

THE CENTRAL BANK OF THE RUSSIAN FEDERATION



A N N U A L **2 0 1 2** R E P O R T



Approved by the Bank of Russia Board of Directors on 8 May 2013

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## 1.3. GOVERNMENT FINANCE AND DOMESTIC GOVERNMENT DEBT

The federal budget policy in 2012 was aimed at creating conditions for sustainable economic development and maintaining macroeconomic stability so that there would be no dispute as to the Russian Federation's ability to fulfil its expenditure obligations.

According to the Federal Treasury's report, Russia's federal budget revenue in 2012 amounted to 12,855.5 billion roubles, or 99.5% of the revenue approved by the Federal Law 'On the Federal Budget for 2012 and the Plan Period of 2013 and 2014' (hereinafter referred to as the Federal Budget Law). Federal budget revenue relative to GDP increased by 0.1 percentage points year on year to 20.5%, mainly due to the growing share of oil and gas revenues in GDP.

According to the Federal Treasury's report, federal budget expenditure totalled 12,895.0 billion roubles in 2012, or 99.5% of the expenditures approved by the Federal Budget Law, and 20.6% of GDP (1.0 percentage points higher than in 2011).

As a result, the federal budget deficit decreased by 5.6 billion roubles over 2012 as compared with the deficit approved by the Federal Budget Law and reached 39.4 billion roubles, or 0.1% of GDP; in 2011 there was a federal budget surplus of 442.0 billion roubles, or 0.8% of GDP.

The balances of the rouble-denominated federal budget accounts with the Bank of Russia decreased in 2011 by 466.6 billion roubles, or by a

factor of 1.5, and as of 1 January 2013 totalled 877.8 billion roubles. The balances of the foreign currency-denominated federal budget accounts increased in 2012 in rouble terms by 936.8 billion roubles, or 30%, and amounted to 4,035.9 billion roubles. These included the balances of the Reserve Fund accounts, which totalled 1,885.7 billion roubles (which had increased by 1,074.2 billion roubles, or 2.3 times) and the balances of the National Wealth Fund accounts, which totalled 2,026.7 billion roubles (which had decreased by 92.4 billion roubles, or by 4.4%).

According to the Federal Treasury, the revenue of the consolidated federal budget and government extra-budgetary funds totalled 23,435.1 billion roubles in 2012 (or 37.4% of GDP) and expenditure totalled 23,174.7 billion roubles (or 37.0% of GDP). The surplus was 260.4 billion roubles (or 0.4% of GDP), as against a surplus of 860.7 billion roubles (or 1.5% of GDP) in 2011.

The surplus of the consolidated federal budget and government extra-budgetary funds was reached due to the surplus of budgets of government extra-budgetary funds. According to the Federal Treasury, the revenues of the Pension Fund of the Russian Federation in 2012 accounted for 5,890.4 billion roubles. Its expenditures totalled 5,451.2 billion roubles and the surplus came to 439.1 billion roubles. The revenues of the Federal Compulsory Medical Insurance Fund in

### FEDERAL BUDGET EXPENDITURE (billions of roubles)

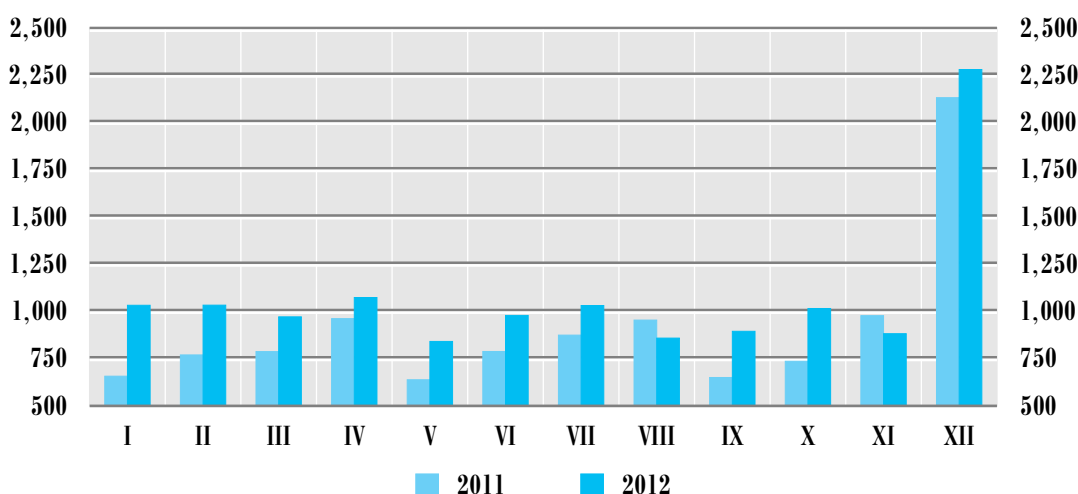


Chart 6

2012 accounted for 966.5 billion roubles; its expenditures totalled 932.2 billion roubles and its surplus totalled 34.4 billion roubles. The revenues of the Social Insurance Fund of the Russian Federation, its expenditures and its surplus accounted for 630.8 billion roubles; 531.2 billion roubles and 99.6 billion roubles, respectively.

The revenues and expenditures of the consolidated budgets of the constituent territories of the Russian Federation stood at 8,064.5 billion roubles and 8,343.2 billion roubles, respectively, and the deficit amounted to 278.7 billion roubles (12.9%, 13.3% and 0.4% of GDP, respectively).

According to Russia's Ministry of Finance, Russia's domestic government debt as of 1 January 2013 amounted to 4,977.9 billion roubles, which is 484.2 billion roubles, or 8.9%, less than the ceiling set for it by the Federal Budget Law, and 787.3 billion roubles, or 18.8%, higher than its level as of 1 January 2012. Russia's domestic government debt relative to GDP was estimated at 8.0%, an increase of 0.5 percentage points compared to the same indicator as of 1 January 2012.

The value of outstanding government securities increased in the year under review by 517.9 billion roubles, or by 14.6% of Russia's domestic government debt, to 4,064.3 billion roubles, or 81.6%. Government guarantees rose by 269.3 billion roubles (by 42.3%), to

906.6 billion roubles, or 18.2% of the debt. Russia's other debt obligations grew by 0.2 billion roubles (by 2.8%), to 7.0 billion roubles, or 0.2% of the debt.

Federal government bonds with a permanent coupon income accounted for 55.3% (2,248.2 billion roubles) of government securities, while debt depreciation federal government bonds made up 25.8% (1,048.6 billion roubles), government savings bonds represented 16.7% (677.5 billion roubles), and Ministry of Finance (MinFin) bonds stood at 2.2% (90.0 billion roubles).

The volume of outstanding government securities in the domestic market increased by 14.0% to 3,196.7 billion roubles as of 1 January 2013, or 78.7% of government securities. However, the share of these securities in Russia's domestic government debt decreased from 66.9% as of 1 January 2012 to 64.2% as of 1 January 2013 due to growth in the share of debt obligations of the Russian Federation that are not circulating in the domestic market (government savings bonds and guarantees) from 28.4% to 31.9%.

The share of the Ministry of Finance's debt to the Bank of Russia denominated in the currency of the Russian Federation, including the government securities of the Russian Federation purchased by the Bank of Russia under repo transactions, stood at 25.9% of Russia's total domestic government debt as of 1 January 2013, an in-

BALANCES OF FEDERAL BUDGET ACCOUNTS OPENED WITH THE BANK OF RUSSIA  
(billions of roubles)

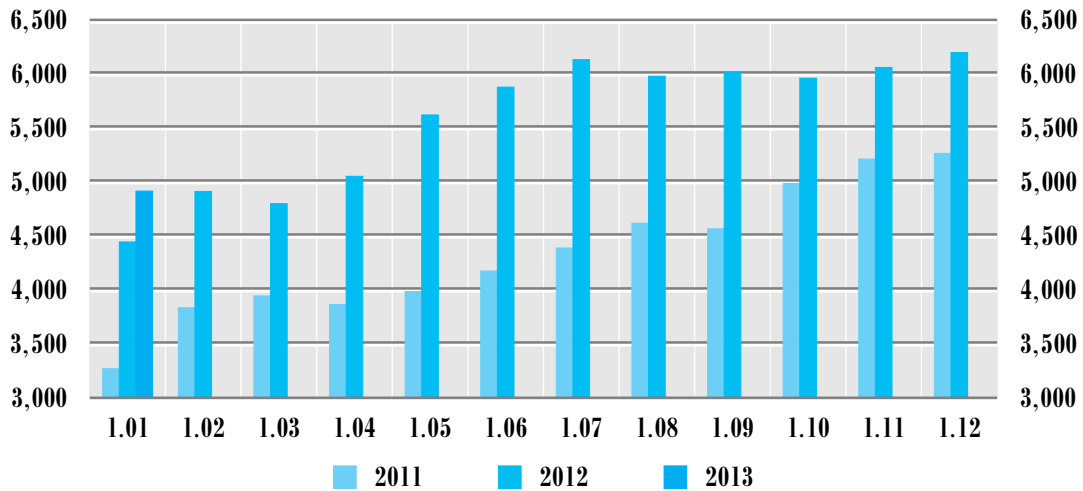


Chart 7

crease of 9.3 percentage points over the year. But when repo transactions are excluded, it stood at 5.2%, having decreased by 1.0 percentage points year on year.

