

Jurisdiction: Russia

2014 IMN Survey of National Progress in the Implementation of G20/FSB Recommendations

- I. [Refining the regulatory perimeter](#)
- II. [Hedge funds](#)
- III. [Securitisation](#)
- IV. [Enhancing supervision](#)
- V. [Building and implementing macroprudential frameworks and tools](#)
- VI. [Improving oversight of credit rating agencies \(CRAs\)](#)
- VII. [Enhancing and aligning accounting standards](#)
- VIII. [Enhancing risk management](#)
- IX. [Strengthening deposit insurance](#)
- X. [Safeguarding the integrity and efficiency of financial markets](#)
- XI. [Enhancing financial consumer protection](#)
- XII. [Reference to source of recommendations](#)
- XIII. [List of Abbreviations](#)

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|---|--|--|--|--|--|
| I. Refining the regulatory perimeter | | | | | |
| 1 (1) | Review of the boundaries of the regulatory framework including strengthening of oversight of shadow banking ¹ | We will each review and adapt the boundaries of the regulatory framework to keep pace with developments in the financial system and promote good practices and consistent approaches at an international level. (London) | Jurisdictions should indicate the steps taken to expand the domestic regulatory framework to previously unregulated entities, for example, non-bank financial institutions (e.g. finance companies, mortgage insurance companies, credit hedge funds) and conduits/SIVs etc. | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input checked="" type="checkbox"/> Regulation / Guidelines <input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify: Status of progress : <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: 01.09.2013 Short description of the content of the legislation/ regulation/guideline: In | Planned actions (if any): The Bank of Russia plans to introduce mandatory membership of microfinance organizations (MFOs) and credit consumer cooperatives (CCCs) in self-regulatory organizations (not earlier than in 2015) in order to unify and standardize reporting of market participants. In the near future the main directions of the development of the system of supervision over broker-dealers will be: - improvement of prudential reporting and change in accounting; - transition from on-site examination to off-site supervision and creation of institution of authorized representatives of the Bank of Russia; - identification of systemically important entities. In the medium term the Bank of Russia plans to develop relative capital requirements to broker-dealers depending on the volume of their operations on the stock market. As well, the creation of the compensation fund for retail investors is being discussed. |
| (1) | | We agree to strengthen the regulation and oversight of the shadow banking system. ² (Cannes) | Jurisdictions should indicate policy measures to strengthen the regulation and oversight of the shadow banking system. See, for reference, the recommendations discussed in section 2 of the October 2011 FSB report: Shadow Banking: Strengthening Oversight and Regulation . | | |

¹ Some authorities or market participants prefer to use other terms such as “market-based financing” instead of “shadow banking”. The use of the term “shadow banking” is not intended to cast a pejorative tone on this system of credit intermediation. However, the FSB is using the term “shadow banking” as this is the most commonly employed and, in particular, has been used in the earlier G20 communications.

² This recommendation will be retained until the monitoring framework for shadow banking, which is one of the designated priority areas under the CFIM, is established.

