

Putin Ally Alexei Kudrin Set to Run Tech Giant Yandex – Reports

November 25, 2022



Alexei Kudrin **Sergey Savostyanov / TASS**

Alexei Kudrin, a longtime ally of President Vladimir Putin, is expected to assume a leadership position in the restructuring of Russian tech giant Yandex, state media [reported](#) on Friday.

Yandex is awaiting Putin's blessing to sell its main operations in Russia and appoint Kudrin to its new structure, several reports [indicated](#) earlier this week. Yandex's main products include its popular internet browser, as well as food delivery and taxi-hailing apps.

Yandex's new cloud computing, self-driving cars and education projects would spin off into a separate foreign ventures under co-founder and former CEO Arkady Volozh's control, the reports said, suggesting that formally cutting ties with Russia would shield them from war-related sanctions.

Volozh resigned from the Yandex group's board in June after being targeted by EU sanctions over the war in Ukraine.

The transfer of Russian technology licenses abroad is subject to Kremlin approval, while shareholders in Yandex's Dutch holding company will still need to approve the overall restructuring plan.

Yandex's Dutch parent company announced later on Friday that its board members had formed a "special committee" to explore the sale of Russian products and the spin-off of its other divisions.

"There can be no assurance that the Board will be successful in identifying and implementing paths to executing these steps, including identifying buyers for stakes in the business to be divested," Yandex N.V. said in a press release.

Related article: [Yandex Founder, CEO Resigns After Being Hit By EU Sanctions](#)

The group noted that it would likely be renamed "in due course," while the Russian business would retain the Yandex brand.

While it did not allude directly to Kudrin's anticipated appointment, it did say that "certain elements of governance" in the Russian business would be transferred to management.

Putin met Kudrin late on Thursday to agree on his new leadership role at Yandex, according to [reporting](#) by independent journalist Farida Rustamova.

"Kudrin — who has never worked in business — will be in charge of the Russian part of Yandex," Rustamova wrote on Telegram on Friday, referring to Yandex's established ventures.

Putin is expected to relieve Kudrin of his post as head of the Audit Chamber, Russia's budget accountability office, "in the next couple of weeks," she reported, noting that a legal complication would complicate his immediate transfer to the new post.

The state-run RIA Novosti and TASS news agencies, citing unnamed sources, both reported Friday that Kudrin would take up his new position by the [end of 2022](#).

Kudrin has maintained close ties with Putin since the 1990s, when they both worked for St. Petersburg's mayor, Anatoly Sobchak. Considered to be one of the only economic liberals trusted by Putin, Kudrin served as finance minister for more than a decade in the mid-2000s. After a seven-year hiatus, Kudrin [returned to public service](#) as chairman of the Audit Chamber in 2018.

Kudrin's role at Yandex is defined as "krysha" ("roof"), a term that signifies high-level political protection for a business, according to reporting by the Financial Times, which cited two unnamed individuals familiar with the restructuring plans.

Related article: [Tech Giant Yandex Reports Rising Revenues Despite Sanctions](#)

Yandex's Russian business requires a major overhaul to "ensure it remains in private hands," the FT wrote.

“The restructuring effectively ends Yandex’s hopes of being an international internet giant, with Western investors and key partners distancing themselves from the group,” it continued.

In its third-quarter report in early November, Yandex acknowledged an “exceptionally challenging environment” for its business amid Western sanctions and said the future remained “uncertain.”

This summer, Yandex said it was selling its search engine — the largest in the Russian-language world — to the government-controlled VK group, which owns the country’s largest social network, VKontakte.

The anticipated overhaul comes three years after Yandex [agreed](#) to another restructuring plan that increased the Kremlin’s influence over the company and prevented it from falling under foreign control.

Both Kudrin and Volozh privately oppose the war in Ukraine, according to people close to the figures cited by the FT. Volozh lives in Israel and has not returned to Russia since the invasion of Ukraine began.

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