

# Major Russian Bank Opts for Chinese Payment System Over Visa and MasterCard

By [The Moscow Times](#)

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Russia's third-largest lender, Gazprombank, has started issuing bank cards using Chinese payment system UnionPay, the bank said in a statement Monday.

The move reflects a desire among Russia's banks to curb their reliance on U.S. payment systems, which makes them vulnerable to U.S. sanctions on Russia over Ukraine.

State-owned Gazprombank clients can order now UnionPay cards linked to new accounts or as an addition to MasterCard or Visa cards attached to existing accounts.

Visa and MasterCard have cut services to several Russian banks this year, after they were blacklisted by the U.S. in response to Moscow's annexation of Crimea and support of separatists in eastern Ukraine. Russian authorities have viewed the cutoffs as a national security threat, and banks are looking for ways to minimize their risks. Thousands

of Russians have already found themselves stranded overseas with useless bank cards this year, when their banks were targeted.

Many of Russia's biggest banks — including VTB-24, Promsvyazbank, Alfa Bank and MTS Bank — have said they are making technical preparations and running tests with the UnionPay cards.

Nonetheless, Visa and MasterCard still dominate Russia's payments market, servicing over 90 percent of payments. According to Morgan Stanley, the two companies' joint revenues in Russia are about \$600 million per year.

However, in the world beyond Russia the picture is different — UnionPay serviced 34 percent of issued bank cards in 2012, followed by Visa, with 25 percent, and MasterCard with 19 percent, according to RT.

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