

RUSSIAN FEDERATION

FEDERAL COUNTRY

BASIC SOCIO-ECONOMIC INDICATORS

INCOME GROUP: UPPER MIDDLE INCOME

LOCAL CURRENCY: RUSSIAN ROUBLE (RUB)

POPULATION AND GEOGRAPHY

Area: 17 098 250 km²
Population: 144.495 million inhabitants (2017), an increase of 0.1% per year (2010-2015)
Density: 8 inhabitants / km²
Urban population: 74.3% of national population (2017)
Urban population growth: 0.3% (2017 vs 2016)
Capital city: Moscow (8.6% of national population)

ECONOMIC DATA

GDP: 3 817.2 billion (current PPP international dollars), i.e. 26 418 dollars per inhabitant (2017)
Real GDP growth: 1.5% (2017 vs 2016)
Unemployment rate: 5.2% (2017)
Foreign direct investment, net inflows (FDI): 28 557 (BoP, current USD millions, 2017)
Gross Fixed Capital Formation (GFCF): 21.7% of GDP (2017)
HDI: 0.816 (Very High), rank 49

MAIN FEATURES OF THE MULTI-LEVEL GOVERNANCE FRAMEWORK

According to the Constitution, the Russian Federation is a democratic federative law-governed state with a republican form of government (Article 1). State power is exercised by the President of the Russian Federation, the Federal Assembly, the Government of the Russian Federation, and the courts of the Russian Federation (Article 11).

The President of the Russian Federation is the head of the State and is elected for six years by universal, equal and direct suffrage. The president appoints the Chairman of the government in agreement with the legislature. The Federal Assembly is the representative and legislative body of the federation. It consists of two chambers: the Council of the Federation and the State Duma. The Council of the Federation includes two representatives from each "subject" of the Russian Federation: one from the legislative and one from the executive body of state or regional authority (170 in total). Initially, these two delegates were the regional governor/president and parliamentary speaker in person. However, since 2000, they may not sit directly on the Council. Instead, one of the two delegates is appointed by the governor/president and the other elected by the regional parliament. The State Duma consists of 450 deputies who are elected for a five-year term. A representative may not be simultaneously a member of the Council of the Federation and a deputy of the State Duma. A deputy of the State Duma may not be a deputy of other representative bodies of state authority and local self-government.

The Federation consists of republics, territories, regions, cities of federal importance, and autonomous regions and areas. A republic has its own constitution and legislation. Territories, regions, cities of federal importance, autonomous regions and areas have their own charter and legislation. The differences in terms of actual power, prerogative or revenue sources between these different regional types are however small.

The basic legal principles regarding subnational governance can be found in the 1993 Constitution. It recognises and guarantees the principles of local self-government (Chapter 1, article 12) and delineates the roles and functions of local governments (Chapter 8). According to the constitution, local self-government bodies shall independently manage municipal property; form, adopt and implement the local budgets; introduce local taxes and dues; ensure public order; and also solve other issues of local importance. Since the early 1990s, significant reforms have been initiated with the aim of developing the local government structure in Russia. In 1995, a Federal Law underlining the general principles of local self-government in Russia was adopted. In 1998, Russia signed the European Charter of Local Self-Government. In 2003 a new Federal Law "On General Principles of Local Self-Government" was adopted to reform the local self-government organisation. In addition, legal provisions regarding lower-tier governments are contained in many other codes and legislative acts, including the civil code, the budget code and the tax code of the Federation. A municipal reform was carried out between 2003 and 2005, resulting in an increase in the number of municipalities from approximately 12 000 to more than 20 000 today. Direct election of governors was re-established in 2012, after being abolished in 2005. Although the structure varies across regions, local government bodies comprise a legislative body headed by a mayor or an appointed official.

