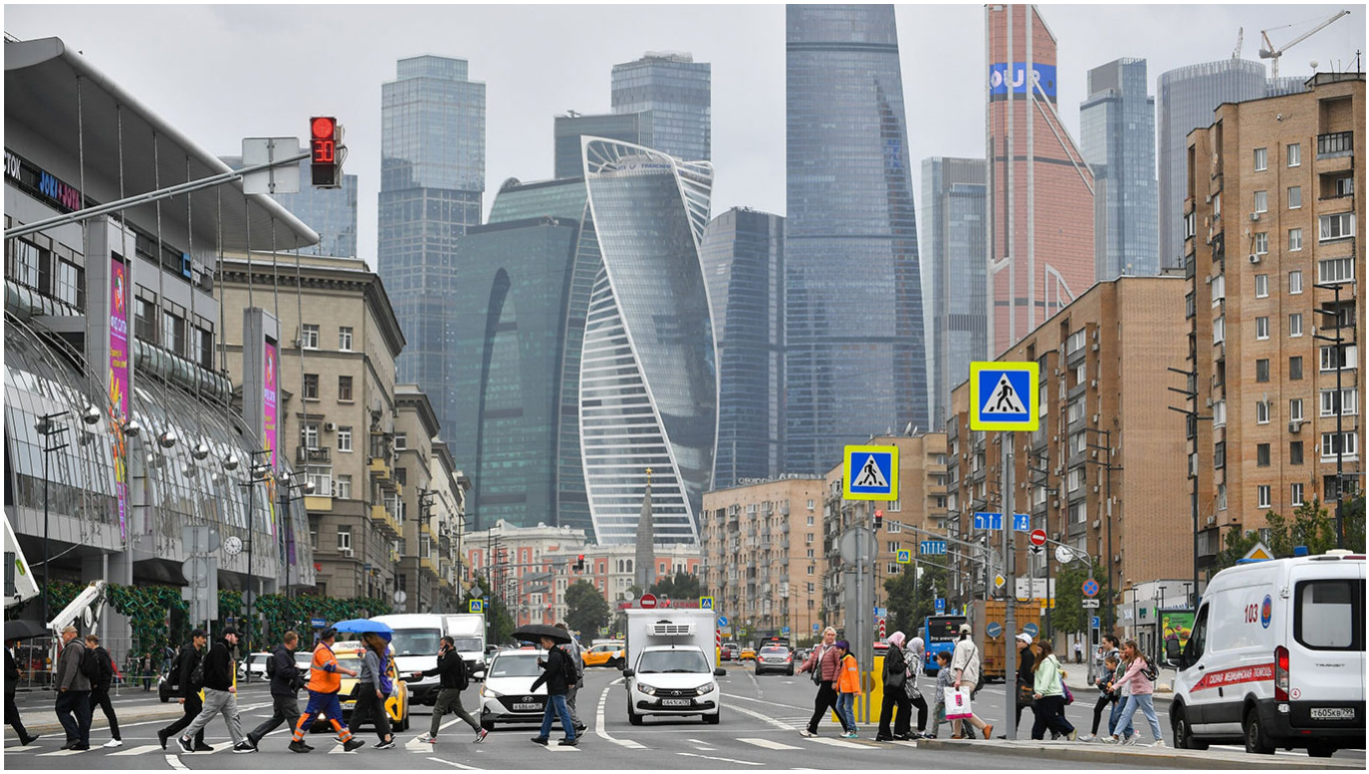
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# Russia Tightens Exit Rules for Foreign Businesses – Vedomosti

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A view of Moscow City business district. **Sergei Kiselev / Moskva News Agency**

Russian authorities have drafted a 10-point list of requirements that would complicate foreign businesses' exit from and potential return to Russia, the Vedomosti business daily reported Friday.

If a company is owned by an individual or parent from Russia's list of "unfriendly" countries, the proceeds from its sale to Russian owners may not be transferred abroad, according to a July 7 ruling by Russia's commission on foreign investments cited by Vedomosti.

The list of "unfriendly" countries mainly consists of Western nations that have sanctioned Russia over its invasion of Ukraine.

Foreign companies are also barred from including buyback options on the sale of their Russian assets for two or more years, the publication reported.

Companies with buyback options already in place would be required to pay a market price and

take into account “economic benefits” for current Russian owners if they choose to return to the market.

Foreign companies must “understand what they’re losing” by pulling out of Russia, Vedomosti quoted an anonymous source close to the government as saying.

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Another commission rule requires new owners to place up to 20% of the purchased assets on the Russian stock market within a year and finish the listing within three years.

Many of the listed requirements are already in place, Vedomosti reported.

The Kremlin on Friday characterized its exit rules for foreign companies as “retaliatory measures.”

Since December, Russia has forced foreign companies to sell their assets to Russian buyers at a 50% discount and charged them an exit fee of at least 10% of the transaction value.

Moscow revised rules in late March imposing a direct donation to state coffers, exposing foreign companies to criticism that their exits would help fund Russia’s war effort.

The Financial Times reported in June that President Vladimir Putin had signed a confidential decree giving the Russian government priority rights to buy Western assets at knockdown prices so they could be sold at a profit.

The move was seen as another effort to complicate Western corporate exits.

FT said the Kremlin was also discussing “more draconian” nationalization measures to punish the United States and European countries that have seized Russian assets abroad.

Hundreds of mostly Western companies have either fully exited or scaled back operations in Russia following the launch of Moscow's invasion of Ukraine in February 2022.

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