



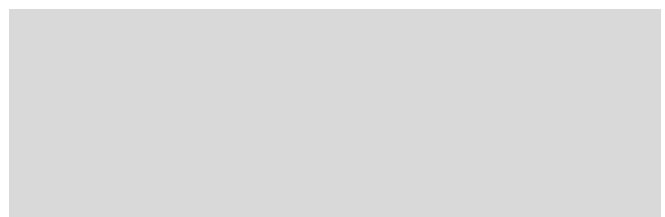
Association
of European
Businesses



REVIEW


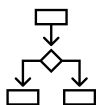

GOVERNMENT MEASURES TO SUPPORT BUSINESSES DURING THE COVID-19 PANDEMIC


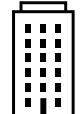

Sectoral perspective

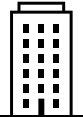
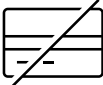




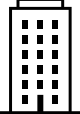
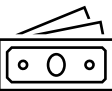


I FEDERAL SUPPORT MEASURES


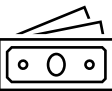
CATEGORY	MEASURES	LEGAL REFERENCE
1. ALL TYPES OF ENTERPRISES INCLUDING SMES		
TAXES 	<ul style="list-style-type: none"> → When calculating income tax, expenses for medical masks and test systems will be deducted. → For all taxpayers, the deadline for reporting to the Federal Tax Service is extended by up to 3 months. → A moratorium has been introduced on the imposition of tax sanctions for failure to submit documents whose deadline for submission falls in the period from 1 March 2020 to 1 June 2020. → The time for submission of explanatory documents to the Federal Tax Service has been extended. 	<p><u>Federal Law No. 121-FZ dated 22 April 2020</u></p> <p><u>Decree of the Government No. 409 dated 2 April 2020</u></p> <p><u>Federal Law No. 102-FZ dated 1 April 2020</u></p>
PROCEDURES 	<ul style="list-style-type: none"> → The marketing authorisation of new drugs is being simplified: <ul style="list-style-type: none"> ✓ The possibility of a simplified procedure for the marketing authorisation of new drugs in Russia is being introduced. This will accelerate the market authorisation of new products in epidemic conditions to the maximum extent. ✓ It is permitted, where necessary, to procure medicines from a single supplier. ✓ The procedure for admitting private medical institutions to compulsory health insurance is being simplified. → The validity of permits has been extended and other features of licensing activities in 2020 have been established. 	<p><u>Decree of the Government No. 229 dated 18 March 2020</u></p> <p><u>Decree of the Government of the Russian Federation No. 440 dated 3 April 2020</u></p>
LOANS 	<ul style="list-style-type: none"> → Government security for loans to businesses: <ul style="list-style-type: none"> ✓ A law on the possibility of providing state guarantees of the Russian Federation, securing the fulfilment of obligations under loan agreements, has been adopted. → Soft loans for the production of medical products: <ul style="list-style-type: none"> ✓ Companies manufacturing equipment and products for the prevention and treatment of epidemic diseases may receive a soft loan in the amount of RUB 50 to 500 million for up to 2 years. → A subsidy was approved for the purpose of launching a credit programme with a preferential interest rate of 2%. <ul style="list-style-type: none"> ✓ RUB 5.7 billion will be allocated to banks that joined the soft business and NPO (non-profit organisation) loan programme at a rate of 2% to recover their lost profits. ✓ The total volume of loans granted is expected to be at least RUB 248 billion. ✓ Such loans will be available to companies in the industries suffering from the consequences of COVID-19, as well as socially oriented 	<p><u>Federal Law No. 120-FZ dated 22 April 2020</u></p> <p><u>Conditions and procedure for selecting projects for financing under the Counteracting Epidemic Diseases programme</u></p> <p><u>Decree of the Government of the Russian Federation No. 685 dated 15 May 2020, Decree of the Government of the Russian Federation No. 696 dated 16 May 2020, Order of the Government of the Russian Federation No. 1286-r dated 16 May 2020</u></p>

