

COUNTRY: RUSSIA

SCORE: 59.05 | RANK: 14/24

Russia has a patchwork of laws that apply to the digital economy and cloud computing, and these laws contain significant gaps and limitations. For example, its laws on privacy and cybercrime do not follow recognized international standards.

In 2012 Russia introduced new Internet filtering and censorship regulations that are likely to act as a significant barrier to cloud computing. Russia also mandates the use of certain products and software in government procurement opportunities.

However, in a major positive development, Russia joined the WTO in 2012 and began the process of updating its

copyright laws to align with international best practice. Russia also removed tariffs that were acting as trade barriers for cloud service providers.

Broadband penetration in Russia continues to increase steadily.

Overall, Russia's score increases significantly in the 2013 Scorecard. The negative impact of the new censorship regime was outweighed by the positive impact of the copyright and trade developments, and the country's ranking improved by two spots — from 16th to 14th.

Q RUSSIA	RESPONSE	EXPLANATORY TEXT
DATA PRIVACY		
1. Are there laws or regulations governing the collection, use, or other processing of personal information?	✓	Russian privacy law is complicated, and the inconsistencies and complexity presents barriers for both consumers and business. The key legislation is Federal Law No. 15-FZ on Personal Data 2006 (the Personal Data Law), but this is supplemented by numerous additional laws, regulations and guidelines, including: <ul style="list-style-type: none"> • Provisions on methods and means for protection of personal data information systems, enacted by Order of Federal Service for Technical and Export Control No. 58 dated February 5, 2010; • Government Resolution No. 781 dated November 17, 2007, on establishing the regulations on providing security of personal data in the process of its processing in the personal data information systems; and • Main procedures for organizing and technical support of security of personal data processed in personal data information systems enacted on February 15, 2008.
2. What is the scope and coverage of privacy law?	Comprehensive	The combination of a number of Russian laws provides comprehensive privacy protection across all sectors.
3. Is the privacy law compatible with the Privacy Principles in the EU Data Protection Directive?	🕒	The Russian law has many similarities with the EU Directive. However, enforcement of the law appears to be very limited.
4. Is the privacy law compatible with the Privacy Principles in the APEC Privacy Framework?	✓	The Russian privacy law is broadly equivalent to the APEC Privacy Principles. Russia is a member of APEC.
5. Is an independent private right of action available for breaches of data privacy?	Available	Article 150(2) of the Civil Code provides Russian citizens with a legally protected non-property right to privacy, including the right to personal dignity, personal immunity, honor and good name, business name, personal secret, and family secret.
6. Is there an effective agency (or regulator) tasked with the enforcement of privacy laws?	National regulator	Federal Service for Supervision over Telecommunications, Informational Technologies and Mass Communications (Roskomnadzor) <www.rsoc.ru>.
7. What is the nature of the privacy regulator?	Other government official	The regulator is a branch of the Ministry for Communication and Informatization <minsvyaz.ru>.
8. Are data controllers free from registration requirements?	✗	Most collection and processing of data require formal notification to the regulator. There are exceptions for simple, one-off collection of data and human resources data.