The Ministry of Finance's rouble-denominated debt to the Bank of Russia measured at the nominal value of government securities, including securities purchased by the Bank of Russia under repo transactions, grew by 595.3 billion roubles in 2012 (or 85.6%) and stood at 1,290.5 billion roubles. However, excluding repo transactions, it did not change and stood at 259.2 billion roubles.

The Ministry of Finance's foreign currency-denominated debt to the Bank of Russia in rouble terms, including repo transactions, as of 1 January 2013 accounted for 95.7 billion roubles at the nominal value of government securities and declined by 18.3 billion roubles, or 16.1%; excluding repo transactions, it accounted for 95.7 billion roubles and decreased by 5.8 billion roubles, or 5.7%, due to the partial redemption of Russian Eurobonds and change of the US dollar/rouble exchange rate from 32.1961 roubles as of 1 January 2012 to 30.3727 roubles as of 1 January 2013.

## I.5. THE NATIONAL PAYMENT SYSTEM

### I.5.1. THE STATE OF THE NATIONAL PAYMENT SYSTEM

*In* 2012, the national payment system was developing to meet the needs of its entities and their customers in providing payment services based on the extensive use of modern technology.

As of 1 January 2013, the national payment system included the following entities:

- Operators of money transfers (the Bank of Russia, Vnesheconombank, 956 credit institutions);
- Payment system operators (the Bank of Russia, 12 credit institutions and 7 organisations other than credit institutions);
- 23 operations offices;
- 21 payment clearing centres;
- 22 settlement centres;
- 38 electronic money operators;
- The Federal State Unitary Enterprise ‘Russian Post’ (hereinafter, FSUE Russian Post);
- 12,000 bank payment agents and payment agents<sup>1</sup>.

Additionally, the network of entities of the national payment system that provide payment

services included: 505 Bank of Russia divisions; 956 head offices, 2,300 branches and 42,600 internal structural units<sup>2</sup> of credit institutions, and 41,600 FSUE Russian Post offices.

In 2012, the national payment system processed 3.8 billion payments<sup>3</sup> for a total of 1,591.0 trillion roubles, an increase of 15.4% and 22.6%, respectively, compared to 2011. The national payment system processed 15.1 million payments totalling 6.4 trillion roubles per day on average (in 2011, 13.2 million payments totalling 5.2 trillion roubles per day).

Two systemically important payment systems were functioning within the national payment system in 2012: the Bank of Russia payment system and the payment system of a non-bank credit institution, the National Settlement Depository.

In 2012, the Bank of Russia payment system processed 1,259.0 million money transfers for a total of 1,150.5 trillion roubles (an increase of 6.0% and 25.6%, respectively).

The National Settlement Depository mostly ensured money settlements in the securities mar-

<sup>1</sup> According to the National Association of E-Trade Participants.

<sup>2</sup> Excluding external cash desks.

<sup>3</sup> Including rouble-denominated payments from the accounts of Bank of Russia customers and credit institutions (households, credit institutions and legal entities other than credit institutions); own payments of the Bank of Russia and credit institutions; money transfers conducted by households without opening a bank account. Payments involving the use of payment cards and the transactions of credit institutions' customers in financial markets are not included. The orders of credit institutions' customers are recognised in the consolidated orders of credit institutions.

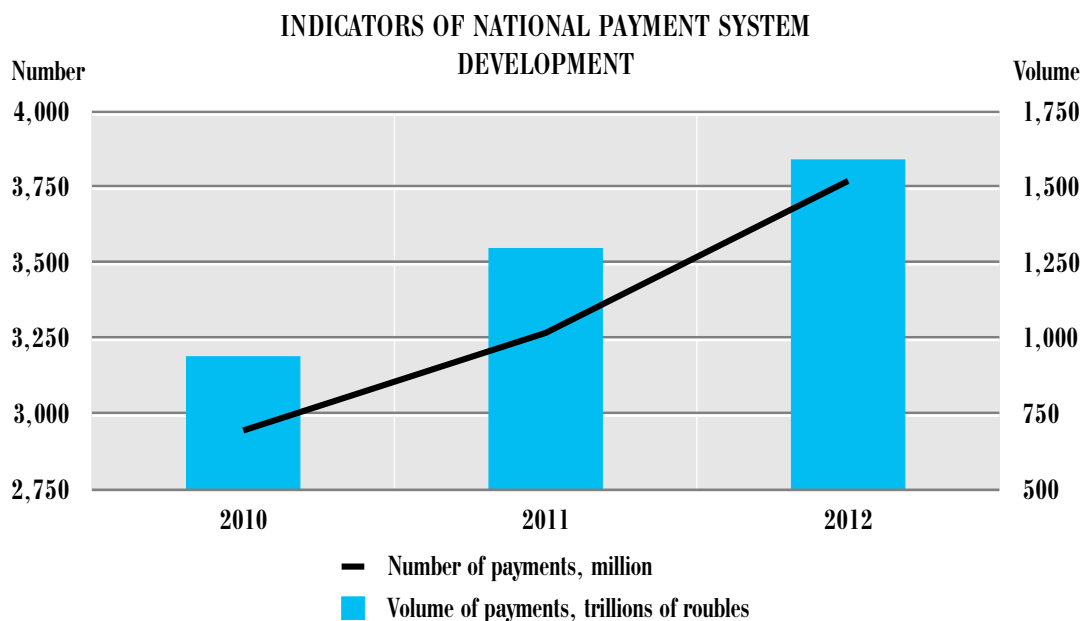


Chart 24

ket. The turnover of cash through the accounts of settlement participants of the National Settlement Depository on transactions in the stock market amounted to 116 trillion roubles in 2012 (a 43% year-on-year increase), 6 trillion roubles in the government securities market (an 80% decrease), and 1 trillion roubles in the forward market (a 50% decrease)<sup>1</sup>. The differently bound dynamics of changes in cash turnovers in the government securities market and in the stock market were caused by the transfer of transactions with government securities to the stock market that took place in March 2012, and by the open possibility of over-the-counter transactions with federal government bonds. The decline of turnover in the forward market was related to the low volatility of the market and the lower activity of its participants against the background of the current macroeconomic conditions in Russia and global markets.

In 2012, the banking sector that serves as the institutional foundation of the national payment system was characterised by a growing number of institutions which provided payment services<sup>2</sup>.

Over the year their number increased by 3.7% and totalled 45,900 as of 1 January 2013. There were 320 banking system institutions for every million residents (310 as of 1 January 2012).

Money transfer operators — credit institutions executed 2.5 billion payments for 440.5 trillion roubles (in 2011, 2.1 billion payments for 382.1 trillion roubles). Own payments of credit institutions and payments of their customers other than credit institutions (both legal entities and households) increased over the year by 9.8% in terms of volume and by 10.2% in terms of value. When compared to 2011, the structure of forms of non-cash settlements applied did not change substantially. Credit transfers<sup>3</sup> represented an essential share in the total volume and value of payments (62.0% and 98.4%, respectively). The operations of legal entities prevailed in the value of credit transfers (92.1%), but the payments of households prevailed in terms of volume (57.0%); these were mostly transfers which were executed without the opening of a bank account.

Direct debit payments<sup>4</sup> still constituted an insignificant share. Only two payments out of ev-

<sup>1</sup> According to data provided by the non-bank credit institution ZAO National Settlement Depository.

<sup>2</sup> Credit institutions and their branches, additional offices, operations offices, credit and cash offices and external cash desks.

