

# DOING BUSINESS IN RUSSIA

2026





# Doing Business in Russia 2026

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## Overview

### 1. Geography

The Russian Federation stretches across Eurasia from Eastern Europe to the Pacific coast and is the largest country in the world in terms of territory.

### 2. Population

The population of the Russian Federation is approximately 146.1 million. Although about 80% of the country's population is ethnically Russian, the Russian Federation is a multinational state and is home to numerous ethnic minority groups, including sizeable Tatar (3.8%) and Ukrainian (2%) populations. Roughly 75% of the population lives in urban areas and 16 cities have a population of over one million. The largest city is Moscow, with a population of approximately 13.1 million, followed by St. Petersburg, with a population of approximately 5.6 million.

### 3. Political System

The Russian Federation is a federal republic consisting of constituent entities of six categories. All constituent entities, while subtly different in classification, are constitutionally defined as equal members of the federation. Republics (corresponding to the homelands of various ethnic groups) enjoy a certain degree of regional autonomy. The federation is further divided into oblasts (regions), an autonomous oblast (autonomous region), cities of federal significance and krajs (territories) in which autonomous okrugs (autonomous districts, also delineated for various ethnic groups) are located. In 2000 Russia was further divided into seven federal super-districts (circuits) with the aim of ensuring federal supervision over regional affairs. In 2010, the number of federal super districts (circuits) was increased to eight.

Each constituent entity of the federation possesses its own charters, political institutions and local legislation. Approximately half of the constituent entities have signed bilateral treaties regulating the relationship between the regional and federal governments. Significant progress has been made towards greater

consistency between the regional and federal legal systems. However, when conducting business transactions at the regional level, treaty stipulations should be carefully reviewed as they may assign slightly different rights and privileges to the constituent entity in question.

Constitutionally, the President of the Russian Federation is elected for a six-year term (which was extended from four to six years in 2008). Any given individual is limited to two terms. As a result of the constitutional reform in July 2020, this restriction applies to a person who held or holds the post of the President without taking into account the number of terms during which he or she held or holds this position at the time of entry into force of the amendments to the Constitution.

The President is vested with extensive powers, serving as the head of state, the commander-in-chief of the armed forces, and the highest executive authority of the federation. The office of the President also includes the powers of decree, legislative veto, and the power to appoint and dissolve the Government. The President is primarily responsible for domestic and foreign policy and represents Russia in international relations.

The Prime Minister oversees the activities of the government and serves as the acting President if the President becomes ill and is unable to carry out the functions of that office. The Prime Minister's authority as acting President expires upon the election of a new President, which would normally be three months after the former President's authority expired.

Since 2000, the country has undergone a number of sweeping political reforms aimed at centralizing power within the federal executive.

Legislative power is exercised by a bicameral Federal Assembly, which consists of the Federation Council (upper house) and the State Duma (lower house). Since January 2002 the Federation Council has consisted of two representatives («senators») from each federal constituent entity, one from the executive branch appointed by the regional governor, and one from the legislature nominated by the regional assembly. Since July 2020, the Federation Council also includes no more than 30 representatives of the Russian Federation appointed by the President, of whom no more than seven may be appointed for life. A former

President who completed his term or resigned also becomes a senator for life. The State Duma consists of 450 members elected nationwide under a mixed electoral system: 225 are elected by proportional representation based on party lists (proportional system), and another 225 are elected in single-member districts (majority system). To obtain seats in the Duma under the proportional system, parties have to overcome the 5% barrier, and for candidates in the districts it is enough to get a relative majority of votes.

The lowest governmental level in the Russian Federation is local self-government. Current law distinguishes between community-level government and the governments of towns and villages. However, the overall influence of local self-government depends on how much authority has been delegated to the local level by the regional government. Foreign investors should be aware of the position of local bodies in regions where they conduct business since these bodies may possess limited powers of taxation.

At the top of the Russian judicial system are two high courts: the Constitutional Court and Supreme Court. The Constitutional Court reviews constitutional disputes. The Supreme Court reviews civil, criminal, and administrative disputes involving private individuals, as well as commercial disputes and administrative disputes involving legal entities and individual entrepreneurs. Judges for all of these courts are appointed for life by the Federation Council on the recommendation of the President.

In July 2020 the Constitution was amended. The amendments, among other things, establish the priority of the Constitution over the requirements of international law – decisions of intergovernmental bodies, taken on the basis of international treaties of Russia, will not be enforceable in Russia if the Constitutional Court establishes that they contradict the Constitution. The amendments expand the powers of the President to exercise «general management» of the government's activities and dismiss the Prime Minister, to appoint and dismiss heads of federal executive bodies responsible for defense, state and public security, domestic and foreign affairs, justice and the prevention of emergency situations, to appoint the Prosecutor General, his deputies and regional prosecutors, to propose to the Federation Council the termination of the powers of judges of the Constitutional Court, Supreme Court, and cassation and appeal courts.

According to the amendments, the Duma must approve the candidacy of the Prime Minister, deputy prime ministers and ministers (except for the ministers of defense and foreign affairs and top security officials).

The amendments reduced the number of judges of the Constitutional Court from 19 to 11. The Constitutional Court can review the constitutionality of laws on complaints of citizens only if «all other domestic remedies have been exhausted». Upon request of the President the court has jurisdiction to verify the constitutionality of draft federal laws prior to their signing by the President, and laws of constituent entities of the Russian Federation prior to their promulgation.

#### 4. International Relations

At present, Russia's international relations with Western countries are strained.

After Crimea became part of Russia in 2014, the relations of the Russian Federation with Western countries deteriorated. Most Western countries imposed sanctions against the Russian Federation and certain sectors of the economy (financial and economic, infrastructure, transport, energy and other). As a retaliatory measure, the Russian Federation imposed a food embargo and restrictions on imports of some light industrial goods from the states that imposed sanctions against the Russian Federation.

In the following years, sanctions pressure on the Russian Federation increased. In February 2022, the Russian Federation started a special military operation in Ukraine. In September 2022, four regions of Ukraine were incorporated into the Russian Federation. These actions entailed new unprecedented Western sanctions, including diplomatic, visa and logistics, among others. The participation of the Russian Federation and its officials in certain intergovernmental organizations and associations (the Council of Europe, the Coordinating Group of Developed Countries within the World Trade Organization and others) was suspended.

The Russian Federation retaliated with its own measures, imposing restrictions on dealings with states that carry out unfriendly actions against Russia, Russian legal entities and individuals. The list of [unfriendly states](#) includes EU countries, USA, Australia, UK, Canada, Singapore and other Western states. Russia reoriented its focus on relations with other states that did not impose

sanctions against it. For more details, see section «8. Sanctions». Russia has deepened integration within the Eurasian Economic Union (EAEU) with Belarus, Kazakhstan and the Kyrgyz Republic in pursuit of greater cooperation aiming at improving competitiveness of the economies of EAEU Member States and living standards in member countries. The EAEU aims to ensure the freedom of movement of goods, services, capital and labor resources, and to become a platform for the implementation of joint infrastructure and investment projects.

Internationally, Russia continues to be a member of all bodies of the United Nations and retains a permanent seat on the Security Council with veto rights.

Russia has close ties with its neighbor and major trading partner – Belarus. In 1997 the two countries formed a supranational entity, the Union of the Russian Federation and the Republic of Belarus. After several years of inactivity, in 2021 discussions of potential further integration resumed.

## 5. Economy

Western sanctions have had a negative effect on the Russian economy: the ruble has been falling against the dollar and euro, and GDP has declined. In 2022, the economy fell by 2.1% on the back of Western sanctions, import restrictions and the weaker ruble. The Russian Government has taken various measures to stabilize the economy and prevent capital outflow. For instance, in order to reduce the impact of the volatility of oil prices, the Russian government adopted a budget rule whereby all revenue earned above the budgeted price of U.S. \$44.20 per barrel of Urals oil is diverted to a special National Fund as a cushion for potential economic shocks. In November 2022, the president approved a new version of the rule, which does not provide for the base price of Urals oil. At the same time, until 30 June 2026, there is a restriction on sales of Russian oil to foreign legal entities and individuals if the contracts contain a price cap set by the US and a number of other countries.

In 2025, the Central Bank estimates that the economy grew by 1% and forecasts growth to continue at 0.5-1.5% in 2026.

Western sanctions, which prohibited loans to some of the major Russian companies, resulted in a major reduction of debts to foreign lenders.

The Russian Federation has been taking steps to develop business and improve the investment climate, as well as improve its self-sufficiency in telecommunications, agriculture, food processing, pharmaceuticals and the power industry.

Western sanctions (the ban on imports of technological goods, microchips, military products, rejection of Russian energy resources) were designed to slow down Russia's economic development.

The sanctions are aimed at the financial, energy and transport industries, the supply of goods, logistics, technologies and equipment. A number of large Russian banks have been disconnected from the SWIFT payment system, the operation of MasterCard and Visa payment systems have been suspended. Many Western companies announced their exits from Russia and stopped new investments. The United States and some of its partners decided to terminate normal trade relations with Russia. The EU countries have imposed restrictions on the price of Russian oil.

In response to Western sanctions, Russia adopted a number of Presidential Decrees on special economic measures with regard to «unfriendly actions of foreign states». They concern currency regulation, corporate law, real estate and international commercial transactions. Dividend payments and loan repayments to persons from [unfriendly states](#), as well as sale of Russian companies by owners from such states, were prohibited without a special government commission approval (for additional information see Sections «3. Foreign Investments: Incentives and Governmental», «8. Sanctions», «10. Property Rights»). As one of the measures, the Russian authorities allowed parallel imports of goods from foreign states that have banned the export of goods to Russia - the importation of goods without the consent of the manufacturer or copyright holder (for additional information see section «8. Sanctions»).

## 2. Judicial System

### 2.1. What is the structure of the Russian judicial system?

The judicial system of the Russian Federation consists of the Constitutional Court, the Supreme Court, federal arbitrazh (commercial) courts, federal courts of general jurisdiction, and justices of the peace (judges of the general jurisdiction of constituent entities).

The Constitutional Court adjudicates on the constitutionality of federal and regional laws. Arbitrazh courts primarily resolve disputes arising from business activities involving legal entities, self-employed entrepreneurs, and individuals in certain proceedings (bankruptcy, defamation, corporate disputes, among others). Other legal matters involving individuals are addressed by federal courts of general jurisdiction and justices of the peace at the regional level.

Representation in court proceedings is subject to certain formalities. Representatives must typically act under a power of attorney and hold a recognized law degree, although this requirement does not apply to proceedings before trial-level courts of general jurisdiction and justices of the peace.

### 2.2. Are court fees applicable?

The filing of a claim is subject to a state fee, the amount of which is determined by the value of the claim. The fee is capped at RUB 10,000,000 (approximately USD 125,000) for arbitrazh courts and RUB 900,000 (approximately 11,000 USD) for courts of general jurisdiction.

The filing of certain motions and pleadings, such as a motion for interim measures, also incurs a state fee, albeit typically a smaller one.

### 2.3. Do Russian courts have jurisdiction over foreign entities?

Russian courts may exercise jurisdiction over foreign defendants where a substantial connection to the Russian Federation exists. Such a connection may

be established if, for example, the defendant has assets in Russia, or the contract in question is performed in Russia, or the advertisement of goods and services targets Russian consumers, or damages were incurred in Russia (the list is not exhaustive). As a general rule, however, jurisdiction will be declined if the parties have concluded a valid jurisdiction or arbitration agreement designating a foreign forum.

Notwithstanding the above, Russian law provides for the exclusive jurisdiction of its courts in certain matters, irrespective of any agreement between the parties. These matters, for instance, include disputes concerning state property, intellectual property rights registered in Russia, bankruptcy disputes, and some corporate matters involving Russian entities. Furthermore, with a few exceptions, disputes related to economic sanctions against Russian parties fall within the exclusive jurisdiction of Russian courts (Article 248.1 of the Arbitrazh Procedure Code).

## 2.4. What is the appellate process in Russian courts?

The arbitrazh court system consists of: trial courts, appellate courts, and cassation courts of the circuits. The Supreme Court acts as a second cassation and supervisory instance. The Intellectual Property Court is a specialized arbitrazh court that acts as both a court of first instance and a cassation court for specific IP disputes.

Proceedings at the trial level are typically concluded within six months. An appeal against a trial court judgment, which may be based on errors of fact or law, must generally be filed within one month. A first cassation appeal, limited to alleged errors in the application of substantive or procedural law, must typically be filed within two months. Review by the Supreme Court is a two-stage process: an initial admissibility screening, followed by a full review by a judicial panel if the appeal is deemed admissible.

The structure of the courts of general jurisdiction is analogous, with certain variations, such as justices of the peace which resolve small claims, for example.

## 2.5. How are judgments enforced?

The enforcement of court judgments is carried out by the Federal Bailiff Service through a process known as enforcement proceedings. This typically involves locating and seizing the judgment debtor's assets, including funds. If seized funds are insufficient to satisfy the debt, other assets may be sold and the proceeds of the sale are then used to cover the remaining debt.

A foreign court judgment or arbitral award is enforceable in Russia only after it has been formally recognized and granted leave for enforcement by a Russian state court (*exequatur*). The recognition and enforcement of a judgment may be denied if, for instance, the other party was not duly notified of the proceeding, the judgment has not entered into force, the dispute falls within the exclusive jurisdiction of Russian state courts, or its enforcement would be contrary to public policy (the list is not exhaustive).

## 2.6. What is the legal framework for arbitration?

Arbitration in Russia is governed by a dual framework: the Federal Law on International Commercial Arbitration of 1993, which is based on the UNCITRAL Model Law, governs international arbitration, while the Federal Law on Arbitration (Arbitration Proceedings) in the Russian Federation of 2015 governs primarily domestic arbitration.

Certain categories of disputes are considered non-arbitrable under Russian law, including bankruptcy, most administrative disputes, and some corporate matters. Arbitral institutions that administer proceedings in Russia are required to obtain a state license and must adopt specific procedural rules for certain types of disputes (such as arbitrable corporate disputes, for instance).

The arbitrability of disputes related to economic sanctions remains unsettled. While such disputes are arguably arbitrable *de jure*, Russian courts often *de facto* refuse to recognize arbitration agreements that refer sanctions-related disputes to institutions in [unfriendly states](#) as enforceable, viewing such clauses as depriving the sanctioned party of its right to access to justice.

### 3. Foreign Investments: Incentives and Governmental Approvals

#### 3.1. Key incentives for major projects and innovations

##### 3.1.1. Investment agreements with state and municipal authorities

(a) **Special Investment Contracts (SPICs)** – aim to enable investors to benefit from stabilization clause, tax and possibly other benefits for high-end industrial manufacturing. SPIC may also be prerequisite to applying for subsidies, as well as to getting access to public procurement and specific markets – such as taxi vehicles market

(b) **Investment Protection and Promotion Agreements (IPPAs, also known as SZPKs)** – aim to enable investors to benefit from stabilization clause, subsidies and other incentives in consideration for investing into major projects in a variety of industries

(c) **Concessions and public-private partnership agreements** – aim to enable investors to generate profits from building (renovating) and operating certain facilities of public importance such as infrastructure, as well as getting access to public finance

(d) **Agreements for Priority, Strategic, Special Importance and Large-Scale Investment Projects** – aim to enable investors to benefit from certain regional incentives such as preferential access to land or regional incentives

(e) **Regional Investment Projects (RIPs)** – aim to enable investors to benefit from corporate profits tax incentives

(f) **General Purpose (Cross-cutting) Technologies Development Agreement** – aims to enable investors to benefit from public finance, tax benefits, reduced rent for public land, infrastructure and information support (e.g., assistance in raising funds) and other incentives

(g) **Integrated Territorial Development Agreement** – aims to enable investors to benefit from access to land development, public financing and tax incentives

### 3.1.2. Territories with special status

(a) **Special economic zones (SEZs)** with tax and customs benefits, simplified administrative procedures, and access to certain infrastructure. There are four types of SEZ: industrial & manufacturing, R&D, ports and tourism/recreation. SEZs are more advantageous for capital-intensive projects with long cycles (e.g., plants, R&D), as they offer more favorable tax rates. Most SEZs are located in European part of Russia, some are in Siberia

(b) **Arctic Zone of the Russian Federation (AZRF), Free Port Vladivostok (FPV), special economy zones of entire Kaliningrad region and city of Magadan**, some other territories offering benefits generally comparable to those available in SEZs

(c) **Advanced development territories (ADTs)** offer tax, customs and other benefits. ADTs are better suited for projects that scale quickly and rely on logistics and labor, as they provide lower social insurance contribution rates and a simplified procedure for hiring foreign labor. Most of ADTs are located in Far East, some – in Northern European part of Russia

(d) **International advanced development territories (IADTs)** – special type of ADT in Russia's Far East to facilitate joint investment projects with foreign partners

(e) **«Super-ADT»** – single zone aiming to consolidate benefits for businesses operating in Russia's Far East and Arctics (ADTs, AZRF, FPV and other territories). The concept «Super-ADT» is currently being developed by the Russian authorities

(f) **Skolkovo Innovation Center, Moscow International Medical Cluster (MIMC), Innovation Science and Technology Centers (ISTCs** – also known as Russian Silicon Valleys) for R&D and technology development

### 3.1.3. Tax incentives

- (a) **Investment tax credit** that allows investor to reduce their tax payments in current period and to pay the remaining sum in following periods
- (b) **Regional and federal tax deductions** that allow to reduce the tax payment
- (c) **Industry-specific benefits** such as for IT and for capital expenditures and R&D

### 3.1.4. Regulatory sandboxes

Experimental legal regimes for digital innovations, exempting companies from certain laws and regulations (for instance, in connection with AI development)

### 3.1.5. Preferential public procurement

- (a) **Benefits for Russian-made goods**, including a 15% price handicap and minimum share of procured goods with Russian origin
- (b) **Life cycle agreements** whereby the contractor undertakes to purchase goods or to design, build, repair, operate or dispose of (if necessary) the object of the purchase and may be guaranteed by the authorities to achieve income
- (c) **Offset agreements** whereby Russian regions commit to offtake products to be manufactured at new production sites built by private investors

### 3.1.6. Governmental programs highlighting Russia's strategic development goals

- (a) **National development objectives through 2030**, focusing on core sectors such as digital economy, healthcare, environment and infrastructure – many of which largely overlap with the UN sustainable development goals

- (b) **Governmental initiatives 2030**, including technological breakthrough, digital transformation, and environmental programs
- (c) **National technological initiative 2035** (NTI) for leadership in disruptive technologies
- (d) **Taxonomy** of technological sovereignty and structural adaptation of the economy
- (e) **Taxonomy** of sustainable (green, transitional and social) projects

## 3.2. Governmental approvals

### I. Main restrictions and limitations on foreign investment

Restrictions under the Strategic Companies Law	Counter-sanctions restrictions (since 2022)	Special regulatory regimes
<p>Acquisition of control over a strategic company including those in mining (oil &amp; gas etc.), cryptography, military industry</p>	<p>Share transfers and most transactions with securities, participation interests, and immovable property which involve foreign persons linked to the so-called <a href="#">unfriendly state</a> (including citizens of such states and entities registered therein) or persons controlled by such foreign persons</p>	<p>Stricter clearance requirements for foreign states and international</p>
<p>Foreign investment in specific industries, such as land acquisition in border areas, seaports, and agricultural lands</p>	<p>It is common that the purchaser is responsible for securing transaction approval by the Government Commission</p>	<p>Preliminary transaction approval for smaller acquisitions in strategic companies (e.g., 25% instead of 50%)</p>
<p>The foreign investor is responsible for securing transaction approval by the Government Commission on Control over Foreign Investments in the Russian Federation (the "<b>Government Commission</b>")</p>		<p>Prohibition on establishing control over strategic companies</p>
<p><i>Note: The Government can also require foreign investors to obtain preliminary approval for transactions with regard to Russian companies on an ad hoc basis, if there are grounds to believe they can affect state defense and security</i></p>		<p><i>Note: Any foreign entity that fails to disclose its beneficiaries to Federal Antimonopoly Service of the Russian Federation (the "FAS") before a transaction can be subject to the same stricter rules that apply to investments of foreign states into strategic companies</i></p>