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9. Are cross-border transfers free from registration requirements?	No	Transfers are subject to the same registration requirements as domestic collection and processing.
10. Is there a breach notification law?	✓	On paper, Russia has strict data breach notification requirements in place. In practice, they do not appear to be implemented or enforced. The requirements state that breaches must be rectified within three days and that notification must be provided to individuals within three days of rectification.
SECURITY		
1. Is there a law or regulation that gives electronic signatures clear legal weight?	✓	The Russian Law on Electronic Digital Signatures was adopted in 2002.
2. Are ISPs and content service providers free from mandatory filtering or censoring?	●	<p>Some examples of filtering and censorship have occurred at the regional level, where local prosecutors have demanded that ISPs block specific content.</p> <p>In November 2012, new legislation came into force — Federal Law on Amendments to Federal Law on Protecting Children from Information Harmful to Their Health and Development and Certain Legislative Acts of the Russian Federation.</p> <p>The new law requires the media monitoring agency to maintain a list of content to be banned in four categories: child pornography, instructions or propaganda for drug use, material promoting suicide, and material that is subject of a court order. This last category is very broad and includes local and regional courts.</p> <p>Some sites have complained that they have been blocked for including relatively minor references to drug use. However, it is too early to assess the full impact of the law.</p>
3. Are there laws or enforceable codes containing general security requirements for digital data hosting and cloud service providers?	Detailed legislation	A range of complex security requirements and certifications applies in Russia. General security requirements are set out in the Personal Data Law. Additional security requirements are in place for confidential information (President's Decree No. 188 on establishing the list of data of confidential nature). Protecting this confidential information requires a state licence (federal law on licensing of various types of activities). In addition, Government Resolution No. 1119, dated November 1, 2012, recommends the use of encryption and other technical and organizational measures to prevent any unauthorized access to personal data across the private sector.
4. Are there laws or enforceable codes containing specific security audit requirements for digital data hosting and cloud service providers?	None	There are no specific security audit requirements in place.
5. Are there security laws and regulations requiring specific certifications for technology products?	Comprehensive requirements	Any personal data information system (even a simple database) must be certified by the Federal Service for Technical and Export Control (FSTEC) <www.fstec.ru>. In addition, the personal data operator can use only hardware and software for personal data processing that has been approved by the FSTEC and the Federal Security Service (FSB) <www.fsb.ru>.
CYBERCRIME		
1. Are cybercrime laws in place?	✓	Articles 272-274 of the Criminal Code of the Russian Federation contain key computer crime and cybercrime provisions.
2. Are cybercrime laws consistent with the Budapest Convention on Cybercrime?	●	<p>Russia announced in 2008 that it would not sign the Convention on Cybercrime. It has also proposed on numerous occasions that a new UN treaty on cybercrime be developed.</p> <p>Despite this political stand-off, Russia's criminal code contains some offenses that are broadly compatible with the Convention on Cybercrime.</p>
3. What access do law enforcement authorities have to encrypted data held or transmitted by data hosting providers, carriers, or other service providers?	Unlimited access	The Russian security service — the FSB <www.fsb.ru> — has been active in seeking access to encryption keys. Russia's complex security laws, which require registration and cooperation by providers, allow considerable scope for the exchange of information with law enforcement agencies, without warrants or other oversight.
4. How does the law deal with extraterritorial offenses?	Limited coverage	The Criminal Code uses either the principle of "territory" (all crimes committed on the territory of Russia) or the principle of "citizenship" (all crimes committed by citizens of Russia). Broader jurisdiction may be applied for specific offenses, but this appears to be limited to serious crimes such as genocide and torture.