<sup>3</sup> A credit transfer is a payment service involving one-off or periodic write-downs from the payer's account triggered by the payer.

<sup>4</sup> Including payments under payment requests and collection orders.

**OWN PAYMENTS MADE BY CREDIT INSTITUTIONS  
AND THEIR CUSTOMERS OTHER THAN CREDIT INSTITUTIONS IN 2012**  
(by number and volume of transactions, percent)

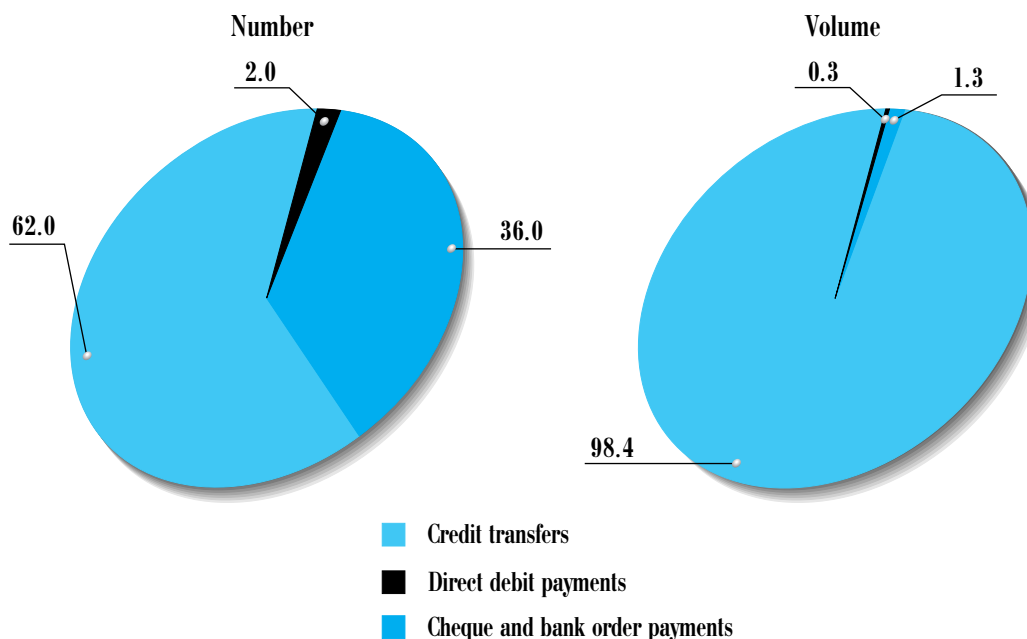


Chart 25

ery 100 were executed via direct debiting, and their share in the total value of payments did not exceed 1% because of the low level of integration of the payment infrastructure of the national payment system entities and the low level of utilisation of electronic document workflow among them.

Along with credit institutions, one of the important entities within the national payment system is the FSUE Russian Post, which has a large and geographically well-distributed network of post offices (as of 1 January 2013, 41,600 offices). Pursuant to Federal Law No. 176-FZ, dated 17 July 1999, 'On Postal Communications', the FSUE Russian Post has been providing services to households including money transfers, the acceptance of payments for utility services as well as goods and services, and other activities allowed under Russian federal law.

In 2012, Russian banks continued to expand the use of electronic payment instruments and stimulated their customers (including price stimulation) to use remote access channels for pay-

ments. The number of accounts with remote access opened with credit institutions for households and legal entities other than credit institutions grew over the year by more than a quarter and reached 99.9 million accounts<sup>1</sup>. The number of accounts which were accessible via the Internet or mobile phones increased by 40%. However, despite their high rate of growth, the share of such accounts in the total number of accounts with remote access remained relatively low: as of 1 January 2013, 30.8% of the accounts were accessible via the Internet (26.9% as of 1 January 2012) and 25.7% were accessible via mobile phones (22.5% as of 1 January 2012).

In 2012, customers sent 4.0 billion electronic orders for 319.3 trillion roubles to credit institutions, including those involving the use of payment cards (the growth against 2011 was 52.7% by volume and 14.1% by value). These included payments that were made via the Internet and mobile phones: 20.3% in terms of volume and 64.0% in terms of value. In the structure of payments with the orders sent electronically, the

<sup>1</sup> Including accounts, on which cashless transactions were performed during the year, including those with the use of settlement and credit cards.



**PAYMENTS WITH ELECTRONICALLY-MADE ORDERS**  
(percent)

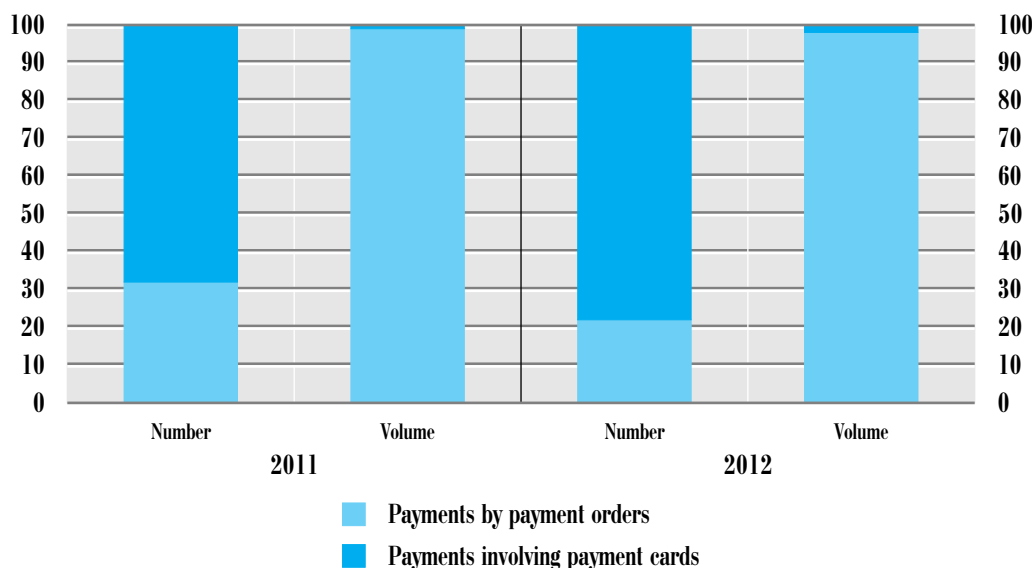


Chart 26

maximum share in terms of value was accounted for by payments with payment orders (98.2%), and in terms of volume — by payments involving payment cards (77.6%).

During 2012, the number of payment cards issued by Russian credit institutions increased by 19.6% and amounted to 239.5 million; 70.6% of them were settlement (debit) cards, 9.4% were credit cards and 20.0% were prepaid cards, which are used for electronic money transactions. The highest growth rate was seen in credit card offers (50%); the number of settlement (debit) and prepaid cards grew by 14.3% and 28.7%, respectively.

Holders of payment cards issued by Russian credit institutions performed 5.9 billion operations (up 40.5% since 2011) totalling 23.8 trillion roubles (up 34.5% since 2011), including 5.7 billion operations for 23.1 trillion roubles inside Russia and 0.2 billion operations for 0.7 trillion roubles outside Russia. The share of cash withdrawals in the total number of operations involving payment cards issued by Russian credit institutions decreased by 10.0 percentage points year on year to 48.2%, and in total value decreased by 3.4 percentage points to 76.4%. The share of cashless trans-

actions involving payment cards<sup>1</sup> represented 51.8% and 23.6%, respectively.

Additionally, the Russian payment infrastructure serviced the payment cards of foreign issuers: in 2012 holders of payment cards issued by non-resident banks performed 61.8 million operations for 244.2 billion roubles inside Russia, of which cashless transactions accounted for 65.8% by volume and 49.6% by value.

