

THE REVIEW OF MEETINGS OF THE GOVERNMENT OF THE RF IN NOVEMBER 2013

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In November 2013, at the meetings of the Government of the Russian Federation were discussed, among other things, the following issues: the draft law aimed at ensuring of transparency of financing of political parties and the draft law on disclosure of the information on persons holding senior executive offices in credit institutions.

On **November 7**, at the meeting of the Government of the Russian Federation the draft federal law on Amendment of the Federal Law on Political Parties was discussed. The purpose of the draft law consists in ensuring of transparency of financing of political parties. The above measure was initiated by recommendations of the group of countries on combating corruption (GRECO). GRECO is a body of the Council of Europe and deals with implementation of international and legal documents developed by the Council of Europe in the sphere of prevention of corruption. To solve the above objective, GRECO carries out monitoring of measures carried out by GRECO in the sphere of prevention of corruption. Amendments to the Federal Law on Political Parties come down to the following changes:

1) The draft law determines the sphere of activities of the association or the union of political parties and other non-government associations – in accordance with the new edition of the Federal Law the above entities are established exclusively for participation in elections.

2) The draft law is expected to set a limit on the amount of membership fees and affiliation fees within the limits of the maximum possible amount of donations to a political party from an individual, which sum currently amounts to Rb 4,330,000 (Cl. 9 of the Federal Law on Political Parties). The above measure is justified by the fact that there is an explicit possibility to evade the above maximum limit of a donation by disguising the source of funding as membership (affiliation) fees.

3) The draft law expects to set the limit on the maximum amount of the loan received by a political party as a fivefold amount of the annual donations from a single legal entity or individual. The above measure is justified by the fact that at present on the basis of a loan agreement with a political party which agreement may be of an imaginary nature or concluded on noncompetitive terms actual financing of political parties can be carried out in circumvention of provisions of Article 58 (5) of the Federal Law on the Principal Guarantees of Voting Rights and Rights to Participation in the Referendum of

Citizens of the Russian Federation which set the limited list of sources of financing of electoral funds of candidates and electoral associations.

4) The draft law sets an obligation of a political party to carry out an audit of its accounting (financial) statements with occurrence of at least one of the following events:

- a) a political party receives state funding;
- b) the total sum of annual donations to a political party amounts to Rb 60m or more;
- c) within a calendar year, a political party carried out expenditures worth \$60m or more.

The draft law was approved and submitted to the State Duma of the Russian Federation.

Also, on **November 7** at the Meeting of the Government of the Russian Federation draft Federal Law on Amendment of Article 8 of the Federal Law on Banks and Banking was discussed. The draft law sets an obligation of credit institutions to disclose to an unlimited number of people the information which is placed on its official site on the qualification and work experience of the following persons:

- members of the Board of Directors (the Supervisory Council) of a credit institution;
- persons holding the office of a sole executive authority and its deputies;
- members of the collegial executive authority;
- chief accountant;
- deputy chief accountant of a credit institution;
- and also manager and chief accountant of a branch of a credit institution.
- Subject to disclosure is the following information:
 - Name, patronymic name, family name;
 - The information on the vocational education;
 - Name of the job position;
 - Information on the working career.

It is expected that executive officers of a credit institution will be prosecuted for a violation of the obligation to disclose the information on persons holding executive positions in a credit institution. ●