

Banks Lining Up to Join Municipal Payment System

By The Moscow Times

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Not all banks will be able to connect to the treasury's new system for municipal payments before the Nov. 6 deadline set by Prime Minister Dmitry Medvedev.

Only one-fifth of all banks have joined the system for reporting information on people's payments to the budget, which authorities hope will ease the problem of unpaid traffic fines. Other banks are still hammering out contract terms or wondering whether they need to be part of the system at all, Kommersant reported.

Experts say Medvedev's mandate earlier this month that banks become part of the system has led to wait lists of financial institutions looking to start reporting their information, and not all will be able to connect by November.

Last week, the Federal Treasury published a list of banks that had joined the state information system for state and municipal Payments and will publish an updated list every Friday, said

Oksana Rud, head of the treasury's department for the development of budget payments.

As of Friday, 186 of 950 financial organizations were hooked up to the system, and only 117 of them had been reporting full information about payments. Another 688 banks have already registered with the system but are not connected to it and 76 institutions had not begun the process of registration.

Previously, fines did not have individual identification numbers, so authorities had trouble determining which fine a person was paying and labeled them a non-payer if the amount given did not cover a particular fine. The new system is designed to keep track of payments made by drivers through banks.

A spokesperson for Rostelecom, which is responsible for connecting banks to the system, said the process would be significantly accelerated if the government approved a standard template for the service agreement that all banks could use.

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