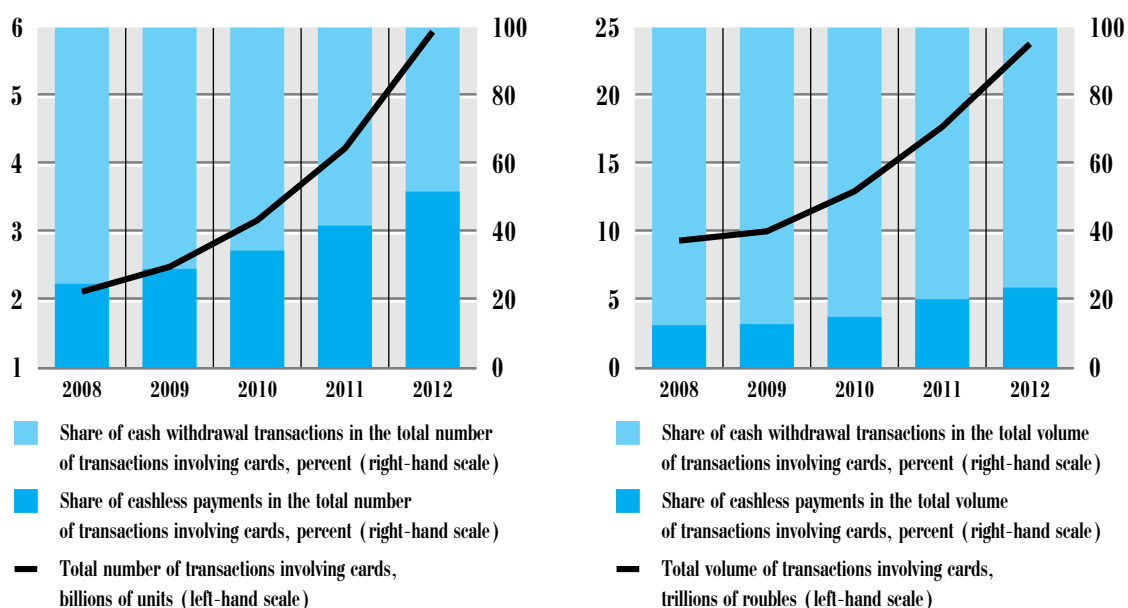
The development of a payment card acceptance infrastructure was one of the key factors responsible for the essential growth of cashless transactions with their use (1.7 times in terms of volume and 1.6 times in terms of value). The number of payment card devices (ATMs, point-of-sale terminals and imprinters) used to pay for goods and services grew over the year by 27.5% and stood at 904,300 as of 1 January 2013.

The high rate of growth in the number of cash receipts made via ATMs (both with or without the use of payment cards) and the payment terminals of credit institutions continued. Their value increased by 60% to 3.5 trillion roubles year on year (from 15,300 roubles in 2011 to 24,700 roubles in 2012 for every Russian resident). This was stimulated by an expansion of the ATM and payment terminal network and the

<sup>1</sup> Cashless transactions are direct payments for goods and services, customs payments and other transactions (for example, payments from one bank account to the other).

TRANSACTIONS INVOLVING PAYMENT CARDS ISSUED BY CREDIT INSTITUTIONS  
(by number and volume of transactions)

Chart 27



expansion of the range of payment services that can be rendered with the use of such devices, including payments for government services.

Payment agents and bank payment agents continued to develop their payment infrastructure, which supplements the payment infrastructure of credit institutions. In 2012, the value of cash received by them from households rose 2.0 times to 974.6 billion roubles; 89.5% of the cash was received through payment agents and 10.5% was received through bank payment agents. The high growth rate of the payment value

through payment agents and bank payment agents was mostly caused by the extended list of payments performed via payment and bank payment agents. Together with payments for communication services that still have the maximum share in the total number of such payments, payments for higher amounts related to public utilities, the repayment of bank loans, payments for the benefit of the Russian State Register, the Federal Court Bailiffs Service and the State Traffic Safety Inspectorate, as well as visa and consular fees and others are becoming more and more popular.

## I.5.2. THE BANK OF RUSSIA PAYMENT SYSTEM

Pursuant to Federal Law No.161-FZ, dated 27 June 2011, ‘On the National Payment System’ (hereinafter, Federal Law No. 161-FZ), the Bank of Russia operates its own payment system, combining its activities as a payment system operator and money transfer operator as well as those of an operational, clearing and settlement centre.

The Bank of Russia payment system is a key element of the national payment system. In 2012, the Bank of Russia payment system processed 1,259 million money transfers for a total of 1,150.5 trillion roubles (up 6.0% year on year in terms of volume and 25.6% in terms of value). The ratio of the value of money transfers effected through the Bank of Russia payment system to GDP in 2012 was 18.5 (16.8 in 2011). The average daily number of money transfers through the Bank of Russia payment system grew from 4.8 million in 2011 to 5.1 million in 2012.

Indicators characterising the performance of the Bank of Russia’s payment system in 2012 reflect a trend towards an increase in payment turnover and in the use of the Bank of Russia’s services for the satisfaction of transaction demand and, first of all, that of credit institutions.

The volume and value of money transfers of credit institutions (branches) effected through the Bank of Russia’s payment system increased year on year by 6.3% and 24.6%, respectively, totalling 1,068.0 million and 879.7 trillion roubles. As in 2011, the credit institutions’ (branches’) transfers accounted for most of the total volume and value of money transfers through the Bank of Russia’s payment system; they stood at 84.8% in terms of volume and 76.4% in terms of value. The average daily number of transfers of credit institutions (branches) effected through the Bank of Russia’s payment system increased from 4.1 million in 2011 to 4.3 million in 2012. With the increase in the volume and value of credit institutions’ (branches’) money transfers, the number of Bank of Russia customers — credit institutions (branches) fell by the end of 2012 by 4.5% and amounted to 2,909 as of 1 January 2013 (3,047 as of 1 January 2012) owing to the

on-going reorganisation of credit institutions, including the reorganisation of credit institutions’ branches into internal structural units.

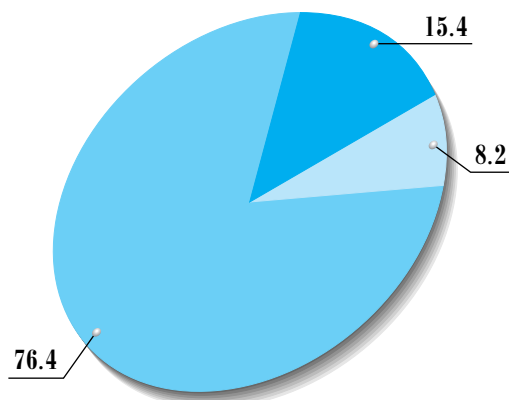
The number of customers other than credit institutions (branches) serviced by the Bank of Russia according to the Russian Federation legislation, declined over 2012 by 37.7% (from 9,584 to 5,971). That was a result of the implementation of the requirements of Federal Law No. 83-FZ, dated 8 May 2010, ‘On Amending Certain Laws of the Russian Federation in Connection with the Improvement of the Legal Status of Government (Municipal) Institutions’. The law was related to the Federal Treasury authorities and financial authorities of Russian regions (municipalities) servicing public, budgetary and autonomous institutions as well as improvement of the procedure for servicing the accounts of the Russian Federation’s budgetary system. The share of such customers in 2012 amounted to 15.1% of the total volume and 8.2% of the total value of money transfers through the Bank of Russia’s payment system.

The share of transfers related to own operations of the Bank of Russia in 2012 constituted 0.1% of the total volume and 15.4% of the total value of payments effected through the Bank of Russia’s payment system.

In 2012, as in 2011, practically all money transfers effected through the Bank of Russia’s payment system were electronic (over 99.9%). The share of the Bank of Russia’s customers — credit institutions (branches) participating in electronic document exchange with the Bank of Russia was 98.3% as of 1 January 2013 (98.4% as of 1 January 2012), the share of the Bank of Russia’s customers other than credit institutions (branches) was 33.8% (17.2% as of 1 January 2012). The Federal Treasury and all its territorial subdivisions participate in the electronic document exchange with the Bank of Russia.