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INTELLECTUAL PROPERTY RIGHTS		
1. Is the country a member of the TRIPS Agreement?	✓	After commencing its application for WTO membership in 1993, Russia finally joined the WTO in August 2012 and must now comply with the TRIPS Agreement.
2. Have IP laws been enacted to implement TRIPS?	ⓘ	Russian law covers elements of the TRIPS Agreement but currently falls short in several key areas. Amendments to Russian copyright law were debated in Parliament in late 2012 and could be in force in early 2013. These amendments would bring Russian law into line with TRIPS.
3. Is the country party to the WIPO Copyright Treaty?	✓	The WIPO Copyright Treaty entered into force in Russia in 2009.
4. Have laws implementing the WIPO Copyright Treaty been enacted?	✓	Russia has implemented the WIPO Copyright Treaty in Part IV of the Civil Code. In 2006, Russia rewrote its intellectual property laws and included them in Part IV of the Civil Code. These laws entered into force in 2008 and replaced all previous intellectual property laws, including the separate copyright law of 1993. Enforcement of the new law remains weak.
5. Are civil sanctions available for unauthorized making available (posting) of copyright holders' works on the Internet?	ⓘ	Currently, legislation does not provide adequate coverage of unauthorized posting, although the courts have been active in this field and have had some success applying existing laws in specific circumstances. As part of Russia's accession to the WTO, new legislation has been drafted that intends to update Russian copyright law. The new law should be in place in early 2013.
6. Are criminal sanctions available for unauthorized making available (posting) of copyright holders' works on the Internet?	✓	Article 146 of the Criminal Code provides for criminal sanctions for copyright infringement including fines and deprivation of freedom for a period of up to six years. Criminal cases are rare.
7. Are there laws governing ISP liability for content that infringes copyright?	ⓘ	The Russian IP legislation contains no special provisions regarding the liability of ISPs for violations of copyright or related rights. In the absence of any specific legislation, the legal position relies heavily on the Resolution of the Supreme Arbitration Court of Russia on the Liability of ISPs for Copyright Infringement (December 23, 2008, No 10962/08). That decision found that ISPs were not liable for infringing material unless they had posted the material themselves, or the rights holder could prove that the ISP knew of the existence of infringing material. However, recent court decisions have applied a broader test, and the government has introduced draft legislation to clarify the position of ISPs. The amendments should be finalized in early 2013.
8. Is there a basis for ISPs to be held liable for content that infringes copyright found on their sites or systems?	✓	The Russian courts have recently found ISPs liable for copyright infringement in a wide variety of circumstances, broadening rather than narrowing the liability requirements. For example, in <i>VKontakte v. Gala Records</i> (13th Commercial Court of Appeal, May 2012), the court ruled that a social networking site was liable for copyright infringement, despite its taking some limited action to prevent infringements. This case is important, as the Web site in question offered users an application that integrated their accounts with file sharing applications. The proposed amendments to Russian copyright law (expected in early 2013) also include some provisions that would provide greater clarification on ISP liability, including the introduction of a test for whether an ISP knew or "should have known" about infringing material.
9. What sanctions are available for ISP liability for copyright infringing content found on their site or system?	Civil	The courts have imposed civil sanctions in recent cases. Criminal sanctions are expected to be added in the proposed amendments to Russia's copyright laws in 2013.
10. Must ISPs take down content that infringes copyright, upon notification by the right holder?	✗	There is no specific takedown requirement in place in Russia at this time.
11. Are ISPs required to inform subscribers upon receiving a notification that the subscriber is using the ISP's service to distribute content that infringes copyright?	✗	There are no specific notice requirements in the Russian legislation at this stage.

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12. Is there clear legal protection against misappropriation of cloud computing services, including effective enforcement?	Comprehensive protection	Russian legislation has significant gaps in intellectual property protection that may expose cloud computing services to risk. However, the law is the subject of significant reform following Russia's accession to the WTO. Data protection legislation is adequate, and cybercrime legislation provides a moderate level of protection, but overall, gaps in IP legislation and enforcement still need to be addressed.
SUPPORT FOR INDUSTRY-LED STANDARDS & INTERNATIONAL HARMONIZATION OF RULES		
1. Are there laws, regulations or policies that establish a standards-setting framework for interoperability and portability of data?	✓	The Russian Federal Law on Technical Regulation covers standards. It was amended in 2009 by Federal Law No. 385-FZ to provide greater flexibility about whether local or international standards should be applied to specific sectors.
2. Is there a regulatory body responsible for standards development for the country?	✓	GOST-R < www.gost-r.info > is the State Committee of the Russian Federation for Standardization, Meteorology and Certification and represents Russia in regional and international standards development processes.
3. Are e-commerce laws in place?	●	The Law of the Russian Federation on Information, Information Technologies and Protection of Information (2006) incorporates some basic e-commerce law provisions; Federal Law on Electronic Signature (2011) contains detailed provisions on electronic documents and e-signatures.
4. What international instruments are the e-commerce laws based on?	UN Convention on E-Contracting	Russian law does not follow any specific model. However, in 2007 Russia signed the United Nations Convention on the Use of Electronic Communications in International Contracts (2005), although it has not yet ratified the Convention. The Convention comes into force in March 2013.
5. Is the downloading of applications or digital data from foreign cloud service providers free from tariff or other trade barriers?	✓	There are no relevant tariffs or other trade barriers for cloud computing in Russia.
6. Are international standards favored over domestic standards?	●	Since 2009 Russian law has allowed flexibility regarding whether local or international standards should be used. No particular preference is given to international standards.
7. Does the government participate in international standards-setting process?	✓	Russia is an active participant in regional and international standards development processes.
PROMOTING FREE TRADE		
1. Are any laws or policies in place that implement technology neutrality in government?	●	There are no specific laws or polices on technology neutrality. The law on procurement is silent on this topic.
2. Are cloud computing services able to operate free from laws or policies that mandate the use of certain products (including, but not limited to, types of software), services, standards, or technologies?	✗	The Ordinance on Transition of Federal Executive Bodies and Agencies of the Federal Budget [to] the Use of Free Software from 2011-2015 (Government Order No. 2299-p) was signed by the prime minister on December 17, 2010. It requires government agencies to switch to open source software by 2015 and establishes a repository of specific open source providers, standards, and solutions that are "approved" for use.
3. Are cloud computing services able to operate free from laws or policies that establish preferences for certain products (including, but not limited to, types of software), services, standards, or technologies?	✗	The 2010 Government Order (No. 2299-p) establishes clear preferences for a specific suite of open source products and standards.
4. Are cloud computing services able to operate free from laws that discriminate based on the nationality of the vendor, developer, or service provider?	✓	The Federal Law on Procurement (2005) contains some domestic procurement arrangements in key sectors. These tend to change regularly owing to economic conditions. The law was strengthened by new anti-corruption regulations in 2011. The current domestic preferences do not have a significant impact on the ICT sector. Russia is not a member of the WTO plurilateral Agreement on Government Procurement.

