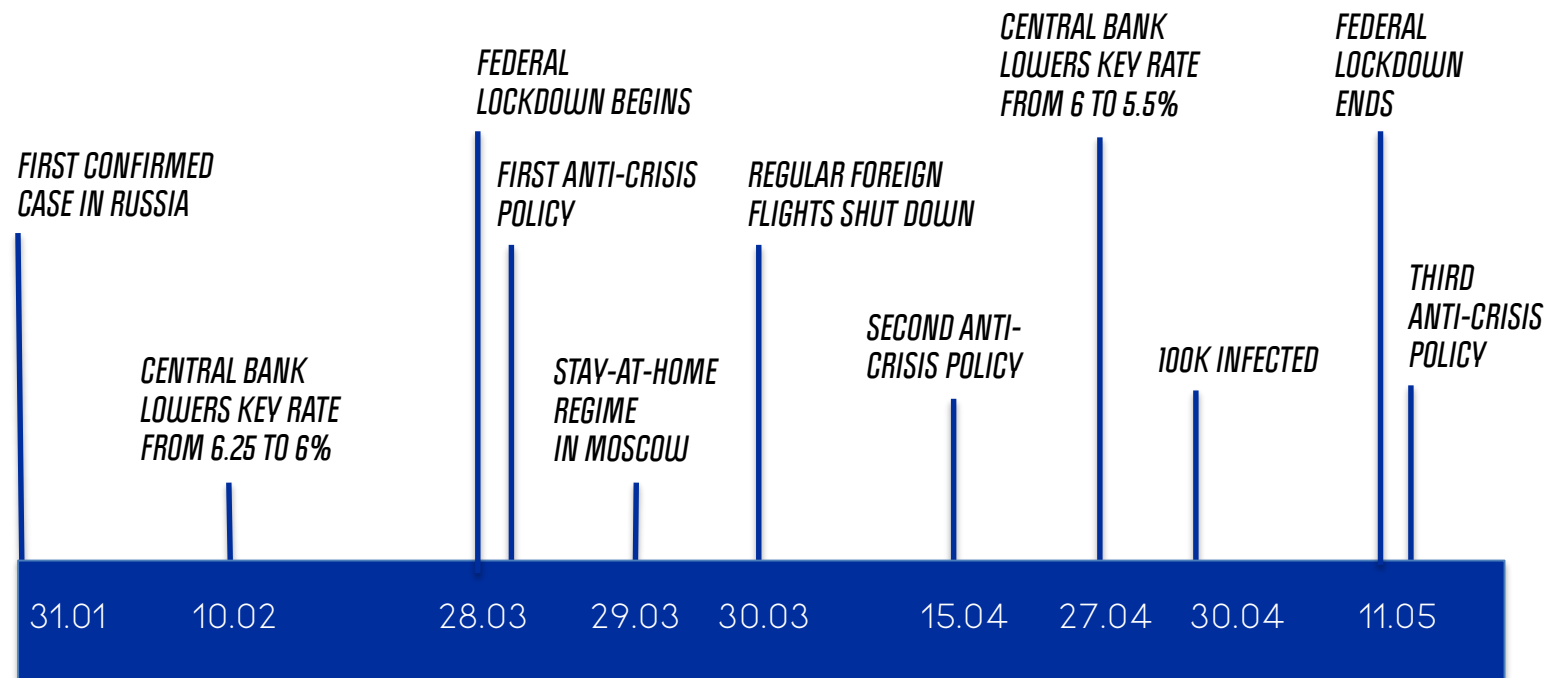


RUSSIA RESPONDS TO COVID-19

KEY ANTI-PANDEMIC MEASURES TO SUPPORT BUSINESSES, INDUSTRIES AND THE PEOPLE



SUPPORT FOR BUSINESSES

- Budget grants for SMEs in affected industries to cover salaries at the rate of one minimum salary per employee for two months plus zero-interest loans for all enterprises in affected industries to pay minimum wages for 6 months
- Interest rate subsidies for SMEs and systemically important enterprises
- Guaranteed loans to SMEs and affected industries
- Tax deferrals for most affected companies on most taxes
- Bankruptcy moratorium for systemically important enterprises
- Deferrals on social contributions for SMEs in affected sectors for 6 months
- Social contributions by SMEs on wages in excess of the minimum wage permanently reduced from 30 to 15 percent
- Deferrals on rent payments to all levels of government until the end of the year plus zero rent to the federal government for three months for SMEs in affected sectors
- Cancelled inspections, including tax and customs
- Remote licensing and permits, default extension of existing ones
- Employment support: state guarantee loan to companies eligible for write-off if a minimum of 90% staff retain positions
- Total tax write-off (except VAT) for Q2 2020 for SMEs in affected industries, social NGOs, and the self-employed

SUPPORT FOR INDUSTRIES

- The most impacted industries and systemically important enterprises have been identified and are receiving priority aid
- Subsidies to air carriers and airports
- Subsidies to travel companies
- Tax deferral and loan interest compensation for the hotel business
- Zero import duties for pharmaceuticals and medical supplies and equipment

SUPPORT FOR INDIVIDUALS

- Lump-sum payment for every child 3-16 (RUB 10k)
- Doubled minimum child care benefit
- Self-employed: 2019 taxes will be returned and the State will provide an upfront advance of 1 minimum wage for the purpose of 2020 tax payment
- Parliament passed a bill granting affected citizens and SMEs deferrals of loan payments for up to six months
- Cancellation of add-ons to risk weights for mortgage loans issued before April 1
- Unemployment benefits for a minimum of three months, including the self-employed
- Quarantined individuals to receive sick leave benefits and sick leave pay to equal at least the minimum wage until the end of 2020
- Increased compensation for medical staff as well as health and safety inspectors
- All children up to 3 years of age in families eligible for maternity capital to receive an additional lump-sum benefit for 3 months, starting in April, and all families with children to receive an additional lump-sum benefit for each child for 3 months if parents are laid off
- Motor vehicle inspection term extended for private cars
- Aid in transporting Russian citizens home from abroad (chartered flights)
- Relief payments to citizens stuck abroad
- Remote bank account opening (for selected types of transactions)

SUPPORT FOR THE FINANCIAL SECTOR

- Banks and other financial institutions have been allowed to value securities at their price from March 1
- FX operations can be valued at the exchange rate of March 1, except for those on open forex positions
- The Deposit Insurance Fund contribution will be reduced from 0.15 percent to 0.1 percent through end-2020
- CBR approved measures to ease liquidity regulations for systemically important credit institutions
- Scheduled bank and non-bank inspections postponed to 1 July 2020 and after
- Supervisory enforcement terms prolonged
- Penalties for bank and non-bank reporting delays cancelled
- New M&A reserve procedures postponed
- Supervisory reserve investment requirements for insurance companies and NPFs reduced
- Financial companies have been advised to postpone 2019 dividend payment decisions to August-September 2020

GlobalRegulation@ac-forum.ru