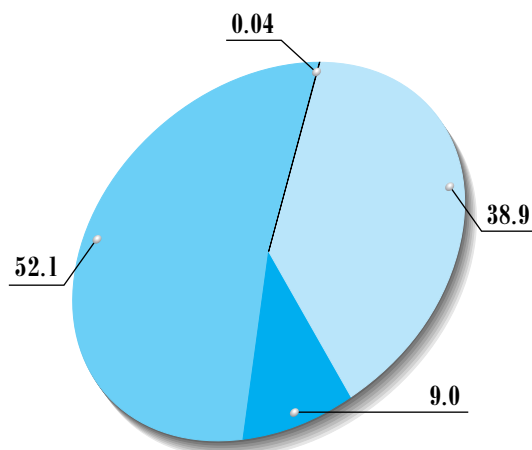
The intraregional electronic settlement system (VER) processed 923.4 million transfers totalling 599.2 trillion roubles (in 2011: 898.7 million totalling 600.6 trillion roubles), the inter-regional electronic settlement system (MER) pro-

VOLUME OF CUSTOMER TRANSFERS  
AND TRANSFERS ON BANK OF RUSSIA  
OWN OPERATIONS EFFECTED THROUGH  
THE BANK OF RUSSIA  
PAYMENT SYSTEM IN 2012 (percent)



- Transfers of credit institutions (branches)
- Transfers of customers other than credit institutions
- Transfers on Bank of Russia own operations

VOLUME OF MONEY TRANSFERS  
EFFECTED THROUGH  
THE BANK OF RUSSIA  
PAYMENT SYSTEM IN 2012,  
BY SETTLEMENT SYSTEM (percent)



- VER system
- MER system
- BESP system
- Settlements involving bank advice

Charts 28, 29

cessed 333.9 million transfers totalling 103.5 trillion roubles (in 2011: 287.6 million totalling 92.4 trillion roubles), settlement systems involving the use of bank advice processed 0.5 million transfers totalling 0.5 trillion roubles (in 2011: 0.7 million totalling 0.4 trillion roubles).

Money transfers that were conducted via VER amounted in 2012 to 73.4% of the total volume and 52.1% of the total value of transfers through the Bank of Russia's payment system (in 2011: 75.7% and 65.6%, respectively), whereas money transfers conducted through MER amounted to 26.5% and 9.0% in 2012 (in 2011: 24.2% and 10.1%, respectively). The share of money transfers conducted through the settlement systems involving bank advice remained insignificant: less than 0.1% in terms of volume and in terms of value.

In 2012, the number of money transfers conducted through BESP continued to grow, which was the cause for the increase of their share in the total value of payments effected through the Bank of Russia's payment system to 38.9% (in 2011: 24.3%). In 2012, BESP processed 1,188,800 transfers totalling 447.3 trillion

roubles, which exceeded their 2011 volume and value almost twofold (in 2011: 626,100 transfers for 222.8 trillion roubles). Money transfers for over a million roubles effected through BESP represented 85.76% of the total volume and 99.98% of the total value. In the structure of money transfers effected through BESP, the share of those performed by credit institutions (branches) remained, as in 2011, the largest one: 95.5% in terms of volume and 60.4% in terms of value.

The total number of BESP participants as of the beginning of 2013 was 2,894: 82 of them were special settlement participants (SSP), 511 were direct settlement participants (DSP) and 2,301 were associated settlement participants (ASP), including the Federal Treasury and its territorial subdivisions. All of the credit institutions (branches) — participants in electronic document exchange with the Bank of Russia were participants in the BESP system.

In 2012, the average monthly accessibility ratios of the Bank of Russia's payment system

(readiness to execute orders for the transfer of the Bank of Russia customer money in the course of interregional and intraregional electronic settlements) ranged between 99.85% and 99.99% (in 2011: between 97.98% and 99.98%).

The average time it took to perform settlement transactions (considering the number of transfers through all the settlement systems used by the Bank of Russia) remained in 2012 at its 2011

level: 0.6 days at the intraregional level and 0.91 days at the interregional level.

The structure of money transfers effected through the Bank of Russia's payment system changed towards the increase in the share of paid transfers performed by the Bank of Russia: from 49.9% in 2011 to 52.0% in 2012. This increase happened because of the growing number of transfers of credit institutions (branches) that were made through BESP.

## II.5. STABILITY AND DEVELOPMENT OF THE NATIONAL PAYMENT SYSTEM

### II.5.1. BANK OF RUSSIA ACTIVITIES TO ENSURE THE STABILITY AND DEVELOPMENT OF THE NATIONAL PAYMENT SYSTEM

*In* 2012, the Bank of Russia continued to implement the provisions of Federal Law No. 161-FZ and Federal Law No. 162-FZ, dated 27 June 2011, ‘On Amending Certain Laws of the Russian Federation in Connection with the Adoption of the Federal Law ‘On the National Payment System’’. They determined new objectives and gave new powers to the Bank of Russia. First of all, they enabled the Bank of Russia to ensure the stability and development of the national payment system (effective from 1 July 2012). The Bank of Russia had to work hard in the sphere of regulatory control: 20 Bank of Russia regulations were prepared and registered within a short period of time with the Russian Ministry of Justice. These regulations:

- Determined the composition of the national payment system;
- Determined the procedure for money transfers;
- Regulated the supervision and monitoring of activities in the national payment system;
- Set requirements for the implementation and uninterrupted operation of payment systems and for the protection of data during the course of money transfers.

The list of the Bank of Russia regulations adopted in 2012 pursuant to Federal Law No. 161-FZ has been annexed to the Annual Report.

In order to exercise its powers and ensure the stability and development of the national payment system, the Bank of Russia determined the procedures for supervision and monitoring in the national payment system, as well as inspections of supervised institutions and control over compliance with data protection requirements during the course of money transfers. The form, deadlines and reporting procedure were determined in order to identify money transfer operators obliged to apply for registration as payment system operators, and in order to identify systemically and socially important payment systems which materially influence the national payment system’s stability.

The registration of the payment system operators commenced. The register of payment system operators posted on the Bank of Russia’s official website contained 19 institutions as of 1 January 2013; seven of them were not credit institutions. The largest payment systems whose operators

were registered in 2012 by the Bank of Russia included Visa, MasterCard and the National Settlement Depository Payment System.

In October 2012, the transfer of electronic funds was included in the area of regulation and supervision by the Bank of Russia, according to Federal Law No. 161-FZ. Only credit institutions, including non-bank credit institutions (payment non-bank credit institutions) with a simplified procedure for establishment and regulation were entitled to transfer electronic funds; 38 credit institutions notified the Bank of Russia that they would commence transferring electronic funds as of 1 January 2013.

At the same time, the Bank of Russia monitored the payment services market to reveal schemes involving electronic fund transfers that violated Federal Law No. 161-FZ.

To ensure the due implementation of legislation, the Bank of Russia prepared explanations and recommendations concerning:

- The regulation of money transfers;
- The registration of the payment system operators with the Bank of Russia;
- Activities of the payment system operators, payment agents and bank payment agents;
- Credit institutions' compliance with Article 9 of Federal Law No. 161-FZ.

The Bank of Russia approved an action plan for the improvement of security when performing electronic payments to increase the quality of payment services and mitigate the risk of money being stolen.

The regulation of supervision in the national payment system was carried out. The priority was assigned to the monitoring of significant payment systems via the collection and systematisation of information, the assessment of the supervised institutions' performance and the development of proposals for adjustments to the supervised institutions' activities. Together with the Committee on Payment and Settlement Systems of the Bank for International Settlements and the Interna-

tional Organisation of Securities Commissions, the Bank of Russia started implementing international standards (Principles for Financial Market Infrastructures) in the systemically important payment systems and other financial market infrastructures in order to mitigate the risks related to the operation of such infrastructures.

Within the framework of the Bank of Russia's international cooperation in terms of the supervision and monitoring of the national payment system, a Memorandum of Understanding was executed between the National Bank of Belgium and the Central Bank of the Russian Federation for interaction within the scope of S.W.I.F.T. system monitoring. Subject to the Memorandum, the parties exchanged the results of S.W.I.F.T. audits and jointly controlled the system's management to ensure the stability of the system's operation in accordance with the users' needs. The Bank of Russia also prepares for the execution of the Memorandum of Understanding with the National Bank of Belgium in order to exchange information within the scope of MasterCard payment system monitoring.

The activities of the Technical Committee for Standardisation, 'Financial Transaction Standards'<sup>1</sup>, were also aimed at the further development of the national payment system. It operated under the coordination of the Bank of Russia and with its direct involvement. To match the basic notions of ISO 20022<sup>2</sup> with the terms and definitions used in the cashless settlement system of the Russian Federation, national standards were drafted: GOST R 'Financial Transactions — Universal Scheme of Financial Messages, Part 1, Metamodel' (the direct application of ISO 20022-1); and GOST R 'Financial Transactions: Terms and Definitions Used in Payment and Settlement Systems'. The standards would help create the basis for the application of the ISO 20022 methodology in cashless settlements in the Russian Federation. To improve the infrastructure of the cross-border exchange of financial in-

<sup>1</sup> The Technical Committee for Standardisation, 'Financial Transaction Standards', was formed on the basis of the Bank of Russia, pursuant to Order No. 5527 of the Federal Agency for Technical Regulation and Metrology, dated 30 December 2010 and registered by Order No. 5481 of the Federal Agency for Technical Regulation and Metrology, dated 19 October 2011.

