

## CHANGES IN THE REGULATORY BASE OF THE BUDGET PROCESS IN SEPTEMBER 2013 M.Goldin

*The Government of the Russian Federation has issued documents which introduce from 2014 a simplified procedure for withdrawal of land plots from public (municipal) entities and state-owned enterprises in favor of the state treasury; amendments were introduced in to the procedure for provision of state guarantees on loans attracted by enterprises of the defense industry complex.*

By Resolution No.821 of September 18, 2013 of the Government of the Russian Federation on Approval of the Rules of Taking of a Decision by an Executive Public Authority or Local Government Authority on Withdrawal of a Land Plot Granted to a Public or Municipal Entity or State-Owned Enterprise (Except for State Academies of Sciences Established by Such Academies of Sciences and (or) Entities Which are Under Their Jurisdiction) in Case of Improper Utilization Thereof (hereinafter – the Rules for Withdrawal of Land Plots) a simplified (extrajudicial) procedure has been approved for withdrawal of land plots which are not properly utilized by public and municipal entities, as well as state-owned enterprises.

Approval of the Rules of Withdrawal of Land Plots is provided for by Article 54(3) of the Land Code of the Russian Federation due to the fact that Article 54(2) of the Land Code of the Russian Federation grants the right to executive public authorities and local government authorities to take a decision without filing an action in the court on forced termination of the right to permanent (termless) utilization of a land plot granted to public or municipal entities or state-owned enterprises (except for state academies of sciences and entities which are under their jurisdiction).

A decision on withdrawal of a land plot which is in federal ownership from public entities, state-owned enterprises, as well as federal unitary enterprises which such land plots were granted to before the day the Land Code of the Russian Federation came into effect in case of improper utilization of such land plots is taken by:

The Ministry of Defense of the Russian Federation – in respect of land plots granted to public entities, state-owned enterprises and unitary enterprises which are under jurisdiction of the Ministry of Defense;

The Administration of the President of the Russian Federation – in respect of land plots granted to public entities and unitary enterprises which are under jurisdiction of the Administration of the President of the Russian Federation;

Rosimuschestvo – in respect of land plots granted to all other public entities and state-owned enterpris-

es, except for state academies of sciences established by such academies of sciences and (or) entities which are under their jurisdiction and state unitary enterprises.

Decision on withdrawal of a land plot by authorized executive authorities are taken provided that a package of the following documents has been received:

- Instructions on elimination of the identified violation of requirements of the land legislation;
- Certificate on checking of fulfillment by the land user of instructions on elimination of the identified violation;
- Other documents related to the outputs of checking the fulfillment of the instructions.

The Rules of Withdrawal of Land Plots will come into effect from January 1, 2014.

By Resolution No. 785 of September 6, 2013 of the Government of the Russian Federation on Introduction of Changes into the Rules of Provision in 2013 of State Guarantees of the Russian Federation on Loans Attracted by Enterprises of the Defense Industry Complex for Implementation of Projects Carried Out Within the Frameworks of the Federal Purpose Program: Development of the Defense Industry Complex of the Russian Federation in the 2011–2020 Period (hereinafter – The Rules of Provision of Guarantees), amendments were introduced into the procedure for provision in 2013 of state guarantees on loans attracted by enterprises of the defense industry complex (DIC) for implementation of projects carried out within the frameworks of the above federal program (hereinafter – guarantees).

According to amendments to the Rules of Provision of State Guarantees, guarantees are issued not only for securing obligations of enterprises of the defense industry complex as regards repayment of the amount of the loan (the principal), but also those as regards financing (making of contributions to charter capitals) of their subsidiaries participating in implementation of projects.

Also, the list of conditions for provision of guarantees has been expanded. At present, for securing a

guarantee enterprises of the military industry complex have to conclude an agreement with the Ministry of Industry and Trade of the Russian Federation and Rosimuschestvo on purchasing by the Russian Federation within the frameworks of the Program (in the volume, within deadlines and at the expense of budget allocations specified for those purposes in the Program) of

additional equities of enterprises of the defense industry complex which equities are to be issued in future (equities of an additional issue) and which equities they are obliged to sell (assign in ownership) to the Russian Federation in 2016 in the volume (the total par value) of no less than the amount of the loan attracted by the principal. ●