	<p>NPOs. In addition to the preferential rate, they will be able to take advantage of special repayment conditions.</p> <ul style="list-style-type: none"> ✓ For those enterprises that retain at least 90% of employees, the loan will be written off together with the interest—the entire amount will be paid by the state. If at least 80% of employees remain on staff, the company will have to repay only half of the loan and interest thereon. <p>→ The maximum amount of a mortgage loan was increased, in relation to which the borrower will have the right to request a grace period from the creditor.</p>	<p><u>Decree of the Government of the Russian Federation No. 478 dated 10 April 2020</u></p>
<p>CUSTOMS AND LOGISTICS</p> 	<p>→ A number of changes have been introduced with regard to vehicle inspection:</p> <ul style="list-style-type: none"> ✓ The frequency of vehicle inspections has been reduced. ✓ Technical inspection reform has been postponed to 1 March 2021. ✓ A moratorium on fines for failure to pass technical inspections has been introduced. <p>→ The introduction of a number of new rules and requirements has been postponed to a later date:</p> <ul style="list-style-type: none"> ✓ The introduction of new requirements for equipping buses and trucks with a GLONASS system has been postponed. ✓ Mandatory certification of vehicles intended for the transportation of dangerous goods has been postponed. ✓ The introduction of a requirement for the use of buses manufactured no more than 10 years ago for transportation of groups of children has been postponed. <p>→ Customs duties for food products have been reduced to zero. No customs duty is levied within the EAEU for the importation of a number of food products.</p> <p>→ Weight restrictions for freight vehicles transporting essential goods have been lifted.</p> <p>→ Customs duties on medicines and medical devices aimed at preventing the spread of coronavirus have been abolished. No confirmation of compliance with technical regulations and sanitary measures for their import is required.</p>	<p><u>Federal Law No. 98-FZ dated 1 April 2020</u></p> <p><u>Decree of the Government No. 597 dated 28 April 2020</u></p> <p><u>Resolution of the Council of the Eurasian Economic Commission No. 33 dated 3 April 2020</u> <u>Order of Rostransnador No. VB-101-r(fs) dated 19 March 2020</u></p> <p><u>Resolution of the Council of the Eurasian Economic Commission No. 21 dated 16 March 2020</u></p> <p><u>Resolution of the Council of the Eurasian Economic Commission No. 38 dated 8 April 2020</u></p>
<p>RENT</p> 	<p>→ Lessors will be able to enjoy a deferral in the payment of certain taxes and advance tax payments.</p> <ul style="list-style-type: none"> ✓ This support measure is available to those who have granted a deferral in rent payment to the user of the premises. In addition, the lessor shall be the owner of the relevant property and its main activity shall comply with OKVED code 68.2 "Rent and management of owned or leased real estate". ✓ The deferral shall not apply to VAT, mineral extraction tax, excise taxes and insurance contributions. ✓ The new measure will support rental market participants suffering losses due to the epidemiological situation. 	<p><u>Decree of the Government of the Russian Federation No. 699 dated 16 May 2020</u></p>
<p>STATE GUARANTEES</p> 	<p>→ Provision of state guarantees for enterprises suffering from the pandemic</p> <ul style="list-style-type: none"> ✓ The Government has the right to provide state guarantees under any conditions not contradictory to the Budgetary Code and without 	<p><u>Federal Law No. 155-FZ dated 25 May 2020</u></p>