II. Details of restrictions

Strategic companies (Strategic Companies Law)	
<b>What is a strategic company?</b>	A company engaged in activities listed in the Strategic Companies Law
	Examples: <i>mining, nuclear, military, space and aviation industries, encryption, mass media, fishing, etc.</i>
<b>When is preliminary approval required?</b>	Acquisition of control over more than 50% of a strategic company's voting shares
	Acquisition of control over a strategic company through other means
	Acquisition of fixed assets whose book value is equal to or exceeds 25% of the value of all assets of the company
	<i>Note: Thresholds are lower if a strategic company is involved in mining on federal land plots</i>
<b>When is a post-transaction notification of FAS required?</b>	Acquisition of at least 5% of shares in a strategic company
	Change of citizenship or residency status of individuals holding at least 5% of shares in a strategic company
	Change of allocation of votes that lead to an acquisition of control
<b>Consequences of violating the Strategic Companies Law</b>	Transactions are deemed void
	Parties may be required to return everything received under the transaction
	If this is not possible, they may lose voting rights and even their shares in the company
	Failure to comply can also result in fines and penalties
<b>Exemptions from the Strategic Companies Law</b>	Acquisitions of shares by entities under the control of the Russian Federation, its constituent territories, or citizens of Russia who do not hold foreign citizenship or a residence permit, provided that the relevant entity discloses its beneficiaries to FAS before a transaction. In some cases – intra-group transactions

Counter-sanctions restrictions	
<b>Which transactions require Government Commission approval?</b>	Transactions (operations) entailing the establishment of ownership rights to securities (including shares) and immovable property (Presidential Decree No. 81 dated 1 March 2022)
	<i>Note: This would also apply to sales by foreign persons not linked to unfriendly states of the securities and immovable property acquired after 22 February 2022 from persons linked to unfriendly states</i>
	Transactions (operations) that directly or indirectly entail the establishment, change or termination of rights of possession, use, and/or disposal of participation interests in a Russian LLC (except for credit institutions and non-credit financial institutions) or other rights allowing to determine the terms of management of such LLC and/or the terms of its business activities (Presidential Decree No. 618 dated 8 September 2022)
	Transactions (operations) that directly or indirectly entail the establishment, change or termination of rights of possession, use, and/or disposal of more than 1% of shares or participation interests in the charter capital of a Russian credit institution, insurer, non-state pension fund, microfinance company or a management company of a joint stock investment fund, unit investment fund or non-state pension fund or of more than 1% of votes attributable to such shares or participation interest (Presidential Decree No. 737 dated 15 October 2022)
<b>Which transactions require the consent of the Russian President?</b>	<p>Selling shares or otherwise disposing of participation in:</p> <ul style="list-style-type: none"> <li>- certain Russian credit institutions, strategic companies, certain companies in the fuel and energy sector, users of subsoil or other natural resources (Presidential Decree No. 520 dated 5 August 2022); and</li> <li>- companies the market value of the shares of which exceeds RUB 50 billion (Letter No. 05-06-09/BH-45106 published by the Ministry of Finance on 18 October 2024)</li> </ul>
<b>Exemptions from the counter-sanctions rules</b>	Transactions where the foreign person linked to an unfriendly state is ultimately controlled by a Russian entity or citizen, subject to the disclosure of such control in accordance with the Russian tax law requirements

III. The approval process

	Approval under the Strategic Companies Law	Approval under counter-sanctions rules
<b>Filing authority</b>	Federal Antimonopoly Service of Russia the Russian Federation (the "FAS")	Ministry of Finance or, in certain cases, another governmental authority depending on the industry where the target company operates
<b>Application</b>	The application must be supported by various documents, including a description of the investor's and target company's groups, corporate documents, and a draft business plan or KPIs for the target company	
<b>Review process</b>	FAS checks application for formal compliance and may request information from the Federal Security Service, the Ministry of Defense, etc. Then submits documents to the Government Commission for a final decision	The application is reviewed by the relevant authority depending on the industry where the target company operates and then submitted to the Government Commission for a final decision
<b>Review timeline</b>	Typically, 3 months, extendable for another three months. In practice, it may take longer and there are no official fast-track options	Typically, 2 to 6 months. Official timelines are not clearly defined and can vary in practice
<b>Outcome</b>	The Government Commission has full discretion to approve in full, approve with requirements imposed on the acquirer, or reject the proposed transaction, and is not obliged to explain or substantiate its decision	
<b>Challenging the decision</b>	A decision of the Government Commission may be challenged at the Supreme Court of the Russian Federation, but this is difficult in practice	

## 4. Establishing a Legal Presence in Russia

### 4.1. Establishing a legal presence in Russia

Foreign investors most often conduct business in Russia through...

**Local representative office or branch of a foreign company**

Note: neither a branch nor a representative office of a foreign company is considered a Russian legal entity, but rather a subdivision of a foreign parent company

**Representative office**

Purpose: to carry out liaison and ancillary functions to promote the business of its foreign parent company in Russia

Limitation: must not engage in commercial activities

**Branch**

Purpose: to engage in any functions that the parent company engages in, as long as this is provided for in the branch's regulations and is permitted under Russian law

Note: both are subject to mandatory accreditation with Inter-district Tax Inspectorate No. 47 of the Federal Tax Service located in Moscow and require post-accreditation procedures, including registering with the Russian statistics authorities and the Russian Fund of Pension and Social Insurance and opening bank accounts

**Russian subsidiary**

Note: the Civil Code of the Russian Federation recognizes several types of business entities, including general and limited partnerships, business partnerships, production cooperatives, limited liability companies (LLCs), and joint-stock companies (JSCs)

Russian companies are divided into two categories ...

**Public company**

Shares have been publicly placed and are publicly traded on a stock exchange or the public company status is declared in the charter

Subject to public reporting and disclosure requirements

Less flexible in terms of corporate governance

**Non-public company**

Privately held corporation that cannot raise capital from the public

Is not subject to the disclosure requirements

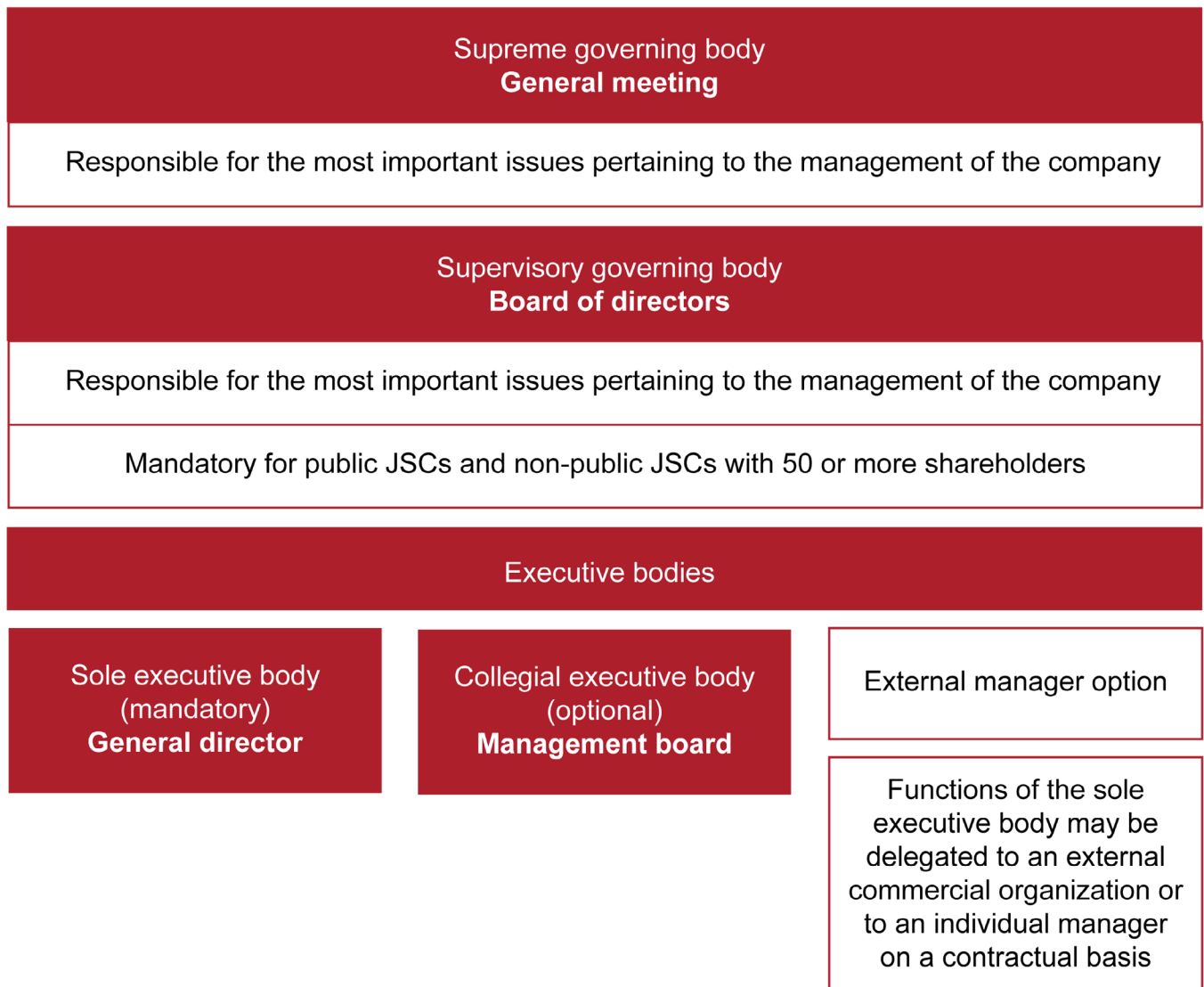
Offers greater flexibility in terms of corporate governance

## 4.2. Incorporation and management of a Russian subsidiary

Parameter	Limited Liability Company (LLC)	Joint-Stock Company (JSC)
	<i>Note: the most common corporate form for private business in Russia, particularly for wholly-owned subsidiaries and certain joint ventures</i>	
<b>Classification</b>	Always a non-public company	Can be public or non-public
<b>Incorporation procedure</b>	Deemed incorporated from the moment of its state registration with the Russian tax authorities	Deemed incorporated from the moment of its state registration with tax authorities, and its shares must also be registered with the Central Bank of Russia (the shares cannot be transferred to third parties until they are registered)
<b>Maximum number of participants</b>	50	No limit
<b>Equity issued</b>	Participation interests	Ordinary shares and several classes of preferred shares, with different nominal values and rights
<b>Statutory minimum of charter capital</b>	Not less than RUB 10,000	<i>Non-public: not less than RUB 10,000</i> <i>Public: not less than RUB 100,000</i>
<b>Deadline for paying initial charter capital</b>	Must be paid up in full within 4 months from the date of the LLC's registration	
<b>Mandatory audit</b>	Not generally subject to mandatory audits, unless certain conditions are met	Public JSCs are subject to mandatory audits Non-public JSCs are not generally subject to mandatory audits, unless certain conditions are met
<b>Sole participant (shareholder)</b>	May be established by one founder, whether an individual or a legal entity	
<b>"1-1-1" structure</b>	Company may have another entity that has a single owner as its sole participant/shareholder (such structure was not allowed until August 2025 when the so-called "Matryoshka" rule got cancelled)	
<b>Form of capital contribution</b>	Statutory minimum amount of initial charter capital must be paid in cash, while other contributions may be made either in cash or in kind	

### 4.3. Corporate governance models in Russian companies

Russian companies have two models of corporate governance: a two-tier model (general meeting and executive body) and a three-tier model (general meeting, board of directors, and executive body).



## 5. Corporate Compliance

### 5.1. Overview

Russian criminal law prohibits public and private, domestic and foreign, and active and passive bribery. Aiding and abetting bribery and minor bribery are also prohibited. It applies to individuals only.

Legal entities may face only administrative liability for active public and private bribery.

Russian law also imposes tough restrictions on gifts to public officials, and although it is the public officials themselves who are mostly subject to these restrictions, companies should also be aware of them in order to avoid unethical conduct and suspicions of bribery.

Enforcement in corruption cases, both criminal and administrative, has increased rapidly since 2022. This trend underscores the importance of compliant and ethical business practices.

### 5.2. Liability of legal entities for bribery

Russian law provides for administrative liability for a legal entity for unlawful provision, offer or promise, by anyone acting in the name or in the interests of a legal entity or in the interests of a related legal entity, of anything of pecuniary value to a Russian or foreign public official, an official of a public international organization, or officers in a commercial company (or to another individual or a legal entity upon request of the aforementioned officials) for any act or omission in the interests of this legal entity or its related legal entity.

A defense that may be used is confirmation that the company has taken anti-corruption measures to avoid the offense in question. Ultimately, this is an issue about the compliance program adopted by the respective company. A non-exhaustive list of the anti-corruption measures that the company could take is provided by the Russian legislation. The Russian Ministry of Labor and Social Protection also published a number of official guides on how legal entities should take these measures.

The sanctions vary depending on the amount of the bribe. The maximum sanction for a bribe over RUB 20 million is a fine of up to 100 times the amount of the bribe, but not less than RUB 100 million. In all cases, the bribe or its equivalent value may be confiscated. The biggest amount of an administrative fine we have observed over the years is RUB 100 million.

In most cases, information about bribery committed by legal entities, is publicly available through courts' web-sites and press-releases of Russian law-enforcement authorities.

A company that is found liable for bribery will not be eligible for participation in state procurement tenders for a period of two years. This information is also publicly available.

### 5.3. Criminal liability of individuals for bribery

Russian law prohibits the provision of a bribe both to public officials and to employees of commercial companies.

Russian statutory definition of public officials is quite broad and includes persons who permanently, temporarily or pursuant to a specific authorization perform the function of a representative of state power as well as persons who perform organizational or administrative functions in the state and municipal bodies, state or municipal institutions, state corporations, state and municipal unitary enterprises and in the Russian military and other armed forces. The definition also covers individuals with administrative and managerial functions at public law companies, companies where Russia, its constituent entities or municipalities is entitled to dispose of over 50% of votes or appoint the sole executive body or 50% of collegial bodies, joint-stock companies with special participation rights of the Russian Federation, its constituent entities or municipalities.

The law provides for the following maximum imprisonment terms for bribery related crimes:

- public bribery (both active and passive) – 15 years
- active commercial bribery – 8 years

- passive commercial bribery – 12 years

The law also prohibits aiding and abetting in bribery, including an offer or a promise for aiding and abetting in bribery where terms of imprisonment are comparable to those mentioned above.

A person who has given a bribe may be released from criminal liability if they actively aided in detecting and prosecuting the crime, and either if the bribe was extorted from them or they voluntarily reported the bribe to criminal law enforcement authorities.

#### 5.4. Restrictions on gifts

Russian law prohibits gifts to state and municipal officials in connection with their office or the discharge of their duties of office, except for simple gifts of a value below RUB 3,000. However, such gifts are not to be provided with an illegal intent. Strictly speaking, there is no limit to the value of the bribe and, thus, a gift worth less than the above threshold can be considered a bribe.

Criminal cases dealing with provision of gifts qualified as bribes, appear in the public domain from time to time, therefore we recommend companies to carefully tailor their policies and procedures related to gifts.

Gifts to state and municipal officials exceeding the above threshold are considered federal or constituent entities or municipal property and shall be handed over by the official to the state authority where the official is employed.

Different governmental agencies and / or state-owned companies have their own rules on acceptable gifts and hospitality and this issue requires a separate review on a case-by-case basis.

## 6. Taxation

RUSSIAN TAX SYSTEM IN A NUTSHELL			
Tax	Who Pays	Tax Rates	Comment
<b>Corporate Profits Tax (CPT)</b>	<ul style="list-style-type: none"> <li>Legal entities recognized as <a href="#">Russian tax residents</a></li> <li>Russian <a href="#">permanent establishments</a> of foreign companies</li> </ul>	<ul style="list-style-type: none"> <li><b>Standard:</b> 25%</li> <li><b>IT Companies:</b> 5% (for 2025-2030)</li> <li><b>"Personal Funds"</b> (Russian analogue of family foundations): 15% if portion of "passive income" exceeds 90% of all income, 25% in other cases</li> <li><b>Other reduced:</b> down to 0% for medical, educational, agricultural and some other companies</li> <li>For members of <b>multinational groups</b>, Russia has its <a href="#">analogue of Pillar 2 rules</a> so that effective tax rate is 15%</li> </ul>	<p>Various <b>investment incentives</b> are available, such as:</p> <ul style="list-style-type: none"> <li><a href="#">participation exemption on dividends</a>,</li> <li><a href="#">holding period exemption for sale or redemption of shares</a>,</li> <li><a href="#">investment tax deductions</a>,</li> <li><a href="#">residence in special economic zones / territories / innovative scientific and technical centers</a></li> <li>participation in a <a href="#">regional investment project / special investment contract / investment protection and promotion agreement</a></li> <li>registering as an <a href="#">international holding company</a></li> </ul>
<b>Withholding Tax (WHT)</b>	<ul style="list-style-type: none"> <li>Applies to "passive income" (dividends, interest, royalties, etc.) received by a foreign company from Russia</li> <li>The Russian entity paying the income withholds the tax as a tax agent</li> </ul>	<ul style="list-style-type: none"> <li><b>Dividends:</b> 15%</li> <li><b>Intercompany services:</b> 15%</li> <li><b>International shipping / transport lease:</b> 10%</li> <li><b>Other passive income:</b> 25%</li> </ul> <p>Payments for goods and most services do not attract WHT</p>	<ul style="list-style-type: none"> <li>Rates may be reduced or eliminated by an effective double tax treaty (DTT)</li> <li>Russia has suspended DTTs with <a href="#">unfriendly states</a> – list of effective and suspended DTTs is <a href="#">here</a></li> <li>DTT benefits are available only to <a href="#">beneficial owners</a> of income</li> <li>Starting from January 1, 2024 Russia applies MLI so that DTT provisions should be applied in consistence with MLI rules</li> </ul>
<b>Value Added Tax (VAT)</b>	Russian entities, individual entrepreneurs and Russian <a href="#">permanent establishments</a> of foreign companies, acting as: (i) suppliers, (ii) importers, or (iii) tax agents of foreign suppliers	<ul style="list-style-type: none"> <li><b>Standard:</b> 22%</li> <li><b>Reduced:</b> 1) 10% and 0% for certain goods and services 2) 5% and 7% for taxpayers that apply simplified taxation system</li> </ul>	Foreign suppliers generally do not need to register for VAT, apart from (i) foreign B2C vendors of <a href="#">electronically supplied services</a> , and (ii) online retailers from the Eurasian Economic Union (EAEU)
<b>Individual Income Tax (IIT)</b>	<ul style="list-style-type: none"> <li><a href="#">Russian tax residents</a> on their worldwide income</li> <li>Non-residents on Russian-source income</li> </ul>	<ul style="list-style-type: none"> <li><b>For residents:</b> a <a href="#">progressive scale</a> from 13% to 22% depending on annual income and type of income, 13%/15% on dividends, income from sale of securities and property, 35% on gambling and certain other income</li> <li><b>For non-residents:</b> 30% on most income types (same progressive rates as for residents apply to remote work salaries)</li> </ul>	<ul style="list-style-type: none"> <li>IIT is typically withheld by a Russian tax agent (e.g., an employer)</li> <li>Foreign online platform operators that pay remuneration to Russian freelancers, creators, etc., must tax register in Russia and act as tax agents for IIT</li> <li>Tax residency is determined based on the number of days in Russia during a tax year (183 days or more); no other criteria are used so far</li> </ul>
<b>Social Security Contributions (SSC)</b>	Russian employers and individual entrepreneurs	<ul style="list-style-type: none"> <li><b>30%</b> on an individual's annual income up to a "maximum base" (RUB 2,979,000 for 2026)</li> <li><b>15.1%</b> on income exceeding this base</li> </ul>	These contributions are paid by the employer at their own expense and cannot be withheld from the employee's salary. Reduced rates are available for some businesses, including IT companies, and advocates

RUSSIAN TAX SYSTEM IN A NUTSHELL			
Tax	Who Pays	Tax Rates	Comment
<b>Property, Land, and Transport Taxes</b>	Owners of Russian real estate, land plots, and transport vehicles, respectively	Rates are set at the regional or local level and vary depending on the asset's location, value and other characteristics	These are asset-based taxes paid periodically by the owners of the specified property
<b>Emergency Taxes</b>	Determined on a case-by-case basis. The 2024 "windfall tax" targeted the largest corporate taxpayers	Parameters are set separately each time such a tax is introduced	Russia may impose one-off emergency taxes. While no new ones have been announced for 2025-2026, the possibility of future taxes cannot be ruled out
<b>"Exit Tax"</b>	Foreign owners from "unfriendly states" who are selling their Russian businesses or their purchasers (at the discretion of the parties)	Up to 35% of the fair market value of the sold assets	This is a de-facto tax, presented as a "voluntary contribution" to the Russian budget if and when it is required to obtain regulatory authorization for the sale of business
Other key tax considerations			
<b>Transfer Pricing Rules</b>	These rules apply to transactions between related parties and certain transactions with unrelated parties, including those involving specific commodities (like oil, metals, and fertilizers) or counterparties from jurisdictions Russia lists as "offshore" (which now includes <a href="#">unfriendly states</a> or foreign counterparties whose effective tax rate is equal to or below 15%. Violations can lead to severe penalties, and any income gained by a foreign counterparty from mispricing may be subject to a secondary adjustment as a deemed dividend subject to a 15% withholding tax.		
<b>Controlled Foreign Company (CFC) Rules</b>	Russian tax residents (both individuals and companies) must report and pay tax on the undistributed profits of foreign companies and/or foreign trusts/foundations they control. The control threshold for companies is low: owning over 25% of a foreign company, or over 10% if Russian residents collectively own more than 50%. There are a number of exceptions that allow reducing or completely avoiding taxation of CFC profits in Russia.		
<b>Disclosure Obligations</b>	<ul style="list-style-type: none"> <li>• Businesses and individuals in Russia face various reporting requirements beyond standard tax returns. They must provide substantial information to the Russian tax authorities, including notifications on controlled transactions, documentation, and country-by-country reports for transfer pricing, information on beneficial owners for anti-money laundering purposes, and details on corporate and personal foreign bank accounts.</li> <li>• Foreign companies that have Russian tax registration – even by virtue of merely having a Russian bank account or property in Russia – must annually disclose their ownership structure and beneficiaries.</li> </ul>		
<b>No wealth, inheritance or gift taxation</b>	Russia does not have separate taxation on transfers of property by way of gift or inheritance, and does not have separate wealth taxes. Some disposals of property are subject to IIT with certain tax exemptions.		
<b>Industry-specific taxes</b>	<ul style="list-style-type: none"> <li>• Companies engaged in specific business activities may have to pay excise tax, subsoil use taxes (mineral extraction tax and income-based tax), touristic tax or gambling tax</li> <li>• State duty is payable for services provided by Russian state agencies. Also, there are several types of charges for the right to use natural resources, such as water tax and a charge for use of wildlife resources</li> <li>• Special beneficial tax regimes are available for small businesses and for agricultural enterprises.</li> </ul>		

## 7. Russian Customs Law and International Trade Regulations

### 7.1. What is the international legal framework for Russian customs regulations?

Russia participates in the World Customs Organization («**WCO**») and the World Trade Organization («**WTO**»). Russia is also a member of the Eurasian Economic Union («**EAEU**») established in 2015. Russian customs regulations are based on the international agreements of the WCO and WTO and supranational legal acts of the EAEU – the EAEU Customs Code and implementing regulations set out by the EAEU Commission, as well as Russian domestic regulations.

