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Progress of State Financial Support Methods of Russian Exports in Modern Conditions

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ABSTRACT

The paper studies methods of support for Russian exports in modern conditions. The purpose of the research is to review the current system of financial support for Russian exports and determine ways for its further development. The study concluded that it is necessary to develop instruments of financial support for exports by introducing standardized financial products. The author highlights the importance of providing financial services to counterparties of Russian exporters from friendly countries as well as using the opportunities of the Russian financial market to support exports, including syndicated lending and the ruble bond market. This allows relating prospects for further research to the development of additional mechanisms for increasing Russian exports to friendly countries, as well as identifying ways to increase the export of services, including financial, information and telecommunications.

Keywords: Russian exports support; state export support institutions; international trade; non-commodity export; international payments; payment system in Russia; national currencies; Russian financial market; money-credit policy

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INTRODUCTION

By the end of 2021, the Russian exports totalled more than $ 540 billion, or 1.7% of global exports of goods and services. Non-resource non-energy exports are estimated at USD 191 billion.[1] The key destinations for non-resource non-energy commodity exports from Russia are Belarus, Kazakhstan, China, and Turkey.

Higher energy prices, combined with reduced imports due to restrictions imposed on Russia by G7 countries, have contributed to a sharp increase in the surplus of goods and services (*Fig. 1*).

The recovery of economic activity in the EAEU countries has also ensured an increase in Russian exports. The volume of Russian exports to the EAEU countries, at the end of 2021, increased by 34% as compared to the same period in 2020, reaching USD 45.8 billion.[2]

Positive trends also include an increase in services exports by more than 16% in 2021 compared to 2020, in particular, information and telecommunication services.

At the same time, the deteriorating environment for Russian exporting companies caused by the sanctions limitations creates risks of falling revenues from both resource and non-resource exports in the short term. The sanctions imposed on Russia create uncertainty about the dynamics of Russian export performance in the short term, as companies face the need to reorient themselves to new markets, realign their logistics, and find new suppliers of equipment

[1] The Russian Export Centre website. URL: https://www.exportcenter.ru/press_center/news/nesyrevoy-neenergeticheskiy-eksport-rossii-ustanovil-istoricheskiy-rekord-i-prevysil-191-mlrd

[2] Volumes, rates, and proportions of development of mutual trade of EAEU member states. Eurasian Economic Commission. URL: http://www.eurasiancommission.org/ru/act/integr_i_makroec/dep_stat/tradestat/tables/intra/Documents/2022/01/I202201_1.pdf

and materials needed to produce export-oriented products. In addition, resource-based commodities continue to account for a significant share of exports (*Fig. 2*).

Entering foreign markets will help companies to improve the quality of their products, their corporate governance, and their innovation activities [1]. Increased non-resource non-energy exports are an important driver of economic growth. The profits of exporting companies provide an increase in tax revenues to the budget system. In addition, the business development of exporting companies ensures the inflow of new knowledge and technologies into the country.

In these circumstances, the implementation of targeted financial support measures for exporters that help Russian companies enter new markets, build new supply chains and logistics, ensure the necessary imports of materials and equipment, as well as to make payments and settlements is of paramount importance.

The system of state financial support for Russian exports should take into account global economic trends at the current stage, create favourable conditions for increasing non-resource non-energy exports to friendly countries, and promote the innovative development of the Russian economy.

Issues related to the development and support of Russian exports remain relevant and are the subject of study by Russian scientists [2–7]. The problems of strengthening the export potential of individual countries and industries are considered by foreign authors [8–12]. Publications devoted to these issues contain different points of view regarding the use of state support instruments for Russian exports, while the problems of developing financial mechanisms for these purposes remain unresolved and require additional consideration. A significant change in the external environment also necessitates further research into these issues in the context of the structural transformation of the Russian economy.

