



Economic and Social Council

Distr.: General
23 April 2013

Original: English

Substantive session of 2013

Geneva, 1-26 July 2013

High-level segment: annual ministerial review

Statement submitted by Yakutia — Our Opinion, a non-governmental organization in consultative status with the Economic and Social Council

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 30 and 31 of Economic and Social Council resolution 1996/31.



Statement

Sustainable development is not possible without a decent life for all people. Science, technology and innovation are useless and ineffective when most people live in poverty and starve.

This is what happened in the Russian Federation. Almost all profitable Russian companies generate revenue only for a small number of people, namely, officials and oligarchs.

Innovative development is not possible without poverty eradication in the Russian Federation.

The key problem is the universal mechanism of the intermediary, which has introduced corruption and unearned income into all fields of activity, and almost into everyday life and Russian legislation.

The organization proposes the following measures to achieve the equitable distribution of oil revenues:

- The introduction of rent payments in order to eliminate excessive profits from the use of natural resources, instead of taxes on the extraction of minerals
- The enactment of a “natural rent” in order for Russian citizens to claim their rightful income from the use of the natural resources of the Russian Federation

Furthermore, in order to accommodate the interests of the majority of Russian citizens who live and work in the regions and in specific companies, as opposed to the federal centre, it proposes:

- The lowering of taxes and fees for businesses to a level that ensures economic growth and growth
- The adjustment of intergovernmental fiscal relations, including a revision of the norms of income distribution between the federal budget and the budgets of subjects in the Russian Federation, in order to increase the revenue base of subjects to a level proportional to the region’s contribution to the socioeconomic development of the country
- The rejection of excessive tax increases and charges in the federal budget, and of the practice of enriching intermediaries, namely, banks, Government agencies and officials
- The introduction of citizens’ strategic ownership of all types of resources, in order to participate in the management and distribution of the proceeds from their exploitation

There should also be increased Government regulation of pricing to ensure adequate supply of resources and greater accountability for unjustified increases in prices for socially important products, goods and services.

The organization proposes increasing real incomes by:

- Increasing the minimum social standards of living, as well as pensions and allowances
- Increasing salaries to at least three times the adjusted cost of living, taking into account the minimization of the territorial and sectoral differentiation
- Increasing pensions and other benefits to acceptable levels

The organization proposes the introduction of a progressive income tax scale.