<sup>2</sup> ISO 20022 is an open standard containing a methodology for the formalised description of business processes involving the exchange of electronic financial messages and for designing the schemes and formats of such messages.

formation, a national standard was drafted: GOST R ‘Certificates for Financial Services, Part 1, Public Key Certificates’ (the direct application of ISO 15782-1). This standard set unified international ISO 15782-1:2009 requirements for the authorities maintaining public key certificates throughout Russia.

The Bank of Russia contributed to the development of integration among the players in the payment services market. The National Payment Council Non-Commercial Partnership was created in 2012. Together with the National Payment Council Association (created in 2011) it was aimed at the consolidation of the market players’

positions in terms of the operation and development of the national payment system in Russia. The Bank of Russia’s cooperation with the aforementioned bodies contributed to the adoption of coordinated solutions for the development of the national payment system.

In order to increase the financial literacy of the population in terms of payment services, the Bank of Russia took part in the operation of the Interdepartmental Commission for the Preparation and Implementation of the Project ‘Promotion of Financial Literacy and the Development of Financial Education in the Russian Federation’, and worked within its working group.



## II.5.2. DEVELOPMENT AND UPGRADING OF THE BANK OF RUSSIA PAYMENT SYSTEM

In 2012, the Bank of Russia payment system was developed in line with the Concept of the Bank of Russia Payment System's Development until 2015 and Federal Law No. 161-FZ, which provide for a further improvement of its efficient and smooth operation.

The legal framework of the Bank of Russia Payment System, its institutional and technical infrastructure, ways and methods of managing participation, and regulations and settlements using modern information technologies were further developed.

Pursuant to Bank of Russia Regulation No. 384-P, dated 29 June 2012, 'On the Bank of Russia Payment System', the Bank of Russia's customers participating in electronic message exchanges in all the regions of the Russian Federation were allowed to submit orders in any type in electronic format, including cash collection orders, payment requests and payment orders. Thus, the creation of a reliable institutional basis for a single national payment area providing equal access to the Bank of Russia Payment System services was completed.

The aforementioned options with respect to using electronic cash collection orders in the BESSP system may be applied by the infrastructures of the financial markets in order to finalise settlements involving the funds in the accounts with the Bank of Russia using 'delivery versus payment' and 'payment versus payment' mechanisms. The Bank of Russia and the Federal Treasury may apply them in order to implement the single state monetary and fiscal policy.

In order to improve the payment system's liquidity management mechanisms, the participants in the Bank of Russia payment system implemented centralised access to bank accounts, irrespective of the location of the Bank of Russia branches servicing them.

Necessary measures were taken to centralise the participants' accounts and settlements as of

1 January 2013, in accordance with Bank of Russia Regulation No. 368-P, dated 14 March 2011, 'On the Cash Settlement Centre of the Bank of Russia'. Thus, the conditions for the further reduction of operational risks and expenses relating to settlement transactions were created. The aforementioned measures did not require additional spending from the participants in the Bank of Russia payment system and their customers.

While improving the technical infrastructure of its payment system, the Bank of Russia completed its work on ensuring payment data processing in the Collective Data Processing System for all of its regional branches, including the North Caucasus regions. The unification and backup of the applied software and technical support systems was ensured.

In 2012, during the course of the implementation of the action plan on the creation of an international financial centre in Moscow, the Bank of Russia contacted Continuous Linked Settlement (CLS) Bank to prepare the inclusion of the Russian rouble in the settlement currencies of the CLS System, a centralised multi-currency settlement infrastructure that provides for making settlements through a 'payment versus payment' mechanism and eliminates the risk of loss of the principal amount by the parties to conversion deals. During the course of this cooperation, steps aimed at ensuring the compliance with the operating requirements to the payment system were carried out, including the development of a format for an interbank transfer order. The format was convertible into electronic messages used in the settlements of the CLS System.

The Bank of Russia continued optimising the performance of its cash settlement centres; 38 of the Bank of Russia's cash settlement centres were liquidated (8.2% of the number of centres operating as of the beginning of the year).

### II.5.3. DEVELOPMENT OF THE TECHNICAL INFRASTRUCTURE OF THE BANK OF RUSSIA PAYMENT SYSTEM

The technical infrastructure of the Bank of Russia payment system was further improved and developed to ensure its efficient and reliable operation.

To ensure the migration of the payment system to a single unified standard software package for the processing of accounting and operational information (RABIS-NP), the shift of the processing of accounting and operational information of Bank of Russia regional branches from the CDPC-2 (St Petersburg) collective data processing centre to CDPC-MR (Moscow) and CDPC-1 (Nizhni Novgorod) was completed. As of 1 January 2013, CDPC-MR was processing the payment information of Moscow and the Moscow Region as well as 31 Bank of Russia regional branches, while CDPC-1 was processing the payment information of 47 Bank of Russia regional branches.

In order to ensure the stable operation of the applied transportation systems, the components of the Bank of Russia Electronic Settlement

Transportation System (ESTS) were upgraded in 19 of the Bank of Russia's regional branches.

In order to improve the electronic interaction between the Bank of Russia's regional branches and the Bank of Russia's customers, the Unified Transport Environment for Electronic Interaction between Bank of Russia Regional Branches and Bank of Russia Customers was upgraded in 19 Bank of Russia regional branches. The Environment Monitoring subsystem was introduced to automate the procedure for exercising control over the environment monitoring.

To ensure the interaction between the automated systems operating in information segments of the local computer network of Bank of Russia branches with the automated systems of the payment segments of the Bank of Russia network, ESTS gateways were created in the Bank of Russia's regional branches.

The Bank of Russia continued improving the IT security subsystems of the Bank of Russia's payment system.

## II.7. BANK OF RUSSIA ACTIVITIES RELATING TO GOVERNMENT FINANCE

*In* 2012, the Bank of Russia's public finance activity was aimed at: supporting the Federal Treasury and its regional branches in servicing the budget execution of the Russian budgetary system, further improving the procedure for servicing the budget accounts and administering certain types of federal budget revenue, improving the information exchange with the Federal Treasury, and preparing for the Bank of Russia's transfer of information to the State Information System for Government and Municipal Payments.

Within the scope of developing the respective regulatory framework to reform the budgetary payment system (in accordance with the Russian Federation Government Programme for the Optimisation of Budgetary Expenditures until 2012<sup>1</sup>), the Bank of Russia took part in the drafting of the Concept of the Budgetary Payment System Reform until 2017.

To support the Federal Treasury in the implementation of Resolution of the Government of the Russian Federation No. 1121, dated 24 December 2011, 'On the Placement of Federal Budget Funds in Bank Deposits', the Bank of Russia and the Federal Treasury executed a supplemental agreement on information exchange. Recommendations on signing supplemental agreements to the correspon-

dent account (subaccount) agreements with credit institutions (branches) were forwarded to regional branches. Such supplemental agreements authorise the Bank of Russia to debit the amounts of overdue debts of credit institutions under deposit repayment, and the amount of interest thereon, from the correspondent accounts (subaccounts) of credit institutions (branches) for the benefit of the Federal Treasury.

The volume of transactions performed by the Federal Treasury and its regional branches through the Bank of Russia payment system increased by 15.2 trillion roubles (32.0%) to 62.6 trillion roubles; 45.1% of the transactions were performed through the BESP System. This happened as a result of improvements that were made in the efficiency of fund management in the single federal budget account, and in the growth of the value of payments under the Federal Budget Law.

In 2012, within the scope of preparing the regulatory framework for the implementation of Federal Law No. 161-FZ, the Bank of Russia and Federal Treasury amended the unified bank account agreements signed between the Bank of Russia's branches and the Federal Treasury and financial authorities of the constituent territories of the Russian Federation (municipalities), when opening accounts to record the budget funds of the Rus-

<sup>1</sup> The Programme was approved by Directive of the Government of the Russian Federation No. 1101-r, dated 30 June 2010.

sian Federation budget system, funds received for temporary use, as well as funds of organisations that are not participants in the budget process.