	<ul style="list-style-type: none"> ✓ if the deadlines for paying rent are violated, no fines, interest, etc. will be applied; ✓ if utility payments are included in the contract, they must be paid unless the landlord is exempt from paying for such services for the duration of the high alert; ✓ for the duration of the high alert, the full amount of the rent may be deferred; ✓ rental arrears must be paid during 2021–2022 monthly in equal amounts; ✓ when the state of high alert ends, payment of 50% of the rent may be deferred until 1 October. 	<p><u>Decree of the Government No. 440 dated 3 April 2020</u></p> <p><u>Order of the Government No. 670-r dated 19 March 2020</u></p>
<p>BANKRUPTCY MORATORIUM</p> 	<ul style="list-style-type: none"> → Acceptance of applications for a debtor's bankruptcy from creditors is being suspended. → Legal proceedings on accepted cases where the bankruptcy procedure has not been started yet are being suspended. → A debtor is no longer obliged to go to court in the case of signs of bankruptcy; however, the debtor reserves the right to do so. 	<p><u>Federal Law No. 98-FZ dated 1 April 2020</u></p> <p><u>Decree of the Government No. 428 dated 3 April 2020</u></p> <p><u>Decree No. №729 dated 22 May 2020</u></p>
<p>2.2 ENTERPRISES FROM THE MOST AFFECTED SECTORS – SMALL AND MEDIUM ENTERPRISES (SMEs)</p>		
<p>TAXES</p> 	<ul style="list-style-type: none"> → Deferral of tax and insurance contributions is being provided: <ul style="list-style-type: none"> ✓ six-month deferral on paying any taxes, except for VAT; ✓ six-month deferral on paying insurance contributions. → Suspension of collection measures: <ul style="list-style-type: none"> ✓ no collection measures will be applied for already existing tax arrears; ✓ a ban is being introduced on decisions to suspend operations on accounts to enforce a resolution on the collection of taxes, levies, insurance contributions, interests and/or fines. → Exemption of subsidies for private entrepreneurs from personal income tax <ul style="list-style-type: none"> ✓ Exemption of income in the form of subsidies received from the federal budget in connection with the unfavourable situation connected with the coronavirus infection from personal income tax. 	<p><u>Decree of the Government No. 409 dated 2 April 2020</u></p> <p><u>Federal Law No. 102-FZ dated 1 April 2020</u></p> <p><u>Decree of the Government No. 409 dated 2 April 2020</u></p> <p><u>Letter of the Federal Tax Service No. ED-20-8/53@ dated 27 April 2020</u></p> <p><u>Federal Law No. 121-FZ dated 22 April 2020</u></p>
<p>LOANS</p> 	<ul style="list-style-type: none"> → Repayment holidays are being introduced: <ul style="list-style-type: none"> ✓ Entrepreneurs can get a loan deferral for 6 months and count on a reduction in the amount of deferred debt at the expense of federal subsidies for banks if the credit institution participates in the programme of the Ministry of Economic Development of the Russian Federation. → Interest-free salary loans are being provided: <ul style="list-style-type: none"> ✓ Businesses from the most affected sectors may be provided with an interest-free bank loan for six months to pay salaries to employees. The security for the loan is provided by the guarantee of VEB (up to 75%). For the first six months, the interest rate on the loans is 0%; the next six months, the rate shall be determined as the key rate of the Bank of Russia reduced by 2 p.p. 	<p><u>Decree of the Government No. 478 dated 10 April 2020</u></p> <p><u>Decree of the Government No. 435 dated 3 April 2020</u></p> <p><u>Federal Law No. 106-FZ dated 3 April 2020</u></p> <p><u>Decree of the Government No. 422 dated 2 April 2020</u></p>

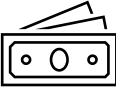
<p>RENT</p> 	<p>→ Small and medium enterprises, as well as socially oriented non-profit organisations (NPOs), will be able to repay rent arrears for the use of state property within two years—from 1 January 2021 to 1 January 2023.</p> <ul style="list-style-type: none"> ✓ In addition, the deferral of payments for the lease of state property will be prolonged for three months—up to 1 October 2020. ✓ The federal authorities will be obliged to notify lessees of these possibilities. Information will also be posted in the personal accounts of entrepreneurs on the interdepartmental portal for the administration of state property. 	<p>Order No. 1296-r dated 16 May 2020, Decree No. 704 dated 16 May 2020</p>
<p>SUBSIDIES</p> 	<p>→ Grants for paying wages and other urgent tasks in April and May are being provided:</p> <ul style="list-style-type: none"> ✓ Non-returnable payments in the amount of RUB 12,130 per employee are provided. ✓ Requirement: at least 90% of the staff as of 1 April must be retained. 	<p>List of instructions of the President following a meeting with members of the Government (approved on 21 April 2020)</p> <p>Decree of the Government of the Russian Federation No. 658 dated 12 May 2020</p> <p>Decree of the Government of the Russian Federation No. 658 dated 12 May 2020</p>