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|--|
| | | | | <p>2009-11 extensive work on the Russian securities legislation was carried out to cover previously unregulated areas. Amendments to the Federal Law «On the Securities Market» introduce a definition and regulation of derivatives and REPO operations and make it possible to start operation of TR in the Russian Federation and to collect information on OTC derivatives transactions. The Federal Law «On Clearing» stipulates a framework for clearing organizations and CCP activities. According to the Bank of Russia Direction of 21.08.2014 “On Amending the Bank of Russia Direction of 03.12.12 No. 2919-U”, the CPPs are now obliged to annually prove compliance with the assesment of their management quality. Amendments to the Federal Law «On the Securities Market» were drafted concerning creation of prudential supervision system for professional securities market participants (non-banks). The main objective of the draft Law is to set obligatory financial ratios for non-bank professional market participants, including their securities lending and repo activities. The draft Law was adopted in the first reading by the State</p> | <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>Duma on February 8, 2011. The Federal Law «On Central Depository» dated 7 December 2011 (with amendments dated 29 December 2012) introduces Central Securities Depository in the Russian Federation. In 2010 the Federal Law «On Microfinancial Activities and Microfinancial Organizations» (with amendments in 2011) was adopted. The law stipulates requirements concerning microfinancial activities. Direction of the Bank of Russia of 14.07.2014 No. 3321-U “On the Procedure for Loan Loss Provisioning by Microfinance Organizations” introduced the requirement to MFOs to carry out loan loss provisioning on a quarterly basis. As well, mandatory loan loss provisioning was imposed on CCCs (Direction of the Bank of Russia of 14.07.2014 No. 3322-U “On the Procedure for Loan Loss Provisioning by Credit Consumer Cooperatives”). Federal Law N 251-FZ of 23.07.2013 “On amendments to certain legal acts of the Russian Federation (in connection with granting regulatory and supervisory powers in the area of financial markets to the Bank of Russia)” creates a single financial market regulator in Russia. The single regulator</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>will be created on the basis of the Bank of Russia (BOR) by merging it with the Federal Financial Markets Service (FFMS) starting from September 1, 2013. The main task is to establish a clear and effective system to regulate and supervise the whole financial market, improve the regulation of non-bank financial intermediaries and adjust the regulatory perimeter.</p> <p>Highlight main developments since last year's survey: According to the Federal Law No. 251-FZ the FFMS was merged with the BOR on September, 1 2013. The BOR was assigned with the functions to regulate, control and supervise the financial markets. Regulatory, supervisory and oversight functions of the Bank of Russia in the field of financial markets are to be fulfilled by a permanent body – the Financial Supervision Committee. In 2013 amendments to the Federal Law “On Investment Funds” and to the Federal Law «On Microfinancial Activities and Microfinancial Organizations» have strengthened the requirements to the shareholders of the microfinancial organizations and managers of investment funds by enabling the</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>oversight body to request information about the shareholders of these organizations.</p> <p>Web-links to relevant documents: http://asozd2.duma.gov.ru/main.nsf/(ViewDoc)?OpenAgent&work/dz.nsf/ByID&A3088ABDB1FBA3ECC3257824004BCE3D http://cbr.ru/Eng/today/status_functions/1aw_cb_eng.pdf https://www.nsd.ru/common/img/uploaded/files/Documents/zakon_o_cd_en.pdf</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|------------------------|--|--|---|--|--|
| II. Hedge funds | | | | | |
| 2 (2) | Registration, appropriate disclosures and oversight of hedge funds | <p>We also firmly recommitted to work in an internationally consistent and non-discriminatory manner to strengthen regulation and supervision on hedge funds. (Seoul)</p> <p>Hedge funds or their managers will be registered and will be required to disclose appropriate information on an ongoing basis to supervisors or regulators, including on their leverage, necessary for assessment of the systemic risks they pose individually or collectively. Where appropriate registration should be subject to a minimum size. They will be subject to oversight to ensure that they have adequate risk management. (London)</p> | <p>Jurisdictions should state whether Hedge Funds(HFs) are domiciled locally and, if available, indicate the size of the industry in terms of Assets Under Management (AUM) and number of HFs. Jurisdictions should indicate the progress made in implementing the high level principles contained in IOSCO's Report on Hedge Fund Oversight (Jun 2009).