### 7.2. Does Russia apply bilateral or regional legal instruments facilitating trade with other countries?

The EAEU is a party to the free trade agreements (“**FTA**”) signed with Vietnam, Iran, China, Mongolia, the United Arab Emirates, Serbia, Singapore and Indonesia. In addition to these agreements, which apply to all the EAEU member states, Russia has also concluded bilateral FTAs with Georgia, Turkmenistan, and Azerbaijan, as well as the regional Free Trade Area of the Commonwealth of Independent States (CIS FTA).

Since 2006 Russia has been expanding its activity in BRICS, an intergovernmental economic cooperation union currently including ten countries (Brazil, Russia, India, China, South Africa, Iran, Egypt, Ethiopia, the United Arab Emirates, and Indonesia).

In addition, Russia is also participating in a number of industry-specific foreign trade agreements, for example:

- Russia has concluded a number of bilateral agreements in the oil and gas sector, including with China, India and Turkey.
- Russia and India concluded a program of cooperation in trade, economic and investment spheres in the Russian Far East for 2024-2029, as well as

in Russia's Arctic zone.

- Russia and Iraq concluded an agreement on trade, economic and scientific-technical cooperation.

### 7.3. Which countries are members of the EAEU and what are the main advantages of membership?

The EAEU members include Russia, Belarus, Kazakhstan, Armenia and Kyrgyzstan. The EAEU establishes a unified customs territory with free movement of goods, individuals, services and capital. The legal framework of the EAEU is set out in the EAEU Treaty.

### 7.4. Who can import goods into Russia?

Russia (and the other EAEU members) apply a so-called «resident principle», when only Russian legal entities or private entrepreneurs can act as the importers of record («IOR») in Russia and perform customs clearance of imported goods with the local customs authorities. Foreign persons can act as IORs in a limited number of cases. For example, Russian branches or representative offices of foreign companies can import goods for their internal needs. Foreign goods designated for the importation into the other EAEU member states can be transited across the Russian territory.

### 7.5. Where and how can customs clearance be performed?

Customs clearance operations should be conducted with Russian customs posts. Customs declarations should be submitted electronically. The IOR needs to register an electronic account with the Russian customs authorities, deposit money to the account of the customs authorities as advance customs payments, and prepare and submit an import customs declaration certified by the IOR's electronic signature.

### 7.6. What are the most important things to know about customs clearance?

The most important issues are: (i) accuracy of the information declared on the imported goods, (ii) customs (HS) classification, the structure of customs value (including certain mandatory surcharges), correctness of calculation of customs payments, (iii) completeness of supporting documentation covering each shipment, including import authorizations/permits (if required), and (iv) compliance of the goods and their packaging with applicable labeling requirements.

### 7.7. Can the IOR engage a customs broker?

Yes, customs clearance can be conducted with the assistance of a licensed customs broker (representative) which may submit customs declarations on behalf of the IOR. Customs brokers bear joint and several liability together with the IORs for the accuracy of information provided to the Russian customs authorities.

### 7.8. What types of customs payments can be applied in Russia?

Generally, the importation of goods is subject to the following customs payments: import customs duty (based on the established rates); import VAT (charged on top of the customs value and import customs duty at the applicable standard rate of 22%, certain goods are subject to a reduced 0% or 10% rate of import VAT); and a customs processing fee – a payment for customs operations. In addition, depending on their type and characteristics, goods may be subject to an excise duty (for excisable goods such as vehicles, alcohol and tobacco products) and/or a utilization fee (for motor vehicles and transport machinery). Certain goods can be subject to safeguard or countervailing tariff measures (anti-dumping duties, safeguard duties) set out at the EAEU level, as well as so-called Russian local counter-measures (for example, certain specifically listed machinery and equipment originating from the US are subject to increased rates of import customs duty of up to 50%). Note that since 2021 an export customs duty applies to a large number of good types brought out of Russia (mainly, primary materials and resources). Importantly, in addition to the above EAEU safeguard measures, Russia unilaterally applies increased import customs duties to a wide range of goods originating from jurisdictions, which have imposed foreign trade measures against Russia.

## 7.9. Why is the HS classification of goods important?

The HS classification is needed to check applicable rates of import customs duty and import VAT, as well as to determine applicable statutory prohibitions and/or limitations (including the necessity to obtain certain import permission documents).

## 7.10. What prohibitions or limitations can be applied to the importation/exportation of goods?

Some goods can be subject to certain import/export restrictions or prohibitions set out at the supranational EAEU level, or the Russian national regulations (for example, Russia applies import restrictions on some agricultural products, raw materials and foodstuffs such as milk and dairy products, meat, fruit and nuts originating from US, EU countries, Canada and some other countries). The importation/exportation of certain goods may require import/export permission documents that must be issued well in advance (import/export licenses/permits/authorizations, certificates/declarations of conformity). Some goods can be exported from Russia only to the EAEU countries based on an export permit. The applicability of import/export restrictions or permission documents should be determined based on the goods' HS code, characteristics and designation. As mentioned above, Russia imposes increased customs duty on certain goods originating from certain countries. The above-mentioned measures demonstrate the importance of a proper confirmation of goods' origin.

## 7.11. Does Russia apply export controls?

Yes, Russia applies export controls with respect to certain specifically listed dual-use items. The Russian dual-use lists are based on Russia's membership in the Wassenaar Arrangement. Export controls are not unified at the EAEU level – each EAEU country has its own set of rules. The import/export of goods and intangible (electronic) cross-border transmission of data (technology/software) classified in Russia as dual-use items require a prior export control license or authorization. The goods' HS code, characteristics and designation should be analyzed in order to check their dual-use status.

## 7.12. What types of customs procedures can be applied by the IOR?

The IOR may apply standard customs procedures for import (or release for internal consumption) and export. In different situations so-called economic customs procedures can be applied, for example, re-import and re-export, customs warehousing, temporary import, free customs zones, and special customs procedures.

## 7.13. Can the customs authorities check the imported goods after their customs clearance?

Yes, the Russian customs authorities can audit the imported shipments of goods within a three-year period after their release during the so-called post-clearance customs control.

During customs audits the customs authorities check the accuracy of submitted customs declarations and supporting documents. Particularly, the Russian customs authorities have been traditionally focused on including certain surcharges into the customs value of goods, such as license fees (royalties), VAT on royalties, freight charges, agency costs, dividends, etc. In case of post-clearance customs audits, possible additional customs payments on the customs value surcharges will be subject to late payment interest. Therefore, IORs should keep records of all their import/export operations and underlying customs documentation for at least three years after the importation. IORs are entitled to challenge decisions taken by the Russian customs authorities with the upper tier customs authorities or in court within three months from the date of issuance or receipt of such decisions. Overpaid or excessively collected (in view of IORs) customs payments can be returned during the three-year statute of limitation period.

## 7.14. What type of liability can be applied for violation of customs regulations?

In case of violation of customs regulations, the IOR and/or its managers can be subject to administrative penalties, which can be in the form of an administrative

fine with possible confiscation of the imported goods (confiscation requires a court decision), subject to a two-year statute of limitation period. Customs payment evasion exceeding the threshold of RUB 3 million (or approximately USD 38,000), or smuggling certain types of goods across the customs border can be viewed as a criminal offense. Criminal penalties can be applied to responsible employees (criminal penalties cannot be imposed on legal entities). Depending on the circumstances and gravity of the crime, responsible individuals could be subject to different types of criminal penalties, including a criminal fine, or up to 12 years of imprisonment, the with statute of limitation of 2-15 years.

### 7.15. What statutory restrictions apply to the importation of goods by individuals?

The importation of goods by individuals is subject to a number of duty-free and quantitative thresholds, depending on the type of transport. For example, passengers may bring in cash currency in an amount not exceeding the equivalent of USD 10,000, and/or goods designated for their personal needs with a total value not exceeding equivalent of EUR 10,000 (when travelling by air), and not exceeding equivalent of EUR 500 (when travelling by land or water transport), subject to quantitative restrictions for certain specific types of goods (for example, not more than 200 cigarettes, 50 cigars, three liters of alcoholic beverages, etc.). Otherwise, if the above thresholds are exceeded, the passenger must pass through the red corridor at the customs border, declare the excess and make applicable customs payments. The duty-free threshold of EUR 200 applies to goods delivered by international mail or express couriers. Individuals are not allowed to import or export certain types of products, which cannot be viewed as goods designated for personal use (for example, dual-use items, or goods subject to sanitary or veterinary restrictions or non-tariff measures, etc.). Additionally, Russia has imposed a temporary ban on the export of cash currency and/or currency monetary instruments from Russian territory in an amount exceeding the equivalent of USD 10,000.

## 8. Sanctions

Foreign sanctions against Russia, are a set of restrictive measures, that were first introduced by the US, and then supported by the EU, the UK, Canada, Australia, Switzerland, Norway, Japan, Ukraine and other countries in the course of 2014 and then significantly expanded in 2022-2025 (the process is still ongoing).

The most crucial measures are blocking sanctions, which generally require the freezing of assets of sanctioned persons (individuals and legal entities) and impose travel bans on designated individuals. These restrictions extend to any entity directly or indirectly controlled or predominantly owned by a designated person.

Sanctions also target key economic sectors within a particular country like finance, energy and defense, and specific territories, such as Crimea and Sevastopol, and the Donetsk and Lugansk Peoples Republics, Kherson and Zaporozhye regions.

All sanctions regimes provide for certain exemptions, authorizations and licenses. Their applicability should be analyzed on a case-by-case basis.

Depending on the jurisdiction, violations may result in significant administrative or criminal liability, including fines and imprisonment. In addition, persons outside the jurisdiction of sanctioning country, involved in violations or facilitating circumvention of sanctions may be separately included in sanctions lists.

### 8.1. US sanctions framework

Since 2014, the US has imposed a comprehensive set of sanctions that target the most crucial sectors of the Russian economy.

Currently, virtually all systemically important Russian banks are subject to blocking sanctions, new investments in Russia are prohibited and transactions involving the Central Bank of Russia, the Ministry of Finance and the National Wealth Fund remain banned. A wide range of professional and business services is prohibited, including accounting, trust and corporate formation, management consulting, quantum computing, architecture and engineering services.

US sanctions framework also includes extensive export controls on goods, technology, software and other items (including semiconductors, computers, telecommunications equipment and sensors), ban on imports of Russian oil, LNG and coal, and oil price cap mechanism. The US applies particularly strict controls on the export or transfer to Russia of controlled US-origin goods, especially dual-use and high-tech items, including in cases involving re-exports and in-country transfers.

In 2025, the focus of US sanctions shifted mostly to the energy sector.

A new determination under Executive Order (EO) 14024 authorized blocking sanctions against any person found to be operating in Russia's energy sector. Subsequently, major Russian energy companies, including Gazprom Neft, Rosneft, and Lukoil, were designated. Additionally, the list of prohibited services was expanded to include petroleum services, covering exploration, drilling, well completion, refining, and transport. Finally, General License 8L, which authorized certain energy-related payments through major Russian banks, was allowed to expire.

## 8.2. EU sanctions framework

Like in the US, EU also target key sectors of the Russian economy. Each package of sanctions expands the list of designated persons and provides for other additional restrictions.

Sanctions in the financial sector include restrictions on dealing in transferable securities and providing financial services to designated entities. Most of Russian banks are denied access to SWIFT. Also, EU banks outside Russia are prohibited from connecting and carrying out transactions using the Financial Messaging System of the Central Bank of Russia (SPFS).

Investment restrictions include bans on dealing with Russian securities, investments related to the Russian Direct Investment Fund (RDIF), and investments in the Russian energy, mining and quarrying sectors, including joint ventures and related financial services.

The EU service ban is broader than in other jurisdictions and includes such

services as accounting, auditing, bookkeeping, business and management consulting, architectural, engineering, legal advisory, IT consultancy, market research, technical testing and analysis, advertising services.

Trade restrictions cover exports of dual-use goods, energy-related items and luxury goods, as well as imports of Russian-origin steel, gold, crude oil and petroleum products (subject to the price cap mechanism), as well as other items.

Unlike in the US, 2025 has been a much more eventful year for the EU's sanctions framework. During 2025, the lists of designated persons and items subject to export controls were significantly expanded. SWIFT-related restrictions have largely evolved into transaction bans and blocking-type restrictions against most Russian banks. Also, the use of Russia's SPFS financial messaging system was established as a separate basis for designating foreign banks.

The service ban was significantly expanded to include a range of sectors, such as engineering and construction, tourism, advanced technology (including AI, high-performance, and quantum computing), and specialized software for the banking and financial sector. Furthermore, the EU introduced a comprehensive ban on the provision of any services to the Government of Russia.

### 8.3. Swiss sanctions framework

Switzerland, although not bound by EU sanctions, generally aligns its sanctions regulations with the EU. However, Swiss sanctions are tailored to its domestic legal and economic context. Notably, Switzerland retains certain exemptions not present in the EU, including with respect to the provision of restricted services by Swiss parent companies to their Russian subsidiaries.

### 8.4. UK sanctions framework

The UK sanctions target mostly the financial, energy, defense, aerospace, aviation, shipping and infrastructure sectors.

Restrictions in the financial sector cover dealings with major Russian banks and state-connected entities, prohibit transactions involving the Russian Central Bank and other sovereign funds, and ban new investments in Russia.

Trade restrictions prohibit the export of military and advanced technology goods, energy-related equipment, oil refining items, fuel and luxury goods.

Services bans cover a broad range of professional services, including accounting, auditing, business and management consulting, public relations, architectural and engineering services, legal advisory, IT consultancy and design, advertising, as well as construction-related services. The UK also prohibits the provision of any services to the Government of Russia, subject to limited exceptions.

The UK has also banned new investments in Russia, including the acquisition of shares, the formation of joint ventures in Russia, new loans or credits for investment in Russia, and the provision of related investment services.

In 2025, the UK further expanded financial and transaction bans on Russian banks, broadened services prohibitions (including services to the Russian government), and strengthened enforcement and anti-circumvention measures.

## 8.5. Japanese sanctions framework

Japan has imposed sanctions targeting Russian individuals, the financial sector and exports of military-related and dual-use goods. Japan applies an oil price cap import ban and restricts the provision of related services. Its service bans include trust, accounting, auditing, business management consulting, architectural and engineering services, although the scope remains narrower than in the US or EU.

In 2025, Japan expanded asset-freeze lists, strengthened export controls, and reinforced its participation in the G7 oil price cap regime.

## 8.6. Ukrainian sanctions framework

Ukraine maintains a strict sanctions regime and has imposed comprehensive sanctions that practically sever all economic ties. Such measures include asset freezes, import/export bans, and a 50-year sanction on all Russian financial institutions introduced in 2023. Ukrainian authorities also have the power to seize assets owned by the Russian state and related persons. In 2025, Ukraine expanded its sanctions against Russia by adding new designation packages

targeting the energy sector, the military-industrial complex and financial institutions, largely in coordination with EU and US measures.

## 8.7. Russia's response to sanctions (Countermeasures)

Russia has adopted a broad set of countermeasures, which significantly expanded after 2022 in response to Western restrictions. While these measures mainly target persons from «unfriendly states» – jurisdictions that have imposed or supported sanctions against Russia – a number of restrictions apply more generally and are not formally tied to the status of the counterparty.

Key restrictions for foreign business:

- *Transaction restrictions:* Transactions with certain listed persons are restricted, and the export of machinery, vehicles, and technological equipment is limited;
- *Special accounts regimes:* Obligations to persons from unfriendly states (such as dividends, loans, and royalties) must often be fulfilled through special restricted ruble bank accounts. Restrictions on deals and payments for IP rights involving parties from «unfriendly states» are also introduced;
- *Exit restrictions:* Special procedures are in place for the transfer of real estate, shares, and participation interests in Russian entities by persons from unfriendly states. The sale of shares or participation interests in Russian entities by persons from unfriendly states requires approval from the Government Commission. Current conditions include a mandatory sale at a 60% discount and a «voluntary» contribution to the budget of 35% of the market value.
- *Temporary administration of foreign-owned assets:* This mechanism allows certain assets owned by foreign persons to be transferred into state or state-appointed management. The regime is primarily aimed at ensuring continuity of operations of strategically important businesses and does not formally amount to expropriation, although it significantly limits the rights of owners during the period of administration.

- *Nationalization measures with respect to US persons assets:* This mechanism allows for the seizure or compulsory transfer of certain assets connected with US persons as a retaliatory measure.
- *Parallel imports:* Russia allows the import of genuine foreign goods of particular HS codes and brands without the consent of IP rights holders;
- *Lugovoy law:* Disputes involving sanctioned Russian persons must be resolved in Russian courts, even if an arbitration clause exists, effectively claiming exclusive jurisdiction.

## 9. Employment

### 9.1. Sources of Russian labor law

#### 9.1.1. What sources of Russian labor law exist on the federal level?

The principal piece of legislation governing labor relationships is the Labor Code of the Russian Federation (the «**Labor Code**»). It sets minimum employment standards that cannot be overridden by agreement of the parties.

In addition, there are federal laws regulating employment law-related matters (e.g. Federal Law No. 426-FZ, dated 28 December 2013, On the Special Assessment of Working Conditions). Case law is not a source of law in Russia. At the same time, the explanations in the Rulings of the Constitutional Court are mandatory. Decisions of the Supreme Court of Russia also have a significant impact on court practice in labor disputes (especially Resolutions of the Plenum of the Supreme Court and Reviews of Court Practice, which the courts almost always follow).

Employers have the right (and in some cases are obliged) to adopt local regulations covering labor discipline, internal procedures, additional guarantees for employees, etc.

### 9.2. Formalizing and terminating labor relations

Employment is formalized by a written employment agreement in Russian or in a bilingual format (with the Russian language prevailing).

If an employer and an employee choose to execute an employment agreement in electronic form, they must use an enhanced specially approved electronic signature (for employees it is also possible to use an existing enhanced electronic signature).

As a rule, employment agreements (including those for remote work) are concluded for an indefinite period of time. A fixed-term agreement may be

concluded for up to five years in a limited number of cases.

An employment agreement should contain information about the parties and obligatory terms and conditions as prescribed by the Labor Code, including, but not limited to:

- labor function;
- working regime (if it differs for a given employee from the general rules applicable to that employer);
- salary amount (not lower than the minimum monthly salary amount established by law);
- working conditions, etc.

The parties may agree on other terms and conditions, e.g. a probationary period for an employee, except for pregnant women, persons under 18 years, etc.

Changes to an employment agreement may be made in the relevant addendum. Only in cases of changes in organizational or technological working conditions may an employer unilaterally change the terms and conditions of an employee's employment agreement (except for the employee's job function, which cannot be changed unilaterally).

The regular duration of work should not exceed 40 hours per week. Overtime at the employer's initiative must be paid at an increased rate (or, at the employee's request, at the normal rate with a paid rest day provided).