2.3 ENTERPRISES FROM THE MOST AFFECTED SECTORS – TOURISM



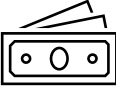
<p>LOANS</p> 	<p>→ The Bank of Russia has allowed banks to work with borrowers in the field of transport and tourism (to extend or restructure loans) without worsening assessments of their financial position. The Government, on its part, will provide state guarantees for the purpose of loan restructuring and prolongation.</p> <p>→ A procedure for the indemnification of interest on loans, including principal debt deferment, has been developed.</p>	<p>Bank of Russia Press Release dated 3 April 2020</p> <p>Bank of Russia Ordinance No. 5423-U dated 26 March 2020</p>
<p>SUBSIDIES</p> 	<p>→ Tour operators are exempted from contributions:</p> <ul style="list-style-type: none"> ✓ Tour operators are exempted from the obligation to pay into the Tourist Support Reserve Fund in 2020. ✓ Tour operators may also use the right to transfer contributions to personal liability funds (PLF) for 2021. <p>→ Tour operators shall be reimbursed for costs related to coronavirus associated with non-refundable air fares as part of tourism product:</p> <ul style="list-style-type: none"> ✓ Costs associated with non-refundable air fares included in a tourist product. ✓ Costs for transporting Russian tourists from countries where restrictions have been introduced due to the spread of coronavirus. 	<p>Decree of the Government No. 461 dated 8 April 2020</p> <p>Decree of the Government No. 576 dated 24 April 2020</p> <p>Order of the Government No. 909-p dated 7 April 2020</p> <p>Decree of the Government No. 583 dated 25 April 2020</p> <p>Decree of the Government No. 466 dated 9 April 2020</p> <p>Order of the Government No. 767-p dated 28 March 2020</p>

2.4 ENTERPRISES FROM THE MOST AFFECTED SECTORS – AIRLINE COMPANIES AND AIRPORTS



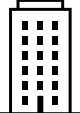

<p>SUBSIDIES</p>	<p>→ RUB 23.4 billion was allocated to support Russian airlines:</p>	<p>Decree No. 661 dated 13 May 2020</p>
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	<ul style="list-style-type: none"> ✓ The subsidy can be spent to pay wages to aviation personnel (at least 60% of the total subsidy), to make lease payments (maximum 30% of the total subsidy) or to pay for the parking of aircrafts (maximum 10% of the total subsidy), as well as on operating activities and maintenance of assets. <p>→ Support measures are being considered for reimbursing income lost due to the introduction of a temporary prohibition on international passenger air transportation.</p>	<p><u>Decree No. 761 dated 27 May 2020</u></p>
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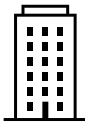
3. SYSTEMATICALLY IMPORTANT ENTERPRISES

<p>BANKRUPTCY MORATORIUM</p> 	<ul style="list-style-type: none"> → Acceptance of applications for a debtor's bankruptcy from creditors is being suspended. → Legal proceedings on accepted cases where the bankruptcy procedure has not been started yet are being suspended. → A debtor is no longer obliged to go to court in the case of signs of bankruptcy; however, the debtor reserves the right to do so. 	<p><u>Federal Law No. 98-FZ dated 1 April 2020</u> <u>Decree of the Government No. 428 dated 3 April 2020</u></p>
<p>LOANS</p> 	<ul style="list-style-type: none"> → The subsidiaries of systemically important organisations, like their parent companies, will be able to obtain loans at a preferential rate subsidised by the state. ✓ The total amount of the loan issued to a group of companies shall not exceed RUB 3 billion and the rate thereon shall not exceed 5% per annum. The period of rate subsidisation is limited to 12 months from the date of entry into a loan agreement. ✓ New criteria for selection of borrowers are being introduced. Companies with at least a 30% reduction in revenue in Q2 2020 compared with the same period of 2019, as well as companies that retained at least 90% of employees out of the number as of 1 May, will be entitled to a soft loan. ✓ The loans will help to support employment at systemically important enterprises and to finance operating costs. It is planned that the total amount of the loans issued will be at least RUB 400 billion. 	<p><u>Order No. 1349-r dated 20 May 2020, Decree No. 712 dated 20 May 2020</u></p>
<p>SUBSIDIES</p> 	<ul style="list-style-type: none"> → Soft loans have been approved for systemically important companies to replenish their working capital: ✓ Allocation of subsidies in the amount of RUB 24 billion to banks for issuing soft loans to systemically important companies to replenish their working capital, as well as the rules for distributing such subsidies, were approved. ✓ Soft loans will be issued to systemically important companies for one year to maintain their working capital and preserve jobs. ✓ The preferential rate is subsidised at the Bank of Russia's key rate. 	<p><u>Federal Law No. 102-FZ dated 1 April 2020</u> <u>Order of the Government of the Russian Federation No. 1134-r dated 24 April 2020</u> <u>Decree of the Government No. 409 dated 2 April 2020</u> <u>Decree of the Government No. 651 dated 10 May 2020</u> <u>List of orders agreed upon at the meeting with the members of the Government (approved by the President on 21 April 2020)</u></p>

4. SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs)

<p>TAXES</p> 	<p>→ Insurance contributions are being reduced:</p> <ul style="list-style-type: none"> ✓ The total amount of insurance contributions shall be reduced from 30 to 15% for wages exceeding the minimum monthly wages during the month. ✓ The rate of contributions to the Pension Fund of Russia will be 10% and the rate contributions to the Compulsory Health Insurance Fund will be 5%. ✓ Contributions to the Social Security Fund (for disability and maternity) shall not be paid. <p>→ The following subsidies will not be taken into account in determining the income tax base of small and medium-sized enterprises:</p> <ul style="list-style-type: none"> ✓ When determining the income tax base of small and medium-sized enterprises, the subsidies which they have received from the budget to overcome the consequences of the spread of COVID-19 will not be taken into account. 	<p><u>Federal Law No. 102-FZ dated 1 April 2020</u></p> <p><u>Federal Law No. 121-FZ dated 22 April 2020</u></p>
<p>LOANS</p> 	<p>→ The soft lending programme is being expanded:</p> <ul style="list-style-type: none"> ✓ Requirements for borrowers shall be simplified. ✓ Tax, charge and wage arrears shall not be taken into account. ✓ The programme shall include micro-enterprises operating in the field of trade. ✓ Loans for current needs and investment ideas can now be refinanced. 	<p><u>Decree of the Government No. 372 dated 31 March 2020</u></p> <p><u>Decree of the Government No. 378 dated 31 March 2020</u></p>
<p>RENT</p> 	<p>→ Small and medium-sized enterprises received a possibility of a temporary deferment of rental payments.</p> <p>A decision was made on the possibility to conclude supplementary agreements to state property lease contracts concluded with small and medium-sized enterprises, stipulating a delay in rental payments in 2020.</p>	<p><u>Order of the Government of the Russian Federation No. 670-p dated 19 March 2020</u></p>
<p>PROCEDURES</p> 	<p>→ Federal Law No. 44-FZ was amended to ease the burden on public procurement participants: procurement procedures have been simplified and the amount of contract security has been reduced.</p> <p>→ On-site audits of small and medium-sized enterprises shall be suspended until the end of 2020.</p> <p>→ All licences and permissions shall be extended for six months automatically.</p> <p>→ Individual entrepreneurs or legal entities that are SMEs shall be able to open a bank account without the personal presence of the person/entity opening the account or their representative.</p>	<p><u>Federal Law No. 124-FZ dated 24 April 2020</u></p> <p><u>Decree of the Government No. 443 dated 3 April 2020</u></p> <p><u>Federal Law No. 102-FZ dated 1 April 2020</u></p> <p><u>Decree of the Government No. 409 dated 2 April 2020</u></p> <p><u>Decree of the Government No. 440 dated 3 April 2020</u></p> <p><u>Bank of Russia Information Letter No. IN-014-12/74 dated 17 April 2020</u></p>

