

CONTEXT

SYSTEM OF GOVERNMENT: **Dual Executive**

- No. of ministries: 18 (2010)
- No. of governments over last 20 years: 5

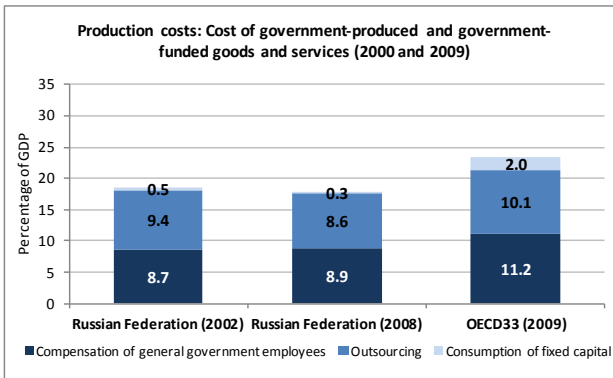
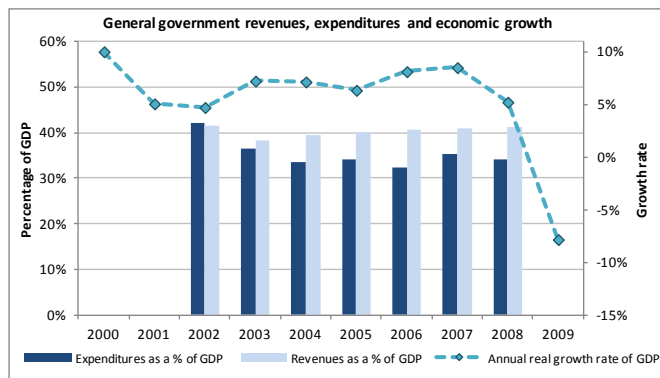
STATE STRUCTURE: **Federal** (83 subjects of the federation)

LEGISLATURE: **Bicameral**

- Upper house: Not elected
- Lower house: elected using Proportional Representation

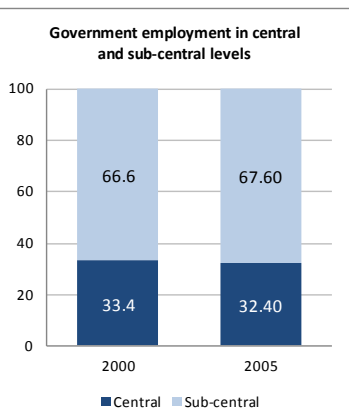
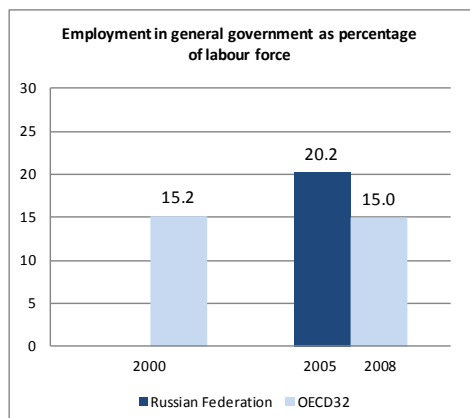
PUBLIC FINANCE

Between the financial crisis in August 1998 and the global crisis of 2008, Russia had the strongest decade of growth in its history, with real GDP nearly doubling. The year of 2009 saw a dramatic decline in the annual real growth rate of GDP due to the drop in domestic liquidity and collapses in industrial production and aggregate demand. After defaulting on part of its debt in 1998, the federal government ran a string of surpluses until 2008. In 2009, about 17.9% of the economy was devoted to producing public goods and services, compared to the OECD average of 23.3%. This means that Russia spends slightly less in terms of direct and indirect public goods and services delivered to citizens than OECD countries in general. Russia uses comparatively less capital in the production process than other OECD countries, relying more on its own government staff and private and non-profit actors (via outsourcing) to produce goods and services.