</p> <p>In particular, jurisdictions should specify whether:</p> <ul style="list-style-type: none"> - HFs and/or HF managers are subject to mandatory registration - Registered HF managers are subject to appropriate ongoing requirements regarding: <ul style="list-style-type: none"> • Organisational and operational standards; • Conflicts of interest and other conduct of business rules; • Disclosure to investors; and • Prudential regulation. | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Reform effective (completed) as of: 01.09.2013</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Regulation of hedge funds in the Russian Federation is based on the Federal Law No. 156-FZ of 29.11.2001 “On Investment Funds” (hereinafter Federal Law No. 156-FZ), Order of the Federal</p> | <p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>Financial Market Service (FFMS) No. 10-79/pz-n of 28.10.2010 “On the Approval of Regulations on the Composition and Structure of Assets of Joint-Stock Investment Funds and pf Assets of Share Investment Funds” (hereinafter FFMS Order No. 10-79/pz-n) and FFMS Order No. 09-45/pz-n of 10.11.2009 “On Endorsing the Regulations on Reducing (Limiting) the Risks Relating to the Trust Administration of the Assets of Unit Investment Trusts, the Placement of Pension Reserves, the Investment of Accumulated Pension Resources and of the Funds Accumulated to Provide Housing to Military Servicemen and Also on Endorsing Amendments to Some Normative Legal Acts of the Federal Financial Market Service” (hereinafter FFMS Order No. 09-45/pz-n). Hedge funds which are established as joint-stock companies are also regulated by the Federal Law No. 208-FZ of 26.12.1995 “On Joint-Stock Companies”. According to the Federal Law “On the Central Bank of the Russian Federation (the Bank of Russia)” since 1 September 2013 the Bank of Russia is empowered to regulate, control and supervise the activities of</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>joint-stock investment funds, asset managers of investment funds, unit investment funds and specialized depositories. Joint-stock investment funds, asset management companies and specialized depositories are subject to mandatory licensing. Hedge funds managers are to be licensed by the Bank of Russia. The level of leverage is limited to 20%. Hedge funds are only destined to qualified investors. Hedge funds have to submit reports to the Bank of Russia on a regular basis. The FFMS Order No. 10-79/pz-n sets requirements to asset structure of hedge funds. Moreover it defines eligible forms of hedge funds (only joint-stock investment funds, closed-end or interval unit funds). According to the Federal Law No. 156-FZ the Bank of Russia sets rules regarding prevention of conflict of interest of investment funds, including hedge funds. Moreover, conflict of interest is addressed in the Corporate Management Code (Ordinance of the Federal Stock Market Commission No. 421/r of 04.04.2002), recommended for the use by the Bank of Russia. Chapter 22 of the Federal Law No. 156-FZ sets requirements regarding disclosure of</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>investment funds' information to investors. Hedge funds managers are subjects to ongoing requirement regarding capital adequacy under the FFMS Order No. 11-23/pz-n dated 24.03.2011.</p> <p>Highlight main developments since last year's survey: Federal Law No. 251-FZ of 23.07.2013 "On Amendments to Certain Legal Acts of the Russian Federation (in Connection with Granting Regulatory and Supervisory Powers in the Area of Financial Markets to the Bank of Russia)" gave the mandate of FFMS in the area of financial markets regulation, control and supervision to the Bank of Russia. FFMS was eliminated on 01.09.2013 by the decision of the President of the Russian Federation (Decree No. 645 of 25.07.2013).</p> <p>Web-links to relevant documents: http://cbr.ru/Eng/today/status_functions/law_cb_eng.pdf http://www.consultant.ru/document/cons_doc_LAW_160103/</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----------|--|---|--|---|---|
| 3 (3) | Establishment of international information sharing framework | We ask the FSB to develop mechanisms for cooperation and information sharing between relevant authorities in order to ensure effective oversight is maintained when a fund is located in a different jurisdiction from the manager. We will, cooperating through the FSB, develop measures that implement these principles by the end of 2009. (London) | <p>Jurisdictions should indicate the progress made in implementing the high level principles in IOSCO's Report on Hedge Fund Oversight (Jun 2009) on sharing information to facilitate the oversight of globally active fund managers.</p> <p>In addition, jurisdictions should state whether they are:</p> <ul style="list-style-type: none"> - Signatory to the IOSCO MMoU - Signatory to bilateral agreements for supervisory cooperation that cover hedge funds and are aligned to the 2010 IOSCO Principles Regarding Cross-border Supervisory Cooperation. <p>In particular, jurisdictions should indicate those jurisdictions where an MoU is in place that provides for oversight when a hedge fund is located in one of these jurisdictions and manager is located elsewhere.