Employees may also be employed with an open-ended working day, whereby an employee may be occasionally called upon to perform their labor duties outside the normal working hours. The compensation for an open-ended working day is additional paid leave of at least 3 days per year.

Uninterrupted weekly time off must not be less than 42 hours. Employees may be required to work on a non-working day or public holiday in exceptional cases at double pay or at the normal rate with a paid rest day.

Employees are entitled to annual paid leave of at least 28 calendar days per year. Certain categories of employees are entitled to additional paid and unpaid leave.

Employment may be terminated by mutual consent between the parties, at the employer's initiative (e.g., due to redundancy, for disciplinary reasons, etc.), due to the expiry of a fixed-term employment agreement, etc. An employee may terminate the employment agreement at any time without giving a reason.

### 9.3. Employment of foreigners in Russia

Generally, when hiring foreign nationals, employers must obtain permission to hire foreign nationals, individual work permits and work visa invitations before the foreign nationals are employed and/or actually commence work in Russia.

Employees from countries enjoying a visa-free regime with Russia should obtain a «patent» (a special permission document issued in a standard simplified procedure) allowing them to work for both individuals and legal entities. Citizens of Belarus, Kazakhstan, Armenia and Kyrgyzstan do not need patents/work permits to work in Russia.

There is also a special category of foreign employees — the highly qualified foreign specialist (the «Specialist»). There is a simplified procedure for obtaining a work permit and a work visa invitation for a Specialist. The salary of a Specialist must be at least RUB 750,000 per quarter.

Administrative sanctions for violation of Russian migration rules include severe fines (up to RUB 1 million in Moscow and Saint-Petersburg) and, in the worst cases, may even lead to temporary suspension of the employer's activities for up to 90 days and the deportation of a foreign employee from Russia. Organizing illegal migration is a criminal offence.

Russian migration legislation is still undergoing significant amendments. It is highly recommended to verify the procedures and documentary requirements on a case-by-case basis in advance.

#### 9.4. What measures must an employer take to protect the personal data of employees?

All employers must ensure compliance with the legislation on personal data. Employers are required to obtain prior consent from employees (in some cases) and other individuals to process their personal data.

In addition, employers are required to notify the data protection authority (Roskomnadzor) of the employer's personal data processing activities. Also, companies carrying out cross-border data transfers are obliged to notify Roskomnadzor on such processes in a separate notification and prior to making this notification – to request information on the legal regulation of personal data and measures taken to protect personal data from foreign operators to whom the cross-border data transfer is planned and assess their compliance with the confidentiality and safety of personal data requirements in the course of data processing.

All companies that collect and process the personal data of Russian citizens are obliged to use databases located in Russia.

Russian law provides severe penalties for violating personal data localization rules. Companies may be subject to administrative fines of up to RUB 6 million for the first violation and up to RUB 18 million for repeated violations.

## 10. Property Rights

### 10.1. What is particular about property rights in Russia?

Both the Constitution and the Civil Code of the Russian Federation uphold the right to own private property. The Land Code distinguishes the following rights to land:



### 10.2. What are the peculiarities of ownership?

Russian legislation permits both Russian and foreign nationals and legal entities to own real estate (apart from land plots). Title to real estate is usually acquired through a sale-purchase transaction, by means of new construction or as a result of privatization. Ownership of municipal or state land plots is granted through a public (open) auction, except for specific cases (an exhaustive list is provided in

the Land Code). In accordance with the Civil Code, property rights arise upon their state registration if the law requires such state registration. [Continue reading...](#)

### 10.3. What is noteworthy about leases?

Foreign legal entities and individuals may be granted leases to real properties (including land plots). Leases of real property in state or municipal ownership are usually based on a standard local form. Lease agreements for one year or longer must be state-registered and, as provided by Article 433 of the Civil Code and the prevailing court practice, are deemed concluded and so enforceable for any third party upon such state registration. Lease agreements for less than a year do not require state registration and become valid when signed. To avoid the obligation of state registration, leases are often concluded for less than a year and are renewed on a regular basis. [Continue reading...](#)

### 10.4. When is the state registration of rights to real estate required?

The right of ownership of, and other proprietary interests in, real properties, their creation, encumbrance (e.g., mortgage, leasehold for a term of one year or more, easement, etc.), transfer and termination are subject to state registration. Rights to real estate (rights in rem) come into existence only upon their state registration.

Prior to the state registration of title, land plots and real estate objects (buildings, structures and premises) must undergo cadastral registration. The cadastral recording and registration of rights to real estate facilities are consolidated into a unified system of recording and data management — the Unified State Register of Real Estate, that contains information on the cadastral details of all real properties and shows the history of a real estate object and its current legal status. Basic information on the cadastral details of a real estate object, the right holder(s) and restrictions (encumbrances) on such rights is generally open to the public and can be provided for a fee in the form of an extract. [Continue reading...](#)

## 10.5. What are the foreign currency restrictions affecting payments for leasing and buying real properties?

As established by Russian law payments for real estate (sale-purchase, lease and other transactions) are permitted both in Russian rubles and in foreign currency, provided that payments in foreign currency meet the requirements for such payments stipulated in the currency legislation and other currency control regulations. Payments between Russian residents can be carried out in rubles only. Where a seller or buyer, or both the seller and the buyer (or the lessor and the lessee) are foreign legal entities, settlements in foreign currency are possible. However, with effect from March 2022, there are number of additional restrictions affecting, among other things, the procedure for conducting real estate transactions and making payments in connection with such transactions.

[Continue reading...](#)

## 10.6. What is the mortgage of real properties under Russian law?

A mortgage arises either by virtue of law or by a mortgage agreement and requires state registration. Different types of real properties/rights can be subject to a mortgage, whereas buildings and structures can only be mortgaged together with the land plots underlying these buildings and structures, or together with the lease rights to such land plots. A mortgage restricts the owner's rights, remaining in effect even after the property is sold until the secured obligation is fully performed. Foreclosure on mortgaged property can occur either in court or out of court through methods like auction or private sale, though the out-of-court option is legally prohibited for certain property types. [Continue reading...](#)

## 10.7. Are there any restrictions on real estate transactions?

On 2 March 2022, Russia introduced special rules for real estate transactions between Russian residents and foreign legal entities and individuals associated with foreign states that adopted measures targeting Russian legal entities and individuals (so-called [unfriendly states](#)).

Russian residents may only carry out transactions resulting in the change of

ownership to real estate assets with (a) counterparties from unfriendly states and (b) persons, including Russian and non-Russian legal entities, controlled by such counterparties (“Affected Foreign Persons”), upon obtaining a permit issued by the Governmental Commission for Control over Foreign Investments in the Russian Federation. At the moment, there are several exemptions (known as general licenses) that allow some types of transactions (operations) involving Affected Foreign Persons to be performed without obtaining such permit.

The same regime applies to transactions between Russian residents and foreign persons not affiliated with unfriendly states when such nonaffiliated foreign persons acquired real estate assets from counterparties from unfriendly states after 22 February 2022.

To obtain a permit, one must file an application with the Ministry of Finance disclosing the nature of the transaction. [Continue reading...](#)

## 11. Privatization

### 11.1. What is privatization?

Privatization is the sale of publicly owned property to a private owner.

### 11.2. How is privatization regulated in Russia?

The primary law regulating privatization is the Law «On Privatization of State and Municipal Property» dated 21 December 2001.

### 11.3. What property is subject to privatization?

As a general rule, any state or municipal property may be subject to privatization. However, under Russian law there are exceptions for certain kinds of property such as land, natural resources, property located outside of Russia, etc. Disposing of such property is often subject to separate regulation and there may be special procedures for granting rights to private persons with respect to such excluded property (e.g., licenses for subsoil resources).

In practice, privatization usually entails the sale of shares or equity owned by the Russian state or municipalities.

### 11.4. Who acts as the seller of property in a privatization transaction?

The seller is the owner of the property. This may be the Russian Federation, its constituent territory or a municipal unit. Their respective bodies usually represent them, for example, the Russian Federation is represented by the Federal Agency for State Property Management («Rosimuschestvo»).

### 11.5. Who may purchase property in a privatization transaction?

Both Russian and non-Russian individuals and legal entities may participate in privatization, with certain exceptions for the following:

- Russian state- and municipal-owned entities; and
- Offshore companies that do not comply with Russian disclosure requirements with respect to their beneficiaries, beneficial owners and controlling persons (the list of restricted offshore states/territories is maintained by the Russian Ministry of Finance).

To participate in privatization, all relevant governmental clearances, including anti-monopoly and strategic (foreign investment) clearances, must be obtained when required.

## 11.6. How is the privatization procedure implemented?

In general, privatization is implemented at the federal level through the following consecutive steps:

- The government of the Russian Federation develops and approves the privatization plan (or program) for a specified period. Certain properties may be privatized without inclusion into the privatization plan by a decision of the Russian Ministry of Finance in accordance with property lists that may be developed by the Federal Agency for State Property Management for a period of 1-3 years.
- The Federal Agency for State Property Management determines the privatization procedure for the relevant property.
- The Federal Agency for State Property Management publishes information on the privatization on the official website<sup>1</sup>.
- Prospective buyers submit their applications and other necessary documentation.
- The winner (buyer of the relevant property) is determined by the Federal Agency for State Property Management based on the submitted applications (in an auction sale, the winner of an auction becomes the buyer of the relevant properties) and a sale and purchase agreement is concluded with

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<sup>1</sup> <https://torgi.gov.ru/>

the buyer. If a person is recognized as the sole participant in the auction, such person is treated as the winner.

### 11.7. What are the most common ways of privatizing a publicly owned property?

The most common method of privatization is selling publicly owned property at an auction.

A recent Presidential Decree No. 693 dated 30 September 2025 introduced a special, expedited procedure for the sale of federal property with the specially designated seller, Bank PSB PJSC, who organizes the process.

This procedure applies only in specific cases based on a direct decision by the President of the Russian Federation for the purposes of state defense and security. President's decision to use this procedure may establish special rules that deviate from the general provisions of privatization, corporate, securities, and competition laws for that specific transaction.

## 12. Language Policy

Overall, Russian language policy aims to promote the use of Russian as the official state language. As such, all Russian authorities, as well as companies operating in Russia, must use Russian in their activities.

In certain areas, like advertising, product labelling, etc., it is permitted for the text in Russian to be followed by a translation into another language. However, the content, size and visibility of the text in a foreign language must be identical to Russian. Permitted exceptions must be specifically provided by law, e.g. use of foreign language in educational purposes.

It is not prohibited to use a foreign language in correspondence or contracts between commercial entities (it does not make them invalid). However, if and when relevant documents are submitted to Russian authorities, banks or courts, they must be accompanied by a translation into Russian. For this reason, it is common for multinationals to prepare dual language documents, in which the text in Russian is placed side-by-side with or followed by a text in another language.

There are exceptions to the mandatory use of Russian, such as trademarks and service marks, and names of foreign companies, which can be used in their original language without a Russian equivalent.

Failure to apply the policy may result in various implications, from refusal to process documents to penalties for entities and individuals breaching the applicable requirements.

Individuals who do not understand Russian have the right to an interpreter in certain situations, e.g., during administrative or criminal proceedings.

## 13. Contract Law

### 13.1. Are there any essential contractual terms under Russian law?

Parties entering into a contract must agree on all of its essential terms, as otherwise the contract may be deemed unconcluded.

By default, the subject matter is considered an essential term for any contract, while other essential terms may be provided by law or may be declared by either party as essential. For example, under Russian law, a construction agreement must contain at least the following essential terms: (i) the subject matter; and (ii) the period (deadline) for the performance of construction work.

Parties are free to agree on the terms of a contract at their own discretion, as long as such contractual terms do not contradict any provisions of Russian law.

### 13.2. Are there any rules for entering into a contract?

Mechanisms for entering into a contract include signing a single document, document exchange, an offer to enter into a contract and its acceptance, conditional acceptance, an option to enter into an agreement, late acceptance, and the conclusion of contracts at an auction.

When negotiating and entering into a contract, the parties must act in good faith, which includes, among other things, the obligation to provide accurate and complete information required by law or the substance of the negotiated transaction. A party suffering from the other party acting in bad faith may claim damages from the other party.

### 13.3. How to secure the proper performance of a contract under Russian law?

Russian law provides for various instruments to secure the proper performance of a contract, including pledge, surety, independent guarantee, earnest money, security deposit, withholding of property, and penalty (fine). The parties are free

to agree to any of the above security options, as well as any other mechanism, even if it is not specifically listed in the law. Security options used in practice include credit limit management with respect to deferred payment contracts, due diligence of a contracting party or deliverables, change of control, etc.

#### 13.4. What are the rules relating to the amendment or termination of contracts?

A contract may be amended or terminated by mutual agreement. In addition, a party may unilaterally claim for an amendment or termination of the agreement through a court. A party may submit such claim in court if there is either a material breach committed by the other party or a substantial change in the circumstances that formed the basis for the parties to enter into the contract.

Unless otherwise provided by law, a party may also unilaterally amend or terminate a contract if the law or the contract itself establishes such right. Based on the terms of a given contract, a party that unilaterally amends or terminates the contract may have to pay additional compensation to the other party. Please note, however, that in certain cases Russian law protects the rights of the weaker party to a contract and limits the right of the stronger party to unilaterally amend or terminate it (for example, in case of an adherence agreement).

A similar approach has been developed in the practice of Russian courts, whereby the parties cannot agree in their contract on the unilateral amendment or termination of a contract by either party, if such amendment or termination contradicts the law's objectives. For example, Russian courts have confirmed that a lease agreement concluded for an indefinite period cannot limit the parties' rights to terminate such an agreement because such limitation would effectively lead to the lease agreement becoming interminable.

Based on the same approach, Russian courts have established that the parties cannot agree on a penalty that effectively blocks a party's right to terminate or amend a contract, if such right was established by law. For example, under Russian law, a contractor may unilaterally terminate a service agreement if the contractor compensates the customer's losses. While it is acknowledged under Russian law that the contractor's right to terminate the agreement may be conditioned on the contractor's payment of an additional penalty to the customer, according to

Russian courts, such penalty may not constitute an amount that is incomparable to the customer's potential losses. Otherwise, such penalty effectively deprives the contractor of their right to terminate the service agreement as established by law.

### 13.5. What are the rules relating to the invalidity of contracts?

There are two types of invalid contracts: (a) so-called voidable transactions, which may be declared invalid based on a court decision; and (b) void transactions, which are invalid irrespective of a court decision.

The following limitation periods apply to claims for the invalidation of contracts: (i) for a void transaction, three years from the moment that a party knows or should have known about the transaction; and (ii) one year for a voidable transaction. While, generally, the limitation period cannot be more than 10 years from the moment that a party's right has been breached, there are instances when the above limitation periods do not apply, including claims for compensation for damages to health and life, defense of property and immaterial rights. The Constitutional Court also opined that the above limitation periods do not apply to claims of the Russian prosecution bodies related to corruption, administrative or public matter.

Please note that under Russian law, a party acting in bad faith loses its right to claim that a transaction is invalid; for example, if such party knew the transaction was invalid or its actions demonstrated the intention to maintain the transaction or gave others grounds to believe that the transaction was valid.

Parties to an invalid contract must return everything received under such contract and if the return of particular assets is impossible, e.g., because they were consumed, the parties must compensate their value.

### 13.6. How can parties limit liability under a contract?

Unless otherwise specified by law or the parties' agreement, a suffering party is entitled to claim for full compensation of its losses and specific performance (if the latter is possible).

In particular, a suffering party may claim compensation for: (i) its actual losses (known as «real damage» under Russian law); (ii) its lost profits caused by the infringing party; and (iii) injury to its business reputation or an individual's moral harm. While in practice compensation for proven actual losses is fully supported by Russian courts, companies often struggle to prove their loss of profits as they cannot prove that they have undertaken all necessary preparations to gain the expected income.

Under Russian law, the business parties to an agreement may agree to limit their liability under the agreement. That is, the company will be liable for any breach of the agreement, but only up to an amount not exceeding the limit set forth in such an agreement (such as the contract price).

Importantly, if the contract limits the party's liability to a very low nominal amount, there is a risk that the court may deem such limitation as essentially an exclusion of liability, which is prohibited under law. In this case, the party's liability will be considered unlimited. In particular, the court may hold that a contract in which one party's liability is many times less than the amount its counterparty invests in the transaction is too burdensome for such counterparty. Thus, the court may hold that the limitation of liability clause is invalid.

Please note that under Russian law the parties cannot limit the following types of liability:

- (1) noncontractual liability (e.g., liability for tort or IP infringement);
- (2) liability before third parties that are not parties to the contract;
- (3) liability for willful breach of the contract;
- (4) liability for «harm» caused to the person, or the property of an individual, or the property of a legal entity;
- (5) liability for moral harm (damage to business reputation);
- (6) other liability that may not be limited under Russian law.

## 14. Subsoil Regulation in Russia

### 14.1. What is the key feature of subsoil regulation in Russia?

All Russian subsoil resources, including oil, gas, gold and other minerals, unless extracted, are owned by the Russian state, irrespective of who holds the title to the relevant land plot.

Russia has adopted a licensing system. A subsoil license is a permit issued by the Russian state for the exploration and/or extraction of natural resources. As a general rule, a subsoil license grants ownership title to extracted natural resources.

### 14.2. What is the legal framework for subsoil use?

The core legal act in the mining and oil & gas domain in Russia is the law «On Subsoil Resources» dated 21 February 1992 (the «**Subsoil Law**»). The Subsoil Law establishes the general legal framework for the use of subsoil resources in Russia and covers almost all principal issues connected with the geological survey, exploration and production/mining of underground resources.

The federal law «On Production Sharing Agreements» dated 30 December 1995, (the «**PSA Law**») sets forth the legal framework for Russian and foreign investments in the geological survey, exploration and production of subsoil resources.

The federal law «On Precious Metals and Gemstones» dated 26 March 1998, («**Precious Metals Law**») establishes the general legal framework for the processing, use and disposal of precious metals and stones.

### 14.3. What types of subsoil licenses can be issued in Russia?

The following types of subsoil licenses are issued in Russia: geological survey licenses (covering prospecting and appraisal activities), exploration and production/mining licenses (covering advanced exploration and production activities), and «combined» licenses (covering both geological survey and exploration and production/mining activities).

#### 14.4. What is the general term of a subsoil license?

A geological survey license may be granted for a maximum period of 5 years (7-year geological survey licenses can be granted in certain Russian regions) or 10 years for offshore fields. The term of a license can be extended if needed for completion of the works. Exploration and production/mining licenses and «combined» licenses can be issued for a term equal to the duration of a relevant project.

#### 14.5. Who is in charge of licensing subsoil use?

Subsoil licenses are issued by the Federal Agency for Subsoil Use («**Rosnedra**»). Rosnedra is in charge of granting subsoil rights for all onshore deposits, except for «strategic» deposits (please see section «14.9. What are «strategic» deposits?» below).

#### 14.6. Are there any restrictions applicable to foreign investors on acquiring subsoil licenses in Russia?

Under amendments made to the Subsoil Law in 2022, only Russian companies and individual entrepreneurs may hold subsoil licenses in Russia, though foreign persons may, subject to certain restrictions, participate in operations with Russian deposits under agreements on service risks (*quasi-operatorship agreements*) to be entered into with Russian subsoil license holders.

#### 14.7. How can a subsoil license be obtained?

Geological survey licenses are issued without a tender or auction based on an application filed by the interested party.

Production/mining licenses and «combined» licenses can be granted through (i) a tender or auction, (ii) under an out-of-auction decree of the Russian Government in certain specific instances (e.g., offshore exploration/production), or (iii) to a holder of geological rights that made a commercial discovery under a geological survey license.

A strategic deposit license may only be issued based on a special decision of

the Russian Government. Such a license may also be issued without a tender or auction.

#### 14.8. How can subsoil rights granted under the relevant license be transferred?

Subsoil licenses are generally non-transferable and can only be transferred (subject to approval of state authorities and together all relevant assets and infrastructure required for performance of the license obligations) to another entity in a limited number of instances (e.g., transfers to a subsidiary or a sister/parent company and vice versa, transfers as a result of a spin-off or split-up, or following part of the bankruptcy sale of the license holder's assets).

It could take approximately 140 days to have a subsoil license transferred. The terms of the subsoil use and the license obligations cannot be revised or otherwise amended at the time of the transfer (i.e., the relevant license would be reissued to the transferee on the same terms and conditions as it was granted to the transferor).

#### 14.9. What are «strategic» deposits?

Strategic deposits include (i) subsoil blocks containing specific minerals (uranium, nickel, cobalt, hard rock deposits of diamonds, hard rock (ore) deposits of lithium or the platinum group of metals with certain state registered reserves, etc.), (ii) subsoil blocks containing recoverable oil reserves, gas reserves, hard rock (ore) gold reserves or copper reserves (in each case exceeding a specific amount established by law), (iii) offshore deposits, and (iv) subsoil blocks which can only be developed on land that is used for defense and security. The list (not exhaustive) of strategic subsoil blocks is maintained by Rosnedra and is updated on a regular basis.

