">Original</a> (Eng)
06.07.2017	<a href="#">The Russian Ministry of Finance</a>	Allocation of National Wealth Fund's assets to deposits in Vnesheconombank as of 1 July 2017	<a href="#">Original</a> (Eng)
06.07.2017	<a href="#">The Russian Central Bank</a>	International reserves of the Russian Federation (weekly)	<a href="#">Original</a> (Eng)
06.07.2017	<a href="#">The Russian State Statistics Service</a>	On CPI in June 2017	<a href="#">Original</a> (Rus)  <a href="#">Google Translate</a>
06.07.2017	<a href="#">The Russian State Statistics Service</a>	On production volumes of oil products and dynamics of their retail prices for June 26-July 2, 2017	<a href="#">Original</a> (Rus)  <a href="#">Google Translate</a>
07.07.2017	<a href="#">The Russian Central Bank</a>	Direct investment of the Russian Federation by sector	<a href="#">Original</a> (Eng)
07.07.2017	<a href="#">The Russian Central Bank</a>	Direct investment of the Russian Federation by Instrument (directional principle)	<a href="#">Original</a> (Eng)
07.07.2017	<a href="#">The Russian Central Bank</a>	Direct investment of the Russian Federation by Instrument (asset/liability principle)	<a href="#">Original</a> (Eng)
07.07.2017	<a href="#">The Russian Central Bank</a>	Direct Investment Income by Institutional Sector and Instrument	<a href="#">Original</a> (Eng)
07.07.2017	<a href="#">The Russian Central Bank</a>	Direct Investment Position of the Russian Federation by Instrument (directional principle)	<a href="#">Original</a> (Eng)
07.07.2017	<a href="#">The Russian Central Bank</a>	International reserves of the Russian Federation (monthly)	<a href="#">Original</a> (Eng)
07.07.2017	<a href="#">The Russian Central Bank</a>	International Investment Position on International Reserves of the Russian Federation	<a href="#">Original</a> (Eng)
07.07.2017	<a href="#">The Russian Customs Service</a>	Exports and imports of the key goods in January-May 2017	<a href="#">Original</a> (Rus)



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