

# New version of the state programme Socioeconomic Development of the Arctic Zone of the Russian Federation

A new version of the state programme Socioeconomic Development of the Russian Arctic Zone updates a list of sub-programmes and all the main tasks, indicators and targets and also expands the list of participants. Its implementation deadlines have been extended up to 2025. The state programme's implementation will make it possible to create favourable conditions for the rapid socioeconomic development of the Arctic zone, for maintaining Russia's strategic interests and national security in the Arctic.

## **Reference**

The document has been submitted by the Ministry of Economic Development as per instructions of the 14 April 2017 meeting on the development of the Russian Arctic and decisions of the State Commission for Arctic Development.

The state programme Socioeconomic Development of the Russian Arctic Zone up to 2020, hereinafter referred to as the state programme, was approved by Government Resolution No. 366 of 21 April 2014.

Approved by the President of Russia on 8 February 2013, the state programme is the main mechanism for the implementation of the Strategy for the Development of the Arctic Zone of the Russian Federation and National Security up to 2020.

The programme's first, analytical, stage stipulated no funding whatsoever.

During the first stage (2015–2017), there were plans to establish the State Commission for Arctic Development, to single out the Arctic zone as a separate subject of statistical surveys, to list regulatory and organizational and technical conditions for the establishment of key development zones.

The State Commission for Arctic Development was established in execution of Presidential Executive Order No. 50 of 3 February 2015. Government Resolution No. 228 of 14 March 2015 approved the Commission's regulations, with Government Directive No. 431-R of 14 March 2015 approving its lineup.

Government directives No. 2437-R of 3 December 2014 and No. 638-R of 9 April 2016 supplement the federal plan of statistical surveys with official information describing the Arctic zone's national security status and socioeconomic development. This has been done to single out the Arctic zone as a separate object of statistical surveys.

The signed resolution approves a new version of the state programme, changes its title and implementation deadlines. The state programme is now titled Socioeconomic Development of the Arctic Zone of the Russian Federation, and

its implementation deadlines have been extended up to 2025.

The state programme's goal remains unchanged: raising socioeconomic development levels of the Arctic zone of the Russian Federation.

The document updates a list of sub-programmes and all the main tasks, indicators and targets, names the Ministry of Industry and Trade as its executor and also expands the list of participants.

The state programme includes the following three sub-programmes: Creation of Core Development Zones, Maintaining their Operation and Creating Favourable Conditions for the Rapid Socioeconomic Development of the Russian Arctic Zone; Development of the Northern Sea Route and Maintaining Arctic Navigation; and Developing Equipment and Technologies for the Oil and Gas and Industrial Engineering Sectors needed to Develop Mineral Deposits of the Arctic Zone of the Russian Federation. (The state programme's previous version had another sub-programme titled Coordination of Activities of State Agencies as regards the Socioeconomic Development of the Arctic Zone of the Russian Federation).

The state programme stipulates the following tasks:

- improving the quality of life and boosting people's safety in the Arctic zone
- creating favourable conditions for the development of the Northern Sea Route as a national transportation artery in the Russian Arctic and expanding the hydro-meteorological support system for local shipping
- developing science and technology and boosting the efficiency of using the Arctic zone's resources and those of the Russian Arctic continental shelf
- boosting the efficiency of state management of the Arctic zone's socioeconomic development.

During the second stage (2018–2020), there are plans to implement pilot projects for the establishment of core development zones and commissioning the North Pole ice-resistant self-propelled platform, to establish a modern high-tech shipyard in the Sakha Yakutia Republic. The programme's second-stage funding totals 12 billion roubles.

During the third stage (2021–2025), there are plans to establish and finance core development zones; to create advanced scientific and technical capability to develop technology for manufacturing hi-tech equipment and developing the electronic component industry for accomplishing tasks in the area of the Arctic zone's socioeconomic development and national security; to provide technological support using specialised vessels of the state marine environmental oversight agency; to decide on the long-term management of the most dangerous nuclear and radioactive objects and radioactive waste that have been dumped on the seabed; to develop radio-electronic equipment for accomplishing tasks in the area of the Arctic zone's socioeconomic development; to update and launch the Sever ice information system; to launch

production of competitive high-tech goods for geological prospecting operations, minerals' production and processing in the Arctic zone.

The state programme's implementation will make it possible to create favourable conditions for the rapid socioeconomic development of the Arctic zone, for ensuring Russia's strategic interests and national security in the Arctic.

The new draft state programme was reviewed and approved by participants present at the 31 August 2017 Government meeting.

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## **Submitting to the State Duma a draft law to ratify the Agreement between the governments of Russia and China to protect classified technologies in the course of cooperation in the peaceful exploration and use of outer space**

The Agreement was signed 25 June 2016 in Beijing during President Vladimir Putin's official visit to China.

### **Reference**

The draft law, On Ratifying the Agreement between the Governments of the Russian Federation and China to protect classified technologies in the course of cooperation in the peaceful exploration and use of outer space and the development and operation of launch vehicles and ground-based space infrastructure (hereinafter referred to as the draft law and the Agreement, respectively), has been submitted by the Foreign Ministry and the Roscosmos State Corporation.

The Agreement was signed 25 June 2016 in Beijing during President Vladimir Putin's official visit to China.

