

Huge Investment Opportunities in Russia for International Investors supported by Damalion Russia desk

Since 1986, many companies have successfully established their presence as a result of encouragement by the Soviet government started encouraging foreign investors to seek ventures in various industries with local partners.

Luxembourg, Luxembourg, Nov 1, 2021 ([Issuewire.com](https://www.issuewire.com)) - At present, Russia is among the top 20 exporters and importers in the world in terms of dollar volume. Despite several economic downturns and a tumultuous political landscape, Russia still remains a very attractive country for foreign investors when compared to competing for emerging markets like Brazil and Nigeria. Damalion Russia desk has been launched to increase business success for foreign investors wishing to build up sustainable business in Russia.

What makes Russia an attractive place for business among foreign investors?

What was once a command economy overruling the largest country in the world ultimately transformed into a free-market system following the breakup of the Soviet Union in 1991. With Russia's value proposition consisting of its highly educated workforce, a well-developed industrial sector, appealing tax structure, private spending capacity, and vast natural resource base, the country promises huge growth potential for local and foreign investors alike.

The Impact of the Coronavirus Pandemic on International Companies

Despite the rapid onslaught of challenges brought about by the recent investment downturn, falling oil prices, declining household incomes, and the COVID-19 pandemic, almost 92% of international companies firmly believe that Russia is an interesting place to establish a business in various key industries. In fact, a large percentage of companies regard Russia as a key market year after year. As a sign of the trust and confidence of foreign investors, almost 76% of international companies that have successfully established their brand in Russia provided up to USD 15.5 million worth of financial assistance to medical, social, and charitable organizations to effectively deal with the COVID-19 pandemic.

Existing foreign companies managed to cope well despite pandemic restrictions by shifting employees to remote or work-from-home setups. The Russian authorities have been supportive of international businesses that have suffered as a result of the pandemic while ramping up their efforts of vaccinating their citizenry.

There are still many regulatory barriers prevailing in Russia. Laws that relate to doing business in Russia change constantly while some legislations are less developed than others. Efforts are made by international companies to stay in direct and open dialogue with the government, so they can adapt accordingly and stay profitable running full operations in the country.

Double Tax Treaties with Other Countries

The extensive network of Double Tax Treaties (DTA) Russia engaged in are extremely useful among foreign companies. It protects international trade businesses from being simultaneously taxed in two countries. The Federal Tax Service of Russia has enacted clauses that allow for the reduction of income tax, VAT, and other tax obligations between other treaty member nations. Double tax treaties

implemented by Russia open new markets as they reduce the overall tax burden for anyone who wishes to grow their company in the former Soviet Republic.

Companies need to build a smart and realistic strategy under these challenging conditions to achieve long-term success when doing business in Russia. Damalion, an independent consulting firm located in Luxembourg has set up a Russia desk in association with distinctive experts located in Russia. The firm leverages its vast network and long-term relationship with seasoned professionals, accounting firms, law firms, and financial advisors to guarantee a successful business [set-up and development of Russian companies](#) on behalf of foreign investors.

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