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ICT READINESS, BROADBAND DEPLOYMENT		
1. Is there a national broadband plan?	<ul style="list-style-type: none"> By 2015, 35% of the population to have broadband access By 2015, 75% of households to be connected to the Internet 	<p>Russia does not appear to have a cohesive and funded National Broadband Plan, although some general targets were set in October 2010 as part of the "Information Society 2011-2020" federal program with a budget allocation of RUB89 billion (US\$3 billion).</p> <p>The current government goals are:</p> <ul style="list-style-type: none"> By 2015, 35% of the population to have broadband access By 2015, 75% of households to be connected to the Internet
2. Are there laws or policies that regulate the establishment of different service levels for data transmission based on the nature of data transmitted?	Regulation under consideration by government and limited public debate	<p>There is no formal policy framework in Russia regarding net neutrality. However, in practice shaping is commonly used by ISPs to manage network traffic.</p> <p>In June 2011, the Expert Council on Communications of the Federal Antimonopoly Service (FAS, the national competition regulator) announced that it would establish a working group to inquire into the relationship between Russia's anti-monopoly laws and the principles of network neutrality. FAS reported to the government on this issue in late 2012, but the report has not been made public.</p>
3. Base Indicators		
3.1. Population (2011)	142,835,555	<p>In 2011, the population of Russia increased by 0.1%.</p> <p>[International Telecommunication Union (ITU), World Telecommunication/ICT Indicators Database (Dec 2012) <www.itu.int/ITU-D/ict/publications/world/world.html>]</p>
3.2. Urban Population (%) (2011)	74%	[United Nations, Department of Economic and Social Affairs, Population Division (2012). World Urbanization Prospects: The 2011 Revision, < esa.un.org/unup/CD-ROM/Urban-Rural-Population.htm >]
3.3. Number of Households (2011)	52,130,000	<p>In 2011, the number of households in Russia increased by 1.7%.</p> <p>[International Telecommunication Union (ITU), World Telecommunication/ICT Indicators Database (Dec 2012) <www.itu.int/ITU-D/ict/publications/world/world.html>]</p>
3.4. Population Density (people per square km) (2010)	9	[World Bank, Data Catalog, Indicators, Population Density (2012) < data.worldbank.org/indicator/EN.POP.DNST >]
3.5. Per Capita GDP (US\$ 2011)	\$13,089	<p>In 2011, the per capita GDP for Russia increased by 4.3% to US\$13,089.</p> <p>[World Bank, Data Catalog, Indicators: GDP per capita, current US\$ (2012) <data.worldbank.org/indicator/NY.GDP.PCAP.CD> and GDP growth, annual % (2012) <data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>]</p>
3.6. Public Cloud Services Market Value (2011) (Billions of US\$)	0.61	<p>Gartner has calculated the value of the public cloud services market in Russia in 2011 to be US\$0.61 billion. This is a 53% increase from 2010 and ranks Russia 14 (out of 20 countries) in the forecast. Gartner has projected the five-year compound annual growth rate (CAGR) to 2016 to be 26.4%, and this ranks Russia 6 (out of 20 countries) for growth in the value of the market for public cloud services to 2016.</p> <p>[Gartner, Forecast Overview: Public Cloud Services, Worldwide, 2011-2016 (August 2012 Update) <www.gartner.com/id=2126916>]</p>
3.7. Personal Computers (% of households) (2011)	57%	<p>In 2011, 57.1% of households in Russia had personal computers. This is a 3.8% increase since 2010 and ranks Russia 58 out of 182 countries surveyed. The growth from 2010 is below the five-year CAGR from 2006 to 2011 of 30.5%.</p> <p>[International Telecommunication Union (ITU), World Telecommunication/ICT Indicators Database (Dec 2012) <www.itu.int/ITU-D/ICTEYE/Indicators/Indicators.aspx>]</p> <p>Note: In some jurisdictions this is an estimate and subsequent editions of the ITU ICT Indicators Database may update this indicator for prior years.</p>
4. ICT and Network Readiness Indicators		
4.1. ITU ICT Development Index (IDI) (2011) (Score is out of 10)	6.00	<p>Russia's ITU ICT Development Index (IDI) for 2011 is 6 (out of 10), resulting in a rank of 38 (out of 161 economies). The 2011 IDI for Russia has increased by 7%, and the IDI ranking has improved by two places from a rank of 40 since 2010.</p> <p>[International Telecommunication Union (ITU), Measuring the Information Society (2012) <www.itu.int/ITU-D/ict/publications/idi/2012>]</p> <p>Note: In some jurisdictions this is an estimate and subsequent editions of the ITU ICT Indicators Database may adjust this indicator, both for 2011 and prior years.</p>