#### 14.10. Is the extraction of natural resources under production sharing agreements a viable alternative to a subsoil license?

In Russia, production sharing agreements (PSAs) are used to provide a particular

legal framework for foreign investors in the mining, oil, gas and other extraction sectors. The main objective of the PSA legislation is to provide investors in these sectors with greater stability in fiscal and regulatory areas in the long term.

Since 2003, development of a subsoil block under the PSA Law has been available only if the subsoil block was put up for auction and such auction failed. Therefore, the best deposits are distributed under subsoil licenses, and PSAs have been ineffective in terms of attracting foreign investment to Russia.

#### 14.11. Is it possible to export natural gas and lng from Russia?

Gazprom and its wholly owned subsidiaries hold exclusive rights for the export of natural gas. Since 1 December 2013, rights to export liquefied natural gas (LNG) have been also granted to certain specific categories of exporters matching the criteria established by law (which are strictly observed in practice).

#### 14.12. What is essential to know about precious metals and gemstones?

Under the Precious Metals Law, precious metals include gold, silver, platinum, palladium, iridium, rhodium, ruthenium and osmium; and gemstones include natural diamonds, emeralds, ruby crystals, sapphires, alexandrites, and natural pearl and unique amber formations. Both lists (i.e., of precious metals and gemstones) are exhaustive.

Precious metals, with the exception of native metals, may be refined by organizations included on a special list of companies maintained by the Russian Government. Following the refining process, precious metals may be sold on the domestic market. Export requires a separate export license, which, in practice, is usually granted to banks and major producers. Turnover of precious metals, gemstones and products made of them is monitored in a unified state information system.

The Russian authorities enjoy the right of first refusal to purchase precious metals and gemstones from mining companies. The prices for precious metals in such instances are based on world market prices. The pricing of precious stones is carried out by expert commissions based on world market prices.

A temporary ban is established until 31 May 2026 on the export from Russia of (i) waste and scrap from precious metals or from metals plated with precious metals; (ii) other waste and scrap containing precious metals or precious metal compounds used primarily for the extraction of precious metals; or (iii) waste and scrap from electrical and electronic products used primarily to extract precious metals that are essential to the Russian domestic market.

#### 14.13. Does Russia have any environmental and climate laws affecting the natural resources industry?

Russia has an extensive system of environmental laws and regulations governing air emissions, water discharges and waste generation. For further details on the Russian environmental and climate agenda (including energy efficiency, renewable energy, electric vehicles, and hydrogen) please refer to section «29. Competition Law» of this guide.

#### 14.14. Does Russian law incentivize investments in natural resources projects?

Some types of projects in the natural resources field may be eligible for certain incentives in exchange for major capital investments. For further details on the Russian investment incentives regimes please refer to section «6. Taxation»; [Residence in special economic zones / territories](#) ; [Special investment contract](#) and [International holding companies](#) of this guide.

## 15. Intellectual Property

### 15.1. What kinds of intellectual property (IP) are protected under Russian law?

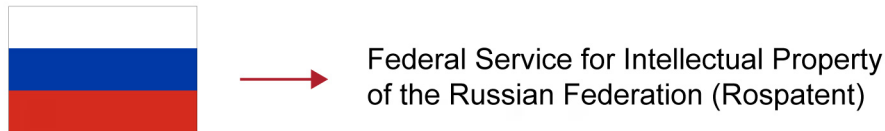
Two general categories of intellectual property enjoy protection under Russian law: (i) so-called results of intellectual activity, and (ii) means of individualization.

Results of intellectual activity	Means of individualization
<ul style="list-style-type: none"> <li>▪ works of science, literature and art;</li> <li>▪ software and databases (protected as copyrighted works);</li> <li>▪ content of databases, performances, phonograms, radio or television transmissions, and publications (works that have fallen into the public domain but have never been published before) (protected as neighboring rights);</li> <li>▪ inventions, utility models, industrial designs (See Section “Patents” below);</li> <li>▪ plant and animal varieties;</li> <li>▪ topologies of integrated microcircuits; and</li> <li>▪ trade secrets (know-how).</li> </ul>	<ul style="list-style-type: none"> <li>▪ trademarks and service marks; appellations of origin and geographical indications;</li> <li>▪ company names; and</li> <li>▪ trade names.</li> </ul>

### 15.2. International IP agreements and available routes for getting a patent, design or trademark registered in Russia.

The Russian Federation is a member of major international IP conventions and agreements, participating in systems like [WIPO](#), [Madrid](#) (trademarks), [Hague](#) (designs), [PCT](#) (patents), and is a WTO member, though recent sanctions add complexity to operations with some jurisdictions. Key international treaties Russia adheres to include those under WIPO, facilitating international IP protection and registration.

Russia has two concurrent systems of patent protection for inventions: national and regional.



Under the national patent system, a patent application is filed with the Federal Service for Intellectual Property of the Russian Federation (the «Rospatent»).



The regional patent system is based on the Eurasian Patent Convention of 1995 and Protocol of 2019 related to Eurasian designs, which enable one Eurasian patent to cover eight countries that are former USSR jurisdictions. For more information, please visit <https://www.eapo.org/en/>. The Eurasian patent or design application is filed with the Eurasian Patent Organization (EAPO), which is located in Moscow, Russia.

Legal protection for trademarks is granted by virtue of their registration with Rospatent or by virtue of international agreements to which the Russian Federation is a party (e.g., the Madrid System).

Regional system for registration of trademarks and appellations of origin across the Eurasian Economic Union (Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia) is not yet operational. For details please visit: [https://eec.eaeunion.org/en/comission/department/dobd/intelsobs/dog\\_tov\\_znaki.php](https://eec.eaeunion.org/en/comission/department/dobd/intelsobs/dog_tov_znaki.php)

### 15.3. What should companies know about IP litigation in Russia?

It is necessary to have all the information and evidence in hand before initiating a court action because:

- there is no discovery;
- courts are not likely to satisfy requests to obtain information from third parties;
- once initiated, the proceedings move quickly;
- in patent disputes, judges rely heavily on forensic examination, so it is necessary to engage suitable experts for the forensic examination.

Preliminary injunctions as such are not available in Russia, only provisional remedies that are supposed to secure the «main» claim.

IP disputes mostly derive from either invalidity or infringement. The first is not a defense against the latter, since these are two different types of actions that are handled by different authorities. In addition, if a patent or a trademark is invalidated partially or in full, an infringement court case may be dismissed or reconsidered. The Chamber for Patent Disputes of Rospatent handles invalidity actions, while Russian arbitrazh (state commercial) courts handle IP infringement suits. The Court for Intellectual Property Rights (the «**IP Court**»), which has operated in Russia since 2013, currently considers all IP disputes as a third instance (cassation) court or as the first instance court for cases challenging Rospatent's decisions to invalidate a trademark or patent or for trademark non-use cases.

A declaratory judgment for non-infringement is not available in Russia.

#### 15.4. Who owns the IP rights to employee creations under Russian law?

Generally, an employer obtains proprietary (exclusive) rights to the IP created by an employee strictly within their employment duties. Therefore, to ensure that all proprietary rights are owned by the employer, it is essential to ensure that employment agreements and other relevant documents with Russian developers are drafted in such a way that all proprietary rights in the IP created by the developers are fully and duly vested in the employer and therefore wholly owned by the employer without any limitations or encumbrances.

## 15.5. Important Recent Developments to be Taken into Consideration

On 4 April 2024, the Government of the Russian Federation introduced the possibility for Russian companies to request a compulsory license to use any patented invention, utility model or design to ensure national economic security, with payment of commensurate reimbursement to the patent owners. Requests for such compulsory licenses may be submitted to a special subcommittee under the Government Commission on Economic Development and Integration after a preliminary request to the patent owner for a voluntary license and in case the latter refuses or fails to respond to the request within 30 days. If the subcommittee grants a compulsory license, the patent owner will be notified as soon as possible and will receive commensurate reimbursement for the use of its intellectual property. At the same time, patentees from [unfriendly states](#) will receive reimbursement at the rate of 0.5 % of the actual revenue from patent use to a special Type “O” bank account.

From 27 May 2022, there are some limitations for payments under IP license agreements which were imposed by Presidential Decree No. 322 (the «Decree No. 322»). The Decree No. 322 applies to payments for using IP that are payable to the right holders from so called unfriendly states (as defined by the Russian authorities) or right holders taking “unfriendly actions” against Russia. All payments due to such right holders under license agreements are payable to special Type “O” bank accounts that licensees must open in the name of the licensor in an authorized Russian bank. Authorized banks have the right to open Type “O” bank accounts even without the presence of the rightsholder.

Since 20 May 2024 similar restrictions apply to IP assignment deals between IP owners from unfriendly foreign states or those being under control of foreign companies related to unfriendly jurisdictions (as assignors) and Russian residents (as assignees). According to Presidential Decree No. 430 (the «Decree No. 430»):

- Such transactions are subject to the approval by the Government Commission for Control of Foreign Investments.
- Remuneration for the assignment of IP rights from foreign assignors to

Russian residents are subject to transfer to special Type «O» bank account.

These restrictions do not apply to deals with value not exceeding 15 mln rubles (or their equivalent in another currency) and to acquisition of copyright to copyrighted works (i.e., scientific, literary and artistic works, sound recordings, and broadcasting).

## 16. Insolvency

### 16.1. How can the law be summarized?

Applicable law governing insolvency and restructuring in Russia comprises Part I of the Civil Code of the Russian Federation, Federal Law No. 127-FZ dated 26 October 2002 “On Insolvency (Bankruptcy)” (as amended) (the “Bankruptcy Law”), additional rules, regulations and guidelines adopted by the federal government and various state bodies, as well as obligatory overviews of court practice issued by the Supreme Court of Russia, which have become a significant part of the development and expansion of insolvency regulations in recent years.

Russian insolvency law applies to both companies and individuals, with special rules for strategic entities and financial organizations. The system is pro-creditor, giving creditors administration rights in the course of the procedure. In an overwhelming number<sup>1</sup> of cases the initiation of bankruptcy leads to a bankruptcy liquidation for companies or an asset sale for individuals, while rehabilitation stages are rarely introduced.

### 16.2. What are the requirements to initiate Insolvency?

Any creditor can initiate bankruptcy proceedings, provided the debt owed by the company to such creditor is confirmed by a court decision<sup>2</sup> or an arbitral award, equals or exceeds RUB 2,000,000 and is at least three months overdue. The same is applicable to bankruptcies of individuals with the exception that the debt threshold is RUB 500,000.

A debtor (i.e., its CEO or, in case the latter takes no action, its shareholder) must file for bankruptcy when it becomes insolvent (i.e., its assets are insufficient to cover the outstanding liabilities). At the same time, the Bankruptcy Law provides that the debtor may file for bankruptcy if its management reasonably foresees the potential for insolvency.

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<sup>1</sup> For instance, by the end of Q2 2025, courts had introduced 3,208 bankruptcy liquidation stages for companies and only 23 rehabilitation stages.

<sup>2</sup> Credit institutions and tax authorities may initiate bankruptcy proceedings without a court decision.

In any event, regardless of whether the bankruptcy is initiated by the creditor or a debtor, a 15-day prior notice in the Federal Bankruptcy Register is required.

### 16.3. What are the stages of insolvency?

For companies, the first stage<sup>3</sup> is supervision (assessment), during which the court-appointed bankruptcy receiver analyzes the financial condition of the company to determine the possibility of rehabilitation or the need to commence bankruptcy proceedings. The final decision (i.e., whether to rehabilitate or liquidate) is adopted by the creditors' meeting, whose claims have been recognized by the bankruptcy court.

Other stages include:

- (a) financial rehabilitation or external management. Both are aimed at the rehabilitation of the debtor. The difference between the two is the level of authority of the debtor's management over the rehabilitation process: during the financial rehabilitation the debtor's management remains in place, while during the external management stage the management is dismissed and the court-appointed external manager assumes control over the company and its assets;
- (b) bankruptcy liquidation (winding up). During this stage, the court-appointed bankruptcy receiver replaces the debtor's management and administers the bankruptcy estate in order to distribute the proceeds among the creditors and subsequently liquidate the debtor.

For individuals, the Bankruptcy Law allows debt restructuring (i.e., a rehabilitation procedure that implies a possibility of a cram down) or asset sale (which is similar to the bankruptcy liquidation within the corporate insolvency procedures).

Any insolvency proceeding can also be terminated at any stage by a court-approved settlement.

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<sup>3</sup> The Bankruptcy Law allows "skipping" the supervision stage for the companies that initiate the bankruptcy proceedings while undergoing the corporate (voluntary) liquidation. This happens if the liquidator understands that the assets of the company are insufficient to repay its creditors and, therefore, is obliged to apply for insolvency.

## 16.4. What is the role of bankruptcy manager?

The bankruptcy manager plays a key role in all stages: analyzing the debtor's finances, overseeing rehabilitation and administering the bankruptcy estate. Under the system of checks and balances, creditors and the debtor (or its shareholders in corporate insolvencies) are entitled to supervise the manager and seek remedies like dismissal or damages for improper performance.

## 16.5. When may transactions be challenged?

Transactions made by the debtor before bankruptcy can be challenged (clawed back):

- (a) Voidable preference – transactions/payments favoring one creditor over others. The clawback period – generally one month prior to the acceptance of the bankruptcy application and six months if, apart from undue preference, the creditor was aware of the indications of insolvency of the debtor;
- (b) Unequal consideration – transactions made with unequal consideration of the debtor (e.g., acquisition of overpriced assets, gratuitous transfer of the valuable assets, etc.). The clawback period - one year before the acceptance of the bankruptcy application;
- (c) Detrimental transactions – transactions that (a) were aimed at causing harm to the creditors' rights and (b) actually caused harm to the creditors, while (c) the counterparty was or should have been aware of the detrimental purpose of the transaction. The clawback period - three years prior to the acceptance of the bankruptcy application;
- (d) Bad-faith transactions – transactions executed in violation of a general good-faith requirement and that were deliberately aimed at causing harm to the debtor's creditors. There is no specific lookback period for this type of transactions, but this ground is subject to a limitation period of three years from the date of the transaction.

## 16.6. How are creditors paid in insolvency?

Claims are paid according to statutory priority. There are three main ranks: (1) current claims (highest priority), (2) registered claims, and (3) subordinated claims (lowest priority). The higher the rank, the higher the priority a creditor has.

In turn, each priority comprises certain ranks. The current claims comprise five ranks, registered claims include three ranks and subordinated claims may be divided into the three ranks as well. In all cases, the higher the rank, the higher the priority a creditor has.

## 16.7. What are the grounds for secondary liability of controlling persons?

Secondary liability is a widely used mechanism in Russian bankruptcies and allows claims against a debtor's controlling persons (management, shareholders and beneficiaries). Grounds include:

- (a) Failure to commence voluntary bankruptcy proceedings of the debtor;
- (b) Actions/omissions that caused the bankruptcy of the debtor.

Apart from the foregoing violations, the controlling persons may be obliged to compensate for damages caused to the debtor by their actions or omissions. This remedy is applied only if the respective actions/omissions do not create the grounds for the secondary liability.

## 16.8. What are the recent regulatory trends and amendments issued in the Bankruptcy Law in 2025?

One of the most significant trends is the continuing development of the cross-border insolvency in Russia.

Expansion of Russian court jurisdiction over foreign debtors and their assets, initially sparked as a precedent in 2022, has become a frequently used mechanism by Russian courts.

By 2025, a number of such cross-border bankruptcy cases took place. Similar to the UNCITRAL Model Law on Cross-Border Bankruptcy, Russian courts use COMI-based approaches to determine the nature and legal effects of the bankruptcy proceedings against foreign companies:

(a) Main Proceeding (COMI being in Russia): This proceeding targets the company's assets worldwide and enables the court-appointed bankruptcy receiver to act as the CEO of the foreign company.

(b) Local (secondary) bankruptcy. (COMI abroad): This proceeding targets only the Russian assets and is accessible only to local creditors. However, recent practice allows foreign creditors to participate in local bankruptcies as well.

Russian cross-border bankruptcies create risks for foreign companies. Regardless of the type of the proceedings, Russian bankruptcy rules enable the receivers/creditors to invalidate (claw back) transactions (e.g., dividend distribution, salaries, intercompany loans, etc.), hold controlling persons (e.g., management, shareholders, beneficiaries) liable for all unpaid debts and seeking other remedies that may create financial exposure for the foreign companies even in the current regulatory context.

## 17. Power

### 17.1. Russian power and capacity market structure

The Russian power market has a two-tier structure:

- *Wholesale power and capacity market (the “WPCM”)* where power producers of more than 25 megawatts sell power and capacity to major consumers, utilities<sup>1</sup> and grid operators<sup>2</sup>. Power is traded via spot market and bilateral agreements. Capacity is traded separately from power via various types of capacity supply agreements and auctions.
- *Retail power markets* where (i) utility companies resell power purchased on the WPCM to retail corporate and individual consumers and (ii) power producers of less than 25 megawatts sell power to utilities, consumers or local grid operators.

Geographically, the Russian power system is divided into three types of zones:

- *WPCM price zones* stretch across the European part and the Urals (zone 1) and the most parts of Siberia and some parts of Far East (zone 2). Power prices within the pricing zones are generally liberalized.
- *Non-WPCM price zone* – Kaliningrad that imply certain pricing regulation.
- *Isolated territories* include some parts of Siberia and the Far East technologically disconnected from Russia’s national grid. Power prices in isolated territories are state regulated.

The Russian power grid is linked with the power systems of some other CIS countries. Russia aims to establish a common power market with Belarus and within the Eurasian Economic Union.

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1 Including independent utilities and guaranteeing suppliers (last-resort suppliers). The last-resort suppliers are required by law to enter into a power purchase (supply) agreement with any customer.

2 Grid operators cannot sell power and may only purchase it for their own needs and to compensate for their grid losses. Grid operators with the status of guaranteeing suppliers (last-resort suppliers) may also purchase power to perform their obligations under power supply agreements.

## 17.2. Regulatory framework and key actors

Russian power industry is heavily regulated by multiple laws and regulations adopted by the Russian Government, and supervised by various executive authorities such as the Ministry of Energy, Ministry of Economic Development and Ministry of Trade and Industry.

The following organizations are responsible for the technological and commercial operation of the WPCM:

- *Market Council* supervises the operation of the WPCM, and develops and updates WPCM documents.
- *Administrator of Trading System (the «ATS»)* administrates the WPCM and facilitates trades on standard terms by bringing together sellers and purchasers.
- *Center for Financial Settlements* acts as an intermediary for payments in the WPCM.
- *System Operator* exercises centralized operational-dispatch management of the Russian Unified Power System and auctions the rights to enter into certain capacity supply agreements.
- *Federal Grid Company* transmits power via the Russian unified grid.

## 17.3. WPCM entry

Access to the WPCM requires a number of steps, such as (i) becoming a member of the Market Council; (ii) executing the WPCM accession agreement; (iii) registering a group of power delivery points with a capacity of at least 5 MW; (iv) equipping each group of delivery points with an automated power metering system.

## 17.4. Retail market entry

Retail markets have no particular entry criteria. However, some activities are

subject to certain requirements - for instance, for renewable power projects intended to enjoy special tariffs when selling power to local grid operators.

## 17.5. Export of power

Russian law does not impose any restrictions on participants of the WPCM performing export-import operations. However, in practice, obtaining the right to sell electricity outside Russia has proven to be problematic due to the implicit export monopoly of the state-controlled open joint-stock company Inter RAO UES. The procedure for obtaining the status of export company involves a certain degree of discretion by the Market Council.

## 17.6. Clearances and restrictions for foreign investors

Foreign investors may also be subject to antimonopoly, 'strategic' investment and other general clearances and restrictions. Please refer to sections «3. Foreign Investments: Incentives and Governmental», «13. Contract Law», «16. Insolvency» for details.

## 17.7. Incentives to invest in power and related contractual tools

**General investments incentives.** Russian law provides for a variety of investment incentives (such as investment protection and promotion agreements and PPP agreements), numerous special economic and other zones (such as the Arctic Zone of the Russian Federation), tax and other benefits for major capital investments, including in the power sector, respective equipment manufacturing, R&D and other activities. Please refer to section «6. Taxation» for details.

### **Industry specific investment incentives:**

- *WPSM Capacity Auctions.* Winners of such auctions may enter into long-term capacity supply agreements to sell the capacity of their power facilities (both conventional and renewable), which they have a certain time to construct or modernize and which will give a guaranteed rate of return on investment under the auction terms.
- *Retail market incentives for renewables.* Renewable power producers

with a capacity up to 25 megawatts may sell power to local grid operators. Such operators are required to purchase that power to compensate for their grid losses on a first-priority basis under regulated tariffs that aim to ensure recoupment of investments.