5. SELECTIVE ECONOMIC SECTORS		
5.1 AGRIBUSINESS		
LOANS 	<p>→ The Government expanded the access of agricultural enterprises to soft loans.</p>	<p><u>Decree No. 748 dated 26 May 2020 года</u></p>
5.2 AUTOMOTIVE INDUSTRY		
FINANCIAL SUPPORT 	<p>→ RUB 25 billion were allocated for various measures supporting the Russian car manufacturers that have suffered losses due to the spread of COVID-19:</p> <ul style="list-style-type: none"> ✓ RUB 5 billion were intended for the purchase of ambulances, RUB 7 for loan subsidies, RUB 8.5 for preferential lease arrangements, including the "Affordable Lease" state programme. An additional amount of RUB 4.5 billion will be spent to subsidise the loans for acquisition of vehicles for public needs. 	<p><u>Order of the Government dated 22 May 2020 No. 1374-r</u></p>
5.3 FINANCIAL INSTITUTIONS		
SUPPORT FOR COLLECTIVE INVESTMENT MARKET 	<p>→ The entry into force of new requirements for the investment of funds of pension reserves has been postponed until 1 January 2021.</p> <ul style="list-style-type: none"> ✓ The deadline for decreasing concentration limits when investing funds of pension reserves of non-government pension funds and assets of unit investment funds has been postponed for one year. ✓ The stress testing rules for non-governmental pension funds have been simplified. ✓ Non-governmental pension funds have been allowed not to bring the portfolios of pension reserves and pension savings into line with stress testing requirements until 1 January 2021. 	<p><u>Bank of Russia Letter No. 015-54/2082 dated 20 March 2020</u></p> <p><u>Bank of Russia Letter No. 015-55/2060 dated 23 March 2020</u></p> <p><u>Bank of Russia Information Letter No. IN-015-55/50 dated 6 April 2020</u></p>
SUPPORT FOR INSURANCE MARKET 	<p>→ Insurance companies will not be subject to enforcement actions if the following violations are detected:</p> <ul style="list-style-type: none"> ✓ Breach of the requirement for the structure of assets in which funds of insurance reserves are invested. ✓ Breach of the requirement for the structure of assets in which the insurer's own funds (capital) are invested. ✓ Breach of the requirement for the maximum share of corporate securities in the assets in which insurance reserves are invested and in the assets in which the insurer's own funds are invested. 	<p><u>Bank of Russia Information Letter No. IN-015-53/63 dated 10 April 2020</u></p>
SUPPORT FOR CREDIT COOPERATIVES 	<p>→ It is allowed to make payments of funds to unit holders under loan agreements and to pay share contributions and accruals on share contributions at the cost of the reserve fund, provided that such transactions are classified as unforeseen expenses.</p>	<p><u>Bank of Russia Information Letter No. IN-015-44/25 dated 20 March 2020</u></p> <p><u>Bank of Russia Information Letter No. IN-015-44/82 dated 27 April 2020</u></p>

<p>SUPPORT FOR BANKS</p> 	<ul style="list-style-type: none"> → Lowering of requirements for credit risk assessment to free up capital of banks and to enable additional lending opportunities for the real economy sector. → Federal subsidies for the reimbursement of the shortfall in income under loans issued in 2020 to systemically important organisations for the replenishment of their working capital. 	<p><u>Bank of Russia Information Letters</u></p> <p><u>Decree of the Government No. 582 dated 24 April 2020</u></p>
<p>RULE RELAXATION</p> 	<ul style="list-style-type: none"> → Completion or suspension of audits of credit institutions and non-bank financial institutions, postponement of scheduled audits. → Suspension of implementation of contact-related activities of preventive behavioural supervision. → Extension of the deadlines of supervisory orders and requests. 	<p><u>Bank of Russia Letter No. 015-54/2082 dated 20 March 2020</u></p> <p><u>Bank of Russia Letter No. 015-55/2060 dated 23 March 2020</u></p> <p><u>Bank of Russia Information Letter No. IN-015-55/50 dated 6 April 2020</u></p>
<p>5.4 NON-PROFIT ORGANISATIONS</p>		
<p>LOANS</p> 	<ul style="list-style-type: none"> → A subsidy was approved for the purpose of launching a credit programme with a preferential interest rate of 2%. <ul style="list-style-type: none"> ✓ RUB 5.7 billion will be allocated to banks that joined the soft business and NPO loan programme at a rate of 2% to recover their lost profits. ✓ The total volume of loans granted is expected to be at least RUB 248 billion. ✓ Such loans will be available to companies in the industries suffering from the consequences of COVID-19, as well as socially oriented NPOs. In addition to the preferential rate, they will be able to take advantage of special repayment conditions. 	<p><u>Decree of the Government of the Russian Federation No. 685 dated 15 May 2020, Decree of the Government of the Russian Federation No. 696 dated 16 May 2020, Order of the Government of the Russian Federation No. 1286-r dated 16 May 2020</u></p>
<p>RENT</p> 	<ul style="list-style-type: none"> → Socially oriented non-profit organisations (NPOs), will be able to repay rent arrears for the use of state property within two years—from 1 January 2021 to 1 January 2023. <ul style="list-style-type: none"> ✓ In addition, the deferral of payments for the lease of state property will be prolonged for three months — up to 1 October 2020. ✓ The federal authorities will be obliged to notify lessees of these possibilities. Information will also be posted in the personal accounts of entrepreneurs on the interdepartmental portal for the administration of state property. 	<p><u>Order No. 1296-r dated 16 May 2020, Decree No. 704 dated 16 May 2020</u></p>



