

Trade in securities of the International Bank for Economic Cooperation in Russia

A signed directive has included the International Bank for Economic Cooperation (IBEC) on the list of international financial institutions the securities of which have been accepted for placement and public trading on Russian territory. This will help expand the IBEC's opportunities in implementing investment projects and enhance the development of the Russian financial market.

Reference

Submitted by the Ministry of Finance of the Russian Federation.

The International Bank for Economic Cooperation (hereinafter referred to as the IBEC) was established by the countries of the Council for Mutual Economic Assistance (CMEA) on October 22, 1963. The IBEC's authorized charter capital is 400 million euros, including the paid-in capital of 200 million euros. The Russian Federation's share in the IBEC's paid-in capital is 51.59 percent. As the biggest shareholder Russia is a priority region for the bank's transactions.

At its 126th session on December 9, 2015, the IBEC's Council approved the 2016–2020 Resumption and Development Strategy. According to this strategy, the mission of the bank is to promote the development of the economies, enhance foreign economic and trade contacts between the companies and organisations of its member countries, and also between them and the companies and organisations of other states, facilitate the formation and development of joint ventures and small and medium companies and provide them with financial support. One of the areas of this support is the IBEC's participation in projects on developing the eastern regions of Asia that are part of the IBEC member states, including Russia's Far Eastern Federal District.

At present, the IBEC is expanding its loan portfolio, partly by taking part in projects carried out in Russia. In December 2017, the bank endorsed the funding of an infrastructure project on rebuilding an Ufa International Airport passenger terminal. The IBEC is now reviewing applications on the funding of other projects on Russian territory.

The Fitch Ratings international agency has given it an investment level rating that corresponds to the rating of the Russian Federation.

Federal Law on Security Market (No. 39-FZ) of April 22, 1996 did not allow the IBEC to place its securities on Russian territory.

The securities of a number of international financial institutions, such as

the European Bank for Reconstruction and Development, the Eurasian Development Bank, the International Investment Bank, the Asian Infrastructure Investment Bank, the New Development Bank, and the International Development Association have been included, by the Russian Government decision, on the list of securities accepted for placement and public trading on the Russian stock market.

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