**Contractual tools to consider:**

- *Corporate PPAs*. Power producers may enter into direct power purchase agreements with corporate buyers subject to certain requirements and limitations. Western-style PPAs are yet to be adapted to Russian market.
- *Energy attribute certificates (guarantees of origin)*. Renewable, large hydro and nuclear power producers may issue and sell such certificates to monetize the “green attributes” of such power.
- *Climate projects*. Some types of renewable and conventional power projects (such coal-to-gas switch) may possibly qualify as climate projects eligible to issue and sell carbon credits generating extra revenue stream.

## 17.8. Power, AI and crypto

The Russian authorities are putting regulatory and practical efforts to tackle issues Russia’s growing power demand, in particular, driven by data centers (including in AI context) and crypto mining.

## 18. Insurance in Russia

### 18.1. What law regulates insurance in Russia?

Insurance in Russia is mainly governed by Chapter 48 (Articles 927-970) of the Civil Code of the Russian Federation (the «**Civil Code**») and Federal Law No. 4015-1 «On the Organization of the Insurance Business in the Russian Federation» dated 27 November 1992, as amended (the «**Insurance Law**»). The activities of insurance companies are currently regulated by the Central Bank of Russia (the «**Bank of Russia**»), which is responsible for issuing, suspending and withdrawing insurance licenses as well as monitoring insurers' compliance with applicable regulations.

### 18.2. What are the basic provisions of insurance law in Russia?

In Russia, insurance relationships between an insurer and a policyholder arises from an insurance contract which often takes the form of an insurance policy (either a single document or a set of documents including the policy itself and applicable terms of the insurer). Insurance rules developed by an insurer may form part of an insurance contract provided that they are included in this contract or attached to it<sup>1</sup>.

Under an insurance contract, the policyholder pays the insurance premium to the insurer while the insurer undertakes to pay an insurance indemnity upon the occurrence of a covered insured event to the insured (which may or may not be the policyholder depending on the type and terms of insurance) or any other beneficiary. The risks can be covered by several insurers (co-insurance) or reinsured by other insurance companies in full or in part (reinsurance).

Russian legislation establishes certain risks which cannot be covered by insurance such as unlawful interests, losses from participation in games, lotteries and betting, or expenses related to ransom payments for hostages (Article 928 of the Civil Code). Moreover, the law exempts the insurer from paying insurance

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<sup>1</sup> The policyholder's acceptance of the insurance rules is to be confirmed by the relevant provision in the insurance contract.

indemnity if the insured event was caused:

- intentionally by the policyholder, insured party or beneficiary (Article 963 of the Civil Code), subject to several exceptions<sup>2</sup>;
- by the effects of a nuclear explosion, radiation or radioactive pollution, military operations or civil war, unless agreed otherwise by the parties (Article 964 of the Civil Code).

Unless the parties agree otherwise, upon the payment of an insurance indemnity the insurer takes the place of the policyholder (beneficiary) with regard to the right of claim against the person responsible for the losses incurred (subrogation, Article 965 of the Civil Code).

### 18.3. What are the types of insurance in Russia?

Russian law provides for two basic types of insurance: personal insurance (life, health and medical insurance) and proprietary insurance (insurance of property, liability insurance and business risk insurance), which are governed by Articles 929-934 of the Civil Code.

Other specific types of insurance include import credit insurance and export credit and investment insurance against business and/or political risks which are governed by rules adopted by the Government of the Russian Federation<sup>3</sup>. Protection against these risks is provided by the Russian Agency for Export Credit and Investment Insurance.

Russian legislation also distinguishes between voluntary and obligatory insurance. Obligatory insurance comprises, for instance, civil liability insurance of vehicle owners, deposit insurance, life and health insurance of police officers and other types of insurance as prescribed by law.

### 18.4. Who can conduct insurance activities in Russia?

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<sup>2</sup> For instance, the insurer is not exempt from liability under civil liability insurance contract for harm caused to life and health. By contrast, in maritime insurance the exemption will also apply in case of gross negligence.

<sup>3</sup> Resolution of the Government of the Russian Federation of 22 November 2011 No. 964, as amended, Resolution of the Government of the Russian Federation of 23 April 2022 No. 750.

Pursuant to the Insurance Law, insurance activities in Russia can be conducted by insurance and reinsurance companies, mutual insurance companies and insurance brokers, provided that they have received a license from the Bank of Russia. Intermediary insurance activities can also be conducted by insurance agents, actuaries and other actors that do not require a license.

The major insurance companies in the Russian market currently are SOGAZ, Ingosstrakh, Alfa Insurance, RESO-Garantiya, Renaissance Insurance, Zetta Insurance and several others.

### 18.5. Can a foreign insurance company conduct insurance activities in Russia?

Foreign insurance companies can carry out insurance activities in Russia and act as an insurer via one of the following options:

- as a foreign investor by setting up a Russian company;
- by opening an accredited branch office in Russia (applicable to foreign insurers from WTO member states).

Accessing the Russian insurance market by setting up a Russian company (if it is a subsidiary or if more than 49% of its charter capital belongs to a foreign investor) is possible only if the foreign investor has been operating as an insurance company in the foreign country for at least five years (Article 6(4) of the Insurance Law). A Russian company is required to receive a license to operate.

Moreover, such companies are not allowed to provide certain types of insurance such as: life, health and property insurance of citizens with state or municipal salaries, insurance related to state or municipal procurement contracts, and insurance of proprietary interests of state and municipal organizations (Article 6(3) of the Insurance Law<sup>4</sup>).

#### To open an accredited branch office in Russia and carry out insurance activities

<sup>4</sup> These restrictions do not apply to companies that were established before 22 August 2012 and at that moment had the right to conduct the restricted insurance activities.

via this branch, a foreign insurance company must be registered in a WTO member state, obtain a license from the Bank of Russia and comply with certain requirements<sup>5</sup> (Articles 33.1-33.2 of the Insurance Law).

It is worth noting that foreign reinsurers not licensed locally may still provide reinsurance services for Russian insurers without obtaining a license in Russia. In reinsurance matters, Russian insurers have traditionally worked closely with foreign reinsurers, namely Munich Re, Hannover Re and Lloyd's of London. Most foreign reinsurers, however, have suspended their activities in Russia.

An insurance company that intends to reinsure risks, irrespective of whether the reinsurer is a Russian or non-Russian company, is required to offer 50% of the risks it wants to reinsure to the Russian National Reinsurance Company (RNRC) that has the right to accept the risks, lessen the percentage of the risks accepted, or refuse to accept the risks for reinsurance, subject to several exceptions.

## 18.6. What are the special economic measures in the sphere of insurance?

Until 31 December 2026, Russian insurers are prohibited from entering into transactions with insurers, reinsurers and insurance brokers that are residents of [unfriendly states](#) or are controlled by residents of [unfriendly states](#), save for transactions related to the export of food and mineral fertilizers (Federal Law No. 55-FZ dated 14 March 2022, as amended). The ban also applies to the transfer of funds under contracts concluded before the entry into force of this law. In exceptional cases such transactions can be carried out on the basis of a permit issued by the Bank of Russia<sup>6</sup>.

In addition, restrictions are established by Presidential Decree No. 737 dated

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<sup>5</sup> For instance, a foreign insurance company must have had the right to provide the same types of insurance that it intends to provide in Russia in the WTO member state it is registered in for at least eight years (for life insurance) or five years (for other types of insurance and/or reinsurance); have at least five years' experience providing such types of insurance through its branches in other countries; have assets worth at least USD 5 billion; and not be registered in an offshore jurisdiction.

<sup>6</sup> As clarified by the Bank of Russia, the receipt by Russian insurers of funds from residents of unfriendly states is not prohibited and the set-off between insurance premium and insurance indemnity does not require any special permission (Information Letter of the Bank of Russia No. IN-018-53/71 of 20 May 2022).

15 October 2022 with regard to transactions that directly or indirectly entail the establishment, change or termination of rights of possession, use and/or disposal of more than 1% of shares or participation interest in the charter capital of a Russian insurer, or of more than 1% of votes attributable to such shares or participation interest if at least one of the parties (beneficiaries) to the transaction is a resident of an [unfriendly state](#). Such transactions, save for certain exceptions, require permission from the Government Commission for Foreign Investment Control in the Russian Federation.

## 19. Telecommunications, Information Technologies & Mass Media

19.1. What categories of TMT companies are regulated in Russia?



19.2. What are the main obligations/restrictions applicable to TMT companies in Russia?

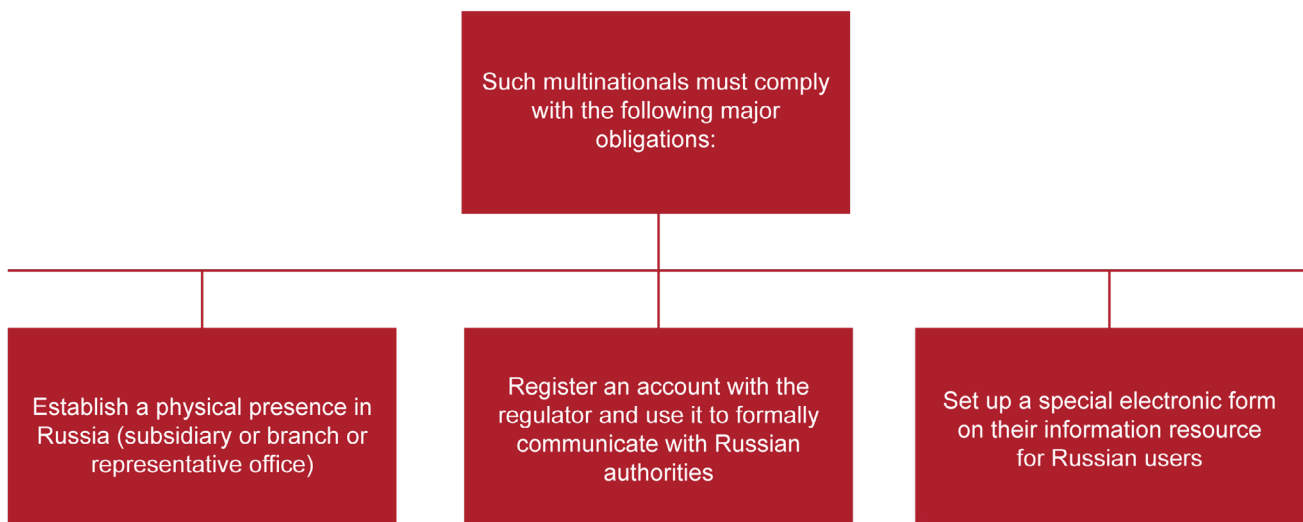
Major obligations and restrictions may be summarized as follows:

Telecom Providers	IT Companies*	Mass Media
<ul style="list-style-type: none"> <li>▪ Licensing</li> <li>▪ Legal interception</li> <li>▪ Local legal entity</li> <li>▪ Data localization</li> </ul>	<p><i>*Specific obligations vary significantly depending on the company's business. The below obligations apply not to all IT companies</i></p> <ul style="list-style-type: none"> <li>▪ Data localization</li> <li>▪ Local legal presence</li> <li>▪ Legal interception</li> <li>▪ Foreign investment restrictions</li> <li>▪ Content monitoring and censorship</li> </ul>	<ul style="list-style-type: none"> <li>▪ Licensing (for broadcasting)</li> <li>▪ Mass media registration</li> <li>▪ Foreign investment restrictions</li> </ul> <p>Local legal entity (in most cases)</p> <ul style="list-style-type: none"> <li>▪ Content monitoring and censorship</li> </ul>

### 19.3. Is there any specific regulation on foreign Internet companies?

Multinationals conducting activities in the Russian part of the internet are subject to the additional regulation.

The regulation applies to owners of large online resources (web sites, web pages, programs) with an audience of more than 500,000 users per day in Russia, which target Russia. Besides, it applies to a limited number of persons determined by the regulator (hosting providers, advertising systems, Internet communicating platforms).





## 19.5. What kind of content is restricted for distribution in Russia?

In addition to content restricted in most countries (e.g., child pornography, suicide calls, extremist materials, copyright infringement, etc.), Russia has a number of specific restrictions related to social and political content, such as:

LGBTQ+ and child-free content

“Fake news” that can cause harm to public safety, or related to the Armed Forces of the Russian Federation, etc.

Information expressing disrespect towards society, state authorities, etc.

Distribution of the restricted content may entail:

- ban of the online resource publishing the content; as well as
- administrative sanctions on the resource owner and hosting and telecom providers who failed to take down/restrict access to the respective resource.

## 20. Sustainability

### 20.1. Overview

Russia has and continues to pursue the comprehensive implementation of the sustainable development agenda through a diverse set of laws and policies overlapping with the UN Sustainable Development Goals (SDGs). These laws incentivize the private sector to invest in greenfields, brownfields, R&D and other projects contributing to welfare, social, environmental and other public policy objectives.

Many of Russia's major corporations and banks are implementing numerous sustainability initiatives, including those relating to (i) carbon neutrality, energy transition, waste management and environmental integrity, (ii) massive integrated territorial development projects, social benefits for employees, and support for local communities; (iii) integrating sustainability into corporate governance and reporting.

The authorities are working on Russia's domestic sustainability-related initiatives, notably:

- **«Environment-People-State» rating** – which is automatically assigned to each Russia-registered company based on data provided by tax, antitrust and other authorities. Companies may improve their rating by submitting data on their environmental and social activities. The rating may affect access to regulatory and tax incentives, in particular, on a regional level;
- **Business Social Capital Standard** – a tool now being developed mainly to assess business contribution to Russia's national development goals.

### 20.2. Environment

Net-zero. The Government's Low-Carbon Development Strategy through 2050 defines several paths and targets for decoupling Russia's economic growth from GHG emissions with prospects of carbon neutrality by 2060. The President-approved target is to reduce GHG emissions to 65-67% of 1990 levels by 2035.

**Emission trading.** Russia has a two-tiered carbon market: a nationwide voluntary market and a cap-and-trade system in the Sakhalin region (Russia's Far East) to be possibly extended to other regions.

**Renewables.** Russia has an incentive program for renewable power generators in the wholesale and retail power markets. Corporates are continually looking to purchase renewable and other low-carbon power and/or green attributes of such power via power purchase agreements or guarantees of origin (green certificates).

**Hydrogen.** Russia's energy policies set ambitious targets to secure Russia's role as one of the largest global exporters of hydrogen, numerous hydrogen-related equipment and technologies.

**EVs.** Russia is catching up with mature EV markets. A number of stimulus measures are available and are being developed to incentivize production and consumption of EVs and related products.

**Energy efficiency.** Russian law provides for energy efficiency requirements for goods, lighting, construction and public procurement. Some types of energy efficiency projects can be implemented under energy service contracts.

**Waste.** Russia is transitioning from a landfill-based waste management system toward a more sustainable and circular one. That implies a ban on landfilling of certain waste types, waste recycling requirements for producers and importers and several state-run programs aiming to boost waste infrastructure.

**General environmental law and best available technologies.** Russia has a diverse set of laws governing air, water and soil pollution. Many business activities are subject to environmental permits, charges (levies), damages, reporting and other requirements. Russia continues tightening those laws and their enforcement. Emission-intensive corporates are implementing best available technologies (BAT) as part of massive integrated emission reduction programs and installing online emissions control systems.

## 20.3. Social

Russia has quite an extensive set of employment, industrial safety, consumer protection, personal data and other laws and regulations overlapping with the social dimension of sustainable development.

The Government is running a set of national projects, federal programs and strategic development initiatives to advance, digitize and expand infrastructure development, healthcare, education, housing & utilities, state services and other areas – ultimately contributing to social well-being.

## 20.4. Governance

**Corporate governance code.** The Bank of Russia (CBR) encourages companies with publicly traded securities to (i) comply with the Corporate Governance Code (the Code) to secure companies' sustainable development and long-term value, and (ii) annually report on such compliance.

**Sustainability strategy.** The CBR encourages companies with publicly traded securities to create sustainable development and climate transition strategies to maintain global competitiveness and financial stability, mindful of global sustainability trends, in particular low-carbon transition.

**ESG risks assessment.** The Code and the CBR's letters encourage boards of directors to assess social, ethical, environmental and other non-financial risks and factors at the board level. The CBR separately encourages (i) insurance companies to raise awareness of the effects of climate risks on their assets and liabilities, and (ii) financial markets actors to assess risks related to low-carbon transition. The CBR issued several Climate Risk Reports examining the impact of climate risks on Russian economy and financial market.

**ESG reporting and disclosure.** The CBR issued a set of letters encouraging companies with publicly traded securities and financial institutions to disclose various ESG data in non-financial reports, issuer prospectus, material facts (corporate action), notices, and other documents and publications. Financial institutions are separately encouraged to disclose information on their financial ESG products to clients.

Russian Ministry of Economic Development issued methodological recommendations and draft standards for sustainability reporting mainly targeting state corporations, state-owned enterprises, companies with publicly traded securities, and companies with gross revenue or assets exceeding RUB 10 billion (approx. USD 100 million).

Sustainability reporting is already mandatory for public companies of 1st and 2nd listing lists further to Moscow exchange requirements. The prospects for mandatory ESG reporting for broader market also being discussed.

**ESG rankings.** The CBR issued a model ESG ratings methodology aiming to unify ESG rating formats. National Rating Agency publishes ESG rankings and ratings of financial institutions, industrial enterprises, and manufacturing and other companies, as well as those of Russian regions.

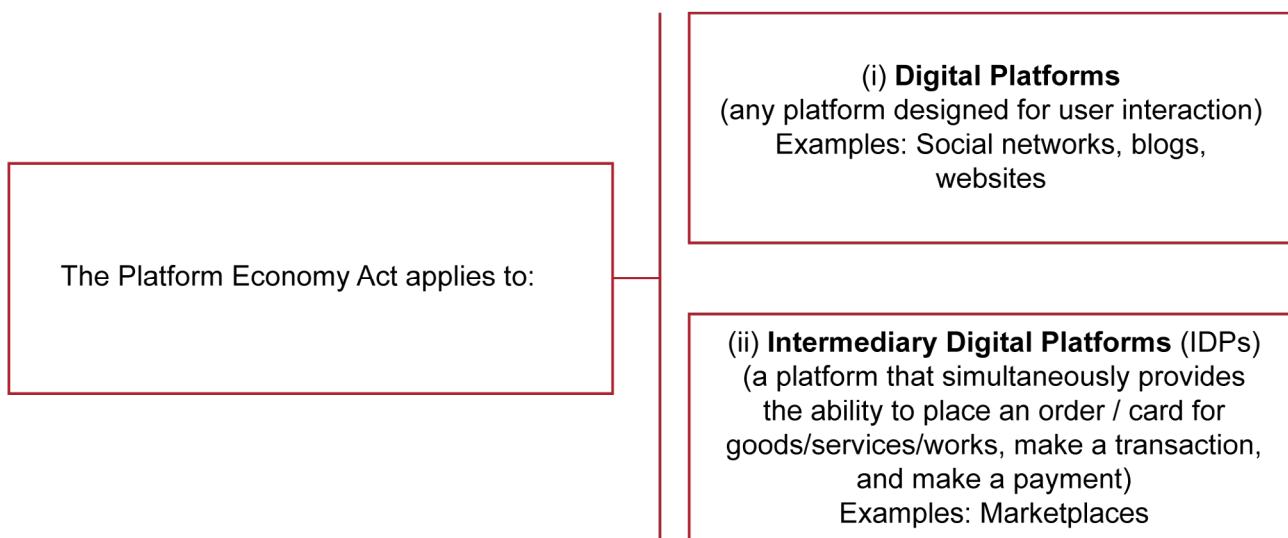
**Impact investments.** The CBR encourages institutional investors to comply with the CBR-adopted responsible investment principles to contribute to the sustainable development of the companies that are investment targets.

**Taxonomies.** Russia has a sustainable (green, transition and social) projects taxonomy. Many of the projects under technological sovereignty and structural adaptation taxonomy also have a substantial ESG dimension. Banks that lends funds for certain taxonomies-compliant projects may enjoy reduced risk / capital adequacy ratios.

## 21. E-Commerce

In 2025, Russia introduced the first umbrella law regulating the e-commerce sector - the Platform Economy Act. The law will come into force on October 1, 2026.

### 21.1. Who are the Targets of the Platform Economy Act?



### 21.2. When Does the Platform Economy Act Apply?

The Platform Economy Act applies to:

- (i) IDPs – upon inclusion on the IDP register;
- (ii) other digital platforms – always.

Both Russian and foreign platforms are subject to the law.

