

December 30, 2014

### **Specifics of employment of foreign nationals**

Dear Sirs,

We would like to inform you of important amendments to the Russian Labour Code related to the specifics of employment of foreign nationals. The said amendments have been introduced by the Federal Law № 409-FZ as of 1 December 2014 (hereinafter referred to as the "**Law**") according to which the Labour Code of Russia has been supplemented with the respective chapter.

Please find below a brief overview of key changes set forth by the Law.

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#### **Term of employment contract concluded with the foreign nationals**

The Law clarifies what type of employment contract should be concluded with a foreign national. Now, under the general rule, employment contract with a foreign national should be concluded for indefinite period unless there are grounds for conclusion of fixed-term employment contract pursuant to Article 59 of the Labour Code.

#### **Guarantee of medical care of the foreign nationals**

According to the Law, a foreign national shall upon hiring provide to the employer a contract (policy) on voluntary medical insurance valid in Russia, except for cases where an employer concludes a contract on provision of medical services to a foreign national with a medical organization, or for other cases stipulated by law.

Please note that contract (policy) on voluntary medical insurance or contract concluded by an employer with a medical organization shall stipulate provision of emergency primary healthcare and secondary medical care.

#### **Specifics of the content of employment contracts with foreign nationals**

Pursuant to the Law employment contract with a foreign national shall contain the following information:

- details of the work permit, patent, temporary residence permit or residence permit in the Russian Federation (hereinafter referred to as the "**permissive document**");
- term on provision of medical care to the foreign national during the term of employment contract as well as details of contract (policy) on voluntary medical insurance or contract concluded by the employer with a medical organization.

#### **Additional documents to be provided by foreign nationals upon hiring**

The Law also expands the list of documents provided by foreign national in the process of hiring (and in some cases after conclusion of employment contract). These documents are as follows:

- Permissive document of a foreign national;
- Contract (policy) on voluntary medical insurance (if any).

### **Additional grounds for termination of employment contracts with foreign nationals**

The Law introduces the following additional grounds for termination of employment contract, namely:

- Annulment of permissive document of a foreign national as well as its expiration;
- Suspension, expiration, or annulment of employer's permit to engage foreign nationals on the basis of which work permit is issued to a foreign national (with payment of in severance to a foreign national);

Expiration of a contract (policy) on voluntary medical insurance of a foreign national or a contract concluded by an employer with a medical organization; and other grounds.

An employment contract shall be terminated on the mentioned grounds upon expiration of one month from the date when the respective circumstances occurred.

The Law also sets forth additional circumstances in which an employer is obliged to suspend a foreign national from work.

### **Specifics of temporary transfer of foreign nationals**

The Law allows in emergency situations to temporarily transfer a foreign national to work which is not specified by employment contract and does not correspond to the profession (specialization, position, type of employment activity) specified in work permit or patent of foreign employee. Such transfer is possible not more than once in a calendar year and for a period not exceeding one month.

### **Effective date and measures to be taken in this respect**

Changes in question came into force on 13 December 2014. Thus, if there are foreign employees in the company, we recommend to verify compliance of their employment contracts with the new requirements, as well as to check availability of relevant contracts (policies) on voluntary medical insurance or contracts on the provision of paid medical services to foreign employees as required by the Law.

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For more information please visit our web-site or contact directly **Irina Anyukhina** ([ianyukhina@alrud.com](mailto:ianyukhina@alrud.com)), Labour and Employment Practice partner.

Kind regards,

**ALRUD Law firm**

*Note: All information was obtained from publicly available sources. The author of this information letter assumes no liability for the consequences of decision-making based on such information.*