

Introduction

Russia is a country located in northern Eurasia bordering the Arctic Ocean between Europe and the North Pacific Ocean. Neighboring countries include Azerbaijan, Belarus, China, Estonia, Finland, Georgia, Kazakhstan, North Korea, Latvia, Lithuania, Mongolia, Norway, Poland, and Ukraine. The geography is diverse and includes vast forests and tundra in Siberia



and mountains along the southern borders. The government system is a federation; the chief of state is the president, and the head of government is the premier. Russia has transitioned from a centrally-planned economy to a more market-based economy in which many state-controlled firms have been privatized and sectors of the economy are liberalized. Russia is a member of the Asia-Pacific Economic Cooperation (APEC) and the Eurasian Economic Union (EAEU).



Location: Eastern Europe

Capital City: Moscow (+3 GMT)

Chief of State: President Vladimir Vladimirovich Putin

Head of Govt.: Premier Mikhail Mishustin

Currency: Rubles (RUB)

Major Languages: <p>Russian (official) 85.7%, Tatar 3.2%, Chechen 1%, other 10.1%; note - data represent native language spoken (2010 est.)</p>

Primary Religions: <p>Russian Orthodox 15-20%, Muslim 10-15%, other Christian 2% (2006 est.)</p>

Calling Code: 7

Voltage: 220

Key Websites

Main Government Page: government.ru

Commerce Ministry: economy.gov.ru

Key Economic Facts

Income Level (by per capita GNI):	High Income
Level of Development:	In Transition
GDP, PPP (current international \$):	\$5,326.85 billion (2022)
GDP growth (annual %):	-2.07% (2022)
GDP per capita, PPP (current international \$):	\$36,484.68 (2022)
External debt stocks, total (DOD, current US\$):	\$481,418,073,713.00 (2021)
Manufacturing, value added (% of GDP):	12.84% (2022)
Current account balance (BoP, current US\$):	\$233.02 billion (2022)
Inflation, consumer prices (annual %):	6.69% (2021)
Labor force, total:	73,367,843 (2021)
Unemployment, total (% of total labor force) (modeled ILO estimate):	4.72% (2021)
Imports of goods and services (current US\$):	\$349.17 billion (2022)
Exports of goods and services (current US\$):	\$631.55 billion (2022)

GDP Composition %

Agriculture Services Industry Manufacturing



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	134 / 178
EY Globalization Index	48 / 60
Global Competitiveness Index	43 / 141
Global Enabling Trade Index	111 / 136
Global Manufacturing Competitiveness Index (GMCI)	32 / 40
Global Services Location Index	21 / 60
Index of Economic Freedom	125 / 176
International Logistics Performance Index (LPI)	75 / 160
Inward FDI Potential Index	20 / 139
KOF Index of Globalization	48 / 185
Networked Readiness Index (NRI)	41 / 139
Open Budget Index	13 / 114

Risk Assessment (Provided by Coface)

Country rating: D - A high-risk political and economic situation and an often very difficult business environment can have a very significant impact on corporate payment behavior. Corporate default probability is very high.

Business Climate rating: D - The business environment is very difficult. Corporate financial information is rarely available and when available usually unreliable. The legal system makes debt collection very unpredictable. The institutional framework has very serious weaknesses. Intercompany transactions can thus be very difficult to manage in the highly risky environments rated D.

Strengths

- Abundant natural resources (oil, gas, wood, cereals and metals)
- Market size and skilled labor force
- Low debt level, but the macroeconomic stability is expected to deteriorate due to sanctions
- Digitalization and innovation capacity

Weaknesses

- Harsh and numerous sanctions were implemented on the country after the Russian invasion of Ukraine
- Dependence on hydrocarbon (39% of GDP) prices
- Declining demographics
- No trade agreements beyond the neighborhood
- Dependence on foreign technology
- Weak infrastructure aggravated by the lack of investment
- Heavy social security contributions (30% of salaries) favoring informality
- Institutional and governance weaknesses (insolvency treatment, property rights, corruption), weak investment climate

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