

## CHANGE IN RUSSIAN REGULATORY BASE OF THE BUDGET PROCESS IN AUGUST 2015

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*On 31 August 2015, the rules of development and approval of a budget forecast – a principal document of budget planning – were approved.*

**By Resolution No.914 of 31 August 2015 of the Government of the Russian Federation** on The Long-Term Budget Forecast of the Russian Federation, the Rules of Development and Approval of a Long-Term Budget Forecast of the Russian Federation (hereinafter the Rules) were approved.

The Rules determine the procedure, time-limits and conditions of development and approval (amendment), as well as the requirements to the content of the long-term budget forecast (hereinafter the Budget Forecast).

It is to be noted that deemed by amendment of the Budget Forecast are adjustments introduced without changing the period the Budget Forecast is developed for.

By general rule, the Long-Term Budget Forecast is developed for the period of 18 years each six years. However, in 2015 the Long-Term Budget Forecast of the Russian Federation is developed for the period till 2030.

Development of the Budget Forecast (amendments of the Budget Forecast), including procedural guidelines and organizational support is carried out by the Ministry of Finance of the Russian Federation.

The Budget Forecast (amendments of the Budget Forecast) is approved by a resolution of the Government of the Russian Federation.

Development of the Budget Forecast (amendments of the Budget Forecast) is carried out in three stages.

*At the first stage*, a draft Budget Forecast (amendments of the Budget Forecast) is developed on the basis of the scenario conditions of functioning of the economy of the Russian Federation in the long-term period and the main parameters of the long-term social and economic development of the Russian Federation.

Individual indices of scenario conditions of functioning of the economy of the Russian Federation in the long-term period, the main parameters of the long-term social and economic development of the Russian Federation, as well as other indices of the social and economic development of the Russian Federation needed for development of the draft Budget Forecast (amendments of the Budget Forecast) are to be pro-

vided by the Ministry of Economic Development of the Russian Federation and the Ministry of Finance of the Russian Federation not later than 15 May 2015.

Individual indices of budgets of the budget system of the Russian Federation may be developed for the period exceeding the period of development of the Budget Forecast on the basis of individual indices of the social and economic development of the Russian Federation which indices are developed by the Ministry of Economic Development of the Russian Federation for the period of 50 years.

The draft Budget Forecast (amendments of the Budget Forecast) is taken into account in development of the forecast of the main parameters of budgets of the budget system for the next financial year and planning period.

The draft Budget Forecast (amendments of the Budget Forecast) is submitted to the Ministry of Economic Development of the Russian Federation in order to be taken into account in development of the long-term forecast of the social and economic development of the Russian Federation, as well as indices of the long-term social and economic development of the Russian Federation.

*At the second stage*, the Budget Forecast proper (amendments of the Budget Forecast) is developed. The Budget Forecast is prepared on the basis of the draft forecast of the long-term social and economic development of the Russian Federation and other indices of the long-term social and economic development of the Russian Federation provided by the Ministry of Economic Development of the Russian Federation to the Ministry of Finance of the Russian Federation no later than 25 August 2015.

The Budget Forecast (amendments of the Budget Forecast) is approved by the Ministry of Finance of the Russian Federation together with the Ministry of Economic Development of the Russian Federation.

Upon approval by the Ministry of Economic Development of the Russian Federation, the Budget Forecast (amendments of the Budget Forecast) is submitted by the Ministry of Finance of the Russian Federation to the Government of the Russian Federation as a part of documents and materials to

the draft federal law on the federal budget for the next financial year and planning period (except for indices of financial provision of state programs of the Russian Federation).

*At the third stage*, the draft instructions of the Government of the Russian Federation on approval of the Budget Forecast (amendments of the Budget Forecast) are developed with taking into account the outputs of consideration of the draft federal law on the federal budget for the next financial year and planning period.

It is to be noted that the draft instructions of the Government of the Russian Federation on approval of the Budget Forecast (amendments of the Budget Forecast) are approved by the Ministry of Finance of the Russian Federation together with the Ministry of Economic Development of the Russian Federation within 2 weeks before submission of the above draft instructions to the Government of the Russian Federation.

The draft instructions of the Government of the Russian Federation on approval of the Budget Forecast (amendments of the Budget Forecast) are introduced by the Ministry of Finance to the Government of the Russian Federation within a period of a month from the day of official publication of the federal law on the federal budget for the next financial year and planning period.

The Budget Forecast (amendments of the Budget Forecast) is developed with taking into account the three versions of the forecast of the long-term social and economic development of the Russian Federation (base, conservative and purpose) and other indices of the long-term social and economic development of the Russian Federation.

The content of versions of indices of the Budget Forecast is determined by the Ministry of Finance of the Russian Federation by agreement with the Ministry of Economic Development of the Russian Federation. ●