



SEMINAR - PRESENTATION OF THE OECD ECONOMIC SURVEY OF THE RUSSIAN FEDERATION

Improving the Business Environment

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Key areas of attention

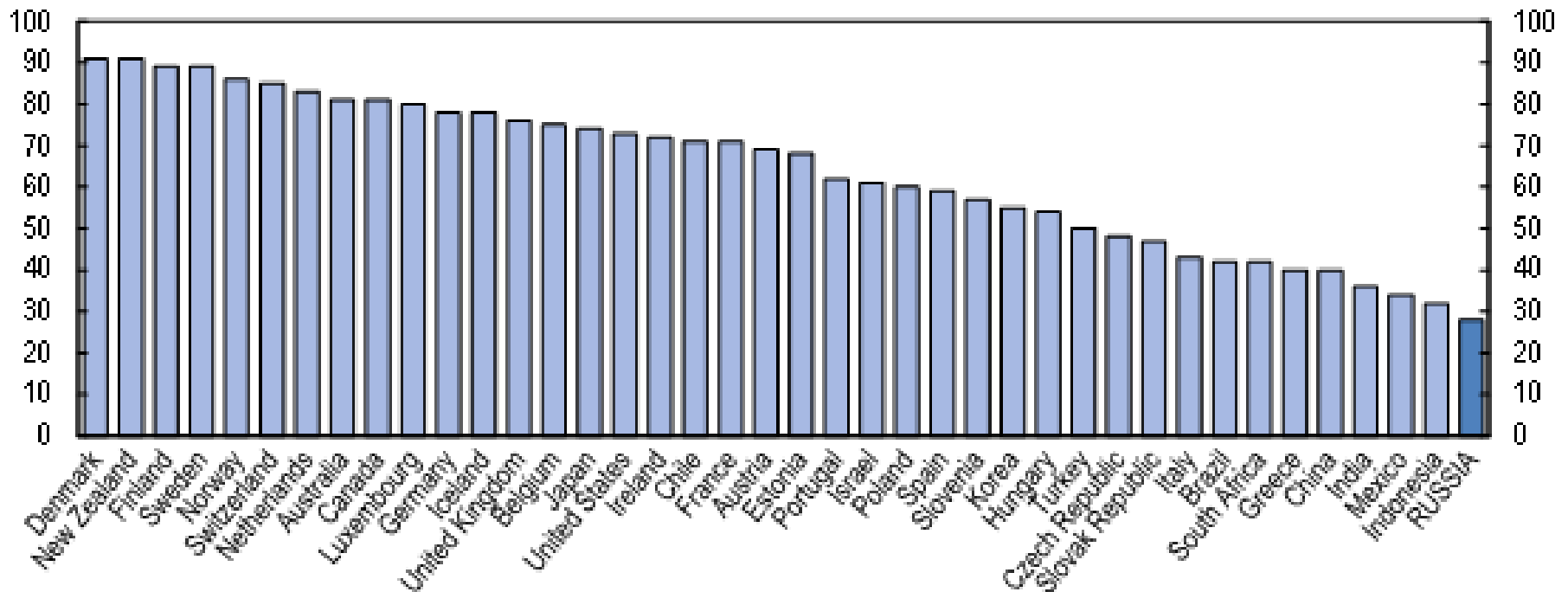
- Corruption
- Rule of Law
- Administrative Barriers
- State Ownership
- Barriers to trade and investment



Corruption is still a major problem

Transparency International Corruption Perceptions Index

Corruption Perception Index 2013 Score, scale from 0 (highly corrupt) to 100 (very clean)