ASSESSMENT OF THE CURRENT SUPPORT SYSTEM FOR RUSSIAN EXPORTS AND POSSIBLE WAYS TO DEVELOP IT

A key element of Russia's export support system is the national project "International Cooperation and Export", which provides for government policy aimed at improving the competitiveness of non-resource sectors of the Russian economy and creating favourable conditions for increasing non-resource non-energy exports. Increasing exports of high-tech products as well as expanding the range of goods supplied is one of the important prerequisites for successful economic development [13]. The implementation of the national project implies that non-resource non-energy exports should increase by at least 70% by 2030, compared to the corresponding figure for 2020. Particular attention is paid to the development of mechanical engineering, agriculture and services. Continued integration processes within the Eurasian Economic Union are seen as a necessary factor contributing to the export potential of Russian companies. In addition, the "Priority Action Plan to ensure the development of the Russian economy in the face of external sanctions"[3] is important for the Russian economy in the changed environment. It includes support for key sectors of the economy, development of transport infrastructure, reduction of administrative barriers for Russian companies, assistance to SME exporting companies, and reduction of duties and simplification of import procedures for products important for economic development.

[3] Measures to build economic resilience in the face of sanctions. Russian Government website. URL: http://government.ru/rugovclassifier/901/events/

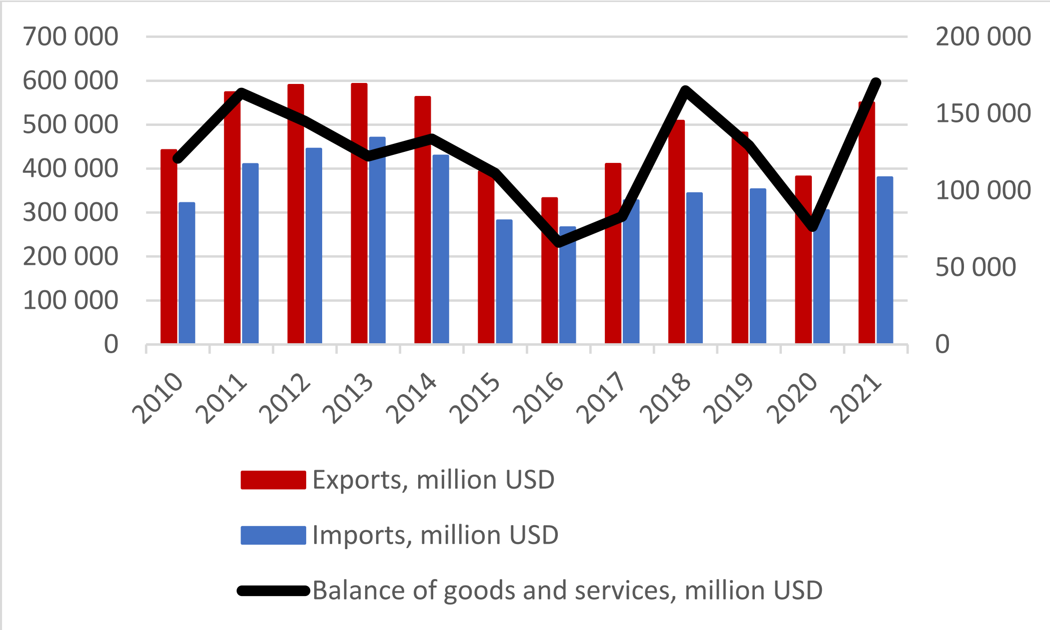

Fig. 1. **Indicators of the account of goods and services of the payments' balance in Russia (standard components), mln USD**

Source: compiled by the author based on the Bank of Russia data. URL: https://www.cbr.ru/vfs/statistics/credit_statistics/bop/bal_of_payments_standart.xlsx

The challenges of increasing non-resource non-energy exports in the context of the current sanctions and the risk of a growing crisis in the global financial system necessitate the flexible use of financial mechanisms to create favourable conditions for the development of Russian companies producing non-resource non-energy products. Improvement of financial mechanisms for supporting exports implies a comprehensive approach that combines strengthening state development institutions, deepening financial cooperation with friendly countries, developing public-private partnerships, building the necessary infrastructure, etc. Public investment in the development of transport routes that carry products to foreign markets is of significant importance to increasing Russian exports. In addition, an important condition for increasing the export potential of Russian companies is the creation of favourable macroeconomic conditions for their development.

