Discussion of

How Russian Banks Price CO_2 Emissions by Firms on the Eve of a "Green" Regulation Adoption

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Overview

- Great paper, contributes to the fast-growing literature on green finance.

- Research Question: Were the Russian banks punishing the “brown” firms with relatively high export shares with larger markups before any green regulation in the country?
  - *A very interesting setup*

- Findings: State owned banks were imposing larger markups on “brown” exporters
  - *Economically relevant: 3.7-4.5pp difference*

Using all the data

- Using 58,400 firms and 354 banks out of 408,000 and 544 respectively, is a considerable reduction
  - *Is the small sample representative for the larger one*

- Maybe show a balance table

- Or maybe use all the firms in the credit registry with multiple bank relationship including firm-time fixed effects (to control for the credit demand shock).
    - See for example Jimenez et al. (2014), (2020) or Abuka et al. (2019)
  - *Even if export and emission variables are dropped, you could still report the triple interactions*

State owned firms

- What is the percentage of state owned firms in the data
  - *How important are state owned bank-firm relationships*
    - Andrews (2005), Wei and Wang (1997)
- Is it possible that this drives some of the main results
- May consider running the regressions without state owned firms

Minor comments

- Another robustness check
  - *Instead of top 30, could define banks as big using the 75^{th} or 90^{th} percentiles*
- The story behind
  - *Did banks really want to encourage the green or they just used their negotiating power to maximize profits*
    - State owned banks offered discounts to brown firms, at the same time they imposed larger markups on those which exported. Thus, maybe the profit maximizing behavior prevails.
    - The fear of being internationally punished may not be a major factor here.
- The reason of using the data from 2017-2019 in the regressions
  - *Covid -19 or decarbonization plan or another regulation?*
- Subproducts of triple interactions
  - *May be better to mention about the inclusion of those (levels and doubles) in the main text*

Thank you

References

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