

The Current Payment System of the Russian Federation

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Abstract: The article analyzes the current form of the Russian payment system, where the Central Bank of Russia is developing directions of further improving the country's payment system as evidenced by international experience, creating a system of gross settlement in real time. There are also described the characteristics of settlements, development of the national payment card market, where presented both Russian and international payment systems and adoption of the new law concerning national payment system in Russia. This law establishes the legal and organizational framework of the national payment system, regulates the provision of payment services, including the transfer of funds, the usage of electronic means of payment, the activity of the subjects of the national payment system, as well as defines the requirements for the organization and functioning of payment systems, order of supervision and observation in the national payment system.

Key words: Payments • Settlement • Payment system • National payment system • Gross payments in real time (RTGS) • Money transfer

INTRODUCTION

To ensure the stability and development of the domestic financial system and the global financial system as a whole is extremely essential to have a sound financial infrastructure that provides services including money transfer. According to the methodology developed by the Committee on Payment and Settlement Systems of the Bank for International Settlements (BIS CPSS) it is composed of five elements: systemically important payment systems (Systemically Important Payment Systems), the settlement system for securities (Securities Settlement Systems), Central Securities Depository (Central Securities Depository), CCP (Central Counterparty) and the trade repository (Trade Repository), together obtained the name of financial market infrastructure.

Payment component of the financial market infrastructure is a significant gear mechanism of monetary policy. Rationally designed payment financial market infrastructure provides high availability of services to the population, appropriate margins for the business, investment efficiency for the state and the highest level of safety for all participants.

The researches in the field of payment systems (S.V. Anureev [1], G.N. Beloglazova [2], N.A. Savinskaya and

G.N. Beloglazova [3], S.V. Krivoruchko and V.R. Glisina [4], R. Gogoski [5], P. Docherty and G. Wang [6], B. Geva [7], M. Galbiati and K. Soramäki [8], G. Selgin [9], etc.) are important to us.

The payment system of the Bank of Russia is a key mechanism for the Russian financial system which is implemented through monetary and fiscal policy of Russia and carried out most of the interbank payments. In this regard, the Bank of Russia takes steps to develop its own payment system in the direction of improving efficiency and continuity its operation by improving management, operational management, monitoring and observation. The successful development of its payment system, the Bank of Russia guides international experience, as well as the recommendations of the Committee on Payment and Settlement Systems Bank for International Settlements (BIS CPSS) and other international financial institutions.

At the present time, the development of the national payment system is especially critical. Development of the payment system of the Bank of Russia in the coming years will be in accordance with the adopted law, the "Concept of development of the payment system of the Bank of Russia through 2015 "and the" Action Plan for the establishment of an international financial center in Russian Federation ".

Key measures to improve the payment system of the Bank of Russia will be associated with the complex transformation of existing payment systems. There will be a centralization of its architecture by focusing on the centralized management of the payment system and settlements in a single regulation, the establishment of a comprehensive regulatory framework that will enhance the transparency of the payment system, reduce operating costs and reduce the risks affecting the operation of the banking system.

Novelty: For the solution of the set objectives the following methods were used: studying of scientific-methodical literature, normative and program-methodical documents, on the research problem; structural and factorial analysis, synthesis, generalization, classification, formulation of conclusions, etc.

Theoretical and empirical material was collected and generalized, domestic and foreign experience of formation of payment systems was studied, directive, standard and program-methodical documentation was analyzed.

Main Part: The payment system of the Russian Federation consists of the payment system of the Bank of Russia (PSBR) and private payment systems. PSBR - is a key mechanism through which implemented fiscal and monetary policy in Russia, which provides the dominant role of the PSBR in the payment system of the country. Significant in number and in terms of prevailing charges, held in the payment system of the Russian Federation, implemented through PSBR, so the PSBR is a systemically important payment system. In the PSBR functioning payments system, which differ according to the territorial scope, the volume of ongoing payments, rules and regulations of the operation, participation and payment instruments, the rate of payments and the technology used. PSBR includes intra-system electronic payment systems (VER), a system of inter-regional electronic payments (MER system), electronic banking system for urgent payments (BESP system) and settlement system with the use of vouchers [10].

Analyzing the current trends in the development of payment systems in other countries, the Central Bank of Russia is developing directions of further improving the country's payment system as evidenced by international experience, the most promising are gross settlement system in real time (RTGS), operating under the auspices of the central banks and the netting system, operators which are usually non-governmental organization sector.

The task of creating in Russia a system of gross settlement in real time was unique on a global scale, it does not have analogues among similar systems of foreign central banks. For example, one of the largest foreign payment systems - the payment system of the United States Fedwire - provides for payments in the country and covers five time zones (areas of Hawaii and Alaska to New York or Florida), while the territory of the Russian Federation is 9 time zones, covering the distance from Kaliningrad to Magadan. Work to create its own system of gross settlement in real time, which later received the name of a system of electronic banking due payments of the Bank of Russia (BESP system), the Bank of Russia began in late 2003. The initial phase of construction BESP system was completed in July 2007. Currently, the BESP system is a high tech contour in the payment system of the Bank of Russia, whose value is steadily increasing. For cashless payments using credit transfers, direct debits, checks, payment cards and electronic cash. The main payment instrument in Russia is a credit transfer, which is carried out by the vast majority of payments [1, 2].