VEB.RF is the most important element in the system of state support for Russian exports. The key institutions within the VEB.RF Group structure that ensure the functioning of the system of financial support for exports are JSC "Russian Export Centre", JSC "EXIAR" (Export Insurance Agency of Russia or Russian Agency for Export Credit and Investment Insurance) and JSC "Roseximbank". "Russian Export Centre" conducts the organisational work required to obtain access to the financial instruments of state support for exports. JSC "EXIAR" provides insurance services for exporters and banks lending to them. JSC "Roseximbank" and VEB.RF supply credit products to exporting companies and foreign buyers of Russian products. The inclusion of the Russian Export Centre into the VEB.RF Group, as well as the optimisation of interaction between development institutions and the Russian Government as part of work on the implementation of the national project "International Cooperation and

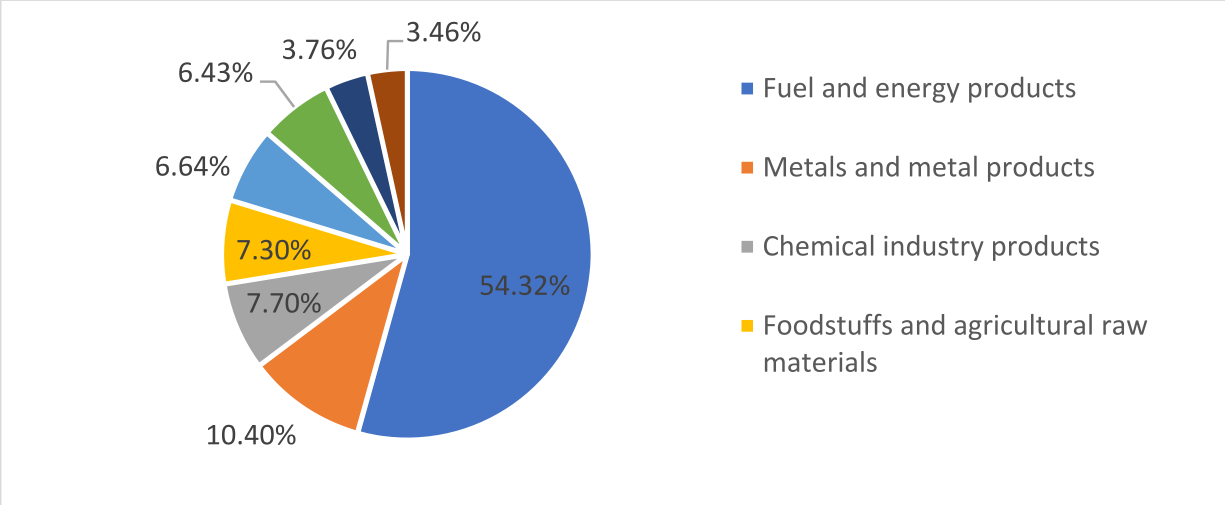

Fig. 2. **Commodity structure of Russian exports in January — December, 2021, %**

Source: compiled by the author based on the Federal Customs Service data. URL: https://customs.gov.ru/folder/519

Export" have made significant progress in the formation of the export financial support system and created conditions for its increase. Cooperation between public authorities and development institutions as part of export support activities is also important in terms of the quality of the policy pursued, the predictability of this system's development and the reduction of business risks [14, 15].

Within the framework of financial support to Russian exports, an important feature is the consolidation of specialised development institutions within the VEB.RF Group structure, which ensures that companies can receive it at all stages of project implementation related to production and exports. This consolidation is important both from the point of view of optimising the business processes of state organisations established to support exports and the convenience of exporting companies.

Export support institutions in most of the world's leading trading nations are accountable to the government. Their management by a state development corporation is not a typical practice. In the author's opinion, the integration of export support institutions into the VEB.RF structure makes it possible to react flexibly to the needs of market participants and to create financial products oriented to satisfy the needs of Russian exporters and the credit organisations serving them. In addition, such consolidation is important in terms of the availability of qualified personnel and expertise to ensure the quality of decisions made.

