

**DECISION**  
**OF THE GOVERNMENT OF THE RUSSIAN FEDERATION**  
**NO. 1348 OF DECEMBER 6, 1999**  
**ON FEDERAL STATE UNITARY ENTERPRISES BASED**  
**ON THE RIGHT OF ECONOMIC JURISDICTION**

For the purpose of perfecting the system of the management of federal state unitary enterprises, raising the efficiency of their activity, increasing the income from the use of federal property and in accordance with the Concept of the Management of the State Property and Privatization in the Russian Federation, approved by Decision of the Government of the Russian Federation No. 1024 of September 9, 1999 (Sobraniye Zakonodatelstva Rossiyskoy Federatsii, 1999, No. 39, item 4626), the Government of the Russian Federation resolves.

**1.** The Ministry of State Property of the Russian Federation shall within a month prepare and send to the federal bodies of executive power the lists of their jurisdictional federal state unitary enterprises based on the right of economic jurisdiction (hereinafter referred to as "enterprises") that are being proposed to be reorganized complexes or to be used for the creation, on the basis of the property secured with them, of federal governmental enterprises.

**2.** The federal bodies of executive power shall carry out an analysis of the activity of their jurisdictional enterprises included in the lists indicated in Item 1 of this Decision and shall within three months from the day of their receipt submit to the Ministry of State Property of the Russian Federation substantiated proposals for:

a reorganisation of enterprises, including their transformation into public joint-stock companies;

the creation, on the basis of the property of enterprises, of federal governmental enterprises;

the sale of enterprises as property complexes; the liquidation of enterprises;

the preservation of enterprises in the form of unitary enterprises based on the right of economic jurisdiction.

The indicated proposals of the federal bodies of executive power concerning the enterprises that are objects of the scientific-technical sphere shall be subject to agreement with the Ministry of Science and Technologies of the Russian Federation.

**3.** To establish that the preservation of enterprises in the form of unitary enterprises based on the right of economic jurisdiction, or the creation, on the basis of the federal property secured with them, of federal governmental enterprises shall be permissible in the case of:

the use of property whose privatization is prohibited, including property necessary for ensuring national security, the functioning of air and water transport or the realization of other strategic interests of the Russian Federation;

the exercise of activity directed to the solution of social tasks, including the realization of certain goods and services at minimum prices, and also the organisation and conduct of purchase and commodity interventions for the purpose of ensuring the food security of the state;

the elaboration and manufacture of certain types of products that are in the sphere of the national interests of the Russian Federation and ensure the national security;

the manufacture of certain types of products that are withdrawn from civil turnover or whose application in civil turnover is restricted;

the exercise of activity stipulated by federal laws exclusively for state unitary enterprises;

the exercise of certain subsidised types of activity or the keeping of unprofitable factories;

the exercise of scientific and scientific-technical activity in branches connected with the ensuring of the national security.

It shall be impermissible to create federal governmental enterprises on the basis of the property of enterprises having creditor indebtedness (monetary obligations with expired periods of payment).

**4.** To establish that the decisions on the securing in federal ownership of shares of joint-stock companies to be formed in the privatization of enterprises and on the use of the special right for the

participation of the Russian Federation in the management of such companies (the "[golden share](#)") shall be taken in the privatization of enterprises exercising the following types of activity:

- the production, refining and marketing of oil, natural gas and gas condensate, the mining of coal, the manufacture and marketing of liquefied gas, and geology;
- the functioning of pipeline transport;
- the operation of gas equipment;
- the generation and distribution of electric power;
- sea and river transport and the communications;
- the construction and operation of objects designed for ensuring national security;
- the elaboration, manufacture and repair of any types of armament, military or space equipment, ammunition or accessories thereof;
- the manufacture, procurement and marketing of high-quality seeds and the storage of grain;
- the manufacture of baby foods.

The proposals of the federal body of executive power for the transformation of enterprises into public joint-stock companies whose shares are subject to securing in federal ownership or in whose respect there are taken decisions on the use of the special right for the participation of the Russian Federation in the management of the said companies (the "golden share") must contain substantiation of the necessity of the adoption of such decisions.

**5.** The Ministry of State Property of the Russian Federation shall in May 2000 submit to the Government of the Russian Federation proposals for the liquidation and privatization of enterprises and for the creation of federal governmental enterprises.

**6.** The Ministry of Railways of the Russian Federation and the Ministry of State Property of the Russian Federation shall within two months submit to the Government of the Russian Federation proposals for perfecting the system of the management of the enterprises of federal railway transport and raising the efficiency of their activity in accordance with the [Federal Law](#) on Federal Railway Transport and the [Concept](#) of the Structure of the Reform of the Federal Railway Transport, approved by [Decision](#) of the Government of the Russian Federation No. 448 of May 15, 1998 (Sobraniye Zakonodatelstva Rossiyskoy Federatsii, 1998, No. 20, item 2159).

Chairman of the Government  
of the Russian Federation

Vladimir Putin