In addition to the legal provisions, a number of governing structures and institutions have been established over the years, including the Council of Local Self-Government of the Russian Federation, a Board of Local Self-Government Leaders, as well as specialised units within the federal ministries and the presidency in charge of local government issues. Federal constituencies (states or regions) are responsible for the regulation of all aspects of local government within their respective jurisdictions. Their regulation of municipal and local affairs must take into account the local circumstances of specific settlements (urban, rural or intra-city), the population and its traditions, the economic, social and national development of specific territories. Thus far, each federal constituent or region has developed a separate framework concerning their local government system. Most constituencies have also enacted rules regarding the elections of local government bodies, forms of public participation in local and municipal services, as well as laws on official misconduct associated with the local authorities. In 2014 and 2015, amendments to Federal Law 13175 on Local Self-Government introduced the option for mayors to be elected by local councillors from among their own ranks, instead of directly by the population. This framework has slowly been adopted by several regions. Complaints regarding the abolition of direct mayoral elections have been directed to the Constitutional Court. The newly proposed legislation will, if adopted, enable governors to dismiss elected mayors for 'improper use' of regional funding transferred to local authorities – a measure which according to one expert could be used improperly. Economic and social disparities between and within regions continue to threaten national cohesion and the success of the federal economic model of Russia. The fiscal redistribution across and within regions has fallen short in reducing the revenue disparities despite numerous efforts through the government's budget equalisation mechanisms.

TERRITORIAL ORGANISATION

2017	MUNICIPAL LEVEL	INTERMEDIATE LEVEL	REGIONAL OR STATE LEVEL	TOTAL NUMBER OF SNGS
	1 589 urban settlements 18 101 rural settlements 286 intra-city districts and territories	1 784 municipal districts (rayons) and 567 cities (city <i>okrugs</i>)	83 Subjects of the Federation	
	Average municipal size: inhabitants			
	19 976	2 351	83	22 410

OVERALL DESCRIPTION. Russia has a complex multi-tiered administrative structure, which is asymmetric. The regions include 21 republics, 46 provinces (*oblasts*), one autonomous *oblast*, nine “territories” (*Kraj*), four autonomous areas (*autonomy okrugs*), and two cities with federal status (Moscow and St. Petersburg) and have various degrees of autonomy. Cities of federal importance are defined as distinct regions despite being geographically enclaved in other regions. The four autonomous areas are large territories with, in general, a low population density that can be part of the other subjects (*oblasts*) while remaining subjects of the Russian Federation. Chukotka Autonomous District is an exception, as it is not part of any other subject.

Federal subjects have either one or two tiers of local government. For regions with two local government levels, the second tier was made up of 1 784 municipal districts and 567 cities as of January 2017. These administration divisions are similar to the boroughs. The third and the lower level comprises 1 589 urban and 18 101 rural settlements as well as 266 intra-city districts and territories in cities of federal importance. The urban settlements are the equivalent of cities in other countries and include an urban agglomeration. The least populated city in Russia, Chekalin, has only 1 000 inhabitants. An urban settlement does not necessarily differ from a rural one in area or population. The differences in the label are based on socio-economic characteristics that make urban settlements more economically independent from agriculture in comparison to rural ones. Most urban municipalities have a population of between 3 000 and 12 000. The intra-city entities are intermediate territorial and administrative subdivisions, depending on their characteristics and status, between the city and the rural commune (village or other).

Since 2000, there has also been a federal administration at territorial level. It is composed of nine federal districts (previously eight), each administered by an authorised representative of the President of the Russian Federation. The regional governments are grouped as such for monitoring purposes by the federal government. This authorised representative has no constitutional authority. In addition to the federal districts, federal subjects are also grouped into twelve economic regions exclusively for economic and statistical purposes and therefore differ from the federal districts, which are important from an administrative perspective.

The territorial structure of the Russian Federation has undergone several changes in recent decades. The majority of the former autonomous districts (*autonomous okrugs*) have ended their autonomy with their *oblast* or original *krai* by merging with them. In addition, some *oblasts* have increased their autonomy vis-à-vis the federation, merging into new *krais*, or even into an enlarged republic. The Federation encourages subjects to merge since many of them are no longer economically viable. Some of these mergers have already taken place under recent governments. Further mergers have been proposed by the federal authorities or the pro-Moscow factions in the federation. However, since 2008 none have been planned in the near future, although further changes can be expected in upcoming years. According to the constitution, changes in the boundaries of the territories where local government is administered shall be made in consultation with the population of the concerned territories. The process of forming a local government's territorial basis is developed within the framework of federal and regional legislation. The right of secession is however not provided for subjects of the Russian Federation.

SUBNATIONAL GOVERNMENT RESPONSIBILITIES

The federal Constitution and the 2003 Federal Law 131-FZ on the General Principles of Local Self-Government define the main areas under the jurisdiction of the Federation, the regions (regional transport) as well as shared competencies (minority rights, environment, health, education, science, culture, labour law, social security, family law, and natural disasters).