In order to determine the specific features of the cash and settlement servicing of the financial authorities of the Russian Federation's constituent territories (municipalities) when customer accounts of budget funds recipients were opened with the financial authorities, the Bank of Russia and Russia's Ministry of Finance amended Regulation No. 298-P/173n, dated 13 December 2006, which determines the features of the cash and settlement services of the aforementioned authorities. The amendment was also conducted due to the necessity to change the procedure for executing the settlement documents that underlie the transactions performed by banks on the accounts of the Federal Treasury and the financial authorities of the Russian Federation's constituent territories (municipalities).

In order to minimise the circulation of cash in the government sector, the Bank of Russia coordinated Russia's Ministry of Finance Order No. 177n, dated 28 December 2012, which provided for settlements for purchased goods, works and services using corporate payment cards. Moreover, the Bank of Russia determined the procedure for opening separate customer accounts for the transactions performed via the payment cards for the Federal Treasury and financial authorities of the Russian Federation's constituent territories (municipalities).

Amendments were made to Bank of Russia Regulation No. 320-P, dated 27 August 2008, 'On the Procedure for Administering Certain Types of Budget Revenues by the Central Bank of the Russian Federation'. These were made in order to further improve the administration of the receipt of certain types of federal budget revenue by the Bank of Russia, as well as in connection with the Bank of Russia's duty to administer the penalties it imposed under Article 15.36 of the

Russian Federal Code of Administrative Offences (adopted in accordance with the Federal Law 'On Amending Certain Laws of the Russian Federation in Connection with the Adoption of the Federal Law 'On the National Payment System'').

Pursuant to Article 6 of the Federal Budget Law, the Bank of Russia monitored the closing of the Federal Treasury's regional branches' accounts for recording receipts from income-generating activities in 2012. To ensure the closing by government agencies and budget organisations of their accounts with the Bank of Russia and credit institutions, the Bank of Russia forwarded information about the opened accounts to the Federal Treasury and its regional authorities on a quarterly basis.

As a result of the completed work, in 2012 the total number of Bank of Russia customers other than credit institutions fell by 3,600 or 37.7% to 6,000, including that of the Federal Treasury which fell by about 100 or 19.7% to about 500. The total number of accounts of Bank of Russia customers other than credit institutions fell by 13,400 or 17.8% in 2012 to 61,800, including that of the Federal Treasury which fell by 7,600 or 13.1% to 50,100.

Pursuant to Federal Law No. 210-FZ, dated 27 July 2010, 'On Providing Public and Municipal Services', the Bank of Russia took part in the development and coordination of Federal Treasury Order No. 19n, dated 30 November 2012, 'On the Approval of the Procedure for Maintaining the State Information System for Government and Municipal Payments'. To determine the procedure for transferring information on the charging, cancelling and specification of accrued penalties (fines) to the State Information System for Government and Municipal Payments, Bank of Russia Letter No. 178-T, dated 24 December 2012, which explains the aforementioned provisions, was forwarded to Bank of Russia regional branches.

## IV.3. REGULATIONS ISSUED BY THE BANK OF RUSSIA IN 2012 TO IMPROVE REGULATION IN THE NATIONAL PAYMENT SYSTEM

To implement Federal Law No. 161-FZ, dated 27 June 2011, 'On the National Payment System' the Bank of Russia issued the following regulations:

- Regulation No. 378-P, dated 2 May 2012, 'On the Procedure for Applying to the Bank of Russia for Registering a Payment System Operator';
- Ordinance No. 2814-U, dated 2 May 2012, 'On Funds Transfer Amount the Excess of which shall Oblige Funds Transfer Operators to Apply to the Bank of Russia for the Registration of Payment System Operators';
- Ordinance No. 2815-U, dated 2 May 2012, 'On Setting Criteria Values for Qualifying Payment Systems as Important';
- Regulation No. 379-P, dated 31 May 2012, 'On the Uninterrupted Functioning of Payment Systems and on Analysing Payment Systems Risks';
- Regulation No. 380-P, dated 31 May 2012, 'On Procedures for the National Payment System Monitoring';
- Ordinance No. 2821-U, dated 31 May 2012, 'On Amending Bank of Russia Regulation No. 303-P, Dated 25 April 2007, 'On the Real-Time Gross Settlement System of the Bank of Russia'';
- Ordinance No. 2822-U, dated 31 May 2012, 'On Amending Bank of Russia Ordinance No. 1822-U, Dated 25 April 2007, 'On the Procedure for Making Payments and Settlements in the Real-Time Gross Settlement System of the Bank of Russia'';
- Ordinance No. 2824-U, dated 31 May 2012, 'On Payment System Reporting by Payment System Operators';
- Ordinance No. 2829-U, dated 7 June 2012, 'On Procedures for Funds Transfer Operators to Notify the Bank of Russia about Commencement of Their Participation in a Payment System to Perform Cross-Border Funds Transfers';
- Regulation No. 381-P, dated 9 June 2012, 'On Supervision of the Compliance by Non-Credit Institutions — Payment System Operators and Payment Infrastructure Service Operators — with Federal Law No. 161-FZ, Dated 27 June 2011, 'On the National Payment System', and with the Relevant Bank of Russia Regulations';
- Ordinance No. 2832-U, dated 9 June 2012, 'On the Specifics of Payment System Rules Which Regulate Funds Transfer Transactions in Organised Trading';
- Regulation No. 382-P, dated 9 June 2012, 'On Requirements to Protect Information Related to Funds Transfers and on the Procedures of the Bank of Russia Control over the Compliance with the Requirements to Protect Information Related to Funds Transfers';
- Regulation No. 383-P, dated 19 June 2012, 'On Funds Transfer Rules', that establishes general rules for funds transfers by banks in the territory and in the national currency of the Russian Federation, both via bank accounts and without opening bank accounts, using applicable forms of cashless settlements;
- Ordinance No. 2831-U, dated 9 June 2012, 'On Reporting about the Protection of Information Related to Funds Transfers by Payment System Operators, Payment Infrastructure Service Operators, and Funds Transfer Operators';
- Regulation No. 384-P, dated 29 June 2012, 'On the Bank of Russia Payment System';
- Ordinance No. 2871-U, dated 11 September 2012, 'On the List of Bank of Russia Officers Authorised to Compile Records on Administrative Offences';
- Ordinance No. 2836-U, dated 19 June 2012, 'On the Requirements Established by the Bank of Russia for Important Payment Systems';

- Ordinance No. 2837-U, dated 20 June 2012, ‘On Procedures for the Bank of Russia Requesting and Receiving Information from the Federal Postal Service Organisations’;
- Ordinance No. 2862-U, dated 10 August 2012, ‘On Amending Bank of Russia Regulation No. 266-P, Dated 24 December 2004, ‘On the Issuance of Bank Cards and on Operations Conducted Using Payment Cards’’, issued pursuant to Federal Law No. 161-FZ requirements concerning means of electronic payment and electronic money transfers.

Table 16

## STRUCTURE OF BANK OF RUSSIA CUSTOMERS OTHER THAN CREDIT INSTITUTIONS AND NUMBER OF ACCOUNTS OPENED FOR THEM (thousand)

	Number of customers			Number of accounts		
	as of 1.01.2012	as of 1.01.2013	change over 2012	as of 1.01.2012	as of 1.01.2013	change over 2012
<b>Total</b>	<b>9.6<sup>1</sup></b>	<b>6.0</b>	<b>-3.6</b>	<b>75.2</b>	<b>61.8</b>	<b>-13.4<sup>1</sup></b>
Federal Treasury	0.7	0.5	-0.1 <sup>1</sup>	57.7	50.1	-7.6
Regional and local budget management bodies	1.4	1.3	-0.1	6.2	5.1	-1.1
State-owned institutions financed from budgets of all levels	2.5	0.6	-1.9	3.5	0.7	-2.8
Government and other extra-budgetary funds	2.4	2.4	0.0	4.2	4.2	0.0
Election commissions (referendum commissions)	1.4	0.2	-1.2	1.7	0.2	-1.4 <sup>1</sup>
Other organisations	1.3	1.0	-0.3	1.9	1.5	-0.4

<sup>1</sup> Discrepancies in the sum are due to the rounding of data.

Table 17

**RUSSIA'S DOMESTIC GOVERNMENT DEBT AS OF 1 JANUARY 2013**  
(at face value, billions of roubles)

Debt instruments	Total within domestic government debt	Of these, traded on domestic securities market
Permanent coupon-income federal loan bonds (OFZ-PD)	2,248.2	2,248.2
Debt depreciation federal loan bonds (OFZ-AD)	1,048.6	948.6
Government savings bonds (GSO)	677.5	—
MinFin bonds (OVOZ)	90.0	—
Other debt recognised as part of domestic government debt	913.6	—
<b>Total</b>	<b>4,977.9</b>	<b>3,196.7<sup>1</sup></b>

<sup>1</sup> Discrepancies in the sum are due to the rounding of data.