VEB.RF's key role in the system of state financial support for exports is determined both by the scale of lending and the projects implemented, and by the fact that the "Russian Export Centre" Group acts as an agent of the Russian Government. The activities of development institutions create additional competitive advantages for Russian companies on foreign markets through lending to exporting companies, providing financing for foreign buyers of Russian products, as well as implementing major projects aimed at developing infrastructure. Credit institutions that use financial products from development institutions can reduce credit risk and improve the Bank of Russia's obligatory ratios by using lower risk ratios. Financial products of development institutions help to reduce the cost of funding for Russian exporters — they are provided with loans and the banks servicing them are provided with financial services.

The financial products created by the Russian Export Centre, including guarantees, crediting and insurance, allow the exporter to improve the quality of risk management (including political risks as well as — non-payment under export contracts) under export contracts. The financial instruments to support Russian exports offered by the VEB.RF Group are standard for global practice and enable exporters to obtain additional opportunities for business development [16].

The G7 countries, by imposing sanctions on Russia, have almost completely blocked access to their financial markets and have made settlement in the respective currencies very difficult for foreign economic activity. In these circumstances, state support measures implemented through state development institutions are of particular importance. The key direction is to expand the scale of financial support to Russian exporting companies by state development institutions taking into account the tasks set in the national project "International Cooperation and Export" and the "Priority Action Plan to Ensure Development of the Russian Economy under External Sanctions Pressure". In this context, support for small and medium-sized enterprises, stimulation of innovation activity, industrial development, as well as optimisation of financial products to meet exporters' needs are important. It is important to note that state support for small and medium-sized enterprises is more effective than assistance to large companies and contributes to the effectiveness of state programmes [17].

The development of a system of financial support for exports will be facilitated by the development of model financial products by state development institutions, combining traditional tools related to lending, insurance and provision of guarantees; financial support to exporters to overcome the consequences of sanctions imposed; other measures for which the "Russian Export Centre" Group acts as the Russian Government agent; additional financial services, including risk hedging, assisting companies in accessing the Russian capital market.

With the development of financial products to support exports towards addressing the different needs of exporters, demand will increase, which is an important factor in increasing the performance efficiency impact of the system and creates additional conditions to meet the challenge of increasing non-resource non-energy exports, including the entry into foreign markets of companies that have not previously done so.

The key condition for solving these tasks is the ability of the state financial support system for Russian exports to generate a multiplicative effect, which consists in attracting private lending institutions to work with Russian exporters, creating a favourable environment for investing in Russian companies' export projects, and effectively using the companies' own funds.

Enhancing the activity of development institutions involves increasing the volume of insurance support for Russian exports by JSC "EXIAR" (Export Insurance Agency of Russia), expanding the practice of lending by JSC "Roseximbank" and VEB.RF to Russian high-tech exporting companies, participating in the financing of projects to create new exports, and financing VEB.RF infrastructure projects required to promote Russian exports.

In the context of the structural transformation of the Russian economy, an important condition for increasing and supporting investment activity with regard to Russian exports is to strengthen the resource base of development institutions [18]. In the course of activities to support Russian exports, it may be necessary to increase the capital of development institutions belonging to the