</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify: International agreements and memoranda of understanding (including interagency) with foreign regulators concerning the information exchange, including the exchange of confidential information.</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline: The Bank of Russia can share information</p> | <p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any): The Bank of Russia plans to join the IOSCO MMoU.</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>with foreign regulators according to Article 51 of the Federal Law No. 86-FZ of July 10, 2002 (with Amendments dated December 28, 2013) “On the Central Bank of the Russian Federation (Bank of Russia)”. The Bank of Russia is empowered to share information on the basis of bilateral agreements and IOSCO MMoU (after it becomes signatory). Currently the Bank of Russia has bilateral MoUs with the regulators of the following countries: Belarus, Belgium, Brazil, Venezuela, Germany, India, Cyprus, Kyrgyzstan, China, Lichtenstein, Luxembourg, UAE, Oman, Repulic of Korea, Syria, Turkey, Ukraine, France. There are also MoUs with Deutsche Borse AG. The process of the Bank of Russia joining the IOSCO MMoU is ongoing. The legislative changes mentioned in item 1 have removed legal barriers for the Russian financial regulator to become full IOSCO MMoU signatory and get powers necessary for international cooperation and information exchange.</p> <p>Highlight main developments since last year’s survey: According to the Federal Law No. 251-FZ the Bank of Russia was empowered to regulate, control and</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>supervise financial markets and non-credit institutions. Federal law No. 251-FZ also brought all regulatory requirements for information sharing in line with the requirements of IOSCO.</p> <p>Web-links to relevant documents: http://cbr.ru/Eng/today/status_functions/aw_cb_eng.pdf</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----------|--|---|---|--|---|
| 4 (4) | Enhancing counterparty risk management | Supervisors should require that institutions which have hedge funds as their counterparties have effective risk management, including mechanisms to monitor the funds' leverage and set limits for single counterparty exposures. (London) | Jurisdictions should indicate specific policy measures taken for enhancing counterparty risk management and strengthening their existing guidance on the management of exposure to leveraged counterparties. In particular, jurisdictions should indicate whether they have implemented the Basel III rules for credit exposures to highly leveraged counterparties (para 112 of Basel III (Jun 2011) – see also FAQ no 1b.4 on Basel III counterparty credit risk, Dec 2012) , and principle 2.iii of IOSCO Report on Hedge Fund Oversight (Jun 2009) . Jurisdictions should also indicate the steps they are taking to implement the new standards on equity exposures (Capital requirements for banks' equity investments in funds, Dec 2013) by 1 January 2017. For further reference, see also the following documents : | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input type="checkbox"/> Regulation / Guidelines <input type="checkbox"/> Other actions (such as supervisory actions), please specify: Status of progress : <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: 28.12.2010 Short description of the content of the legislation/ regulation/guideline: The appropriate regulation has already been adopted. Hedge funds are not allowed to hold substantial debt and leverage. There are also debt limits set for single counterparty. The FFMS Order No. 10-79/pz-n dated 28.12.2010 sets requirements to asset structure of hedge | Planned actions (if any): Expected commencement date: Web-links to relevant documents: |
| (4) | | Supervisors will strengthen their existing guidance on the management of exposures to leveraged counterparties. (Rec. II.17,FSF 2008) | <ul style="list-style-type: none"> • BCBS Sound Practices for Banks' Interactions with Highly Leveraged Institutions (Jan 1999) • BCBS Banks' Interactions with Highly Leveraged Institutions (Jan 1999) | | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>funds. To all banks' equity exposures (direct as well as indirect) the Bank of Russia applies Basel III capital standards: all investments in financial companies are subject to deductions within the certain thresholds. To the part of the investments not deducted from the banks' capital higher risk weight is applied (250%). Investments in nonfinancial companies should be risk-weighted for 1000% if the certain limits of such holdings are exceeded.