According to the legal provisions, regions may also adopt their own legislation on local self-government provided that it is compatible with federal legislation. Local authorities are empowered to carry out all public services of local interest including education (pre-school, primary, general and vocational education), public health (primary care facilities), public order and safety, land use planning, social protection and employment, local economic development, environmental protection, utilities (local energy, waste), local roads and public transport, culture and recreation (sport facilities). Some tasks are increasingly shared by both the federation and the regions, which creates inconsistencies across layers. Yet, unfunded mandates remain one of the main challenges of the lower-tier governments in Russia. The amended law on the General Principles of Organisation of Local Self-government in the Russian Federation specifies that mandates should be funded by earmarked financing (via subsidies).

MAIN RESPONSIBILITY SECTORS AND SUB-SECTORS

	REGIONS	MUNICIPAL LEVEL
1. General public services	Internal administration; Public buildings and facilities	Internal administration; Administrative services (marriage, birth, etc.); Public buildings and facilities
2. Public order and safety	Regional firefighting services	Public order and safety
3. Economic affairs /transports	Regional planning; Labour law (shared competence); Regional roads; Railways; Airports; Ports; Inter-city transport; Pupils transport.	Local economic development; Local road; Local ports; Urban transport; Pupils transport; Urban traffic signs; employment

RUSSIAN FEDERATION

FEDERAL COUNTRY

MAIN RESPONSIBILITY SECTORS AND SUB-SECTORS

	REGIONS	MUNICIPAL LEVEL
4. Environmental protection	Environmental protection (shared competence); Natural disaster management (shared competence)	Environmental protection; Local energy; Waste; Park spaces
5. Housing and community amenities		Urban and land use planning; Urbanism; Construction/renovation of social housing
6. Health	Health (shared competence)	Primary healthcare facilities (medical centres); Hygiene
7. Recreation, culture & religion	Culture (shared competence); Regional museums; Cultural heritage	Sport facilities
8. Education	Education (shared competence)	Pre-school, primary, general and vocational education
9. Social protection	Minority rights (shared competence); Social security (shared competence); Family law (shared competence)	Social protection

SUBNATIONAL, STATE AND LOCAL GOVERNMENT FINANCE

Scope of fiscal data: regional institutions ("subjects") of the government of the Russian Federation and extra budgetary units of regional government); local governments and extrabudgetary local government units.

SNA 2008

Availability of fiscal data:
Medium

Quality/reliability of fiscal data :
Medium

GENERAL INTRODUCTION. The fiscal framework governing the subnational finance and taxes is primarily based on the Tax Code of Russia and the Budget Code. The Budget Code lays out the regions' taxation powers, determines tax-sharing between the different levels of government and the equalisation scheme. Intergovernmental regulations are subject to the budget reviews for every fiscal year.

Each federal subject is responsible for providing the financial and economic resources to the local government bodies. They must also establish prudential budgetary requirements for their respective jurisdictions, assign to municipalities a share of federal and regional tax revenues, carry out budget adjustments and ensure budget balance, provide guarantees of financial self-sufficiency of local governments, and transfer to local governments the financial resources necessary for the implementation of delegated government functions and own functions.

There are substantial economic and social disparities between and within regions, especially between those regions with and without natural resources. In some regions, economic problems are exacerbated by the financial difficulties of local governments to provide the basic services and a heavy dependence on federal subsidies, which remain low in comparison to the assigned duties of lower-tier governments.

Some of the major intergovernmental fiscal reforms that took place at the end of the 1990s and in the early 2000s aimed at clarifying revenue and expenditure assignments of SNGs in Russia, eliminating unfunded mandates, revising the mechanisms for federal transfers and establishing an equalisation formula-based system. However, intergovernmental fiscal relations remained in flux. In recent years, reports suggest that transfers and expenditure allocation among the tiers have changed frequently, which hampers medium- and long-term budgeting, investment and debt planning at the regional and local government level. Since the 1990's, there is an overall trend of stronger dependence on federal and regional resources and less on own resources.