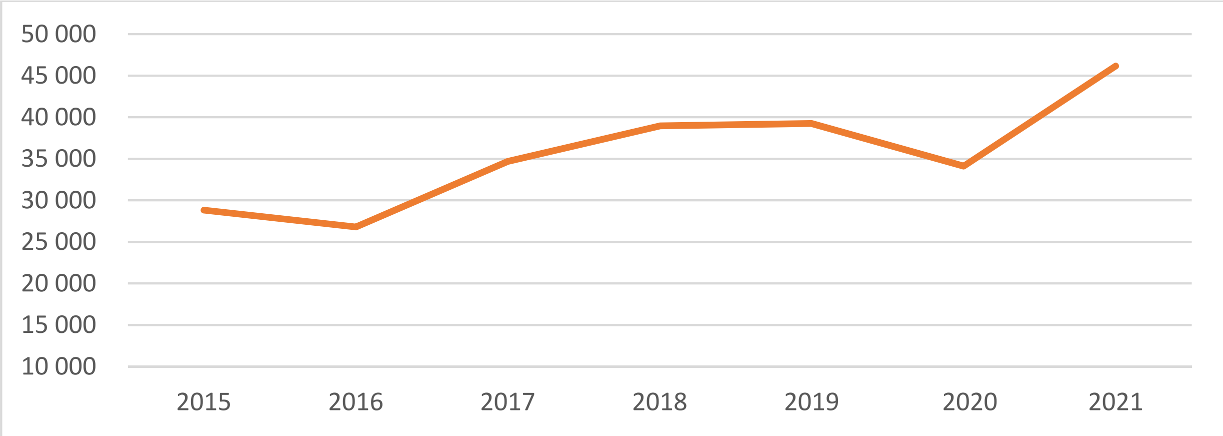

Fig. 3. **Russian export of goods to the EAEU countries, mln USD**

Source: compiled by the author based on data from the Eurasian Economic Commission. URL: http://www.eurasiancommission.org/ru/act/integr_i_makroec/dep_stat/tradestat/Pages/default.aspx

VEB.RF Group in order to maintain their stable financial position amid an increase in their loan portfolios and the sanctions imposed. This measure would provide them with the additional financial resources needed to invest and help increase non-resource non-energy exports.

The development of integration processes within the EAEU, as well as economic cooperation with the states that didn't impose sanctions on Russia, opens up additional opportunities to redirect and increase Russian exports. The use of financial support instruments will create conditions for further growth of Russian exports to countries within the EAEU (*Fig. 3*).

In this context, financial cooperation between development institutions and financial regulators acquires particular importance. For this cooperation will facilitate the creation of infrastructure for rouble settlements between economic entities, the formation of a common EAEU financial market, and the use of the potential of VEB.RF and the EDB (Eurasian Development Bank) to finance projects aimed at deepening economic integration and increasing the export potential of EAEU economies.

The Eurasian Development Bank's provision of loan products to Russian companies exporting to the EAEU countries is a promising element in its system of state financial support.

Strengthening financial cooperation between the Eurasian Economic Union and the Eurasian Development Bank will also promote investment and create additional opportunities to increase Russian exports to the Commonwealth. Common development institution projects are important for cooperation between EAEU companies and for exporting jointly produced goods to international markets.

Improving the system of financial support for exports is an important part of government policy to boost economic growth and involves taking into account current global development trends, the needs of exporters under current sanctions restrictions, and the achievements of the modern financial industry. In order to increase non-resource non-energy exports, further promotion of financial products is needed which should contribute to the formation of multiplier effects in the Russian economy by attracting private banks to lend to export projects and increasing the availability of their resources to Russian companies.

An important area is the development of integrated products that include the provision of financial services directly to Russian exporters and foreign buyers. In particular, expanding the practice of lending to buyers will stimulate demand for Russian products and help to create additional competitive advantages for Russian companies as they reorient to new markets.

The expansion of the rouble-denominated syndicated lending market and the participation of state development institutions as arrangers and lenders in transactions will provide Russian exporting companies with a convenient instrument for long-term project financing to increase export opportunities in the context of the de facto closure of the international debt market for Russian borrowers. In particular, improving the practice of pre-export financing in the form of syndicated loans will help to attract additional financial resources for large export projects.

Increasing the capacity of the rouble-denominated syndicated lending market will create opportunities for the development of the Russian financial market in general and for companies exporting products with a high share of added value. Expanding the practice of syndicated loans organised by development institutions and their participation in transactions as lenders will help to improve the quality of risk management in credit institutions, increase banks' asset liquidity, attract private banks to lend to export projects, as well as improve cooperation between banks and development institutions.

A promising area for the Russian export support system is the provision of financing by state development institutions for suppliers whose products are critical for Russian exporting companies, whose access to quality components is one of the essential conditions for their products to be competitive on foreign markets [19]. Expanding the practice of using financial products from development institutions, including credit and insurance, to provide the necessary imports in the production of goods by exporting companies would create additional competitive advantages for the Russian economy in the face of adverse external factors.

Purchasing factoring is one of the ways to improve the stability of component supply chains. This financial product allows component suppliers to optimise their liquidity management process. An exporter purchasing components can count on more favourable terms for their purchase as well as minimise the risk of delays in delivery of important components. The provision of purchase factoring services by state export support institutions is particularly important in the context of problems with component deliveries. In addition, the development of this tool will allow Russian exporting companies to improve the quality of product cost management and create additional opportunities to form long-term sustainable relationships with key suppliers.