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: Instructions of the Bank of Russia as of 03.12.2012 № 139-I "On minimum requirements for banks" (Pillar 1) – available only in Russian http://www.cbr.ru/publ/vestnik/ves121221074.pdf Direction of the Bank of Russia № 3097-U of October 25, 2013 "Amendments to the Regulation of the Bank of Russia from 03.12.2012 № 139-I "On minimum requirements for banks" – available only in Russian http://www.cbr.ru/publ/vestnik/ves131130069.pdf Regulation of the Bank of Russia as of 28.12.2012 No 395-P “On the definition of own funds (capital)</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>value and capital adequacy assessment methodology for credit institutions (“Basel III”)” (only available in Russian) http://www.cbr.ru/publ/Vestnik/ves130227011.pdf Direction of the Bank of Russia № 3096-U of October 25, 2013 "Amendments to the Regulation of the Bank of Russia № 395-P of December 28, 2012 «On the definition of own funds (capital) value and capital adequacy assessment methodology for credit institutions («Basel III»)» - only available in Russian http://www.cbr.ru/publ/Vestnik/ves131130069.pdf</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----------------------------|---|--|---|--|--|
| III. Securitisation | | | | | |
| 5 (5) | Improving the risk management of securitisation | <p>During 2010, supervisors and regulators will:</p> <ul style="list-style-type: none"> implement IOSCO's proposals to strengthen practices in securitisation markets. (FSB 2009) <p>The BCBS and authorities should take forward work on improving incentives for risk management of securitisation, including considering due diligence and quantitative retention requirements by 2010. (London)</p> <p>Securitization sponsors or originators should retain a part of the risk of the underlying assets, thus encouraging them to act prudently. (Pittsburgh)</p> | <p>Jurisdictions should indicate the progress made in implementing the recommendations contained in:</p> <ul style="list-style-type: none"> IOSCO's <i>Unregulated Financial Markets and Products (Sep 2009)</i>, including justification for any exemptions to the IOSCO recommendations; and BCBS's Basel 2.5 standards on exposures to securitisations (Jul 2009), http://www.bis.org/publ/bcbs157.pdf and http://www.bis.org/publ/bcbs158.pdf. <p><i>Jurisdictions may also indicate progress in implementing the recommendations of the IOSCO's Report on Global Developments in Securitisation Regulation (Nov 2012).</i>³</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input checked="" type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Reform effective (completed) as of: 01.07.2014</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Federal Law No. 379-FZ of December</p> | <p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

³ Jurisdictions should not provide responses on IOSCO recommendations concerning the alignment incentives associated with securitisation (including risk retention requirements) since these will be covered by an IOSCO peer review in 2014.

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>21, 2013 “On amendments to some legal acts” arranges conditions for securitization. The Law introduces amendments to the Law “On the Securities Market” and creates two types of special-purpose companies (analogues to SPVs): special-purpose financial company and special-purpose project financing company, which buy and securitize claims. The Law envisages procedures for establishment, functioning and bankruptcy of such companies. The Law “On amendments to some legal acts” also prescribes that the original creditors (i.e. originating banks) should retain at least 20% of risk of the underlying assets when originating securitization (10% for infrastructure projects). The draft law «On Collateral in Financial Liabilities» has been approved in the first reading, and is being improved at the moment. The draft is expected to set an efficient framework for use of collateral in financial contracts, and will facilitate the increase of credit quality of securitized rights and securities that are issued in a process of securitization.</p> <p>Highlight main developments since last year’s survey: The draft law «On</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>amendments to some legal acts concerning financial assets securitizations» has been adopted on December 21, 2013 as Federal Law No. 379-FZ “On amendments to some legal acts”.</p> <p>Web-links to relevant documents: http://www.consultant.ru/document/cons_doc_LAW_156007/</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----------|---|---|--|--|--|
| 6 (6) | Strengthening of regulatory and capital framework for monolines | Insurance supervisors should strengthen the regulatory and capital framework for monoline insurers in relation to structured credit. (Rec II.8 ,FSF 2008) | <p>Jurisdictions should indicate the policy measures taken for strengthening the regulatory and capital framework for monolines.</p> <p>See, for reference, the following principles issued by IAIS:</p> <ul style="list-style-type: none"> • ICP 13 – Reinsurance and Other Forms of Risk Transfer; • ICP 15 – Investments; and • ICP 17 - Capital Adequacy. <p>Jurisdictions may also refer to:</p> <ul style="list-style-type: none"> • IAIS Guidance paper on enterprise risk management for capital adequacy and solvency purposes (Oct 2008). • Joint Forum’s consultative document on Mortgage insurance: market structure, underwriting cycle and policy implications (Feb 2013). | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Reform effective (completed) as of: 02.07.2012</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Requirements are set by legislation and regulations (i.e. Order of the Ministry of Finance #101n dated 2 July 2012) concerning the level, structure and composition of capital of insurers.</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: http://www.consultant.ru/document/cons_doc_LAW_141505/</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|-------|---|--|---|---|--|
