

New Migration Rules to Be Eased

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New registration rules for expatriates are intended to reduce bureaucracy, and the government is working on more reforms to bring conditions for foreign employees in the country in line with Europe, the Federal Migration Service [said](#) Thursday.

"We are working on a whole set of laws that will make the whole registration system obsolete," the service's spokesman Konstantin Poltoranin told The Moscow Times.

Poltoranin admitted that some of the changes enacted Tuesday were not helpful for businesses, which now have to register foreign employees at the latter's home addresses, not an employer's address.

"We were against this, but the responsible State Duma committee insisted on it," he said.

Foreign businesses have expressed bewilderment at the reform, which effectively requires landlords to stand in line to register foreign tenants each time foreigners return from business trips or vacations.

The Association of European Businesses said the changes actually worsen conditions for foreign employees and contradict the government's objectives to modernize the economy and liberalize migration legislation.

The association even sent a written complaint to President Dmitry Medvedev earlier this week.

Frank Schauff, the group's chief executive, said that authorities seemed to listen to the concerns. "We had three meetings since the letter was sent to the Kremlin Tuesday," he said Thursday, having just completed a round of talks at the Economic Development Ministry.

Asked about the meeting's result, Schauff merely said that ministry officials and business representatives agreed "to solve the problem as quick as possible."

The Kremlin press service refused to comment Thursday.

But Valery Fedoreyev, a labor law expert at Baker & McKenzie's Moscow office, who also participated in the meeting, said his firm and the American Chamber of Commerce are already working on a draft amendment to allow employers to register employees at their workplace.

The text will be sent to the Ministry on Friday or Monday, Fedoreyev said in e-mailed comments.

Ministry spokespeople did not answer calls for comment Thursday.

Faced with a multitude of complaints, the Federal Migration Service promised last week to let employers, not landlords, register their staff — on the condition that the home address is used and a notarized power of attorney from the landlord is produced.

Experts confirmed that migration authorities showed flexibility when handling the first registrations under the new rules. "Right now, registrations at home addresses handed in by employers without powers of attorney are accepted," said Tatyana Bondareva of the Visa Delight agency.

But companies will have to produce the power of attorneys if facing an inspection, Bondareva explained.

The compromise triggered concerns that many apartment owners will refuse to cooperate — because of fear to disclose rental payments to tax authorities.

Bondareva said no rental agreements would have to be produced with the power of attorney.

But Fedoreyev of Baker & McKenzie still said the main motivation for the change seemed to be tax considerations.

"They probably just want to know who does not want to pay taxes," he said.

Another concern is that the reform will put upward pressure on the city's already phenomenal rent levels.

"This measure might lead to higher rent rates for foreign citizens [and the housing] market

may considerably suffer, as landlords might not be willing to participate in the registration of their foreign lodgers", the Association of European Businesses said in a statement.

At an average 1,000 rubles (\$34) per square meter, rent in central Moscow is among the highest in Europe.

The reform also abolished the need to de-register every time foreigners leave their place of residence. Instead, the migration service relies on data forwarded automatically when foreigners re-register or if they leave the country.

But the obligation to re-register remains in place, especially after returning from abroad, when a three working days leniency period does not apply.

So far, the cumbersome registration rules have been eased only for so-called highly qualified experts with a minimum annual salary of \$66,000.

Only about 5,000 visas have been issued for this group, since it was introduced last July, according to data by migration authorities.

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