SUBNATIONAL GOVERNMENT EXPENDITURE BY ECONOMIC CLASSIFICATION

2016	DOLLARS PPP / INH.			% GDP			% SUBNATIONAL, STATE AND LOCAL GOVERNMENT EXPENDITURE			% GENERAL GOVERNMENT EXPENDITURE (SAME EXPENDITURE CATEGORY)
	SNG	State	Local	SNG	State	Local	SNG	State	Local	
Total expenditure	5541	3541	2000	22.0%	14.0%	7.9%	100%	100%	100%	
Inc. current expenditure	5148	3356	1792	20.4%	13.3%	7.1%	92.9%	94.8%	89.6%	
Staff expenditure	1294	729	565	5.1%	2.9%	2.2%	23.4%	20.6%	28.2%	
Intermediate consumption	806	467	340	3.2%	1.9%	1.3%	14.6%	13.2%	17.0%	
Social expenditure	517	457	59	2.0%	1.8%	0.2%	9.3%	12.9%	3.0%	
Subsidies and current transfers	2485	1664	821	9.9%	6.6%	3.3%	44.8%	47.0%	41.0%	
Financial charges	47	39	8	0.2%	0.2%	0.0%	0.8%	1.1%	0.4%	
Others	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Incl. capital expenditure	393	185	208	1.6%	0.7%	0.8%	7.1%	5.2%	10.4%	
Capital transfers	140	124	16	0.6%	0.5%	0.1%	2.5%	3.5%	0.8%	
Direct investment (or GFCF)	253	61	192	1.0%	0.2%	0.8%	4.6%	1.7%	9.6%	

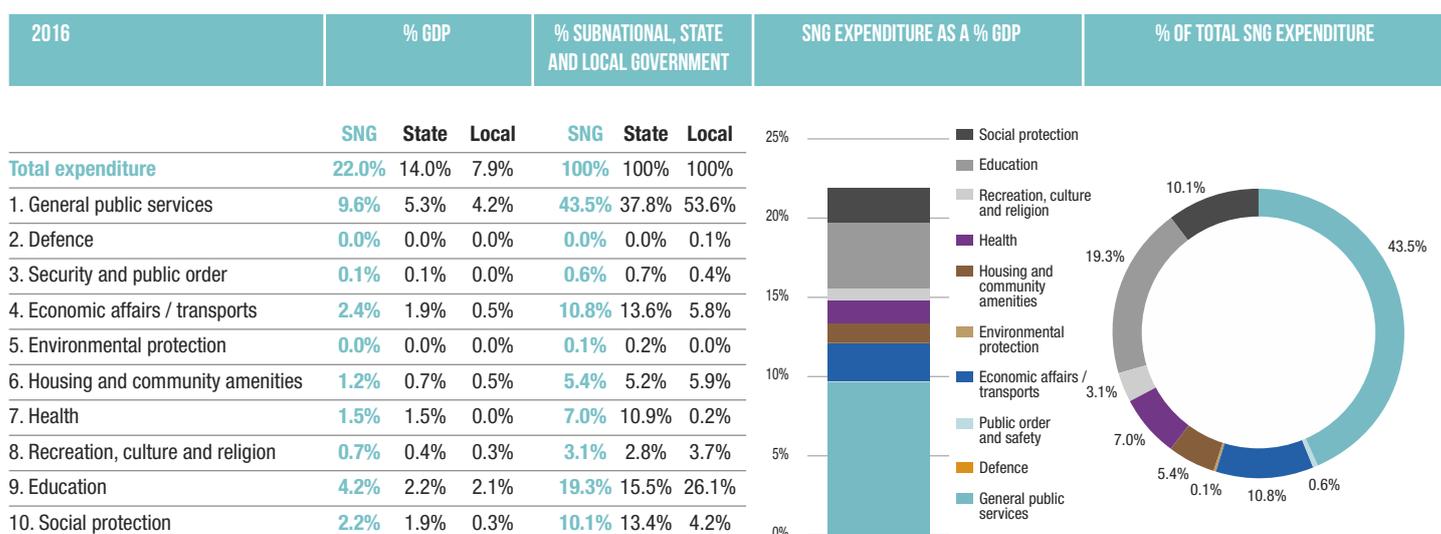
EXPENDITURE. SNG spending as a share of GDP (22%) or public spending (58.4%) is high compared to the OECD average for federal countries (19.2% of GDP and 50% of public spending in 2016). Many spending obligations are planned and imposed by the federal authorities as SNG governments act primarily as paying agents on behalf of the federal governments. SNGs are key employers with their staff expenditure accounting for more than half of total public staff expenditure. As described above, there is a significant overlap and sharing of responsibilities across government layers. Therefore, the ratios of local expenditure in subnational and public expenditure may not reflect their discretionary power over their budget.