| 7 (7) | Strengthening of supervisory requirements or best practices for investment in structured products | Regulators of institutional investors should strengthen the requirements or best practices for firms' processes for investment in structured products. (Rec II.18 ,FSF 2008) | <p>Jurisdictions should indicate the due diligence policies, procedures and practices applicable for investment managers when investing in structured finance instruments and other policy measures taken for strengthening best practices for investment in structured finance product.</p> <p>Jurisdictions may reference IOSCO's report on Good Practices in Relation to Investment Managers' Due Diligence When Investing in Structured Finance Instruments (Jul 2009).</p> <p>Jurisdictions may also refer to the Joint Forum report on Credit Risk Transfer-Developments from 2005-2007 (Jul 2008).</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Status of progress :</p> <p><input checked="" type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents:</p> | <p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any): The Bank of Russia (as a single regulator) plans to review the system of regulation of non-bank financial institutions.</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----------|---|---|---|---|--|
| 8 (8) | Enhanced disclosure of securitised products | Securities market regulators should work with market participants to expand information on securitised products and their underlying assets. (Rec. III.10-III.13, FSF 2008) | <p>Jurisdictions should indicate the policy measures taken for enhancing disclosure of securitised products.</p> <p>See, for reference, IOSCO's Report on Principles for Ongoing Disclosure for Asset-Backed Securities (Nov 2012) and IOSCO's Disclosure Principles for Public Offerings and Listings of Asset-Backed Securities (Apr 2010).</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Reform effective (completed) as of: 21.12.2013</p> <p>Short description of the content of the legislation/ regulation/guideline: Now that Amendments to the Law “On the Securities Market” have been passed (see item 5), it is possible to set enhanced requirements for disclosure of securitized products.</p> | <p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | Highlight main developments since last year's survey: The draft law "On Amendments to Certain Legislative Acts Concerning Financial Assets Securitization" was adopted on 21.12.2013 as Federal Law No. 379-FZ "On Amendments to Certain Legal Acts". Web-links to relevant documents: | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----------------------------------|--|--|--|--|---|
| IV. Enhancing supervision | | | | | |
| 9 (9) | Consistent, consolidated supervision and regulation of SIFIs | All firms whose failure could pose a risk to financial stability must be subject to consistent, consolidated supervision and regulation with high standards. (Pittsburgh) | <p>Jurisdictions should indicate the policy measures taken for implementing consistent, consolidated supervision and regulation of SIFIs.⁴</p> <p>See, for reference, the following documents:</p> <p>BCBS:</p> <ul style="list-style-type: none"> • Framework for G-SIBs (Nov 2011) • Framework for D-SIBs (Oct 2012) • BCP 12 (Sep 2012) <p>IAIS:</p> <ul style="list-style-type: none"> • Global Systemically Important Insurers: Policy Measures (Jul 2013) • ICP 23– Group wide supervision <p>FSB:</p> <ul style="list-style-type: none"> • Framework for addressing SIFIs (Nov 2011) | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation / Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>In order to ensure intensive and effective supervision over DSIBs in October, 2013 Systemically Important Banks Supervision Department (SIBSD) of the Bank of Russia was established. SIBSD is in charge of direct supervision of the largest Russian banks and banking groups.</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> | <p>Planned actions (if any): Nowadays the Bank of Russia is considering additional regulatory requirements and supervisory actions towards domestic systemically important banks.</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

⁴ The scope of the follow-up to this recommendation will be revised once the monitoring framework on policy measures for G-SIFIs, which is one of the designated priority areas under the CFIM, is established.

