

Lawmakers Rush Through Bill to Boost Banks

By [The Moscow Times](#)

December 21, 2014

The  Moscow Times

Russia's lower house of parliament passed a draft law that would give the banking sector a capital boost of up to 1 trillion rubles (\$16.5 billion) on Friday, part of measures to shield banks from Western economic sanctions.

Russia's financial sector is reeling from the country's slide toward recession and Western sanctions over the Ukraine crisis that have restricted banks' access to international capital markets, driving their funding costs sharply higher.

The State Duma said on its website that it had passed the bill in all three required readings — speeding up a process that can sometimes see laws languish in parliament for weeks.

Finance Minister Anton Siluanov told reporters on Friday banks could start receiving the additional capital early next year and that the law would cover all the risks banks face.

The draft law still needs to be passed by the upper house of parliament and then signed into law by President Vladimir Putin.

The latest aid package for banks comes after the government provided state support in the form of additional capital to banks including VTB earlier this year. The draft law does not clarify which banks could benefit, but a similar means of supporting banks was a backup option in the 2008-09 crisis.

Original url:

<https://www.themoscowtimes.com/2014/12/21/lawmakers-rush-through-bill-to-boost-banks-a42505>