At present, the insurance services provided by JSC "EXIAR" (Export Insurance Agency of Russia) are in line with the world practice of working with companies and banks. The services on insurance of accounts receivable, export contracts, credits as well as letter of credit are in demand in the Russian market. The importance of the tasks set out in the national project "International Cooperation and Export" dictates the need to increase insurance support for Russian business. The growth in demand for insurance products provided by state development institutions will contribute to the growth of Russian exports to friendly countries by making lending to exporters more attractive to Russian banks; an additional inflow of investment to export-oriented companies, and an increase in their production capabilities. Products for exporters belonging to small and medium-sized businesses will be a promising area of insurance development. Support for this segment implies, first and foremost, the development of products with a high degree of standardisation and affordability. An additional area for improving the efficiency of insurance support for Russian exports is the provision by development institutions of unrelated insurance services that do not relate to a specific export contract.

Support for the Russian economy in the context of the implementation of sanctions risks involves the expansion of the practice of development institutions to provide insurance services for companies importing products that are essential for the smooth operation of businesses, both exporting and operating only for the domestic market. In particular, these instruments include insurance of advance payments made by Russian importers when fulfilling their contractual obligations, as well as bank loans extended to importers.

The virtual absence of debt financing opportunities on the international debt market underlines the importance of developing the Russian market and the need to use its instruments to raise financing for exporting companies.

The companies' entry into the bond market can have a positive impact on their business by raising borrowed funds for production development, increasing transparency, diversifying their funding sources, as well as building a public credit history.

The development of the Growth Sector of the Moscow Exchange could be seen as a positive trend, focusing in particular on helping to raise financing for the SME segment, exporters and companies supported by "Russian Export Centre" and SME Corporation. The SME segment companies can be partially reimbursed from the federal budget for coupon rates and costs associated with bond issuance.[4] However, this market segment is relatively small. In 2021, the total volume of placements by companies in the SME segment amounted to RUR 7.9 billion, and the total number of traded bond issues reached RUR 47 billion.[5] Greater involvement of export support institutions in this segment is important in terms of financing Russian companies and creating favourable conditions for export projects.

The organisation by development institutions of rouble-denominated bond issues for medium-sized exporting companies would help to increase financial support for non-resource non-energy exports. In addition, their provision of nominal and coupon guarantees for bond issues could also be considered as one area of support for medium-sized companies that do not have a public credit history. The provision of these financial products by state export support institutions involves a comprehensive assessment of the financial condition of potential borrowers and a risk analysis of the respective projects. These measures are important both for companies expanding their export capabilities and for those planning export projects.

OPPORTUNITIES TO USE THE BANK OF RUSSIA'S INSTRUMENTS TO SUPPORT RUSSIAN EXPORTS

Achieving the long-term objectives of the Bank of Russia's policy ensures the maintenance of financial stability, is an important condition for the development of the real sector of the Russian economy and for increasing the export potential of Russian companies, and also contributes to building economic actors' confidence in the financial system.

[4] Decree of the Government of the Russian Federation No. 532 of 30 April 2019 "On Approval of the Rules for Granting Subsidies from the Federal Budget to Russian Organisations — Small and Medium-Sized Enterprises to Compensate Part of the Cost of Issuing Shares and Bonds and Paying Coupon Income on Bonds Placed on the Stock Exchange" (as amended on 31 December 2021).

[5] Moscow Exchange. The Growth Sector is an exchange platform for small and medium-sized companies to attract investment. URL: https://fs.moex.com/files/17475

Strengthening confidence is important for increasing the investment planning horizons of companies implementing export projects, as well as for expanding the practice of using the rouble as the currency of settlement in foreign economic activities.

Monetary policy ensures a favourable environment for the production and export of non-resource non-energy products, the implementation of long-term projects and the stability of credit spreads in the Russian financial market, ensuring the availability of financial resources for Russian companies and their adaptation to the changed external environment.

Government fiscal policy measures during the coronavirus-induced crisis demonstrated their effectiveness and contributed to a reduction in the cost of credit, provided an increase in stock market quotations, and created the conditions for post-crisis recovery. Fiscal spending, combined with a reduction in the Bank of Russia's key rate, supported the real economy. However, the dramatic change in external factors due to sanctions imposed by G7 countries created significant risks for Russian companies and necessitated a monetary policy conducive to the successful development of the economy in the new environment.