Improving the rule of law is a challenge

World Justice Project Rule of Law Index

Ranking among total of 97 countries

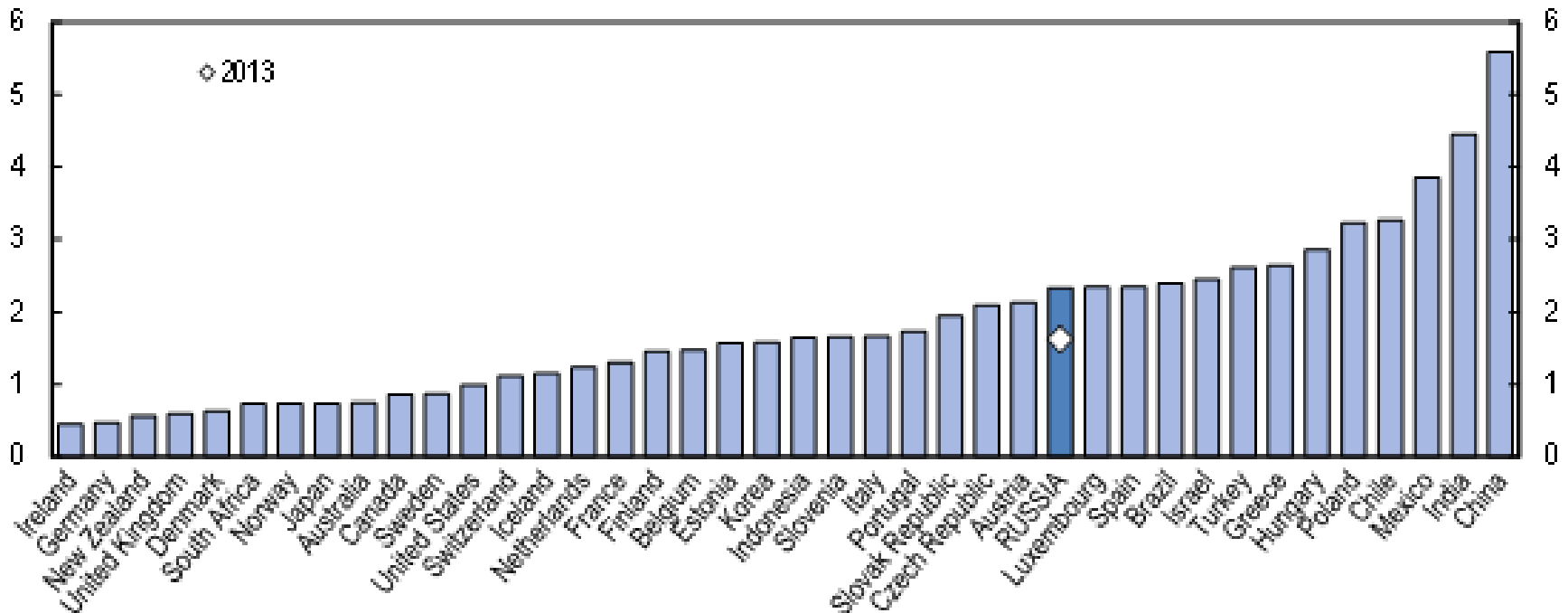
	Russia	Average Western Europe and North America	Average Eastern Europe and Central Asia	Brazil	China	India
Limited government powers	92	12	57	35	86	37
Absence of corruption	71	13	52	38	40	83
Order and security	92	17	37	69	32	96
Fundamental rights	83	12	45	33	94	64
Open government	74	14	51	31	69	50
Regulatory enforcement	68	14	51	37	80	79
Civil justice	65	14	49	43	82	78
Criminal justice	78	14	50	52	39	64