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: 02.02.2014 Short description of the content of the legislation/ regulation/guideline: In order to implement the FSB recommendations on resolution regimes in respect to the Russian financial system Letter of the Bank of Russia «On Procedural Recommendations on the Development of Recovery Plans by Credit Institutions» No. 193-T of 29.12.2012 recommends credit institutions, especially the largest, to develop recovery plans. Procedural recommendations of the Bank of Russia stipulate terms of development of recovery plans by credit institutions, their structure, stress-scenarios, as well as early warning exercises and triggers for initiating application of recovery plans. Recovery plans should be consistent with business strategy of credit institution and incorporated in the overall management process as well as reflect real business of a credit institution and include stress-testing results. It is also recommended that credit institutions should provide regular (on an | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>annual basis) updates of recovery plans and that these plans should be approved by the Board of Directors (Supervisory Board) of a credit institution.</p> <p>Recovery plans will be assessed by the Bank of Russia. The Bank of Russia considers that existence of relevant and effective strategic plans for timely actions including in times of crisis should be of interest to owners, management, creditors, customers and employees of a credit institution since all abovementioned stakeholders should be interested in continuity of credit institution activities in any economic conditions.</p> <p>The Federal Law No. 146-FZ of 02.07.2013 «On amendments to certain legal acts of the Russian Federation» stipulates that each credit institution which has affiliates is subject to consolidated supervision by the Bank of Russia. The Law is aimed at introducing legislative requirements concerning consolidated supervision and disclosure of information by credit institutions, banking groups and holdings on their activities consistent with international practices in this field, including information disclosure in accordance with</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>Pillar 3 Basel II.</p> <p>The Federal Law No. 251-FZ of 23.07.2013 «On amendments to certain legal acts of the Russian Federation (in connection with granting regulatory and supervisory powers in the area of financial markets to the Bank of Russia)» sets basis for the creation of a single integrated financial market regulator.</p> <p>In accordance with the mandate given by the Federal Law No. 146-FZ of 02.07.2013 the Bank of Russia issued several regulations on 25.10.2013:</p> <ul style="list-style-type: none"> - Direction No. 3084-U “On Amending Direction of the Bank of Russia No. 2923-U of 03.12.2012 “On the Publication and Filing of Consolidated Financial Statements by Credit Organizations”; - Direction No. 3080-U “On the Forms, the Procedure and the Time Terms of Disclosure by Leading Credit Institutions of Bank Groups of Information on the Assumed Risks and on the Procedures for Estimating Them and for Controlling the Risks and Capital”; - Direction No. 3090-U “On the Calculation of the Amount of Own | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>Resources (Capital), Legal Ratios and Amounts (Limits) of Open Currency Positions of Bank Groups”;</p> <p>- Direction No. 3087-U “ On Consolidated Financial Statements Disclosed and Submitted by Bank Holding Companies”;</p> <p>- Direction No. 3083-U “On the Disclosure of the Information on the Risks of Bank Holding Companies to the Bank of Russia”;</p> <p>- Direction No. 3086-U “On the Methodology of Determination of the Amount of Assets and Incomes of Credit Organizations - Participants of a Bank Holding and the Bank Holding Company”;</p> <p>- Direction No. 3089-U “On the Procedure of the Supervision over Banking Groups”.</p> <p>Within the DSIBs framework the Bank of Russia published a methodology for D-SIBs identification (Regulation No. 3174-U of 16 January, 2014) based on quantitative indicators (size, interconnectedness, volume of household deposits) and supervisory judgment.</p> <p>On the basis of Article 76 of the Federal</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>Law “On the Central Bank of the Russian Federation (the Bank of Russia)” authorized representatives (individual supervisory teams) of the Bank of Russia are appointed to large deposit-taking credit organizations.</p> <p>Enhanced prudential and resolvability requirements for DSIBs have been elaborated and presented for public discussion. These requirements assume full application of Basel III rules for Russian DSIBs (capital, liquidity, leverage), HLA for DSIBs as well as obligatory requirements on Recovery and Resolution Plans. Final rules on regulatory requirements for DSIBs are expected in 2014.</p> <p>Direction of the Bank of Russia of 25.07.2014 No. 3341-U “On Acknowledging Financial Market Infrastructures as Systemically important” establishes criteria of of systemic importance of financial market infrastructures.</p> <p>Highlight main developments since last year’s survey:</p> <p>DSIBs’ assessment methodology came into force.</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>Creation of special department for Russian DSIBs supervision in the Bank of Russia.</p> <p>Development of prudential and resolvability framework designated for DSIBs.</p> <p>Web-links to relevant documents: http://www.cbr.ru/publ/Vestnik/ves140122008.pdf</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|------------|---|--|---|---|---|
