

Moscow Seeks 'Super Priority' Over Exiting Strategic Foreign Companies – Interfax

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The Kremlin in Moscow. Kirill Zykov / Moskva News Agency

Russia will receive "super priority" rights in acquiring the assets of strategic foreign companies that leave the country, Interfax <u>reported</u> Monday, citing an unpublished draft presidential decree.

"Russia's preferential right to acquire shares is realized regardless of the preferential rights of other persons," the text reportedly reads.

The list of strategic companies <u>includes</u> around 200 entities, among them are the recently seized Russian assets of the French food corporation Danone and the Finnish energy company Fortum.

In addition to strategic firms, President Vladimir Putin's decree purportedly says state priority rights also extend to companies that have shares owned by the federal government.

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Russia's Finance Ministry previously told Interfax that the draft decree is waiting for approval in the cabinet of ministers.

Moscow has repeatedly threatened to seize control of Western businesses in Russia since invading Ukraine in 2022.

After limiting the seizures to energy companies like Fortum and Germany's Uniper, Putin moved this month to take over the Russian assets of Danone and the Danish brewer Carlsberg and hand them to Kremlin loyalists.

Companies from so-called "unfriendly" countries — mostly Western nations that have condemned Moscow over its invasion — currently need to secure approval from a government commission to sell their Russian assets.

Those operating in strategically important sectors — such as energy — require Putin's personal approval for selling off assets.

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.

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