Administrative barriers to start-ups are energetically removed

Product market regulation indicators: barriers to start-ups

2008, index scale of 0-6 from least to most restrictive

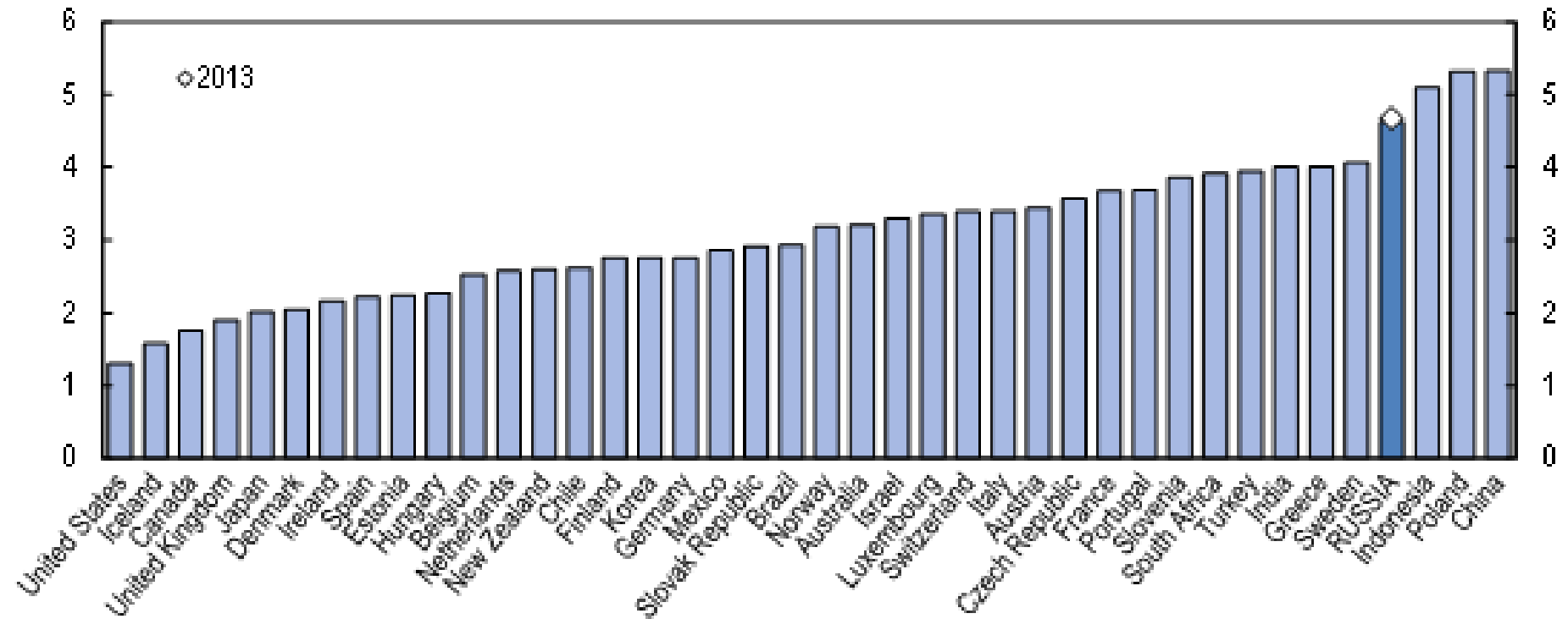




State ownership is pervasive

Product market regulation indicators: public ownership

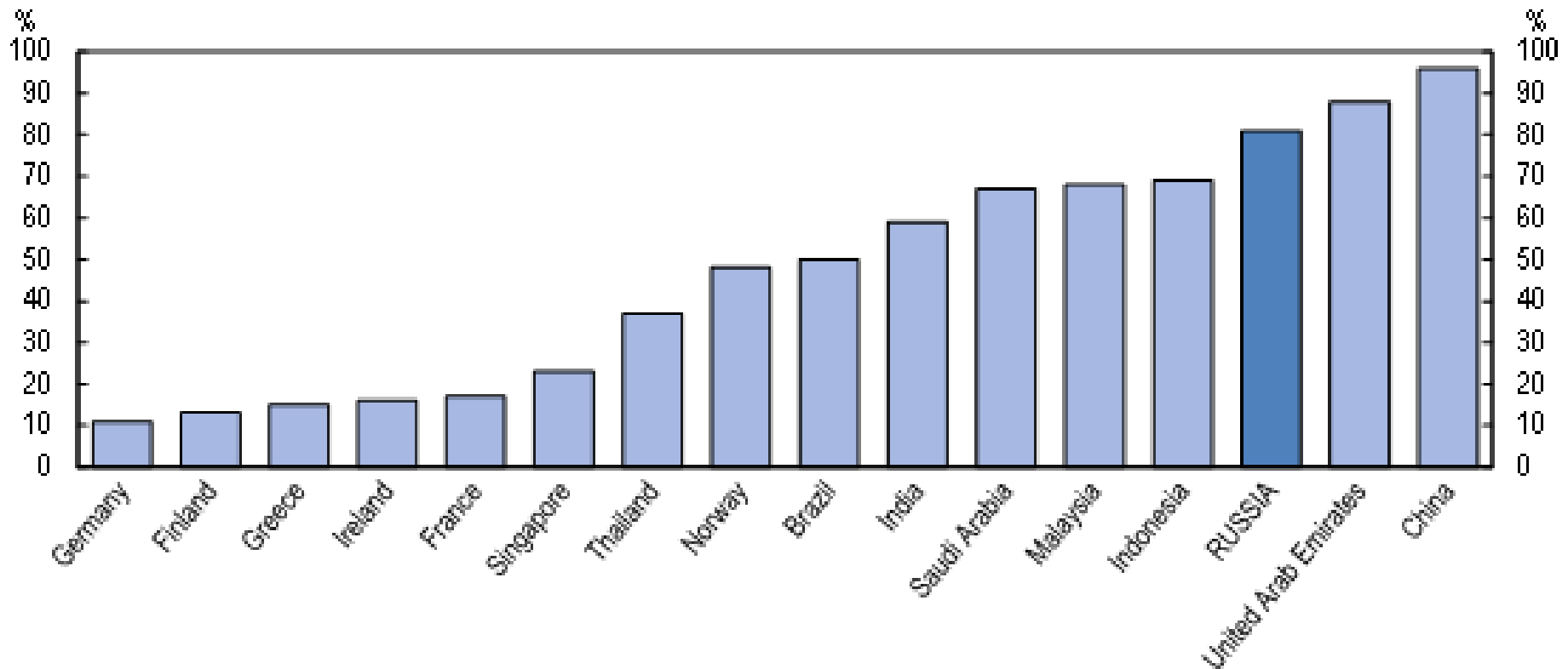
2008, index scale of 0-6 from least to most restrictive