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4.2. World Economic Forum Networked Readiness Index (NRI) (2012) (Score is out of 7)	4.21	Russia has a Networked Readiness Index (NRI) score of 4.21 (out of 7), resulting in a rank of 66 (out of 142 economies) and a rank of 19 (out of 39) in the upper-middle income grouping of economies. The 2012 NRI for Russia has increased by 14.2% and improved from a rank of 77 since 2011. [World Economic Forum, Global Information Technology Report (2012) <www.networkedreadiness.com/gitr>]
4.3. International Connectivity Score (2011) (Score is out of 10)	5.68	Russia has a Connectivity Score of 5.68 (out of 10), resulting in a rank of 3 (out of 25) in the resource-driven grouping of countries/economies. [Nokia Siemens, Connectivity Scorecard (2011) <www.connectivityscorecard.org>]
4.4. IT Industry Competitiveness Index (2011) (Score is out of 100)	35.20	Russia has an IT Industry Competitiveness Index Score of 35.2 (out of 100), resulting in a rank of 46 (out of 66 countries/economies included in the index). The 2011 index score is an 18.5% decrease on the 2009 score. Russia has moved down the ranking by eight places since 2009. [Business Software Alliance (BSA) / Economist Intelligence Unit (EIU), IT Industry Competitiveness Index (2011) <globalindex11.bsa.org>]
5. Internet Users and International Bandwidth		
5.1. Internet Users (2011)	69,989,422	[calculated from 8.3.1. and 8.5.2.]
5.2. Internet Users as % of Population (2011)	49%	In 2011, 49% of the population in Russia used the Internet, resulting in a ranking of 74 out of 199 countries surveyed. This is a 14% increase since 2010. The growth from 2010 is below the five-year CAGR from 2006 to 2011 of 22.1%. [International Telecommunication Union (ITU), World Telecommunication/ICT Indicators Database (December 2012) <www.itu.int/ITU-D/ICTEYE/Indicators/Indicators.aspx>] Note: There may be some variations as to how countries calculate this. Some countries base this upon all or part of the population, such as between 16 and 72 years of age. Note: In some jurisdictions this is an estimate and subsequent editions of the ITU ICT Indicators Database may adjust this indicator, both for 2011 and for prior years.
5.3. International Internet Bandwidth (bits per second per Internet user) (2011)	31,911	Russia's International Internet Bandwidth (per Internet user) has increased by 4% since 2010. [International Telecommunication Union (ITU), Measuring the Information Society (2012) <www.itu.int/ITU-D/ict/publications/idi/2012>]
5.4. International Internet Bandwidth (2011) (total gigabits per second [Gbps] per country)	2,233	Russia has increased its International Internet Bandwidth by 18% since 2010 to 2,233 Gbps and is ranked 9 out of 188 countries surveyed. The growth from 2010 is below the five-year CAGR from 2006 to 2011 of 115.4%. [International Telecommunication Union (ITU), World Telecommunication/ICT Indicators Database (Dec 2012) <www.itu.int/ITU-D/ict/publications/world/world.html>]
6. Fixed Broadband		
6.1. Fixed Broadband Subscriptions (2011)	18,775,088	Russia has increased the number of fixed broadband subscribers by 20% since 2010, to 18,775,088, and is ranked 7 out of 182 countries surveyed. The growth from 2010 is below the five-year CAGR from 2006 to 2011 of 45.3%. [International Telecommunication Union (ITU), World Telecommunication/ICT Indicators Database (Dec 2012) <www.itu.int/ITU-D/ict/publications/world/world.html>] Note: In some jurisdictions this is an estimate and subsequent editions of the ITU ICT Indicators Database may adjust this indicator, both for 2011 and prior years.
6.2. Fixed Broadband Subscriptions as % of Households (2011)	36%	[calculated from 8.3.3. and 8.6.1.] Note: This may be skewed by business usage in some countries (refer to OECD comments about this).
6.3. Fixed Broadband Subscriptions as % of Population (2011)	13%	Russia has increased its fixed broadband subscriptions (as a share of the population) by 20% since 2010, which is below the five-year CAGR from 2006 to 2011 of 45.4%. This ranks Russia 7 out of 187 countries surveyed. [International Telecommunication Union (ITU), World Telecommunication/ICT Indicators Database (July 2011) <www.itu.int/ITU-D/ICTEYE/Indicators/Indicators.aspx>]
6.4. Fixed Broadband Subscriptions as % of Internet Users (2011)	27%	[calculated from 8.5.1 and 8.6.1]

