

PRESS RELEASE
EXTENDED MEETING
OF THE SUPERVISORY BOARD OF
FINANCIAL AND BANKING ASSOCIATION
OF EURO-ASIAN COOPERATION



The first meeting of the Supervisory Board was held at the headquarters of the Financial and Banking Association of Euro-Asian cooperation in Moscow on 22 September 2016. The session was presided by Chairman of the Supervisory Board of FBA EAC, Member of the Board – Minister in charge of Economy and Financial Policy of the Eurasian Economic Commission **Timur Suleimenov**.

The subject of discussion was the current activities of the Association and challenges in working. The participants of the meeting had paid particular attention to issues of cooperation the Association with the Financial Policy Department of the Eurasian Economic Commission.

In the light of this, the participants of the meeting discussed the problems of formation of single information and single retail payments area, the state of inter-bank payment and settlement in the territory of the EAEU.



The information about the activities of the Association was made by **Alexander Murychev** – Chairman of Coordination Council of FBA EAC, Executive Vice-President of the RSPP. He told about directions for the

Association, highlighted the range of issues, which requires the active participation of state bodies of EAEU countries.



Statement was made at that meeting by **Alma Obaeva** - the Chairman of the Board of NP "National Payments Council", who spoke about problems of interaction on the market of payment services and proposed a series of measures that will optimize this interaction. We can solve the current problems through changes regulatory and legal acts - acts of national banks of the EAEU countries, rules for realization of transfer, acting on the territory of the country. The main objective is to create uniform rules for making transfers on the territory of the EAEU countries, as well as the organization of centralized control and supervision their implementation.



In his speech of the President of the Interstate Bank **Igor Suvorov** supported the position of Alma Obaeva as to the need for consolidating efforts to regulate payment relations in the framework of the EAEU system.

Suvorov reminded that the main task of the Interstate Bank is increasing the role of national currencies.

Citing figures of the free volume of trade in the EAEU in the last year, which amounted to \$ 45 billion, Suvorov noted that the share of the ruble in them totaled a little over 60 %, the share of national currencies only 1-2%.



*In the speech of the Vice-President of “Transcapitalbank” **Elena Shirinskaya** was concern expressed by the situation that arose in the context of a transition of the Russian banking system to “Basel III” that has increased the capital requirements of banks and has introduced new regulations on liquidity.*

The second problem, which arose in connection with the introduction of "Basel III», increase in risk quotient to 150 % for foreign currency loans, insured in JSC "EXIAR".

Way out of this situation Elena Shirinskaya sees in attempts to agree with the Central Bank of the Russian Federation on the introducing exceptions to the countries of the EAEU.



The Head of Representative Office in the Republic of Kazakhstan, Adviser of the President of the Council JSC “CenterCredit” (Republic of Kazakhstan) – **Alexey Smolyakov** described the activities, formed at commissioned by the Coordinating Council of the FBA EAC, the Working Group to implement the “pilot project”.



Egor Ivankov – Head of the Representative of Joint Stock Company “Universal Commodity Exchange-Eurasian Cooperation” (Kazakhstan), described the first practical steps to implement the “pilot project” and arising in connection with these problems, the most important of which is carried out the policy to tighten

control over cross-border payments between Russia and Kazakhstan by the Central Bank of the Russian Federation. This policy leads to considerable difficulties in making payments from the banks of the Russian Federation against JSC “UCEEC” EU in banks of Kazakhstan. Russian banks refer to the regulatory letters of CB RF, in which payments to the enterprises of Kazakhstan are subject to the special exchange control. Making payments for Russian companies, accredited to JSC “UCEEC” EU, is becoming difficult and it precludes the Russian bidders in providing equal access to the electronic exchange platform.



Oleg Preksin – Member of the Coordinating Council of FBA EAC, Vice-President of the Association of Russian Banks, spoke about the prospects for the EAEU as a launching pad for the project of the new international system of payment cards, about a single payment card for the countries within the EAEU, SCO and BRICS. To advance the project of NISPC in the EAEU it was proposed that a task force of representatives of all stakeholders, including the EEC. In case of positive results of its work, the topic can bring up at the next summit of the EAEU and SOC.



Chairman of the Supervisory Board of the Consortium G3 and Net-Centric, Head of the Analytic Centre of FBA EAC "Monitoring of the global financial system" – **Marina Khokhlova** offered, in the common action of FBA EAC and the Financial Policy Department of EEC, to prepare recommendations for the establishment, development and possibilities for pursuing new architectures and platforms of the digital economy, including financial technologies (finteh) for the development and implementation of information interaction of authorized bodies of the EAEU countries.

One of the first steps can be a cycle of round tables, reflecting the discussions about the new architecture of the digital economy. The topic of the first round table is “NOAH'S ARK OF THE FINTEHA”, which will take place on November-December 2016. Moreover there is a creation of Analytical Centre and Information Portal on the platform of FBA EAC.



General Director of FBA EAC **Oleg Berezovoy** addressed with the short report on the implementation of the current challenges in recent time, to focus on the progress of creation of the official print organ of the Association – “Eurasian Financial & Business Herald”. Also he talked about how we prepare to undertake the Third Moscow International Financial and Economic Forum «Eurasian Union and the EU: new opportunities of economic cooperation». It will be held in Moscow on December 1, 2016 by the Finance and Banking Association Euro-Asian Cooperation (FBA EAC) together with Internationaler Wirtschaftssenat e.V. (Berlin, Germany) with the support of the Russian Union of Industrialists and Entrepreneurs (RSPP) and the Eurasian Economic Commission (EEC).

This Forum was supported by the leading economic and financial structures of Europe and Asia. The 1st and 2nd Forums were attended over 200 participants from 23 countries and provided opportunities to discuss the most pressing issues related to the problems of Eurasian Integration and the creation of the Eurasian Economic Union.

In the forthcoming Forum will be attended by representatives of international development institutions, financial associations and organizations, leaders of industrial business associations, top managers of leading Russian and foreign companies, international experts in finance and economy, representatives of the banking, customs and logistics and insurance communities, investment and commercial structures of the countries of the EAEU and EU.

FBA EAC requested support the initiative to be a single focal point for the integration of national qualification systems in financial and banking professions in the EAEU. So Oleg Berezovoy proposed that:

1. Send the appropriate request to the countries of EAEU (the project is prepared)
2. Create a working group of representatives, proposed in its structure, for developing the common approach based on an analysis of the legal and methodological base of the EAEU countries about:
 - the public policy/the concept of development of the labor force;
 - legislation on the qualifications of labor force;
 - Rates and Qualifications Handbooks;
 - professions with benefits and compensation;
 - the current system of professional standards and their analogues;
 - the interstate of mutual recognition agreements of professional certificates .
3. Assess migratory flows (incoming/outgoing) specialists of financial and banking profile between the EAEU countries.
4. Identify the need for the joint development of the most relevant professional standards.
5. Prepare a proposal for the joint creation of a network of examination centers and the order of their work.



The outcome of the meeting summed up by the Chairman of the Supervisory Board of FBA EAC, Member of the Board – Minister in charge of Economy and Financial Policy of the Eurasian Economic Commission **Timur Suleimenov**. He noted that the meeting was interesting, during the presentations many proposals were made that have great prospects. The initiators of the proposals, no later than 5 October 2016, were invited to submit their analyses to the College for Economics and Financial Policy of the Eurasian Economic Commission. Within two months these documents need to be reviewed carefully for further consolidation in the thematic report project. If approved, these materials will be sent to the governments and national banks.