### 21.3. What are the Major Obligations Established by the Platform Economy Act?

The major obligations include:

Obligations	Digital Platform	IDP
<b>Basic</b>	<ul style="list-style-type: none"> <li>• Publish platform rules</li> <li>• Do not establish discriminatory rules</li> <li>• Provide contact information</li> <li>• Comply with applicable laws</li> </ul>	
<b>Special</b>	N/A	<ul style="list-style-type: none"> <li>• Verify partners operating on the IDP</li> <li>• Comply with the rules on conclusion, amendment and termination of contracts with its partners</li> <li>• Comply with the product price discount rules</li> <li>• Ensure compliance with the product card requirements</li> <li>• In certain cases – ensure execution of consumers' rights with respect to the defected products and services sold on the IDP</li> <li>• Stop publishing information infringing IP rights – upon the application of the right holders</li> </ul>

## 22. Personal Data

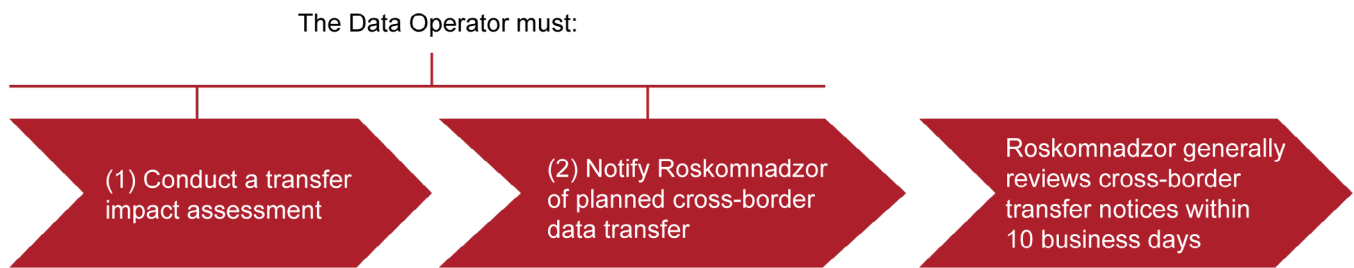
### 22.1. Does the Russian Personal Data Law apply to foreign entities?

<p>The Russian Personal Data Law expressly applies to the processing of Russian citizens' data by foreign entities carried out under:</p>	(i) an agreement with the data subject
	(ii) the data subject's consent

### 22.2. What is the legal basis for personal data processing?

Legal Basis*	Digital Platform	IDP
<p>* The list below contains only the most commonly used basis in Russia for data processing. The law provides for some additional basis which are not described below.</p>		
<b>Consent of the Data Subject</b>	<p><i>Consent can be obtained in any verifiable form (in writing, electronically or by means of implied consent). Exception: a special written form is required in certain specific cases defined by law</i></p>	<p>The most frequently used legal basis for data processing in Russia</p>
<b>Performance of an Agreement</b>	<p>Processing is allowed to execute or perform an agreement where the data subject is a party or beneficiary or guarantor</p>	<p>The data processing must be either directly prescribed or at least reasonably justified by the aims and subject matter of such agreement. Excessive or non-essential processing is illegal</p>
<b>Compliance with Legal Duties</b>	<p>Processing is necessary for the data operator to fulfill an obligation imposed by law (e.g., tax or employment laws)</p>	<p>Only applicable when a specific law mandates the data processing</p>
<b>Legitimate Interest</b>	<p>The operator can process data if it is necessary for their legitimate interests, provided the data subject's rights are not overridden</p>	<p>Historically limited in practice  In recent times the regulator tends to be more favorable to legitimate interest and other legal basis</p>

### 22.3. Are there any special rules for cross-border transfers?



### 22.4. Does Russia have any data localization requirements?

<b>The Core Rule</b>	Yes, when collecting personal data, it is prohibited to record, systematize, accumulate, store, verify (including updating and modifying) and retrieve the personal data of Russian citizens using databases located outside of Russia
<b>Exceptions</b>	The rule is subject to several narrowly defined exceptions. <i>Example:</i> when the processing of personal data is necessary to perform an international treaty of the Russian Federation in accordance with Russian legislation

## 23. Consumer Protection

### 23.1. What regulations govern sales to Russian consumers?

Protections granted to consumers under Russian law shall apply even if a Russian consumer has entered into a contract governed by non-Russian law. In most cases, Russian courts take a conservative approach and apply Russian law when a seller or provider of services advertises its products or services targeting Russian consumers.

A foreign jurisdiction clause in a contract also does not prevent Russian consumers from submitting their claims against a foreign seller to Russian courts, which are likely to accept such claims. However, in practice, Russian consumers rarely sue foreign entities, because enforcement of a court's decision in a foreign country takes time and might be too costly for a consumer.

### 23.2. What represents a consumer sale?

A sale is made to a consumer if the buyer is an individual ordering products or services exclusively for personal, family, household and other needs not relating to business activities.

### 23.3. What remedies are generally available to Russian consumers (warranty undertakings of the manufacturer and the seller)?

A consumer, at their sole discretion, may claim one of the following remedies from the seller (manufacturer, importer) of a defective product:

- a. replacement of the defective product with a new product of the same type, brand and/or index;
- b. replacement of the defective product with a new product of another type, brand and/or index and settlement of the price difference between the replaced product and the new one;

- c. proportionate decrease of the purchase price;
- d. immediate repair of the defective product at no cost, or compensation of the consumer's costs incurred repairing the product's defects;
- e. termination of the purchase agreement and refund of the purchase price; at the seller's request and expense the consumer has to return the defective product to the seller.

In relation to technically sophisticated products, e.g., computers, watches and cars, a consumer may submit only the claims indicated in items **a**, **b** and **e** above.

In addition to the above remedies, a consumer is entitled to claim compensation of their losses incurred due to the purchase of a defective product. Importantly, a consumer may file claims indicated in items **a** and **d** above directly against the manufacturer, its representative or the importer of the defective product.

The limitation period for the above claims is equal to the warranty period established by the manufacturer and the seller (as applicable). If the warranty period is not established or is less than two years, the consumer may file claims within two years after the defective product is delivered to the consumer.

Moreover, the consumer may claim the free repair of substantial defects from the manufacturer within the service life of the product or, if the service life is not stated, within 10 years after the delivery of the product to the consumer. If such a claim is not met within 20 days from the moment of its receipt, the consumer is entitled to file claims provided by items **a** and **d** above or return the defective product to the manufacturer and claim a refund of the purchase price paid for such product.

#### 23.4. Can the manufacturer's and/or seller's liability be limited under the contract with the consumer?

Under Russian law, it is not possible to limit the manufacturer's and/or seller's liability to a consumer in a contract.

### 23.5. What information must be disclosed to a consumer?

The seller/service provider must provide the consumer with the list of information required under Russian law, including: product qualities, price, warranty period, service life, information about defects, return policy etc.

All disclosures to Russian consumers have to be made in Russian.

### 23.6. What additional rights are granted to consumers purchasing online?

Apart from the remedies discussed above, consumers purchasing products online have the right to:

- a. cancel the order prior to delivery or within seven days after delivery (except for orders for personalized products);
- b. require a refund of any money paid for the cancelled order (excluding the costs of the product's return) .

If the seller does not inform the consumer about their right to cancel the order, the consumer can cancel it within three months after delivery. The return of an undamaged product is possible if the product's appearance and qualities are preserved.

### 23.7. Can Russian consumers join a class action?

Yes. Consumers may join a group of claimants, including state bodies, against a common respondent, if specific conditions established by law are met, e.g. minimum number of claimants is 20, common representative, similar facts and protected rights etc..

### 23.8. Unified Rules for Protection of Consumers Rights

On 6 December 2024 the Higher State Council of the Union State between Russia and Belarus has adopted the Decree "On Unified Rules for Protection of Consumers' Rights" ("**Unified Rules**"). While it is arguable whether the Unified

Rules should be directly applied in Russia without ratification as an international treaty, Russian authorities apply them as prevailing over Russian regulations.

Among others, the Unified Rules treat the manufacturer's shareholders and executives as responsible for compliance with the Unified Rules, excludes limits on penalty interest applied for breach of consumers' rights and provides for shorter deadlines established in relation to specific consumers' claims.

## 24. Pharmaceuticals and Medical Devices

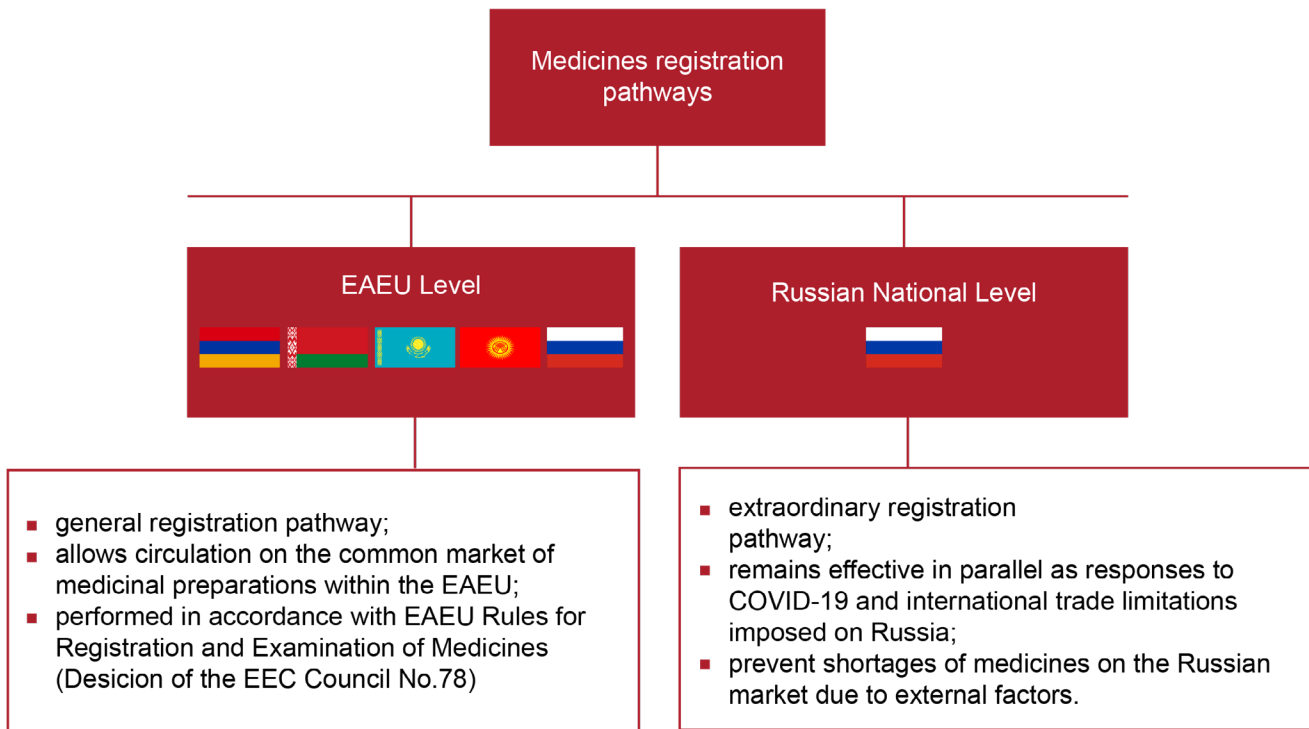
### 24.1. Circulation of medicinal preparations in Russia

#### Key Regulatory Authorities

Wide commercialization of medicinal preparations requires due registration by the Ministry of Healthcare (the «**MOH**»). The Ministry of Industry and Trade (the «**MIT**») licenses the manufacturing of medicines and organizes GMP inspections of manufacturers, while the Federal Service for Surveillance in Healthcare (the «**Federal Service**») licenses wholesale and retail sale of medicines and also oversees the quality of medicinal preparations on the market.

#### Registration Pathways

The general registration pathway for medicinal preparations is currently regulated at the level of the Eurasian Economic Union (the «**EAEU**»), of which Russia is a member state together with Armenia, Belarus, Kazakhstan and Kyrgyzstan. There are also some extraordinary Russian national registration pathways still remaining effective in parallel (as responses to COVID-19 and international trade limitations imposed on Russia). The main purpose of the extraordinary pathways is to prevent shortages of medicines on the Russian market due to external factors.



## Key Features of EAEU Registration

Key features of EAEU registration
EAEU registration may be obtained for all five union countries or for any subset of them;
No single registering authority at the EAEU level, registration actions are performed by each national registering authority in the EAEU country;
No regulatory data protection rules are established at the EAEU level - IP remains the only viable instrument to protect original products;
The requirements for the EAEU registration dossier are quite similar to those of the common technical documents (CTD);
As a general rule, registration requires the results of clinical trials at least partially conducted in the EAEU in line with the EAEU GCP document, which is essentially a translation of ICH GCP ;
The initial registration certificate is valid for five years before becoming termless upon passing the reregistration procedure.

For medicinal preparations whose applicants submitted an application to the reference state to bring the registration dossier into compliance with EAEU rules by 31 December 2025, the validity period of “national” registration certificates is extended:

- by no more than three years — for the reference state (from the date of application);
- by no more than two years — for the states of recognition (from the date of submission of the application to them).

### **Track and Trace System and Quality Control**

Apart from the registration of a medicinal preparation, market entry in Russia requires manufacturers to join the Russian track and trace system (the «**System**») and put System identification mark on the medicines. In addition, the importers are required to submit documents to the Federal Service confirming the medicine’s quality and the manufacturer’s confirmation certifying the compliance of the medicine with the requirements established during the medicine’s state registration or, most importantly, its quality.

Quality which is formally defined as medicine’s compliance with the requirements of the normative documentation (or, in its absence, which is quite rare, a pharmacopeia article) is a key factor for the continued presence of the medicine on the Russian market. Bad quality medicines are withdrawn and companies intentionally doing business with them bear a risk of administrative liability (in addition to administrative liability their officers may also face criminal liability).

### **Pricing and Public Procurement**

Some medicinal preparations, especially those purchased within the Russian public procurement system, are included into the Essential Drug List (the «**EDL**») and are subject to state regulation of prices. If the product’s international non-proprietary name (the «**INN**») is listed in the EDL, it has to have its maximum manufacturer’s price registered by the MOH before it may be sold in Russia.

Russia has several budget-funded programs for supplying medicines to its

citizens so that various public procurement programs for medicinal preparations are a very significant part of the Russian pharmaceutical market. Various rules favoring local manufacturing of medicines apply at public procurement. These rules usually operate as handicaps applied to products originating from foreign states whether as a discount on their price or as a prohibition on participating in public procurement in some circumstances.

## **Operational Requirements for Companies**

Manufacturing, wholesale and retail sale of medicinal preparations require licenses in Russia. The licensing of these activities is regulated and conducted on a national, not an EAEU-wide, level. However, GxP documents that the licensees have to follow in their day-to-day activities are adopted at the EAEU level. Russian authorities perform GMP inspections of manufacturing sites, including those located abroad.

Manufacturers of medicines and organizations importing medicines into the Russian Federation are required to give a one-year prior notice to the Federal Service and the MIT in the event that there are plans to suspend or discontinue the manufacturing and importation of medicines into the Russian Federation.

## **24.2. Circulation of medical devices in Russia**

### **Registration Pathways**

A medical device is allowed for wide commercialization on the Russian market if it has been duly registered by the Federal Service. There are also special procedures allowing for importation of unregistered medical devices in certain cases administered by the Federal Service.

In the year 2025 it became clear that transition to EAEU-only registration may again be delayed. Subject to most recent changes, applications for registration of medical devices can be submitted in accordance with the national regulations of the Russian Federation until 31 December 2027. It will be possible to re-register under the EAEU system documents for medical devices which have been previously registered under the Russian national system until 31 December 2028.

Medical Devices  
PathwaysRegistration



**EAEU Level**

- registration process is longer; may take up 1 to 1,5 years from the moment of filing an application + relevant documents;
- timeline depends on a specific class of medical device, “stop-clocks”, if any, or inspection of the manufacturer’s quality management system, if applicable



**Russian National Level**

- 31 working days - registration process for a medical device which does not require clinical studies
- 50 working days - registration process for a medical device which involves clinical studies (excluding the time for their performance)
- extraordinary Russian national registration pathways remaining effective in parallel as responses to COVID-19 and international trade limitations

**Similarities:**

- termless registration certificates;
- a foreign legal entity may be a registration certificate holder (owner);
- significant role of an authorized representative – point of contact of the Federal Service

## Track and Trace System and Quality Control

Apart from the registration, some medical devices or their components are subject to declaration of conformity (e.g., electromagnetic compatibility). Some types of medical devices, for example, CT scanners, coronary stents, are currently required to bear a Russian track and trace system identification mark. This requirement was expanded in 2025 to medical gloves.

Quality is a key factor for the continued presence of a lot of medical devices on the Russian market. Bad quality medical devices are those that do not comply with requirements for safety, effectiveness and labelling of medical devices, with the requirements of normative, technical and usage documentation and which may not be safely used for their intended purpose set by the manufacturer. Bad quality medical devices are withdrawn and companies intentionally doing business with them bear a risk of administrative liability (in addition to administrative liability

their officers may also face criminal liability).

## **Public Procurement**

Russia has several budget-funded programs to supply medical devices to its citizens so that public procurement of medical devices is a very significant part of the Russian medical devices market. Some implantable medical devices are subject to the state regulation of prices within the public procurement system. Various rules favoring local manufacturing of medical devices apply at public procurement. These rules usually operate as handicaps applied to products originating from foreign states, whether as a discount on their price or as a prohibition on participating in public procurement in some circumstances.

## **Operational Requirements for Companies**

Companies planning to do business with medical devices in Russia have to serve a special preliminary notice to the Federal Service which leads to companies' inclusion into a special register. This is a pre-requisite for a company before it may start importing medical devices. Licensing of activities is quite rare in the area of medical devices, only the technical maintenance of medical devices requires a license currently. Also, if a medical device is of any special type (e.g., contains generating sources of ionizing radiation), its sale may also be subject to special licensing requirements. Russian authorities perform QMS (quality management system; essentially, ISO 13485) inspections of manufacturing sites, including those located abroad.

Manufacturers of medical devices and organizations importing them into the Russian Federation are required to give a 6-months prior notice to the Federal Service in the event that there are plans to suspend or discontinue their manufacture or import into the Russian Federation.

## 25. Issuance and Regulation of Securities

### 25.1. What are the primary sources of legislation covering the issuance and regulation of securities in Russia?

The securities market in Russia is primarily regulated by Federal Law No. 39-FZ «On the Securities Market» dated 22 April 1996 (the «**Securities Law**»). The offering of corporate securities is regulated by Federal Law No. 208-FZ «On Joint-Stock Companies» dated 26 December 1995 (the «**JSC Law**») and by Federal Law No. 395-1 «On Banks and Banking Activity» dated 2 December 1990.

The issuance of securities in the Russian Federation is also governed by a number of regulations adopted by the Central Bank of the Russian Federation (the «**Bank of Russia**»), and by the general provisions of the Civil Code.

### 25.2. What types of securities exist in Russia?

Russian securities are divided into two groups: mass-issued, which require registration under a specific procedure (e.g., shares, bonds, stock options), and non-mass issued, which do not (e.g., promissory notes, bills of lading, investment units).

### 25.3. What are the information disclosure requirements in case of issuance of securities in Russia?

For public offerings, the Securities Law requires registering a prospectus. Issuers with a registered prospectus must then disclose information including semi-annual reports, consolidated financial statements, and material events that could affect their business, as specified by the Bank of Russia.

### 25.4. What are the requirements for the placement and circulation of foreign securities in Russia?

Foreign securities can be admitted for public circulation in Russia by a decision of a Russian stock exchange (if listed abroad on an exchange meeting criteria

set by the Bank of Russia) or by the Bank of Russia (if not listed and offered publicly for the first time). Since May 2022, the Bank of Russia has restricted trading of foreign securities blocked by international clearing systems, with an exception for securities of foreign issuers whose business is predominantly in Russia. Ownership rights are unaffected.

## 25.5. What legislation governs the issuance of domestic bonds?

The issuance of domestic bonds is regulated by the Civil Code, the JSC Law, and the Securities Law. Bonds can be secured (by a suretyship, guarantee, or pledge) or unsecured. The Securities Law allows for bond programs, which establish a framework for multiple issues under a single registered decision, streamlining the process.

## 25.6. How are exchange-traded bonds, commercial bonds and structured bonds different from usual domestic Russian bonds?

Exchange-traded bonds are distinct as they are registered by a stock exchange (e.g., Moscow Exchange, «**MOEX**») rather than the Bank of Russia. Commercial bonds are unsecured, registered by the National Settlement Depository, and offered only via private placement. Structured bonds are debt securities issued by credit organizations, brokers, and dealers, with payments linked to the occurrence of specific events (e.g., currency rate changes). They are available only to qualified investors and must be secured if issued by non-bank entities.

## 25.7. How can mortgage loans be securitized in Russia?

Federal Law No. 152-FZ «On Mortgage-Backed Securities» dated 11 November 2003 (the «**MBS Law**») allows Russian credit organizations and special purpose entities (mortgage agents) to issue mortgage-backed securities — mortgage-backed bonds and mortgage participation certificates.

