

**RUSSIA AND CIS PAYMENT
CARDS YEARBOOK
2009-2010 EDITION**

Updated to include statistical
data available as at end-2008

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Introduction

About the Yearbook

This edition of the Russia and CIS Payment Cards Yearbook is the first of its kind and follows the decision by the publishers to split Russia and the CIS away from the European Payment Cards Yearbook.

The ten countries reviewed in this Yearbook are as follows:

Russia, Ukraine, Kazakhstan, Armenia, Azerbaijan, Belarus, Georgia, Kyrgystan, Moldova and Uzbekistan. Also forming part of the CIS, but not profiled due to lack of data, are Tajikstan and Turkmenistan.

There are now 33 countries in the European Payment Cards Yearbook. These are the countries forming the European Economic Area, or EEA - the EU27 plus Iceland, Norway and Switzerland - plus Croatia, Serbia and Turkey.

Country Profiles

The core of the Russia and CIS Payment Cards Yearbook is the series of profiles of the card markets of the CIS country by country. These include information and data on the following subjects, though not all profiles contain all of them:

- Key statistics;
- The banking sector - size and ownership;
- Recent M&A activity;
- International expansion;
- Market infrastructure;
- Market size and dynamics;
- Cards in issue and card usage;
- Debit, delayed debit/charge and credit cards;
- Major card issuers;
- Consumer finance;
- Cards in comparison to other cashless payments.

In addition to the country profiles, the Russia and CIS Payment Cards Yearbook includes pan-CIS statistics, beginning towards the end of the publication after Uzbekistan, the last profile.

Contents of the pan-CIS section can be summarized as follows:

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- Regional overview, covering banking trends, bank ownership, investment by western banks, cross-border investment by CIS banks, other private investment, multilateral banks and agencies, and CIS growth prospects.
- Payment cards overview, including cards issued, number of payments per country, expenditure on cards by country and a variety of per capita figures.
- Acquisition and acceptance, a section reviewing POS and ATM statistics.

In many countries, the central bank or domestic payments organization compiles payment cards data, often of good quality. Official 2008 payment cards data is available in full or in part from all ten of the country profiles in the 2009-10 edition of the Russia and CIS Payment Cards Yearbook. In addition, reports from individual banks are generally available up to end-2008 or up to mid-2009.

There are a number of reasons for the decision to split coverage of Russia and CIS from Europe, based on current and future potential differences between the regions, on the increasing number of statistical anomalies thrown up and on the opportunity created to focus more closely on hitherto-uncovered countries of central Asia. Given these considerations, it was considered impracticable to continue to cover everything in a single publication, and no other division made better sense.

The countries of Europe are generally mature payments markets, with cards issued and acceptance networks at or near saturation point in many cases. While this is less true of more recent EU-acceding countries like Bulgaria and Romania, investment by western banking groups and ongoing economic integration at EU level make it certain that the maturity of their payments will converge over time with those of the most developed markets.

The countries of Russia and the CIS, on the other hand, can be characterized as emerging markets, as the per capita figures show. In the field of cards issued, Russia and the CIS are making good progress. For 2007, the latest year for which European figures are available, cards per capita in Russia and the CIS averaged 0.62 compared with 1.37 for the countries in the European Payment Cards Yearbook.

Acceptance networks, however, show lower levels of development. There is a lack of consistent annual figures from several countries, including Russia, but in 2007, ATMs per million inhabitants were 283 compared with 677 for Europe. In the case of POS terminals per million inhabitants, the Russia and CIS figure was 1,320 compared with 14,723 in Europe.

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Abbreviations and Conventions

ATV	Average Transaction Value
Billion	1,000 million
na	Not Available
POS	Point of Sale
Trillion	1,000 billion
, (comma)	thousands (eg 1,000)
. (dot)	decimal point (eg 100.5)
Transactions	Invariably the term used to cover payments and ATM withdrawals combined.
Turnover/Value	In line with the ECB Blue Book and other official sources, the Yearbook uses the term “value” or “turnover” throughout to describe monetary value. Organizations like Visa and MasterCard use the term “volume” for turnover or revenue.

Acknowledgments

The report draws on data from central banks, domestic payment organizations and commercial and savings banks. We thank all those individuals and organizations who have kindly supplied information. Particular thanks are extended to the editors of Carte Blanche magazine of Kiev for their assistance with the Ukraine profile and to Maksym Kozub for translation of Russian and Ukrainian documents.

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