
VEB to lend USD 1.5 billion to Russian mining industry

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It is reported that state owned bank VEB's supervisory board approved a proposal to lend USD 1.5 billion to domestic metals and mining companies for them to refinance foreign loans.

VEB or Vneshekonombank did not provide any details on which companies would receive the loans.

The Kremlin has entrusted the bank with distributing a USD 50 billion rescue package to help Russian companies refinance a total of USD 120 billion of Western loans by the end of 2009.

VEB paid out some of these funds this month, including an USD 800 million loan to steel maker Evraz Group and a USD 750 million loan to Gazprom Neft.

In October, it also agreed to lend USD 4.5 billion to RUSAL so that the aluminium giant could repay loans taken out to acquire a 25% plus two shares stake in Norilsk Nickel.

(Sourced from Reuters)

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