

Deere Gets EBRD Loan for Leasing

By [The Moscow Times](#)

May 22, 2011

The  **Moscow Times**

The European Bank for Reconstruction and Development has given U.S. farm equipment maker Deere & Company a loan of \$4.7 billion rubles (\$168 million) to set up a leasing firm in Russia.

The EBRD said Friday that the five-year loan will mostly support renewing farm equipment and will also target the forestry and construction industries.

The loan represents the first part of a planned EBRD financing package for this project, it said.

The number of tractors and harvesters in Russia has been steadily shrinking since the collapse of the Soviet Union in 1991. Developing the country's vast untapped agricultural potential will require renewal of equipment whose average age already exceeds 10 years and which is deteriorating faster than it is being replaced, the EBRD said.

The new firm will target medium-sized customers whose equipment is in urgent need of renovation, typically midsized former collective farms that have turned profitable in the

past few years, it said.

Deere opened a manufacturing and parts distribution plant in Russia last year and has pledged to invest \$500 million in the country.

Original url: <https://www.themoscowtimes.com/2011/05/22/deere-gets-ebrd-loan-for-leasing-a7092>