Table 18

**FINANCE MINISTRY DEBT TO THE BANK OF RUSSIA AS OF 1 JANUARY 2013**  
(millions of roubles)<sup>1</sup>

	At face value
Russian government debt obligations	354,905
of which:	
— Russian government debt obligations available for sale, in national currency	259,160
— Russian government debt obligations available for sale, in foreign currency	95,745

<sup>1</sup> Exclusive of repo transactions.

Table 19

**RUSSIAN GOVERNMENT OUTSTANDING FOREIGN CURRENCY-DENOMINATED<sup>1</sup> BONDS**  
(as of 1 January 2013)

Date of placement	Date of redemption	Volume in circulation at par, millions of US dollars	Coupon rate, percent p.a.
<b>Eurobonds due in 2015</b>			
29.04.2010	29.04.2015	2,000	3.625
<b>Eurobonds due in 2017</b>			
4.04.2012	4.04.2017	2,000	3.25
<b>Eurobonds due in 2018</b> (issued in the course of restructuring GKO)			
24.07.1998	24.07.2018	3,466	11
<b>Eurobonds due in 2020</b>			
29.04.2010	29.04.2020	3,500	5
<b>Eurobonds due in 2022</b>			
4.04.2012	4.04.2022	2,000	4.5
<b>Eurobonds due in 2028</b>			
24.06.1998	24.06.2028	2,500	12.75
<b>Eurobonds due in 2030</b> (issued in the course of restructuring debt to the London Club of commercial bank creditors)			
31.03.2000	31.03.2030	16,444	7.5
<b>Eurobonds due in 2042</b>			
4.04.2012	4.04.2042	3,000	5.625

<sup>1</sup> In US dollars.

Table 47

## NATIONAL PAYMENT SYSTEM KEY INDICATORS

	2011	2012
<b>National payment system participants<sup>1</sup></b>		
Number of money transfer operators	980	958
of which:		
— Bank of Russia	1	1
— Vnesheconombank	1	1
— credit institutions	978	956
Number of payment system operators	—	20
of which:		
— Bank of Russia	—	1
— credit institutions	—	12
— organisations other than credit institutions	—	7
Number of operators of payment infrastructure services		
— operating centres	—	23
— payment clearing centres	—	21
— settlement centres	—	22
Number of e-money operators	—	38
Russia's Post Service	1	1
Number of bank payment agents and payment agents <sup>2</sup>	—	12,000
<b>Memo item</b>		
Number of Bank of Russia establishments	543	505
Number of branches of credit institutions	2,807	2,349
Number of internal divisions of credit institutions <sup>3</sup>	40,510	42,641
of which:		
— additional offices	22,565	23,347
— operations offices	5,360	7,447
Number of post offices of Russia's Post Service <sup>4</sup>	41,617	42,641
Number of accounts <sup>1,5</sup> opened with Bank of Russia establishments and credit institutions for customers other than credit institutions, million	601.5	671.0
of which:		
— private individuals	594.5	663.7
— corporate entities other than credit institutions	7.0	7.3
<b>Payments effected by national payment system<sup>6</sup></b>		
Number of payments <sup>7</sup> , million		
<b>Total</b>	<b>3,269.4</b>	<b>3,771.3</b>
of which payments effected:		
— by Bank of Russia payment system	1,187.6	1,259.0
— by interbank payment systems <sup>8</sup>	185.9	171.8
— between divisions of one credit institution	422.7	459.8
Volume of payments, trillions of roubles		
<b>Total</b>	<b>1,298.2</b>	<b>1,591.0</b>
of which payments effected:		
— by Bank of Russia payment system	916.2	1,150.5
— by interbank payment systems <sup>8</sup>	30.1	27.2
— between divisions of one credit institution	161.6	194.9

End

	2011	2012
<b>Cashless payment instruments used by credit institutions and their customers other than credit institutions</b>		
Number of payments, million		
<b>Total</b>	<b>3,696.0</b>	<b>4,056.8</b>
of which:		
— credit transfers <sup>9</sup>	2,501.9	2,516.2
— direct debits <sup>10</sup>	118.0	82.1
— other payment instruments <sup>11</sup>	1,076.1	1,458.5
Volume of payments, trillions of roubles		
<b>Total</b>	<b>364.4</b>	<b>401.5</b>
of which:		
— credit transfers <sup>9</sup>	357.4	395.2
— direct debits <sup>10</sup>	1.4	1.3
— other payment instruments <sup>11</sup>	5.6	5.0
<b>Payment card market key indicators</b>		
Number of payment cards issued by Russian credit institutions <sup>1</sup> , million	200.2	239.5
of which:		
— debit cards	147.9	169.0
— credit cards	15.0	22.5
— prepaid cards	37.3	48.0
Total number of payment card operations in Russia and abroad <sup>12</sup> , million	4,232.2	5,947.0
of which:		
— debit cards	3,969.1	5,402.9
— credit cards	155.8	315.7
— prepaid cards	107.3	228.4
Total volume of payment card operations in Russia and abroad <sup>12</sup> , trillions of roubles	17.7	23.8
of which:		
— debit cards	17.0	22.5
— credit cards	0.5	0.9
— prepaid cards	0.2	0.4

<sup>1</sup> As of end of year.

<sup>2</sup> According to data of the National Association of Electronic Trade Participants.

<sup>3</sup> Excluding mobile banking vehicles.

<sup>4</sup> According to data of Russia's Post Service.

<sup>5</sup> Accounts that can be used to effect payments.

<sup>6</sup> Including rouble payments from accounts of customers of the Bank of Russia and credit institutions (individuals, credit institutions and corporate entities other than credit institutions including Russia's Post Service); own payments of the Bank of Russia and credit institutions; and remittances without opening an account of an individual payer. Excluding payments using bank cards and operations in financial markets by customers of credit institutions.

<sup>7</sup> Orders of customers of credit institutions are accounted for in cumulative orders of credit institutions.

<sup>8</sup> Including payments effected via correspondent accounts of credit institutions and non-resident banks opened with credit institutions.

<sup>9</sup> Including payments effected using payment orders and letters of credit as well as remittances without opening a bank account.

<sup>10</sup> Including payments effected using payment requests and collection orders.

<sup>11</sup> Including payments effected using cheques and bank orders.

<sup>12</sup> Including operations to withdraw cash, pay for goods and services, customs payments and other operations (for example, payments from one bank account to another) using payment cards issued by Russian credit institutions.

Table 48

## BANK OF RUSSIA PAYMENT SYSTEM

	2011	2012
Number of customers served <sup>1</sup>	12,631	8,880
of which:		
— credit institutions	978.0	956.0
— branches of credit institutions	2,069.0	1,953.0
— customers other than credit institutions	9,584.0	5,971.0
Number of remittances effected, million	1,187.6	1,259.0
of which:		
— by credit institutions (branches)	1,005.0	1,068.0
— by customers other than credit institutions	181.7	190.2
— by Bank of Russia divisions	0.9	0.8
Volume of remittances effected, trillions of roubles	916.2	1,150.5
of which:		
— by credit institutions (branches)	706.1	879.7
— by customers other than credit institutions	76.2	94.1
— by Bank of Russia divisions	133.9	176.7
Number of electronic remittances, million	1,186.9	1,258.5
Volume of electronic remittances, trillions of roubles	915.9	1,150.0
Number of Bank of Russia establishments participating in intraregional electronic settlements <sup>1</sup>	542.0	85.0
Number of Bank of Russia establishments participating in interregional electronic settlements <sup>1</sup>	543.0	86.0
Number of Bank of Russia establishments participating in the BESE system <sup>1</sup>	279.0	82.0
Total number of customers exchanging electronic messages <sup>1</sup>	4,647.0	4,875.0
of which:		
— credit institutions (branches)	2,998.0	2,859.0
— Federal Treasury bodies	199.0	224.0
— customers other than credit institutions	1,450	1,792
Number of orders on remittances effected through communication channels, million	1,161.3	1,232.9
Number of remittances effected on paper, million	0.7	0.5
Volume of remittances effected on paper, trillions of roubles	0.3	0.5

<sup>1</sup> As of end of year.

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