One of the latest trends in Russia is the increasing use of payment cards at present. At the national payment card market represented both Russian and international payment systems (with a predominance of the latter). Despite the fact that the volumes of transactions using payment cards are still small, their growth rates in recent years have been quite high. One of the important tasks in the development of PSBR is the organization of interaction with infrastructure organizations operating in the financial market, to create conditions conducive to improving the efficiency of their operation, including through the use of internationally accepted reliable mechanisms for settlement of the transactions [3] Under modern conditions, which are characterized by rapid changes in the financial market, the further development of effective and reliable national payment system requires an adequate legal support. Improving the legal framework for payment system in Russia is one of the priorities of the Bank of Russia at the present stage. For this purpose, the Ministry of Finance of the Russian Federation in collaboration with the Central Bank of the Russian Federation was developed Law ¹ 161-FZ "On the national payment system", which was adopted in June 2011.

This law establishes the legal and organizational framework of the national payment system, regulates the provision of payment services, including the transfer of funds, the usage of electronic means of payment, the activity of the subjects of the national payment system,

as well as defines the requirements for the organization and functioning of payment systems, order of supervision and observation in the national payment system. The law gives the basic concepts that characterize the elements of the national payment system, including such statements as a money transfer, including the operators of electronic money, payment systems operators and service operators of the payment infrastructure (operating, clearing and settlement services), as well as established general requirements for the activities of these operators, the requirements for the organization and functioning of payment systems. Bank of Russia normative acts define such concepts as the irrevocability and finality of payment, provide for the use of mortgaging mechanism to provide secured loans and credit accounts to complete the settlements in PSBR. Normative acts of the Bank of Russia are by far the most detailed of the documents constituting the legal basis for settlement in the Russian Federation. They are mandatory for all subjects of the legal settlement [4, 5].

The term “National payment system” is defined in the draft law the same way as it was defined in the documents of the Basel Committee on Payment and Settlement Systems, “The national payment system - a set of operators to transfer funds, including the operators of electronic money, payment agents (subagents) operators of payment systems and payment infrastructure service operators, the financial markets, institutions and organizations of the Federal Treasury federal Postal Service in their implementation of activities related to the transfer of funds (the subjects of the national payment system)”. Hence you can see that the concept of “transfer funds” is also key concept. Due to the fundamental nature of this concept, it is expected to introduce not in the glossary of the Law “On the national payment system”, to make changes in the Civil Code of the Russian Federation and for these purposes to supplement it with a new article - 8611, which will be given a definition of what is meant by “transfer of funds”. Supposed to define this concept as follows: “In carrying out the transfer of funds the bank obligates by order of the payer or recipient of funds (payment order) at the expense of monetary fund’s in the payer’s bank account or given to them without opening a bank account at a determined time to provide a certain amount in the payment order of funds mentioned in the payment order to the recipient of funds from the transfer to a bank account cash or the issuance of cash in this or in another bank. Payer and the payee may be the same person. Bank of the payer’s bank and the payee may be the same bank. Cash deposit to your bank account or withdraw cash from your bank account in one bank is not

a transfer of funds”. The timing of the transfer to be installed in the same way as now established the timing of payments by wire transfer in Article 80 of the Federal Law “On Central Bank of Russian Federation (Bank of Russia)”: the transfer of funds must be completed between the bank of the payer and the recipient of funds in the bank period not exceeding two working days within the territory of the Russian Federation and five working days within the territory of the Russian Federation. Also, the Civil Code is intended to transfer from the provisions of the Bank of Russia ‘ 2-P “On clearing settlements in the Russian Federation” rules concerning the irrevocability and finality of payments and, in accordance with international practice, to introduce the concept of “unconditional payment”. State Duma in considered bills indicated standards are formulated as follows. Unless otherwise due to the applied form of cashless payments, not provided by the rules of non-cash payments or the contract, after debiting the payer’s bank account on the basis of the respective payment order or bank transfer payer payment order to transfer without opening an account provided by the payer of money remittances becomes irrevocable for the bank of the payer and the payer. After transferring the money in the bank account of the payee, the recipient of cash funds in the same bank to the payer or the payee bank funds transfer is completed and become final for the carrying out of its banks. Transfer of funds may be caused by the implementation of certain actions, including the implementation of counter-transfer of funds in a currency counter transfer of securities, of documents or other conditions lay down by law, regulation, or contract non-cash payments (conditional transfer). The authors of the bill outlined a fairly clear delineation of the concepts of “supervision” and “observation”, between the two activities. Supervision of the national payment system, according to the draft law is defined as “the activities of the Bank of Russia to monitor compliance by operators of money transfer, payment systems operators, operators, service payment infrastructure requirements of the legislation of the Russian Federation on the national payment system” [6,7].

Observation of the national payment system is defined as “the Bank of Russia on monitoring, evaluation of the operator to transfer funds, operators of payment systems and payment infrastructure service operators, as well as to assess the provision of appropriate services, assessing the organization and operation of payment systems, assessing the use of the payment infrastructure and if necessary, to prepare recommendations and proposals on the results of this evaluation” [8, 9].

CONCLUSION

The formation of the legal framework of supervision and observations in the national payment system are significant innovations of the bill, which allow to create legislative framework for those relationships that do not have adequate legal regulation in the current legislation of the Russian Federation. It should be noted that under the draft law and the oversight of compliance with the legislation of the Russian Federation on the national payment system and observation in the national payment system is carried out by the Bank of Russia.

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