

PayPal to Fully Launch Services in Russia

By [The Moscow Times](#)

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One of the world's largest electronic payment systems, PayPal, will soon register a subsidiary in Russia and fully launch its operations there, Vedomosti reported Thursday.

"The company is happy to enter another local market, making it easier for all of our users to buy and sell goods abroad," eBay, the owner of PayPal, said on its blog.

PayPal needs a nonprofit organization license to fully offer payment services in Russia.

eBay opened its office in Russia in 2012, but PayPal's operations have been thwarted by several restrictions. For example, until 2011, PayPal customers could buy goods but not to sell them.

In 2012, authorities enacted a law that requires all electronic payment systems to obtain either a banking license or the status of a nonprofit organization.

For the moment, the Central Bank's website does not list PayPal's nonprofit organization among licensees.

But a representative of the Central Bank confirmed that the regulator had received an application from PayPal and asked tax authorities to register the nonprofit organization, Vedomosti reported.

He said the Central Bank would issue a license to the nonprofit organization after its capital reaches 18 million rubles (\$585,000).

A survey by TNS estimated that between September 2011 and February 2012, 6 percent of electronic payment service users in Russia preferred PayPal to other electronic services, such as Yandex, which was used by 15 percent of the respondents.

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