

Russian Businesses Lodge Rising Numbers of Official Complaints

Business ombudsman concerned by an increase in criminal proceedings against Russian businesses.

February 03, 2020



Boris Titov, Russia's business ombudsman. Kremlin.ru

Russian business owners lodged 24% more official complaints with the government's ombudsman in 2019 than the previous year, the head of the service <u>said</u> Monday.

Ombudsman Boris Titov said he was particularly concerned by the sharp increase in the number of businesses who had been embroiled in criminal cases — echoing one of the top reservations from international investors about doing business in Russia. Titov, who deals with federal-level complaints, said almost half of the 2,200 cases his team took on last year were related to criminal proceedings — up from less than a third in 2018.

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The <u>ombudsman</u> service, set-up by President Vladimir Putin in 2012 as a go-between for local authorities and entrepreneurs to address corporate disputes, received more than 12,000 official complaints from business owners in Russia's regions last year, and another 2,000 at a federal level. The service acts as an intermediary between authorities and businesses on disagreements related to issues such as taxes, licenses, regulations, fines and environmental standards.

Titov, who ran against Putin in the 2018 election, has previously brushed up against the Kremlin in his attempts to protect business owners from criminal prosecution. Titov's suggestion of an amnesty for a handful of rich Russians who had fled abroad to escape ongoing criminal proceedings in Russia was never taken up by the Kremlin. Last November, one of those who Titov successfully convinced to come home, with the promise that the ombudsman would push for charges to be dropped, was <u>sentenced</u> to three years in a penal colony.

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