

Russia's State-Run Replacement for Visa and MasterCard Crashes

By [The Moscow Times](#)

April 29, 2015



Analysts had warned that the speed of the system's implementation could create risks of glitches.

Russia's new national payment system, intended to curb the country's reliance on U.S. companies Visa and MasterCard, collapsed for five hours early Wednesday, the RBC news agency reported.

All payment service providers have been required to process payments through the new system since its launch on April 1, and as a result of the fault no Visa or MasterCard transactions were processed in Russia between 2:15 a.m. and 7:10 a.m. Moscow time, the agency said.

The causes of the incident, the system's first major failure, are still unclear. The head of the Russian payment system, Vladimir Komlev, told news agency Interfax: "I can only say that it isn't a system failure. The crash wasn't caused by hardware or software related problems."

Analysts had warned that the speed of the system's implementation could create risks of glitches.

Plans to create a national payment system were ignited last year after U.S. sanctions on Russia over its actions in Ukraine forced Visa and MasterCard to suspend services to two Russian banks that Washington claimed had links to President Vladimir Putin.

Visa and MasterCard, both of which are headquartered in the U.S., dominate Russia's payments market, and Moscow interpreted their action as a threat to national security.

The Russian payment system is planning to start issuing its own cards by the end of the 2015.

Original url:

<https://www.themoscowtimes.com/2015/04/29/russias-state-run-replacement-for-visa-and-mastercard-crashes-a46205>