The MBS Law provides for two types of mortgage-backed bonds:

- a mortgage-backed bond issued directly from the balance sheet of a

Russian bank — covered bonds;

- a mortgage-backed bond issued via a Russian special purpose vehicle (so-called mortgage agent) acquiring mortgages from an originator — residential mortgage-backed securities («**RMBS**»).

The MBS Law allows for the establishment of RMBS bond programs. Such programs may be placed on an exchange and should contain a description of the security for the bonds, as well as information about the order of fulfillment of obligations under bonds with a single cover pool.

## 25.8. Is the securitization of assets other than mortgage loans possible in Russia?

According to Federal Law No. 379-FZ (the «Securitization Law») transactions with various asset classes — including SME loans, auto loans, credit card debt and leasing receivables — are possible.

## 25.9. What types of collective investment schemes are recognized in Russia?

There are several types of collective investment schemes in Russia:

- joint-stock investment funds;
- mutual investment funds;
- nongovernmental pension funds.

## 25.10. What licensed intermediaries operate on the Russian securities market?

Under the Securities Law, the following licensed intermediaries exist: brokers; dealers; depositories (custodians); registrars; foreign exchange (forex) dealers; trust managers; investment consultants.

## 25.11. What are the regulations on derivatives on the securities market in Russia?

The Securities Law regulates both stock exchange and over-the-counter (OTC) derivatives. Access to complex derivatives or derivatives with securities intended for qualified investors as the underlying asset is generally restricted to qualified investors only. Non-deliverable (i.e., cash-settled) derivatives are enforceable only if at least one party is a licensed credit institution or a professional market participant. Furthermore, specific rules apply to certain types of derivatives, for example, such as credit default swaps, where the credit protection seller must be a licensed credit institution, broker, or dealer, or special financial entity issuing structured bonds.

Russia has developed a standard master agreement for domestic market - Russian ISDA or RISDA being very similar to ISDA Master Agreement. RISDA is governed by Russian law and is specifically structured to provide a legal basis for close-out netting.

Close-out netting is generally recognized by Russian insolvency law. Close-out netting shall be enforceable in case of bankruptcy of a Russian counterparty, subject to compliance with certain requirements. The Insolvency law allows for close-out netting of the OTC derivatives between eligible counterparties concluded under the eligible master agreements and subject to registration of such master agreement with a licensed trade repository.

## 26. Banking

### 26.1. What is the structure of the banking system in Russia?

Under Federal Law No. 395-1 «On Banks and Banking Activities» dated 2 December 1990 («**Banking Law**»), Russia has two types of credit organizations: banks, which can conduct a wide range of banking operations, and non-banking credit organizations, limited to specific operations in their license (e.g., payment services).

As of December 2025, Russia had 306 banks, 46 non-banking credit organizations, and 39 representative offices of foreign banks.

The Central Bank of the Russian Federation («**Bank of Russia**») is the key regulator and oversees monetary policy.

### 26.2. Can a foreign bank operate in Russia?

All foreign banks may currently open a single branch office in the Russian Federation (please see section «26.4. What are the requirements for establishing» below).

### 26.3. What are the requirements for the establishment of a local subsidiary of a foreign bank in Russia?

A foreign bank may establish a subsidiary in Russia in the form of a Russian legal entity (joint-stock company or limited liability company).

The total share of foreign investment in the charter capital of all credit organizations in the Russian banking system may not exceed 50%.

### 26.4. What are the requirements for establishing a representative office of a foreign bank in Russia?

The Bank of Russia licenses and accredits foreign bank branches.

To be eligible, a foreign bank must be authorized for banking activities in its country of incorporation, have been operational for at least three years, and hold a credit rating meeting the minimum level set by the Bank of Russia. A precondition is an information exchange agreement between the Bank of Russia and the foreign bank's home supervisory authority. The branch's appointed head must meet specific qualification and business reputation requirements, and the number of foreign or stateless employees must not exceed 50% of the staff.

The branch must also comply with all other Bank of Russia's rules, especially those concerning AML and CFT.

## 26.5. What activities do Russian banks generally engage in and how are they regulated?

Under the Banking Law, only credit organizations holding a license granted by the Bank of Russia are allowed to carry out banking operations. These include: attracting and placing deposits of funds and precious metals; maintaining bank accounts for individuals and entities; collecting money and payment documents; cash services; currency exchange; and money transfers. Subject to licensing, they may also act as professional securities market participants but are barred from industrial, trade, or insurance activities, except for derivatives.

Banks can operate under two types of banking licenses in Russia:

- a universal license, allowing all banking operations and the establishment of foreign branches and subsidiaries
- a basic license, which has lower capital requirements but restricts certain operations with foreign counterparts

## 26.6. What approvals are required to purchase shares in Russian banks?

Purchasing equity in Russian banks is subject to varying requirements based on the residency of the parties, with transactions involving residents of unfriendly states being restricted. Since January 2023, residents of unfriendly states cannot sell their participation in certain Russian banks without consent of the Russian

President. Acquiring or selling over 1% equity in other banks requires permission from the Government Commission if a party is from an unfriendly state.

Transactions between Russian residents require Bank of Russia prior approval if a purchaser gains control over more than 10%, 25%, 50%, or 75% of a bank's shares (or 10%, 1/3, 50%, 2/3 of participation interests). Approval is also needed to gain direct or indirect control over shareholders holding over 10% of a bank. In some cases, Federal Antimonopoly Service («FAS») approval is necessary, such as when a financial organization's group acquires another and the group's total assets exceed RUB 32 billion.

## 26.7. What are the anti-money laundering requirements in Russia?

Based on FATF recommendations, Russia's Anti-Money Laundering Law imposes requirements on credit organizations, securities market participants, and other entities handling money. These entities must: identify clients and beneficiaries; obtain specific payer information; report transactions of RUB 1 million or more (and real property transactions over RUB 5 million) to the Federal Financial Monitoring Service; and report any complex transactions without apparent lawful purpose. They must also identify foreign public officials, the sources of their assets, and closely monitor transfers involving them and their relatives.

## 26.8. What are the capital adequacy requirements in Russia?

Regulation of the Bank of Russia No. 646-P «On Methods for Calculation of the Capital of Credit Organizations» dated 4 July 2018 implemented the rules of Basel III on capital adequacy in Russia. It should be noted that the capital adequacy rules are tighter than the default rules suggested by the Basel Committee. Under Russian law, the minimum capital adequacy ratio that banks are required to maintain is calculated (on an unconsolidated basis) as the ratio of a bank's owned funds (its capital) to the total amount of its risk-weighted assets. The minimum total capital adequacy ratio required by the Bank of Russia is 8%. If the total capital adequacy ratio of a bank drops below 2%, the Bank of Russia should revoke its banking license.

## 27. Currency Regulations

### 27.1. What counter sanctions restrictions apply to settlements with counter-parties from unfriendly state?

In 2022-2024, Russia introduced significant capital and currency control restrictions affecting cash flows between residents and non-residents from [unfriendly states](#). Key restrictions are outlined below.

*Presidential Decree No. 79 dated 28 February 2022:* Russian residents need approval from the Government Commission on Control over Foreign Investments («Government Commission») to transfer any funds (except rubles) to non-residents under loan agreements. Case-by-case exemptions may apply.

*Presidential Decree No. 81 dated 1 March 2022:* The decree requires Government Commission approval for providing ruble-denominated loans to borrowers from or controlled by entities in [unfriendly states](#). Exemptions may be available.

*Presidential Decree No. 95 dated 5 March 2022:* Prior approval from the Government Commission is required for payments under loans, guarantees, and other financial instruments exceeding RUB 10 million monthly to foreign creditors from or controlled by entities in unfriendly states. Without approval, a Russian debtor can discharge obligations by paying into a special S-type ruble account for the foreign creditor, potentially restricting fund repatriation.

*Presidential Decree No. 254 dated 4 May 2022:* Payments of profits (dividends) or other distributions exceeding RUB 10 million per month to foreign shareholders from or controlled by entities in unfriendly states are restricted and must comply with Presidential Decree No. 95 dated 5 March 2022.

*Presidential Decree No. 126 dated 18 March 2022:* Until 31 December 2025, Russian residents are prohibited from investing in the share capital of non-Russian entities or joint ventures without a permit from the Bank of Russia. Individual permits are not needed for transactions in rubles or foreign currency up to an equivalent of RUB 15 million, provided the aggregate volume of transactions with a single non-resident since 1 April 2024 does not exceed this limit.

## 27.2. What currencies can be used for settlement in Russia?

The Civil Code states that the Russian ruble is the national currency and legal tender of the Russian Federation. The Civil Code, however, permits the use of foreign currency in cases provided for by law. Federal Law No. 173-FZ «On Currency Regulations and Currency Control» dated 10 December 2003, as amended (the «**Currency Law**»), establishes the basic rules of the currency regulation and control regime in Russia. This law also mentions cases in which foreign currency can be used to settle transactions in Russia.

## 27.3. Which transactions are subject to currency regulation in Russia?

The Currency Law regulates a wide range of currency operations, including payments in foreign currency, transfers of securities, ruble transfers involving residents and non-residents, the import and export of rubles and securities, transfers between domestic and overseas accounts, clearing settlements, and derivative transaction.

## 27.4. Who are considered residents and non-residents under Russian currency control regulations?

The Currency Law divides individuals and legal entities into residents and non-residents.

*Residents include:* Russian citizens and other individuals whose permanent place of residence is the Russian Federation on the basis of a Russian residence permit; legal entities established in accordance with Russian legislation; representative offices (branches) of Russian legal entities outside Russia; the government of the Russian Federation, constituent entities of the Russian Federation and municipal units.

*Non-residents are defined as:* individuals who do not qualify as residents; legal entities incorporated outside Russia; enterprises/organizations that are not legal entities, organized and located outside the Russian Federation; representative offices or branches of foreign legal entities in Russia.

## 27.5. Are there any special currency control rules in Russia?

The following currency control requirements apply to Russian residents:

- Russian residents must comply with the restrictions on transactions with counterparties from [unfriendly states](#) referred to in the introductory part of this chapter, as well as some other specific transactions (e.g. with securities, real estate, shares or participatory interests in Russian legal entities, payments for gas, IP rights, aircraft lease etc.).
- Generally, Russian companies must remit all foreign currency export proceeds to their Russian bank account(s) or terminate the contracts with foreign counterparties by other legal means (e.g., by set-off).
- Cash exports are subject to restrictions.
- When a Russian company or individual opens an overseas account, they must notify the Russian tax authorities and present regular reports on the cash flow in such accounts.

## 27.6. What are the requirements under Russian Currency Law for transactions between local and foreign counterparties?

A Russian counterparty (which is not a bank) must comply with certain requirements in connection with payments to a foreign lender or another counterparty (export/import transactions).

- Pursuant to Instruction of the Central Bank of Russia No. 181-I dated 16 August 2017, Russian residents are required to record contracts with an authorized bank, if the amount of liabilities under the relevant import or loan contract exceeds RUB three million or RUB 10 million under export contracts; and
- Provide supporting documents related to currency operations (or to transactions under one contract).

## 28. Public-Private Partnerships (PPPs) in Russia

### 28.1. Market Snapshot

PPPs are a cornerstone of Russia's infrastructure strategy, with planned investments exceeding **RUB 54 trillion** (approx. USD 684bn). The model relies on co-financing: ~RUB 30 trillion is expected from private capital, focusing on Transport, Utilities, and newly eligible sectors like Space Infrastructure and Industry.

### 28.2. The Legal Framework: Two Key Tracks

Investors must choose between the **PPP Act (224-FZ)** and the **Concessions Act (115-FZ)**. The primary distinction is asset ownership.

Feature	PPP Act (224-FZ)	Concessions Act (115-FZ)
Ownership	Private ownership possible	State ownership only (mandatory return)
JVs	State-controlled JVs limited	Flexible (State Banks allowed in JV)
Top Sectors	Private Roads, Factories	Utilities, Transport, Heritage

### 28.3. Financing & 2025 Market Reality

The current economic environment (avg. Key Rate ~19.2% in 2025) has created an «Efficiency Trap,» where high debt costs challenge the viability of standard projects.

- **Funding Models:** Projects typically use a mix of **Capital Grants** (max 80% of costs) and **Availability Payments**.
- **New for 2026:** A pilot mechanism allows payments to be funded via a special «Aerodrome Fee» collected from airlines and used for existing aerodrome infrastructure modernization through concessions.
- **Critical Risk:** Courts are increasingly rejecting non-binding «Comfort

Letters» from banks. Investors must secure binding credit commitments early to avoid contract annulment.

## 28.4. Entry Mechanisms

There are three routes to launch a project:

1. **Public Tender:** Standard competitive bidding.
2. **Private Initiative (Unsolicited):** A «Swiss Challenge» model with local specifics: if no competitors bid within 45 days, the initiator signs the deal, otherwise the public tender starts on equal terms.
3. **Direct Decree:** An exclusive track for strategic projects (Concessions only) via Government resolution, common in High-Speed Rail, Airports, IT.

## 28.5. Foreign Investment Rules

Foreign entities are generally welcome but face specific sector restrictions:

- **PROHIBITED:** Public Transport (Buses/Tram), IT Infrastructure (Databases/Software), Defense.
- **RESTRICTED (Clearance Required):** Space, Nuclear Energy, Strategic Ports/Airports.

## 28.6. Incentives

- **«One-Window» Land Plot:** Direct allocation without auction.
- **Stabilization Clause:** Statutory protection against adverse legislative changes.
- **SZPK Agreements:** Tax stabilization and infrastructure cost reimbursement for large projects (>200m RUB) that **can be combined** with PPP or Concession agreements.

[Read the full chapter.](#)

## 29. Competition Law

The Russian Competition Law is designed to protect competition within the Russian market and has an extraterritorial effect, applying to actions and agreements outside Russia if they impact competition within the country. The enforcement body is the Federal Antimonopoly Service (FAS).

Key prohibitions under the Competition Law include:

- **Abuse of dominance**

Dominance is generally presumed when a company's market share exceeds 50%, while a share below 35% is presumed non-dominance. Different, lower dominance thresholds apply in specific industries like finance and telecom. The law also recognizes «collective dominance,» where a small group of companies (with individual shares as low as 8%) together control a significant market share under specific conditions.

A dominant position itself is not illegal, but its abuse is prohibited. Forms of abuse include setting monopolistically high or low prices, creating discriminatory conditions for business entities, imposing disadvantageous contractual terms, refusing to deal without objective economic or technological reason, creating barriers to market entry, and other.

- **Anticompetitive agreements and actions**

These include horizontal agreements between competitors (cartels) that lead to price setting, market division, boycotting customers and other negative consequences, as well as concerted actions where competitors act in parallel without an explicit agreement. Vertical agreements between companies at different supply chain levels are also restricted, particularly concerning resale price fixing and non-compete arrangements. Other prohibited practices include unlawful coordination of economic activities by a third party and anticompetitive agreements involving state authorities.

However, certain agreements are exempt, such as vertical agreements between entities with less than a 20% market share, pre-approved joint ventures, intra-

group agreements, agreements on IP rights transfer.

- **Unfair competition**

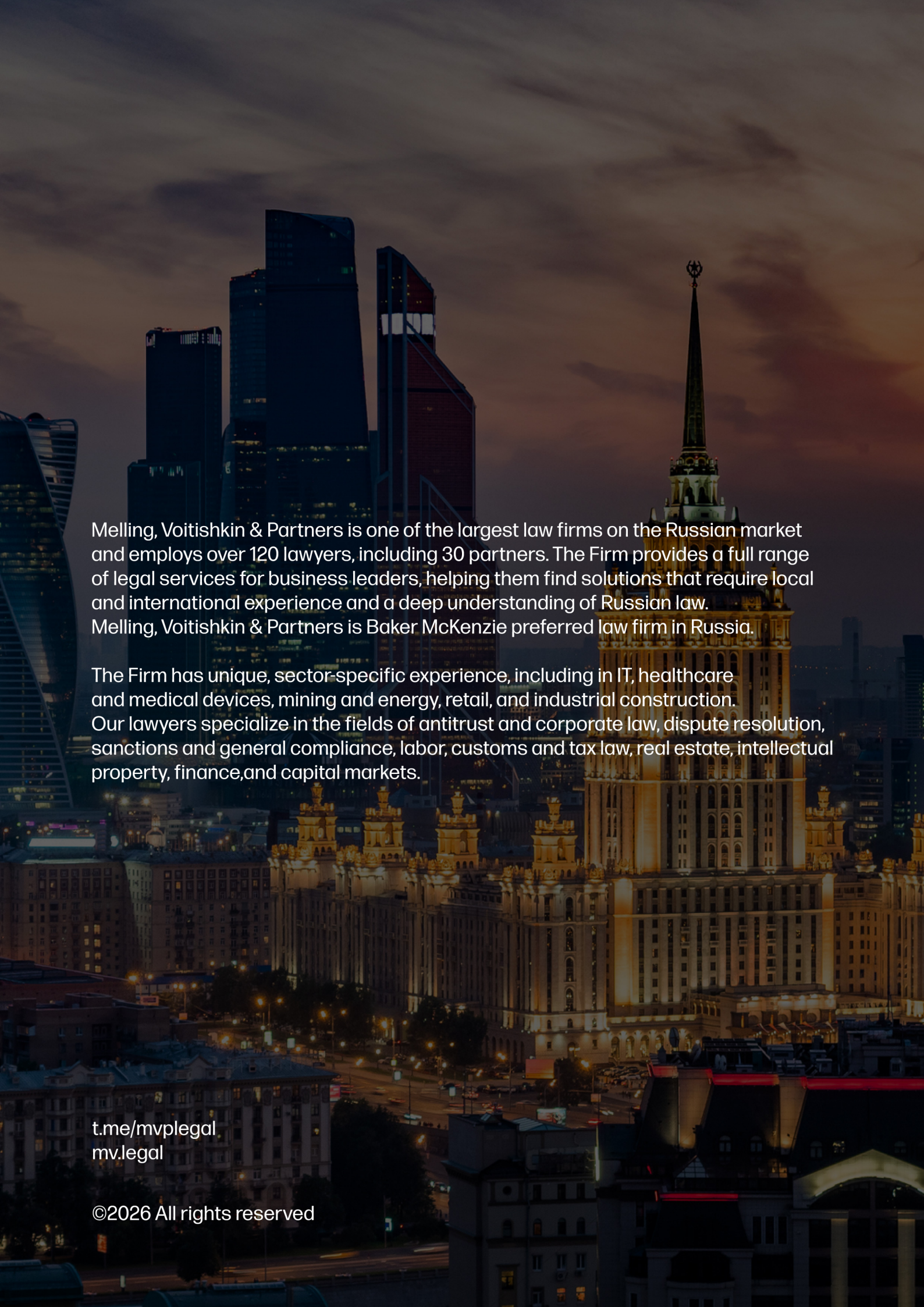
This includes any action aimed at gaining a competitive advantage that is contrary to law or business ethics, such as disseminating false information, misleading consumers, illegally using another's intellectual property, creating confusion with a competitor's products and other.

The Russian Competition Law also sets grounds for **merger control**, requiring prior FAS approval for deals that meet specific financial thresholds. These deals include acquisitions of shares, assets, or control over Russian entities, as well as foreign companies that supply goods to Russia. The filing thresholds are based on the combined global assets (RUR 7 billion) or revenues (RUR 10 billion) of the involved parties' groups, or on a transaction price exceeding RUR 7 billion. Special thresholds apply to joint ventures and financial organizations. The buyer is responsible for submitting the filing. FAS has 30 days for review, which can be extended to two months, but the review can take longer in practice, especially if the deal is subject to foreign investment control as well.

Non-compliance can lead to fines and a court action by FAS to invalidate the transaction if it is proven to have anti-competitive effects.

The Russian Competition Law also sets rules for **public tenders** as well as provision of **state aid** to business entities.

As a member of the Eurasian Economic Union (EAEU), Russia is also subject to the EAEU's competition rules, which are similar to Russian law and apply to violations in cross-border markets covering two or more member states (Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia). The Eurasian Economic Commission has enforcement powers comparable to those of FAS in this context.



Melling, Voitishkin & Partners is one of the largest law firms on the Russian market and employs over 120 lawyers, including 30 partners. The Firm provides a full range of legal services for business leaders, helping them find solutions that require local and international experience and a deep understanding of Russian law. Melling, Voitishkin & Partners is Baker McKenzie preferred law firm in Russia.

The Firm has unique, sector-specific experience, including in IT, healthcare and medical devices, mining and energy, retail, and industrial construction. Our lawyers specialize in the fields of antitrust and corporate law, dispute resolution, sanctions and general compliance, labor, customs and tax law, real estate, intellectual property, finance, and capital markets.

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