Large SOEs dominate the economy

State-owned enterprises shares among countries' top ten firms



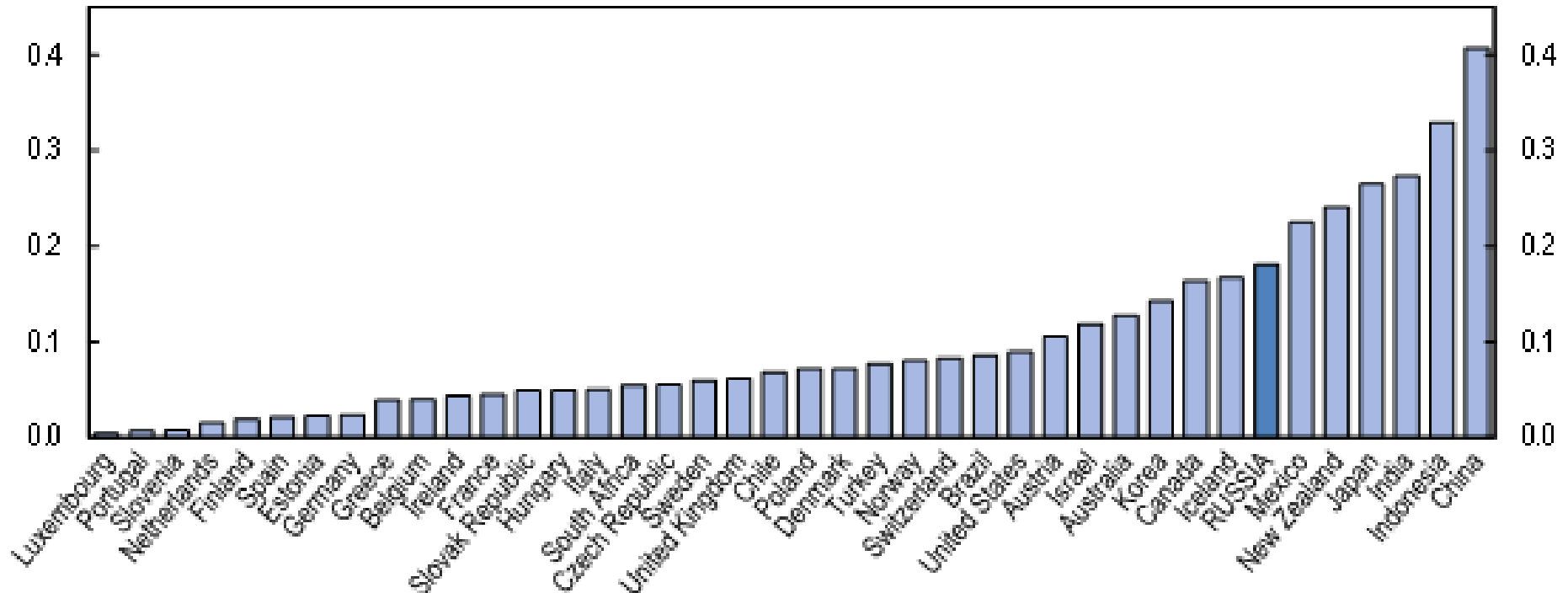


Barriers to foreign direct investments...