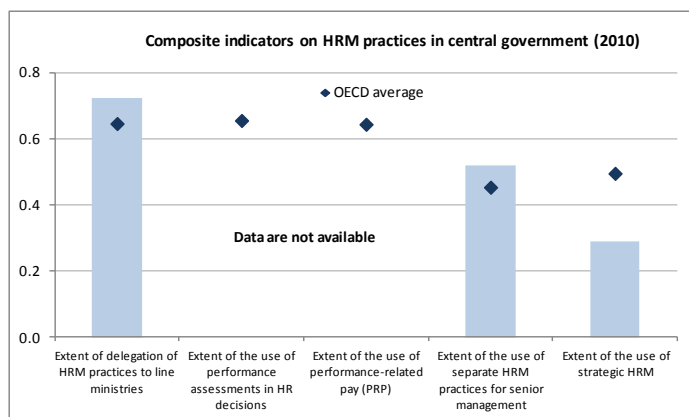
Source: OECD National Accounts and Economic Outlook 89. [\[Revenues\]](#) [\[Expenditures\]](#) [\[Production costs\]](#)

GOVERNMENT EMPLOYMENT AND HRM PRACTICES



Source: International Labour Organisation. [\[General government employment\]](#) [\[Distribution by level\]](#)

In 2005, just over 20% of the labour force was employed by the government. This is higher than the OECD average of 15%, but well within the range covered by OECD countries, which runs from 6.7% to 29.3%. There are plans to reduce this share through restructuring, although no specific replacement ratio has been set. Public employment is fairly decentralised, with over two-thirds (67.6%) of staff working at sub-national level; this is up 1% from 2000.



Source: OECD 2010 Strategic HRM Survey. [\[Delegation\]](#) [\[Performance assessment\]](#) [\[PRP\]](#) [\[Senior management\]](#) [\[Strategic HRM\]](#)

In the Russian Federation, the management of the public workforce is highly decentralised compared to OECD countries. Although there is not a special group defined as senior management in Russia, like in many OECD countries, there are special terms and conditions for appointment and dismissals of the executive category, which are established by the law. At the same time, the use of strategic HRM practices in Russia is significantly lower than in most OECD countries. Russia is currently considering options for establishing a central co-ordinating HRM agency, which is provided for in the state civil service legislation.

Regulatory governance mechanisms, 2008			
Functions of the oversight body	Percentage of OECD countries responding "yes"		RUSSIA 2009
Consulted as part of process of developing new regulation	2005	73%	N.A.
	2008	82%	Yes
Reports on progress made on reform by individual ministries	2005	43%	N.A.
	2008	56%	No
Authority of reviewing and monitoring regulatory impacts conducted in individual ministries	2005	43%	N.A.
	2008	50%	No
Conducts its own regulatory impact analysis	2005	43%	N.A.
	2008	47%	Yes
Anticipating compliance and enforcement			
Regulatory policies require that issue of securing compliance and enforcement be anticipated when developing new legislation	2005	57%	N.A.
	2008	70%	N.A.
Guidance for regulators on compliance and enforcement	2005	37%	N.A.
	2008	47%	N.A.
Existence of policy on risk-based enforcement	2005	N.A.	N.A.
	2008	30%	N.A.

This table presents two elements drawn from the wide range of activities for managing regulatory quality.

Disclosure of public sector information, 2010			
Types of information disclosed	Proactive disclosure		
	Russian Federation	OECD32	Publication channels
Budget documents	●	94%	MA
Audit reports	○	72%	Not published
List of public servants and their salaries	●	28%	MA
Sharing of administrative data			
Administrative data sets	●	66%	MA
Requirements on publishing in open data formats	Yes	53%	..
<ul style="list-style-type: none"> ● Required to be proactively published by FOI laws ⊙ Not required, but routinely proactively published ○ Neither required nor routinely published; .. Data not available <p>CP= central portal; MA= ministry or agency website; OW=other website OECD percentages refer to the percentage of the 32 responding OECD countries that either require that information be published by law or do not require it but routinely publish information.</p>			

The Government of the Russian Federation has undertaken to develop an institutional framework for regulatory management. The Ministry of Economic Development is the leading ministry with respect to regulatory reform and regulatory policy. It is supported by the Governmental Commission for Administrative Reform, an advisory body aiming to improve the co-ordination of regulatory reform among all executive bodies.

