

# SGS GOST NEWS

SGS NEWSLETTER FOR EXPORTERS AND INVESTORS TO RUSSIA / CIS

RUSSIAN PRODUCT CERTIFICATION AND VERIFICATION

MAY 2012, ISSUE 14

## EDITORIAL

Dear Reader,

The fact that one of the first decrees signed by the newly elected President of Russia focuses on making entrepreneurial climate in the country more favourable is a positive sign. The political uncertainty caused by presidential election rally now makes room to daily routine, and it is the turn of implementing the declared targets, one of which is to make Russia more business-friendly. As long as the technical regulation reform is concerned, one should expect a significant degree of continuity in the approach, since it was initiated by Vladimir Putin during his first presidential term in 2003.

The May issue of SGS GOST NEWS covers a number of issues regarding the reform's progress and aims at giving you insights on the business climate in Russia and the CIS.

Please do not hesitate to contact us for any additional information at [gost@sgs.com](mailto:gost@sgs.com).

Sincerely Yours,

**SGS TEAM FOR RUSSIAN PRODUCT  
CERTIFICATION AND VERIFICATION**

## IN FOCUS: LAWS & REGULATIONS

### SINGLE LISTS OF PRODUCTS SUBJECT TO CERTIFICATION OR DECLARATION UPDATED

In accordance with the Russian Governmental Resolution No. 213 dated on March 21, 2012 certain changes have been made in the Single list of products liable to mandatory certification and the Single list of products whose conformity verification is to be made in the form of a declaration of conformity (both list approved by the Russian Governmental Resolution No. 982 dated on December 1, 2009 and since then regularly updated). Those changes aim at eliminating situations when a product can figure both in a Single list and in a national Technical Regulation, where mandatory verification of conformity is also specified for the products falling in the scope of the Technical Regulation. As a result, 190 items have been excluded from the Single lists, namely 139 product categories from the certification list and 51 product categories from the declaration list. Besides, 14 items have been defined more precisely. Still, all certificates and declarations of conformity issued (approved) before May 28, 2012 remain valid till the term established therein within the limits of the product's shelf-life or service life in accordance with the Russian law. Moreover, there is no requirement to change the mark of conformity affixed on the products and/or packaging placed into the Russian market with such documents.

### ALL FOOD-RELATED TECHNICAL REGULATIONS TO BE EFFECTIVE AT ONCE



All Technical Regulations of the Belarus-Kazakhstan-Russia Customs Union concerning food products will come into force simultaneously on July 1, 2013. So far, five Technical Regulations of the Customs Union have been approved: "On safety of grain", "On safety of food products", "On food products with regard to their mark", "On juice products made of fruits and vegetables" and "On oil-fat products". Besides, another Technical Regulation is ready to be approved at the Council of the Eurasian Economic Commission – "On safety of certain types of special foodstuffs, including dietary therapy and protective food". The complete package of Technical Regulations of the Customs Union regarding food products is scheduled to be approved by September 2012. The manufacturers will be granted the transition period to adjust to the Technical Regulations of the Customs Union of approximately two years. Same approach of a group of Technical Regulations coming into effect simultaneously, in a package, will be applied to machinery and equipment as well as to chemicals. Such a decision was taken during the 33<sup>rd</sup> meeting of the Customs Union Commission in Moscow.

**SGS**

### CUSTOMS LEGISLATION TO BE AMENDED

With the Unified Economic Area established in 2012, the Federal Customs Service of the Russian Federation has been working on amending customs legislation for the purposes of facilitating customs procedures, creating conditions for accelerated movement of goods and unifying customs administration within the Belarus-Kazakhstan-Russia Customs Union. Particularly, the intention is to introduce unified terms of release of goods and the cases of their prolongation, a unified procedure for submitting an incomplete declaration and a unified procedure for regular customs declaring. Besides, they intend to introduce electronic data exchange between authorities.



So far, member-states of the Customs Union apply a multilevel system of customs laws based on the Customs Code of the Customs Union. Besides, more than 20 international agreements specify the Customs Code on certain categories of goods and peculiarities of customs operations execution. Operational and technical issues are regulated by the decisions of the Customs Union Commission. In Russia, the customs legal framework is set up by the law "On customs regulation in the Russian Federation" as well as by regulatory documents issued by the President, by the Government and by the Federal Customs Service.