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7. Mobile Broadband		
7.1. Mobile Cellular Subscriptions (2011)	256,116,581	<p>In 2011, Russia increased the number of mobile cellular subscriptions by 7.8% and is ranked 4 out of 195 countries surveyed. The number of subscriptions account for 179% of the population.</p> <p>[International Telecommunication Union (ITU), World Telecommunication/ICT Indicators Database (Dec 2012) <www.itu.int/ITU-D/ict/publications/world/world.html>]</p> <p>Note: This figure may be inflated due to multiple subscriptions per head of population but excludes dedicated mobile broadband devices (such as 3G data cards and tablets).</p>
7.2. Active Mobile Broadband Subscriptions per 100 inhabitants (2011)	48	<p>Russia has increased the number of active mobile broadband subscriptions (as a share of the population) by 38% since 2010. This ranks Russia 21 out of 144 countries surveyed.</p> <p>[International Telecommunication Union (ITU), World Telecommunication/ICT Indicators Database (Dec 2012) <www.itu.int/ITU-D/ict/publications/world/world.html>]</p> <p>Note: This refers to the sum of standard mobile-broadband and dedicated mobile broadband subscriptions to the public Internet. It covers actual subscribers, not potential subscribers, even though the latter may have broadband-enabled handsets.</p> <p>Note: In some jurisdictions this is an estimate and subsequent editions of the ITU ICT Indicators Database may adjust this indicator, both for 2011 and prior years.</p>
7.3. Number of Active Mobile Broadband Subscriptions (2011)	68,394,682	<p>In 2011, Russia has increased the number of active mobile broadband subscriptions by 38% and is ranked 21 out of 145 countries surveyed.</p> <p>[International Telecommunication Union (ITU), World Telecommunication/ICT Indicators Database (Dec 2012) <www.itu.int/ITU-D/ict/publications/world/world.html>]</p>