Despite the reduction in the Bank of Russia's key rate from 20 to 8%[6] between April and August of 2022, the situation remains challenging for Russian companies. The deterioration of the Russian financial market environment has had a significant impact on exporters' operating conditions due to higher borrowing costs and tighter lending conditions. In addition, the introduction of capital flow restrictions and the obligation to sell part of foreign currency earnings have also had an impact on the activities of Russian exporters. Further reduction of the Bank of Russia's key rate as inflation declines and the situation in the Russian financial market stabilises will contribute to an overall improvement in lending conditions for Russian exporting companies in need of borrowed funds.

Adverse changes in the business environment for companies producing and exporting non-resource non-energy products dictate the need for additional financial measures to support them.

One possible area for such support is to increase the role of specialised refinancing mechanisms in the system of monetary policy instruments [20]. The use of specialised instruments of the Bank of Russia would contribute to the structural transformation of the Russian economy towards the development of high-tech industries.

Targeted support for Russian exports is currently provided through a mechanism allowing lending institutions to refinance loans extended to exporting companies for which JSC "EXIAR" has provided collateral in the form of an insurance contract. This instrument is important from the point of view of the tasks formulated in the national project "International Cooperation and Export" and could create additional incentives to intensify lending to companies exporting non-resource non-energy products. However, at the moment the degree of utilisation of this mechanism by lending institutions remains generally low. As of August 1, 2022, the volume of banks' debt to the Bank of Russia under the instrument in question amounted to 52.6 billion roubles.[7] Improving the efficiency of this instrument provides for stepping up the issuance of loans secured by JSC "EXIAR's" insurance contracts and meeting the Bank of Russia's requirements. The solution of this task implies

[6] Interest rates on Bank of Russia rouble transactions. Bank of Russia website. URL: https://www.cbr.ru/Content/Document/File/35860/rates_table.xlsx

[7] Bank of Russia's requirements to credit institutions for specialised refinancing facilities Bank of Russia website. URL: https://www.cbr.ru/hd_base/specref/

an increase in the volume of insurance support to export-oriented industries by “EXIAR” JSC.

In addition, in the current circumstances, it seems possible to consider lowering the rate on loans secured by a pledge of receivables under loan agreements secured by insurance contracts of “EXIAR” JSC to 4%. The rate of 4% was applied by the Bank of Russia when providing financing secured by loans secured by guarantees of “SME Corporation” JSC aimed at supporting SMEs affected by the coronavirus.

The active use of the Bank of Russia’s specialised refinancing mechanism aimed at supporting Russian exports can create additional incentives for lending to export-oriented industries and conditions for companies to develop in the new situation. At the same time, in the long term, as the goals of the national project “International Cooperation and Export” are fulfilled, the Russian financial market develops and the capital of credit organisations grows, the significance of the Bank of Russia’s specialised refinancing instruments will diminish.

Improvements in the payment system facilitate the achievement of monetary policy objectives, create conditions for economic development in the new environment, and allow companies engaged in foreign economic activities to optimise their settlements and manage their own liquidity.

Given the inaccessibility of international financial market instruments to Russian companies and banks subject to sanctions, as well as the actual impossibility for many companies engaged in foreign economic activities to pay in dollars and euros, one important area for the development of the payment system is to create conditions for settlements in national currencies of friendly countries.

Supporting the transition to national currencies in foreign economic activity involves the possibility of connecting credit institutions of friendly countries, including the banks of EAEU countries, to the Bank of Russia payment system. Ensuring the accessibility of the Bank of Russia’s payment and settlement services to foreign counterparties, provided that risk control is ensured, is important both in terms of promoting Russian exports and in the context of increasing the role of the rouble in settlements with friendly countries. Expanding non-residents’ access to the Bank of Russia payment system also creates conditions for increasing the export of payment services and expanding financial cooperation between countries.