The Agreement aims to expand Russian-Chinese cooperation in the area of space activity.

The Agreement sets forth various principles and norms for expanded cooperation in the area of space activity, regulating the extent of the parties' access to technical data and the procedure of such access. This concerns access to technical data, as well as equipment and technology linked with joint projects at all stages of their implementation: during the process

of developing and manufacturing classified goods and technologies, during their transportation, during customs control, during preparations of launch vehicles and ground-based space infrastructure and their operation, and during possible emergencies.

The Agreement's export control section includes provisions obliging the Parties to duly protect classified technologies, and it stipulates the appropriate mechanisms for providing such protection, including by drafting and approving specific technology-protection plans.

Under the federal law On International Treaties of the Russian Federation, the Agreement is subject to ratification because it contains regulations differing from those stipulated by Russian legislation.

The Agreement's implementation will make it possible to invigorate the activity of Russian organisations and enterprises of the spacecraft and rocket industry by awarding additional contracts to them.

The draft law was reviewed and approved by participants in the 31 August 2017 Government meeting.

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## **Establishing an organising committee to support the nomination of Yekaterinburg as a candidate city to host the World EXPO 2025**

In May 2017, Russia applied to hold the World EXPO 2025 in Yekaterinburg from 2 May to 2 November 2025. The theme of the exhibition: "Changing the World: Innovations and Quality of Life." The creation of the organising committee will help coordinate the work of representatives of federal executive bodies, the Government of the Sverdlovsk Region as well as organisations engaged in the promotion of Russia's application.

### **Reference**

The document has been submitted by the Ministry of Industry and Trade.

World EXPO universal exhibitions (hereinafter referred to as World EXPO) are held every five years. In 2010, the exhibition was held in Shanghai, and in 2015 in Milan. In 2020, the World EXPO will be held in Dubai. The decision on the host city of the exhibition in 2025 will be taken at a meeting of the General Assembly of the International Bureau of Exhibitions in November 2018 in Paris.

In May 2017, Russia submitted an application for holding the World EXPO 2025 in Yekaterinburg from 2 May to 2 November 2025 (hereinafter referred to as the World EXPO 2025). The theme of the exhibition: "Changing the World: Innovations and Quality of Life."

Also, the applications were submitted by France (Paris), Japan (Osaka) and Azerbaijan (Baku).

The signed directive provides for the establishment of an organising committee to support the nomination of Yekaterinburg as a candidate city to host EXPO 2025.

Deputy Prime Minister Arkady Dvorkovich was appointed as the chairman of the organising committee.

The document was considered and approved at the Government meeting on 31 August 2017.

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## **Dmitry Medvedev congratulated Prime Minister of Vietnam Nguyen Xuan Phuc on the 72nd anniversary of Vietnam's independence**

"Russian-Vietnamese relations consist of a comprehensive strategic partnership and are based on the principles of friendship and mutual understanding. We continue to successfully develop our bilateral cooperation in trade, investment, science, technology and the humanitarian area. The implementation of the free trade area agreement between the Eurasian Economic Union and Vietnam promotes our mutually beneficial cooperation.

We intend to continue working with our Vietnamese partners at the government level and on implementing new large-scale joint projects and initiatives."

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## **Approving a draft Convention between the governments of Russia and Japan on**

# avoiding double taxation of incomes and preventing tax evasion

The signing of the Convention will allow tax payers of each contracting party to avoid paying twice on the same type of income, which will facilitate mutually beneficial cooperation between Russia and Japan and allow corresponding government bodies to exchange information in order to reveal tax offences.

## **Reference**

The document has been submitted by the Ministry of Finance.

The Russian side signed a directive endorsing the draft Convention between the Government of the Russian Federation and the Government of Japan on Avoiding Double Taxation of Incomes and Preventing Tax Evasion and the Protocol Thereto (hereinafter referred to as the Convention).

After signing, the Convention will replace the current Convention of 18 January 1986 between the Government of the USSR and the Government of Japan for the Avoidance of Double Taxation with Respect to Taxes on Income. The need to revise the relations envisaged in the Convention between the Government of the USSR and the Government of Japan is determined by changes in the conditions of economic activities in Russia and amendments in the tax legislation of both Russia and Japan, as well as the development of bilateral economic ties and international trends in taxation, which concern, in particular, information exchange and countering abuses.

The Convention covers taxes levied from the total sum of income or separate elements of income of persons that are residents of one or both Contracting States.

The Convention covers taxes from business activities, including profits from property, sea and air shipments, dividends, income from copyrights and licenses, and personal income.

The Convention guarantees that tax discrimination will not be permitted and regulates the procedure of reviewing inquiries and statements of taxpayers and settling disputes in the event the actions of one or both Contracting States are leading or will lead to the taxation in breach of the provisions of the concluded Convention.

The Convention also regulates information exchange between the competent bodies of the Contracting States.

In accordance with the federal law On the International Treaties of the Russian Federation, after signing the Convention will be subject to ratification as it contains rules that differ from those envisaged by the Russian legislation.

The signing of the Convention will allow tax payers of each Contracting State to avoid paying twice on the same type of income, which will facilitate mutually beneficial cooperation between Russia and Japan, create additional conditions for attracting investment and allow corresponding government bodies to exchange information in order to reveal tax offences.