FDI Regulatory Restrictiveness Index

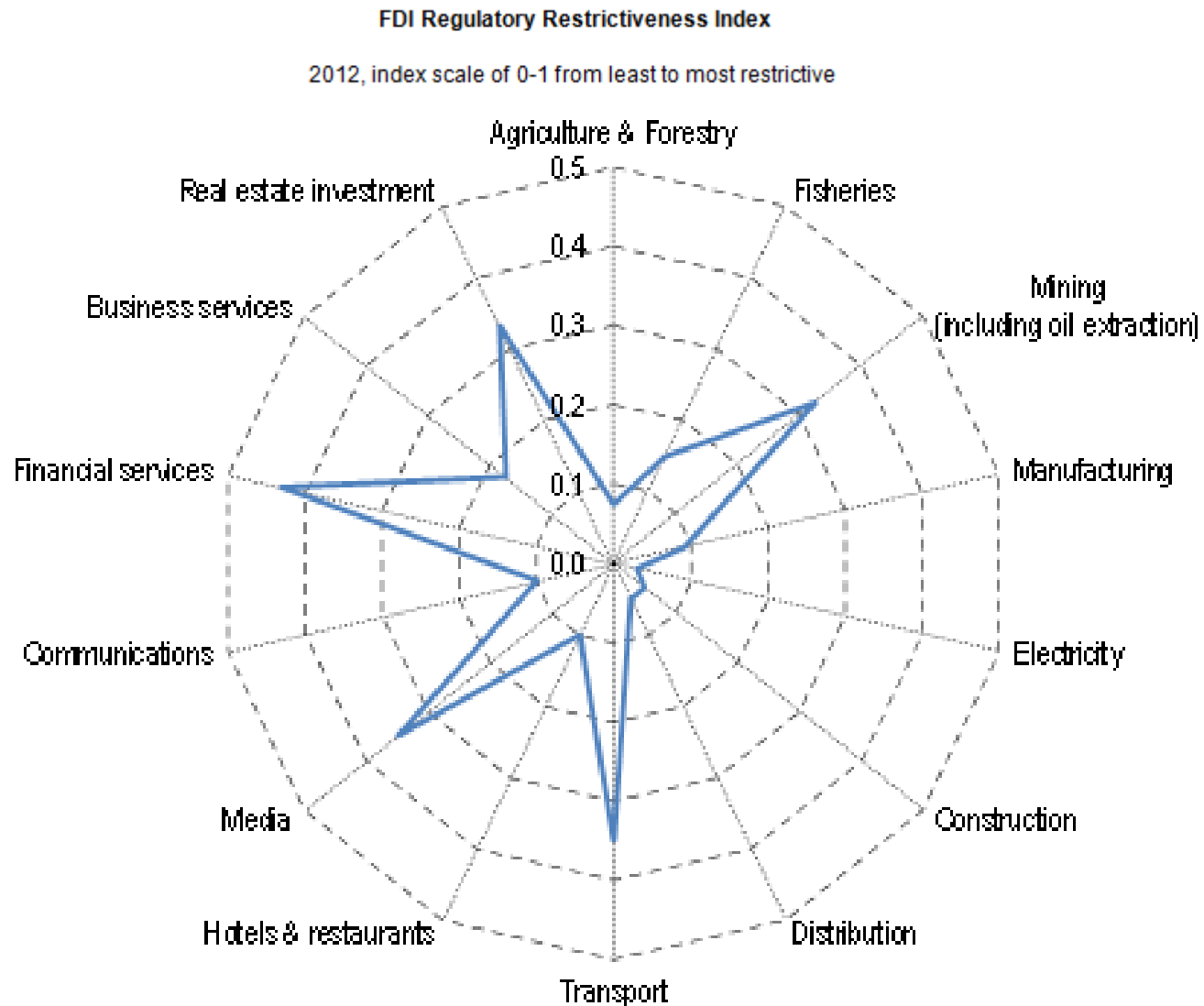
2012, index scale of 0-1 from least to most restrictive

A. International comparison





... are highly differentiated across by sector





Recommendations for establishing a favourable business climate

- Continue the current anti-corruption campaign with stronger focus on transparency and accountability mechanisms in the public sector. Improve legal protection of whistleblowers and do not restrict the scope for media or civil society organisations to publicise violations of the law.
- Strengthen judicial independence through greater transparency in appointment and promotion processes, better pay and rotation of judges, while avoiding even the appearance of political interference in court cases. Make law-enforcement agencies more transparent and accountable.
- Continue reducing administrative barriers, and widen federal initiatives to regional and local levels. Extend regulatory impact assessments to legislative draft considered by the State Duma.
- Push ahead with privatisation of state-owned banks and other state-owned enterprises (SOEs). Further improve governance of SOEs and foster a level playing field between public and private companies.
- To strengthen the impact of WTO accession, refrain from introducing entry barriers. Shorten the list of strategic sectors with prior approval required for foreign investment and streamline the approval process.