The Ministry of Economic Development has played a major role in introducing Regulatory Impact Analysis in the development of new regulation. A subset of regulation (primarily related to product markets and production processes) is analysed by the Ministry of Economic Development, in consultation with business associations, to assess potential impacts and benefits of the proposed intervention. The Ministry of Justice is another major player of regulatory management as it supervises the rulemaking process. It has the authority to reject regulatory proposals if it considers them unjustified or improperly substantiated. The Chamber of Audit participates in the vetting of legislation with respect to budget implications.

Source: Regulatory Management System Country Notes 2011 based on a survey conducted in 2009. [Oversight bodies] [Compliance and enforcement]. www.oecd.org/refreform/indicators

Similar to most OECD countries, the Russian Federation is required to and proactively publishes budget documents and administrative data sets. It does not publish audit reports (while a majority of OECD countries do), but publishes a list of public servants and their salaries, unlike over two-thirds of OECD countries. Its main publication channels are ministry or agency websites and it has requirements on publishing data in open formats, similar to the majority of OECD countries.

Source: OECD 2010 Survey on Access to Information. [Disclosure of information] [Publication channels]

Production costs are a subset of total government expenditures, excluding government investment (other than depreciation costs), interest paid on government debt and payments made to citizens and others not in exchange for the production of goods and services (such as subsidies or social benefits). Production costs include compensation costs of general government employees, outsourcing (intermediate consumption and social transfers in kind via market producers), and the consumption of fixed capital (indicating the level of depreciation of capital).

HRM Composites: The indexes range between 0 (low level) and 1 (high level). Details about the theoretical framework, construction, variables and weighting for each composite are available in Annex E at: www.oecd.org/gov/indicators/govataglance.

- The **delegation index** gathers data on the delegation of determining: the number and types of posts needed in an organisation, the allocation of the budget envelope, compensation levels, position classification, recruitment and dismissals, and conditions of employment. This index summarises the relative level of authority provided to line ministries to make HRM decisions. It does not evaluate how well line ministries are using this authority.
- The **performance assessment index** indicates the types of performance assessment tools and criteria used, and the extent to which assessments are used in career advancement, remuneration and contract renewal decisions, based on the views of survey respondents. This index provides information on the formal use of performance assessments in central government, but does not provide any information on its implementation or the quality of work performed by public servants.
- The **performance-related pay (PRP) index** looks at the range of employees to whom PRP applies and the maximum proportion of base pay that PRP may represent. This index provides information on the formal use of performance related pay in central government, but does not provide any information on its implementation or the quality of work performed by public servants.
- The **senior management index** looks at the extent to which separate management rules and practices (such as recruitment, performance management and PRP) are applied to senior civil servants, including the identification of potential senior civil servants early in their careers. The index is not an indicator of how well senior civil servants are managed or how they perform.
- The **strategic HRM index** looks at the extent to which centralised HRM bodies use performance assessments, capacity reviews and other tools to engage in and promote strategic workforce planning, including the use of HRM targets in the assessments of middle and top managers. The index does not reflect situations where strategic workforce planning has been delegated to the ministry/department/agency level.

Regulatory governance: The OECD average refers to the following number of countries:

- Functions of oversight bodies 2005: OECD30. Data are not available for Chile, Estonia, Israel and Slovenia.
- Functions of oversight bodies 2008: OECD34. Data for Chile, Estonia, Israel and Slovenia refer to 2009.
- Anticipating compliance and enforcement 2005 and 2008: OECD30. Data are not available for Chile, Estonia, Israel and Slovenia.