

On April 15, during a live broadcast, Russian President Vladimir Putin announced new measures to support business:

1. Direct non-reimbursable financial assistance for SMEs from sectors affected by the pandemic.

The funds allocated by the state can be used to maintain the level of wages, to pay salaries in April and May. The money will be allocated to companies from the industries affected by COVID-19 in addition to the support already provided. The amount of funds provided to the company will be calculated based on the number of its employees as of April 1, 2020, based on the minimum wage (12,130 RUB) per employee. It will be possible to send a request for such assistance within a month from May 1, including remotely. The only prerequisite and requirement for the company is to maintain the maximum number of employees (at least 90% of the April level). Financial support for April will be credited to the organization's account starting May 18. Funds for May will be credited in June. The SME organizations affected by the pandemic (companies in the field of public catering, tourism, and hospitality) will also include those that trade in non-food products.

2. Interest-free loans for the payment of wages will be secured by Vnesheconombank guarantees and will also be available to medium and large businesses.

Due to the fact that interest-free loans for salary issuance have proved ineffective (since banks are reluctant to meet the borrower's requirements and it is difficult to get a loan), 75% of the volume of such salary loans should be secured by Vnesheconombank guarantees. This will reduce risks for commercial banks and increase the availability of credit resources. In addition, such loans will be available to medium and large enterprises in the affected sectors of the economy.

3. New special loan product for systemically important enterprises.

Soft loans for working capital replenishment will be available to systemically important enterprises. The rate on such loans will be subsidized by the state in the amount of the Bank of Russia key rate. The real cost of the loan today will be 6% less than the current market rate. In addition, half of the loan will be secured by state guarantees of the Ministry of Finance of the Russian Federation. The list of systemically important enterprises is currently being updated.