



CAPITAL LEGAL SERVICES

Annual AmCham Labor Seminar  
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# Employment of Foreign Citizens in New Economic Conditions

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## **Employment procedure with respect to employees from visa-required countries (before arrival of foreign employee in Russia)**

- Submission of an application for quota
- Submission of information regarding vacancies to the relevant Employment Agency
- Obtaining a permit to recruit and use foreign employees
- Obtaining an individual work permit for each foreign employee
- Obtaining an invitation for a work visa
- Foreign employee obtaining a 3-month single-entry work visa in the respective Russian Consulate



## Employment procedure with respect to employees from visa-required countries (after arrival of foreign employee in Russia)

- Migration registration with the Territorial Office of FMS (Federal Migration Service)
- Notification of:
  - ✓ The Territorial Office of FNS (Federal Tax Service) of the employment of the foreign national
  - ✓ The Territorial Office of FMS of the employment of the foreign national (not stipulated by law, but may be required)
  - ✓ The Territorial Office of the Labor Service of the conclusion of the labor contract
- Obtaining a 1-year multy-entry work visa



## New regulations in sphere of foreign labor

- Simplifying of employment procedure with respect to foreign top managers (Orders of the Ministry of Health and Social Development: No.355n dated July 25, 2008 and No.132n dated March 24, 2009)
- Opportunity to reduce previously established quotas (Decree No.916 of the Government of the Russian Federation dated December 8, 2008)
- Implementation of methods for assessing the use of foreign employees (Order No.604 of the Ministry of Health and Social Development dated September 16, 2007)
- Simplifying of employment procedure with respect to foreign employees engaged into certain projects (Sochi: Decree No.458 of the Russian Federation Government dated October 30, 2008; Vladivostok: Decree No.808 of the Russian Federation Government dated October 9, 2009)



## **Problematic issues in practice of foreign nationals employment**

- Requirement for submission of a diploma of a foreign employee with an apostille
- Management of a Russian company by a foreigner from abroad
- Impossibility to establish a new company headed by a foreign General Director
- Correlation between the permit to recruit and use foreign labor and work permits



## Current status of foreign labor market (St. Petersburg and Leningrad Oblast)

- 2008: Initially - 145.8 thousand work permits (for employees from visa-free countries) and 23.6 thousand work permits with invitations (for employees from visa-required countries), however these figures were increased to 277.9 and 62.7 thousand respectively
- 2009: Quota is equal to 253.1 thousand work permits (for employees from visa-free countries) and 43.6 thousand work permits with invitations (for employees from visa-required countries)
- Forecast for 2010: it is expected that the quota for 2010 will be reduced as compared to 2009



## Current status of foreign labor market (Moscow and Moscow Oblast)

- 2008: Initially – 405.1 thousand work permits (for employees from visa-free countries) and 117.9 thousand work permits with invitations (for employees from visa-required countries), however these figures were increased to 842.5 and 314.5 thousand respectively
- 2009: Quota is equal to 508.5 thousand work permits (for employees from visa-free countries) and 203.8 thousand work permits with invitations (for employees from visa-required countries)
- Forecast for 2010: Based on the data provided by the Moscow Government, the plans are to reduce the quota to 250 thousand work permits (for foreigners who do not need a visa) and to 50 thousand for those who need to obtain a visa



**Thank you for your attention!**

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