II MOSCOW SUPPORT MEASURES

№	MEASURES	LEGAL REFERENCES
1.	<p>FIRST PACKAGE OF SUPPORT MEASURES</p> <ol style="list-style-type: none"> The term for paying the sales tax for Q1 2020 was extended to 31 December 2020. The property tax and land tax advance payments for Q1 2020 were extended for the same period for the organisations operating in the field of catering, tourism, culture, sports, leisure and hotel business. These companies operating in these sectors have suffered the most in the current situation. The organisations that lease land from the city and have suspended their activities for the period of restrictions are exempt from rent payment for this period. This applies to the organisations engaged in the field of culture, sports, exhibition, entertainment, educational and social and pedagogic activities. The owners of movable retail facilities in underground passages will pay 50 percent less under the retail activities agreements. This measure is effective for the period of restrictions. Moreover, the tenants of land plots and facilities in the Moscow metro can apply for a rent payment delay. 	<p><u>Government Decree of the City of Moscow No. 212-pp dated 24 March 2020</u> "On Measures of Economic Support in High Alert Regime"</p>
2.	<p>SECOND PACKAGE OF SUPPORT MEASURES</p> <ol style="list-style-type: none"> The property tax and land tax payment deferral is extended to the companies operating in trade and providing household services. In addition, trade, tourism, public catering, domestic services and hotel enterprises, which suspended their activities, were exempted from rent payments on urban land plots and real estate. The exemption will be valid from the first day of the month of operation closure until 1 July 2020. Support for the residents of the Moscow Innovation Cluster engaged in IT, industry and science, as well as SMEs in hotel business was determined. Support for capital exporters. The list of recipients of an engineering subsidy was expanded. Support for the entrepreneurs who carry out business activities under commercial concession and subconcession agreements. 	<p><u>Government Decree of the City of Moscow No. 273-pp dated 24 March 2020</u> "On Amending Government Decree of the City of Moscow No. 212-pp dated 24 March 2020"</p>
3.	<p>THIRD PACKAGE OF SUPPORT MEASURES</p> <ol style="list-style-type: none"> Deferral of corporate property tax and land tax advance payments for Q1 2020 until 31 December 2020 will be available for cinemas, additional education establishments, sanatoriums and health resorts, organisers of exhibitions and conferences. About 300 organisations in total. The lessors leasing premises for hotels will receive compensation for property tax and land tax payments for Q2 2020, provided that rental rates are reduced by at least 50%. According to our estimates, this measure will help about 1,400 hotels. Compensation in the amount of 50% of property tax and land tax payments for Q2 2020 will be received by owners who use their property for entrepreneurial activities in the field of trade, catering, household 	<p><u>Government Decree of the City of Moscow No. 405-pp dated 15 April 2020</u> "On Amending Government Decree of the City of Moscow No. 212-pp dated 24 March 2020"</p>

	<p>services and hotel business. About 2,600 organisations in total.</p> <p>4. The construction and development business will be able to enjoy a deferral of payments for changing the purpose of land provision and other similar payments to the city budget.</p> <p>5. And finally, about 3,300 entrepreneurs have previously concluded contracts for the purchase of property rented by the city. To help them, redemption payments for Q2 will be deferred to the end of 2020.</p>	
<p>4.</p>	<p>Grants will be provided to legal entities from the Moscow budget within the period of the high-alert regime.</p> <p>Grants will be available to:</p> <ul style="list-style-type: none"> ✓ owners of buildings, structures, premises that are located in the territory of Moscow and that are used to: house shopping facilities, public catering facilities, consumer services and hotels; ✓ management companies of closed-end investment funds, which include real estate objects and operate on the basis of a license for investment fund managing activities, open-end investment funds and non-governmental investment funds. <p>The requirements for real estate have been approved for the purposes of legal entities obtaining such grants. The amount of the grant shall be determined on the basis of the following criteria: the amount of property tax and land tax in relation to the relevant property; the area of the entire leased (subleased) property; total area of the facility.</p> <p>The conditions for providing the grant have been determined.</p>	<p><u>Government Decree of the City of Moscow No. 574-pp dated 13 May 2020</u> "On Approval of the Procedure for the Provision of Grants from the Budget of Moscow City to Legal Entities Within the Period of the High-Alert Regime"</p>