### TRANSITION PROCESS SMOOTHED FOR FOUR NEW TECHNICAL REGULATIONS



On April 19, 2012 the Collegium of the Eurasian Economic Commission introduced changes to the four Technical Regulations of Belarus-Kazakhstan-Russia Customs Union, which had been approved in August-September 2011. Namely, those changes concerned the Technical Regulations "On safety of light industry products", "On safety of products intended for children and teenagers", "On safety of perfumery and cosmetics" and "On safety of packaging". Those changes are aimed at smoothing the transition toward the new legal framework for manufacturers and distributors.

Namely, those goods that previously were exempt from mandatory conformity assessment but are now liable to mandatory certification or declaration of conformity within the Custom Union, can still be produced and marketed without any certificates or declarations until January 1, 2013. The mark of conformity should also not be applied to those products. When launched to the market under those conditions, the goods are allowed to free circulation until expiration date or service end date determined by the national legislation of the Customs Union member-state.

### RUSSIA TO JOIN THE EUROPEAN CO-OPERATION ON ACCREDITATION

The Russian Federation intends to join the European co-operation on Accreditation (EA) by the end of 2013. The application for entering the given institution has already been submitted. The main result of the Federal Service on Accreditation of the Russian Federation joining the European co-operation on Accreditation would be the recognition of all Russian certificates and declarations of conformity at the European markets. Besides, the international accreditation bodies of the USA and of the Asian countries generally acknowledge European certificates as well. At the same time, harmonisation of the Russian systems of certification and accreditation with international ones is urged by the fact that Russia joins the WTO and also intends to join the Organisation for Economic Co-operation and Development (OECD).

For the purpose of eliminating the barriers to trade and creating comfortable conditions for doing business the accreditation system should be transparent and clear; any product should require only one permissive document. To this effect, the new Russian Law on Accreditation is to be enforced. The draft of the law is ready to be submitted to the Government. Moreover, special regulatory documents – Technical Regulations on accreditation and product certification – are already being elaborated within the framework of the Belarus-Kazakhstan-Russia Customs Union.

### CERTIFICATION BODIES TO BE INSPECTED

Lack of transparency and consistency in the Russian accreditation system leads to numerous violations without entailed responsibility, which results in non-recognition of Russian products in the global markets. To improve the current situation, control mechanisms should be developed and administrative pressure measures for revealed violations should be actively applied.

As announced in early 2012 by Rosaccreditation, 7,000 accredited certification bodies, i.e. almost half of all existing certification bodies of the Belarus-Kazakhstan-Russia Customs Union, are to be inspected throughout 2012. To that effect, a working group



has already been created composed of the heads of the Belarus-Kazakhstan-Russia Customs Union member-states'

accreditation bodies. In case non-compliances are identified, the certification body is liable to a fine (up to 1 million rubles for legal entities), and in some cases prohibition to proceed with certification activities is envisaged.

The Federal Service for Accreditation (abbreviated as Rosaccreditation) was established in 2011 under the Ministry for Economic Development and Trade of Russia. According to their statute approved by the Russian Governmental Resolution No. 845 dated on October 17, 2011, this organisation executes the functions of a national accreditation body as well as has been responsible for establishing of a single national accreditation and supervision system.

## ON MARKET TRACK: TRADE & INVESTMENTS

### VLADIMIR PUTIN ELECTED DURING RUSSIA'S PRESIDENTIAL ELECTIONS

In March 2012, Vladimir Putin won in presidential elections with 64%, returning for a third, six-year term after spending the last four years as Russia's prime minister. His closest rival, communist Gennady Zyuganov, polled 17%. The inauguration ceremony took place in Moscow on May 7, 2012.