Regions represent 64% of total expenditure while local governments account for the remaining part (36%). They also account for 56% of total SNG staff spending.

DIRECT INVESTMENT. SNG investment significantly decreased between 2013 and 2016, from 44.9% of public investment to 28.4% in 2016 and from 2.2% of GDP to 1.0% in 2016. The share of SNG investment in SNG expenditure has also followed the same trend: from 8.7% in 2013 to 4.6% in 2016. These ratios are very much below the averages of OECD federations (63.2% of public investment, 9.2% of subnational government expenditure and 1.8% of GDP in 2016).

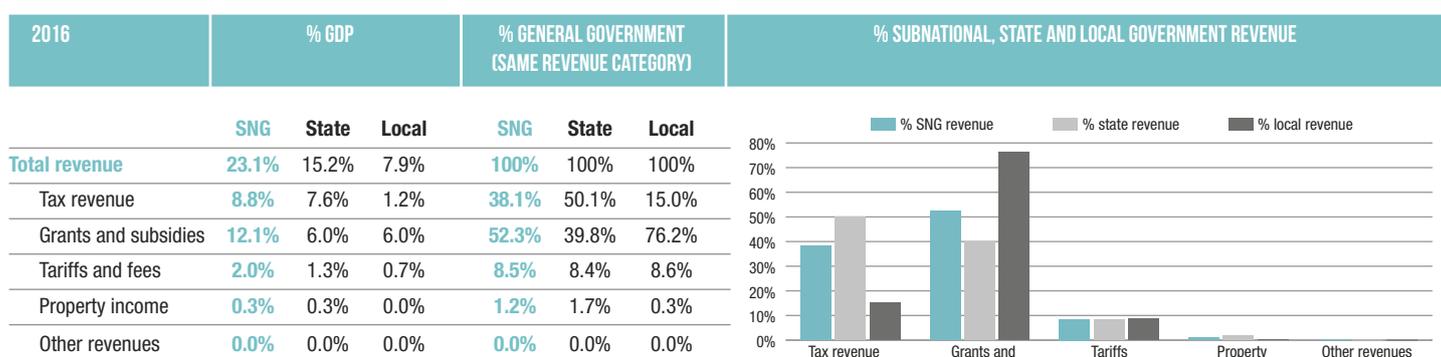
Local government units remained key investors, carrying out 76% of total SNG investment spending, 21.6% of public investment (i.e. 0.8% of GDP).

SUBNATIONAL GOVERNMENT EXPENDITURE BY FUNCTIONAL CLASSIFICATION – COFOG



The primary area of SNG spending is general public services, followed by education, economic affairs/transport, social protection and health. More than 80% of SNG health (98.7%), environmental protection (87.7%), social protection (85%) and economic affairs (80.6%) are undertaken by the state governments. The primary area of local government spending is general public services (53.6% of LG expenditure), followed by education (26.1%); all other expenditure lines are under 10% for LGs. It must be noted however that LGs undertake 50.9% of total SNG defence expenditure (against 49.1% for the regional governments).

SUBNATIONAL GOVERNMENT REVENUE BY CATEGORY



OVERALL DESCRIPTION. SNGs have limited revenue autonomy both at regional and local levels. SNGs remain dependent on federal or regional transfers, which accounted for more than 50% of their revenues in 2016, an increase of 5.5% since 2013 (to be compared to 31.5% in the OECD federations in 2016). The system of intergovernmental transfers is still under development. Reports, however, suggest that the regulation of federal transfers is less predictable, very complicated with numerous conditions that the regions must fulfil to gain access to federal financial support. The share of SNG tax revenue in SNG revenue, GDP and public tax revenue is lower than in many other federations. The federal government holds significant tax-setting authority, which limits the fiscal autonomy and financial self-sustainability of Russian SNGs. Other sources of own-revenues are limited.

RUSSIAN FEDERATION

FEDERAL COUNTRY

States' revenues in 2016 represent 65.7% of total SNG revenues and 41.5% of public revenue. Regions also account for the bulk of SNG tax revenue: 86.4% while local governments are funded mainly through grants. Yet, these ratios are primarily due to shared tax bases between the federal and regional governments. Tax proceeds at the regional level remain very volatile and are primarily driven by income from companies and by the national macroeconomic environment. Revenue volatility is lower for local governments (municipalities), as they mostly rely on financial transfers from the regional governments and stable personal income tax (PIT) proceeds.

