

Visa to Miss Deadline for New Russian Payment System, MasterCard on Time

By [The Moscow Times](#)

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Visa and MasterCard bank cards are seen on a table at a local residence.

Visa still needs one or two months to transfer processing of transactions made on its credit cards in Russia to a local payment system, but MasterCard will make an obligatory April 1 deadline, the head of the payment system said.

Russian authorities ordered foreign card companies to move processing of their transactions in Russia to a newly created local payment system by April 1 or put down a hefty security deposit.

The new rules were introduced after Visa and MasterCard stopped providing services for some Russian banks that were sanctioned over Moscow's role in the Ukraine crisis.

"With MasterCard the project is completed, all the banks are signed up. With Visa there is a fully fledged project, which has been agreed. Signing up and certifying the banks is under

way," Vladimir Komlev told journalists in comments agreed for publication on Friday.

"There is an understanding of the time frame [for Visa] to complete the project, around one to two months."

Foreign card companies whose local transactions aren't processed in Russia must from April 1 deposit collateral related to the average daily turnover on their cards with the Central Bank to ensure Russian customers don't suffer if they halt services in the country.

Komlev declined to comment on whether Visa would have to pay the security deposit, and Visa refused comment on the issue.

On Friday, Visa said its cards would continue to function normally until it completely moved processing of transactions made on its cards in Russia to the local system.

Russia's top lender Sberbank said transactions made on MasterCard cards it had issued would from Monday be processed by Russia's National Payment Card System, which is owned by the Central Bank.

Rostislav Yanykin, head of Sberbank's bank cards department, said he did not know of any banks that had managed to transfer processing of Visa cards to the local payment system.

"Visa is slightly more tricky than MasterCard," he said. "They have an exchange protocol for cash machine operations that is much more difficult."

Komlev, the head of Russia's payment system, also said he thought the system he heads would help residents of Crimea. Visa and MasterCard late last year stopped supporting bank cards used on the peninsula Russia annexed from Ukraine.

"We see a real solution to the problem of Crimea and Sevastopol in giving the Crimean people access to the National Payment Card System," he said.

Russia's payment system plans to start issuing its own cards toward the end of 2015.

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