The development of the “MIR” payment system is an element of support for foreign economic activity under unfavourable external factors and involves the expansion of partnerships with friendly countries to make payments and settlements with foreign counterparties. In this context, an important task is to increase the number of countries in which settlements can be made with the “MIR” card, as well as to create conditions for making settlements in this payment system not only in roubles, but also in the currencies of friendly countries.

Expanding the practice of connecting non-resident banks from EAEU and SCO (The Shanghai Cooperation Organization) countries to the Bank of Russia’s System for Transfer of Financial Messages (Financial Message System — FMS)[8] — is an important area for the Russian financial system and the adaptation of exporters to the new conditions of foreign economic activity.

To date, all major Russian banks have joined the System for Transfer of Financial Messages. Despite the fact that foreign legal entities have also joined the System, the activities of the System for Transfer of Financial Messages are largely focused on ensuring payments and

[8] Bank of Russia financial messaging system. Bank of Russia website. URL: https://www.cbr.ru/Content/Document/File/92866/SPFS_16032022.pdf

settlements between Russian counterparties in the domestic market. The development of the infrastructure of the System for Transfer of Financial Messages envisages the strengthening of interaction between the payment systems of friendly countries and the creation of opportunities for international payments in the respective currencies.

The use of national currencies in settlements with friendly countries dictates the need to resolve problems related to the possibility of funding in these currencies, concluding transactions in these currencies against roubles, and the availability of currency risk hedging instruments for companies and banks. In particular, creating favourable financial conditions for increasing Russian exports implies developing an exchange segment of the Russian currency market. The Bank of Russia as well as development institutions could become market makers for expanding the list of traded currencies and improving liquidity of exchange trade. The availability of a sufficient level of liquidity in the segment of trading currencies of friendly countries against rubles on the Russian foreign exchange market is a prerequisite for expanding their use by Russian exporters. In addition, from the point of view of supporting Russian companies' foreign economic activities, it is important to preserve the possibility of concluding transactions in currencies of friendly countries against US dollars and Euros on the Russian currency market.

The necessary scaling up of development institutions in terms of export support will require both an increase in their capital and sufficient capacity to attract funding from the Bank of Russia against purchased bonds and issued loans. In order to improve export support measures, it is necessary for the Bank of Russia to conduct an effective macro-prudential policy to ensure the stability of the financial system and prevent the accumulation of excessive risks in certain sectors of the economy. In addition, maintaining the financial stability of development institutions in the long term involves continuing to improve the quality of corporate governance, including risk management.

The Bank of Russia's support for Russian banks to enter financial markets of friendly countries and develop their businesses in new directions is also important in terms of creating conditions for reorienting our exporters to new markets. Expanding cooperation with the financial regulators of friendly countries will reduce barriers to the development of Russian banks' business, which is necessary, inter alia, to support exports.

Conclusion of swap agreements between the Bank of Russia and central banks of friendly countries will create additional conditions to increase trade volumes and expand the use of national currencies in trade, will increase financial support for foreign trade operations by banks, will provide credit institutions with necessary funding for them in respective currencies, and strengthen financial cooperation between credit institutions of agreement signatories.

CONCLUSIONS

The key role in Russia's system of state support for exports belongs to development institutions, whose activities are focused on fulfilling the tasks set out in the national project "International Co-operation and Export", as well as the "Priority Action Plan to Ensure Russian Economic Development under External Sanctions Pressure". The financial products and services of Russian development institutions, which combine lending, insurance and the provision of guarantees, are in line with global practices of organisations providing export support. At the same time, Russian development institutions are faced with the task of facilitating the restructuring of the Russian economy and exporters' activities in the new environment both by increasing the volume of support and by developing new products. Increasing the capital of development institutions is important from the point of view of the possibility of strengthening support to exporters in the context of adverse external factors.

Key areas for developing financial mechanisms to support exports also include: expanding the practice of providing financial services to foreign buyers of Russian products; developing the rouble syndicated lending market; providing financial services by development institutions to suppliers of products needed by Russian exporters; and using instruments of the Russian bond market.

The Bank of Russia's policy is important to enhance the export potential of Russian companies.

The conclusion of swap agreements between the Bank of Russia and the central banks of friendly countries will create additional conditions to strengthen trade and economic cooperation and facilitate access for Russian economic entities to funding in the respective currencies.

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