TAX REVENUE. The regions' ability to set taxes is limited by the Budget Code (introduced in June 1998), which also determines tax-sharing between the different levels of government. The formal rules for assigning different tax bases to lower-tier government units do not necessarily reflect the fiscal autonomy of the regions. Differences in the capacity of tax administration and the disparities across regions in terms of potential revenues bases are some of the rationales that underline the centralised tax system in Russia. As a result, the federal government holds significant tax-setting authority.

Regions receive a share of federal taxes, the most important ones being the corporate income tax (CIT) and the personal income tax (PIT). Regions receive 90% of the CIT collected nationally (the other 10% is for the federal government) and 85% of the PIT. In 2016, the CIT and the PIT alone contributed up to 71% of regional tax revenues and 27% of total regional revenues. In 2009, the tax rate for CIT had been set at 20% (of which 18 percentage points go to the regional governments). The regional governments can reduce the rate by up to 4.5% points for groups of taxpayers.

Other essential tax instruments for the regions include the excise duties, and a natural extraction tax (NRET), especially for natural resource-rich regions. The tax rates for excise duties and natural resource extraction depend on the type of taxable goods and are set by the Tax Code. The Budget Code stipulates that regional governments receive 40%-100% of the proceeds from the excise tax and 60%-100% of the proceeds from the NRET. However, this excludes oil, the proceeds of which are assigned to the federal budget. The regional governments have limited rate-setting power over three regional taxes: the corporate property tax, the gambling tax and the transport tax. All other regional tax revenues (excise, NRET and various other taxes) amounted to only 11.1% of SNG tax revenues in 2016.

Despite these restrictions on regional tax autonomy, most SNG tax revenues benefit the regions. Local governments have few sources of tax revenue. Local governments' tax revenues accounted for only 15% of total revenues. The most important source is the PIT from which municipalities receive 15% of the total revenue collected on their territory. In 2016, PIT accounted for 9.5% of LG revenues, and 63.2% of LG tax revenues. Municipal taxes also include a property tax on individuals and a land tax. Urban districts and settlements have the authority to set the rates and base for both. Other municipal taxes are the agricultural tax, the imputed tax and the patents for individual entrepreneurs.

Overall, the recurrent taxes on property, levied by the regions and the municipalities, represented 1.2% of GDP in 2016, which is higher than the OECD average (1.1% of GDP). Regions received 80% of the total receipts (provided by the corporate property tax (i.e., 0.9% of GDP) while local governments received the remaining 20% (coming from the land tax and the property tax on individuals for 0.2% of GDP).

GRANTS AND SUBSIDIES. In the last decade, successive reforms have taken place to facilitate the financing of federally-mandated spending undertaken by SNGs, and to reduce the stark regional disparities across regions (10 of 83 regions produce more than 55% of Russia's GDP while they represent only one-third of the national population).

Regions and local governments receive grants, which are divided into four categories: Unconditional equalisation transfers; Balancing grants; Earmarked grants; and compensation payments. Unconditional equalisation transfers represent a large share of transfers to regions (30% in 2015); however, transfers have been declining since the late 2000s. These are formula-based and operationalised through the programme entitled Federal Funds for Financial Support of the Regions. They aim at providing the basic level of public services across the nation. Allocation criteria are also based on the assessment of revenue capacities and public service delivery costs. Local economic development, population density and infrastructure development, the major financial indicators of local companies, and the population are also considered significant aspects of the socio-economic environment. Balancing grants are discretionary grants aiming to support the regions that lack adequate resources through equalisation grants and therefore to reduce regional budget deficits. Earmarked grants include grants to finance federally-mandated spending and matching grants to stimulate specific regional expenditure or investments. Earmarked grants have increased to account for more than a half of all transfers in recent years, counteracting the effects of equalisation and reducing regional expenditure autonomy. Since 1 January 2012, the proceeds from excise duties on petrol, oil and oil products, and the transport tax have been considered earmarked grants. The regional governments are obliged to establish a road fund, which is exclusively used for the financing of current and capital expenditure on public roads of the regions; these include the construction, maintenance and modernisation of the regional and inter-regional roads networks. A maximum of 20% of the fund can be used to repay previous federal budget loans that were taken out for road construction.

