**CROSS-COUNTRY ANALYSIS OF THE COMPARATIVE EFFICIENCY OF GOVERNMENT SUPPORT FOR COAL AND LIGNITE PRODUCTION**

**Alan Karaev¹, Vadim Ponkratov\*², Andrey Masterov3, Elena Kireeva4, Maria Volkova5**

*1,2,3 Center of Financial Policy, Department of Public Finance, Financial University, Moscow, Russia*

*4Belarus State Economic University, Minsk, Belarus*

*5Bauman Moscow State Technical University, Moscow, Russia*

*\*Corresponding author, e-mail:* [*ponkratovvadim@yandex.ru*](mailto:ponkratovvadim@yandex.ru)

**Abstract.** In this research, we applied the DEA method (data envelopment analysis) for a cross-country analysis of the comparative efficiency of government support for coal production in eight countries: the leading producers of coal and lignite, three OECD countries with developed economies (the USA, Germany, and Australia), four BRICS countries with developing economies and emerging markets (China, India, Russia, and South Africa), and Indonesia – the largest producer of coal and lignite in Southeast Asia from 2013 to 2018. An extended version of the DEA method allowed us to evaluate not only technicalities, but also price efficiency of budget support for natural gas production in the considered countries. The data for the empirical model characterizing the volume of financial support to oil producers through budgetary transfers and tax expenditures was taken from the OECD statistical base.

The obtained results indicate low efficiency of state support for coal and lignite production in Russia, the industry that is responsible for the largest generation and emission of greenhouse gases. In accordance with international obligations, Russia should solve this problem. To achieve this goal, the government should legislatively limit the funding of coal projects and exclude coal projects from the sphere of credit and export agencies, development banks, and state banks.

**Keywords:** energy subsidies, government support, fiscal measures, coal and lignite production, operational environment, DEA method

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