

Medvedev Takes Heat in Yekaterinburg

By [The Moscow Times](#)

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Medvedev attending a high-tech-sector forum Thursday in Yekaterinburg. **Yekaterina Shtukina**

Prime Minister Dmitry Medvedev on Thursday had to field a question about the country's cumbersome customs clearance from German industrialist Dieter Siempelkamp.

The chairman of Siempelkamp Group, a manufacturer of wood processing and other industrial machines, complained while Medvedev attended a high-tech-industry forum in Yekaterinburg that delays hurt his business of exporting — and installing — equipment.

“Sometimes we have to halt installation because we wait for parts that sit at customs for several weeks,” he said, according to a transcript of the meeting on the Cabinet website. “The procedure that we have to follow at customs is very complicated, and it is growing more complicated.”

In response, Medvedev acknowledged — as has been customary for government officials speaking about government institutions — that the Federal Customs Service remained corrupt and ineffective despite attempts to change it for the better.

As a solution, he said, the government had to find a better balance between the agency's duties of filling the budget and regulating foreign trade.

"The customs service must do both, but in what proportion?" he said at the Innoprom forum. "What is more important for the state: an open road for business, new jobs, new production units, and supply of the needed parts, or the fiscal goal?"

Continuing on the customs subject, Dietrich Moeller, president of Siemens in Russia and Central Asia, said customs duties make it cheaper to export finished products to Russia, such as energy turbines and trains, than to assemble them locally from imported components — and create jobs by doing so.

On the sidelines of the forum, Canadian aerospace and rail equipment manufacturer Bombardier signed a cooperation agreement with Uralvagonzavod.

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