Fund allocation among the regions is set annually by the federal law on the federal budget for the respective financial year. The regional authorities also provide the financial means to the municipalities in the exercise of their functions. They can either provide grants or offer further tax-sharing arrangements for shared-federal and regional taxes beyond the arrangements set by the Budget Code. Grants covering delegated responsibilities are intended to finance any expenditure that the region has mandated to municipalities. These grants primarily finance the salaries of teachers in the municipalities' schools; they are also used to subsidise the utility bills of low-income citizens. Since 2014, the creation of a municipal road fund became mandatory for all municipal governments. The municipal road fund is comprised of transfers on petrol and oil transfers by the regional governments to their respective municipalities.

It is reported that the federal budget law for 2018-2020 forecasts a nominal decrease of total grants, after the presidential elections in 2018, by around 5%. So far, only a few regions are financially self-sufficient (mainly Moscow and St-Petersburg); the city of Moscow generally accounts for more than a quarter of local and regional government revenues. The least self-sufficient are Ingushetia and Chechnya, whose budgets are predominantly funded (more than 80%) by federal transfers.

OTHER REVENUES.

Tariffs and fees

Tariffs and fees are the third largest revenue source for both state and local governments. However the combined amount (local and state) of tariffs and fees as a proportion of SNG revenues remains relatively small (8.5%) compared to OECD standards (14.9%).

Property income

Property income sources include sales, rents and dividends. In 2016, property income accounted for only 1.2% of SNG revenue, which is on par with the European Union average.

SUBNATIONAL GOVERNMENT FISCAL RULES AND DEBT

2016	DOLLARS PPP/INH.			% GDP			% GENERAL GOVERNMENT DEBT			% SNG DEBT		
	SNG	State	Local	SNG	State	Local	SNG	State	Local	SNG	State	Local
Total outstanding debt	1 092	890	202	4.3%	3.5%	0.8%	26.5%	21.6%	4.9%	100%	100%	100%
Financial debt*	774	672	102	3.1%	2.7%	0.4%	27.8%	24.1%	3.7%	70.8%	75.4%	50.5%

* Currency and deposits, loans and bonds

FISCAL RULES. The Budget Code imposes various fiscal restrictions and requirements on SNGs, which are sanctioned in case of non-compliance (e.g. reductions in transfers). Currently, the regions are not allowed to run budget deficits above 15% of their own revenue. Strict fiscal rules also apply to local government budgets.

DEBT. A federal law passed in 1993 guaranteed SNGs the right to borrow. The Budget Code in 2000 and further regulations placed clear limits on the borrowing of SNGs. However, there are no specific restrictions on the use of borrowing (e.g. such as restricting the use of debt to invest in projects). Debt is limited to a ceiling equal to the SNG's annual budget revenue net of federal grants. In addition, debt servicing costs must not exceed 15% of expenditure net of grants. Compliance with these limits is monitored by the Ministry of Finance, which can impose financial sanctions.

SNG debt accounted for 26.5% of total public debt and 4.3% of GDP, which is low compared to other federations (in the OECD federations, SNG accounted for 31.3% of GDP and 27.1% of public debt in 2016). SNG debt is very concentrated with, state governments holding 81.5% of total outstanding SNG debt. Just a few regions make up the bulk of debt stock, including the federal city and the region of Moscow. SNG debt is made up financial debt (70.8%) and other accounts payable (29.2%). SNG financial debt is composed mainly of loans (81.6%), and debt securities (18.4%). At state level, the outstanding debt was composed of financial debt (75%) and other accounts payable (25%). At local level, the share of accounts payable is significantly higher amounting to half of the debt stock, the financial debt accounting for the remainder. Loans make the bulk of the financial debt for the state (87%) while bonds accounted for 57% of local debt in 2016.

It is reported that the refinancing risks of SNG remain very high despite the federal government's plan to sustain debt restructuring of the subnational units. In 2015-2016, the federal government allocated around RUB 1 trillion to SNGs by providing budget loans for one-half of the regions' commercial debt repayments. To date, the bond market is primarily driven by borrowing decisions of those regions that have the largest budgets: Moscow, St. Petersburg, and Moscow *Oblast*.



Lead responsible: OECD
Last update: 02/ 2019

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Socio-economic indicators: World Bank // UNDP // UN Desa // ILO // Rosstat (2017) Russia in figures.

Fiscal data: IMF GFS // Ministry of Finance (2015) <http://www.roskazna.ru/en/government-finance-statistics>

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