

Russia is making a move to support technology companies

On April 27, 2023, the Government of the Russian Federation submitted to the State Duma a draft federal law “On the Development of Technology Companies in the Russian Federation” (the “Project”). The Project provides definitions for innovative technology, technology companies, and small technology companies.

In particular, “**innovative technology**” is defined as:

“A combination of intellectual activities used for the development and/or production of new or significantly improved products (services, works), as well as providing economic efficiency for the use of such products (services, works), increasing labor productivity and/or creating new markets for goods, works, and services.”

A “**technology company**” is defined as:

“A commercial organization that creates and/or applies innovative technologies in the development and/or production of products (services, works) within the framework of the main type of economic activity included in the list of main types of economic activity [defined by the Government of the Russian Federation].”

To meet the definition of a “**small technology company**,” a technology company must meet several criteria, including not exceeding the maximum revenue limit to be established in the future, engaging in activities included in the established list, and having the ability to apply (implement) innovative technologies.

According to the Project, a registry of small technology companies will be created to ensure their development and government support. The registry will include information about each company that meets the criteria, its technologies, and its products (works and services). Inclusion of the applicant company in the registry of small technology companies will be based on expert examination. The explanatory note to the Project highlights three potential groups of small technology companies: with revenue from 0 to 300 million rubles, from 300 million rubles to 2 billion rubles, and from 2 billion to 4 billion rubles.

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Our company specializes in providing services to technology companies and startups (see [tab](#)). For any questions, please contact us at info@danilovpartners.co.