

Russian export support

In the current macroeconomic conditions, export support is one of the strategically important and priority areas for Russia as it contributes to the overall economic growth and thus has a favorable impact on the living standards of the population.

The Government of the Russian Federation promotes in every possible way the development of international relations; develops various instruments of the governmental financial support of exports and export activities, including subsidy programs implemented with the participation of commercial banks.

The list of the main government export subsidy programs:

- **The subsidy program of the Ministry of Economic Development of the Russian Federation** aimed at bank financing of Russian manufacturers and exporters as well as foreign buyers for the purpose of implementing export projects, including investment projects, on preferential terms (approved by Resolution of the Government of the Russian Federation No. 620 dated May 16, 2017)
- **The subsidy program of the Ministry of Industry and Trade of the Russian Federation** aimed at bank financing of Russian manufacturers and exporters as well as foreign buyers of industrial products for the purpose of implementing export projects, including investment projects, on preferential terms (approved by Resolution of the Government of the Russian Federation No. 191 dated February 23, 2019)
- **The subsidy program of the Ministry of Agriculture of the Russian Federation** aimed at bank financing of Russian manufacturers of agricultural products for the purpose of implementing export projects, including investment projects, on preferential terms (approved by Resolution of the Government of the Russian Federation No. 512 dated April 26, 2019)

It should be noted that subsidized loans may be extended to large businesses and to SMEs.

The Bank participates actively in the above subsidy programs, cooperates closely with the ministries responsible for their implementation, inter alia, contributes to the development of new support programs and to the alternation of the existing programs based on requests and comments of the existing and potential customers of the Bank.

When organizing export financing, the Bank consults its customers in many aspects, educates them about the modern risk management tools, cash flows, and helps them word the terms and conditions of export contracts. MKB also takes part in negotiations and conclusion of export contracts, thus contributing to the optimization and standardization of export projects.

Within the frames of the subsidized transactions, the Bank follows the «single-window» principle and renders its customers the whole range of services—from initial consulting and preparing the customer for joining the program as well as ensuring the inclusion of the transaction in the register of the subsidized transactions to the actual loan support and communicating the customer's opinion on the subsidy mechanisms to the administrators of subsidy programs.

MKB also holds awareness-raising and training activities for the companies that are exporters, producers, and buyers of Russian products to clarify the terms of subsidy programs, thus assisting many companies in extending their opportunities and prospects in the implementation of export projects by means of cheaper financing.

As a result of active participation of the Bank in subsidy programs in 2019, the total amount of loans extended on preferential terms reached RUB 25 billion.