A few hours after the ceremony President Putin signed his first decrees. They concerned long-term economic policy of the country, social initiatives,

healthcare, science and education, dwelling problem, governance system improvement, military sector development, external policy of the



Alexsey Druginyn/RIA Novosti

country. Among the first decrees signed by the new President a few related to facilitation of entrepreneurship. Namely, he asked the Government to introduce changes to the Russian legislation excluding the possibility of solving business disputes by criminal prosecution of entrepreneurs. He also commissioned the Government to create the office of a business ombudsman protecting the rights of entrepreneurs. Both business-related Decrees are to be implemented by December 1, 2012.

### IMPORT GROWTH TO RUSSIA SLOWS DOWN

Import growth to the Russian Federation has slowed down from 20% in January 2012 till 6% in March. Overall, during the first quarter of 2012 imports grew by 13% versus previous year. Imports slow down along with Ruble exchange rate strengthening, which is rather

unusual since normally strengthening of a national currency means better conditions for importers.

In January-March 2012, GDP of Russia grew by 4% versus the same period in 2011. The Russian Ministry for Economic Development and Trade anticipates GDP to amount to 2 trillion USD in 2012, keeping Russia at the sixth place in the

global rating according to the size of economy by PPP GDP. Purchasing Power Parity or PPP GDP tries to take into account that one dollar can buy more in some countries and less in others, giving the more precise idea of an internal market size compared with nominal GDP rating where countries with stronger currencies figure first in the top list.

## WHAT'S NEW WITH SGS

### SGS PARTICIPATED IN THE RUSSIAN NATIONAL FORUM OF CERTIFICATION BODIES

On February 16-17, 2012 the Russian National Forum for Conformity Assurance Bodies took place in Kazan. More than 600 representatives from different regions of the Russian Federation as well as from a number of neighboring countries joined the event. Vladimir Ovcharov, Head of Product Certification and Verification Services at SGS Vostok Limited, the Russian subsidiary of the SGS Group took active part in the discussion.



The Forum included a plenary session covering various aspects of the single national accreditation system, technical regulation within the Belarus-Kazakhstan-Russia Customs Union, harmonisation of

accreditation and technical regulation systems within the framework of Russia's entering the WTO and other critical issues. Besides, the Forum's agenda included round-table discussions regarding development of food, chemical, petrochemical, mechanical engineering, instrument-making and building sectors under the current market conditions.

### THE CERTIFICATION BODY BASEEFA, UK JOINED THE SGS GROUP



In December 2011, SGS completed the acquisition of Baseefa Limited, UK. Baseefa is a world-renowned certification

body for equipment in hazardous environments including product certification within the IECEx scheme and the ATEX directive. In addition, Baseefa operates a testing laboratory and offers training courses in safety in hazardous environments.

Baseefa Limited has operated as a private company since 2001. Prior to that, it was a part of the UK Health and Safety Executive (HSE), a government body. The integration of Baseefa into the SGS Group provides a number of new opportunities both for Russian

manufacturers of ex-proof equipment willing to export their products and for international producers interested in entering the Russian market. The SGS network allows implementing the one-stop shop model.

By contacting any SGS office a manufacturer of ex-proof equipment is able to obtain at the same time the GOST R certificate of conformity through the proper SGS accreditation in Russia and the ATEX or IECEx certificate thanks to the relevant approvals held by Baseefa.

### DO NOT HESITATE TO CONTACT US AT

[gost@sgs.com](mailto:gost@sgs.com)

with comments and suggestions related to this newsletter as well as to subscribe and unsubscribe.

© 2012 SGS SA. All rights reserved. This newsletter is a publication of SGS SA although certain contents have been submitted by third parties or have otherwise been licensed for use by SGS SA and all copyrights in such third party contents remain vested in such third parties. Contents identified as being from third parties reflect solely the positions of such third parties and SGS SA neither endorses nor disapproves of said contents. This newsletter is intended to provide general information on a particular subject or subjects and is not an exhaustive treatment of such subject (s). Accordingly, the information in this newsletter is not intended to constitute consulting or other professional advice or services. This newsletter is provided "as is" and SGS SA does not warrant that the information contained therein will be error-free or will meet any particular criteria of performance or quality. The information may not be quoted or referred to in any other publication or proceeding without the prior written consent of SGS SA.

WHEN YOU NEED TO BE SURE

**SGS**