| 10 (10) | Establishing supervisory colleges and conducting risk assessments | To establish the remaining supervisory colleges for significant cross-border firms by June 2009. (London) | Reporting in this area should be undertaken solely by home jurisdictions of significant cross-border firms. Please indicate whether supervisory colleges for all significant cross-border firms (both banks and insurance companies) have been established and whether the supervisory colleges for G-SIFIs are conducting rigorous risk assessments. | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input checked="" type="checkbox"/> Regulation / Guidelines <input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify: Status of progress : <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: 01.01.2014 Short description of the content of the legislation/ regulation/guideline: The Bank of Russia issued a Direction of 25.10.2013 No. 3089-U “On the supervision of banking groups”. The abovementioned Direction stipulates establishment of supervisory groups (similar to supervisory colleges) in cases | If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation: Planned actions (if any): Expected commencement date: Web-links to relevant documents: |
| (10) | | We agreed to conduct rigorous risk assessment on these firms [G-SIFIs] through international supervisory colleges. (Seoul) | Principle 13 of BCBS <u>Core Principles for Effective Banking Supervision</u> and <u>Good practice principles on supervisory colleges (Oct 2010)</u> may be used as a guide for supervisor to indicate the implementation progress. For further reference, see the following documents: BCBS: <ul style="list-style-type: none"> • <u>Core Principles for Effective Banking Supervision (Sep 2012)</u> IAIS : <ul style="list-style-type: none"> • <u>ICP 25 and Guidance 25.1.1 – 25.1.6 on establishment of supervisory colleges</u> • <u>Guidance 25.6.20 and 25.8.16 on risk assessments by supervisory colleges</u> IOSCO: <ul style="list-style-type: none"> • <u>Principles Regarding Cross-Border</u> | | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---|---|------------|
| | | | <u>Supervisory Cooperation (May 2010)</u> | <p>when credit institutions are G-SIBs or their affiliates are non-residents. At present the Bank of Russia is a member of SIG Colleges Task Force of the Basel Committee on Banking Supervision. The Bank of Russia participates in colleges exercising supervision of cross-border banks organized by supervisory authorities of parent banks in Austria, China, Cyprus, Germany, Hungary, India, Italy, Netherlands, UK. As a home supervisor the Bank of Russia holds, on a regular basis, supervisory colleges of VTB Bank and Sberbank bank groups.</p> <p>Highlight main developments since last year's survey: The Bank of Russia issued a Direction of 25.10.2013 No. 3089-U "On the supervision of banking groups".</p> <p>Web-links to relevant documents:</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|------------|--|---|---|---|---|
| 11 (11) | Supervisory exchange of information and coordination | To quicken supervisory responsiveness to developments that have a common effect across a number of institutions, supervisory exchange of information and coordination in the development of best practice benchmarks should be improved at both national and international levels. (Rec V.7 , FSF 2008) | Jurisdictions should include any feedback received from recent FSAPs/ROSC assessments on the September 2012 BCP 3 (Cooperation and collaboration) and BCP 14 (Home-host relationships). Jurisdictions should also indicate any steps taken since the last assessment in this area, particularly in response to relevant FSAP/ROSC recommendations. | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input type="checkbox"/> Regulation / Guidelines <input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify: Bilateral agreements (MoUs) with foreign supervisory authorities (Austria, Egypt, India, Kazakhstan, Korea, Mongolia, South Africa, Turkey, Vietnam, Uzbekistan, Ukraine). Status of progress : <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: 01.09.2013 Short description of the content of the legislation/ regulation/guideline: By | Planned actions (if any): Expected commencement date: Web-links to relevant documents: |
| (11) | | Enhance the effectiveness of core supervisory colleges. (FSB 2012) | Jurisdictions should describe any regulatory, supervisory or legislative changes that will contribute to the sharing of supervisory information (e.g. within supervisory colleges or via bilateral or multilateral MoUs). | | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>now, the Bank of Russia signed 37 bilateral agreements (Memorandum of Understanding - MoU) with foreign banking supervisory authorities. According to the Federal Law No. 251-FZ the Bank of Russia was empowered to regulate, control and supervise financial markets and non-credit institutions. Currently the Bank of Russia has bilateral MoUs with the respective foreign regulators of the following countries: Belarus, Belgium, Brazil, Venezuela, Germany, India, Cyprus, Kyrgyzstan, China, Lichtenstein, Luxembourg, UAE, Oman, Republic of Korea, Syria, Turkey, Ukraine, France. There are also MoUs with Deutsche Borse AG. The Federal Law of 02.07.2013 No. 146-FZ “On Amendments to certain legal acts of the Russian Federation” introduced changes in Article 26 of Federal Law of 02.12.1990 No. 395-1 “On Banks and Banking” and Articles 51 and 73 of Federal Law of 10.07.2002 No. 86-FZ “On the Central Bank of the Russian Federation (Bank of Russia)” and expanded the scope of information provided to foreign supervisory authorities.</p> <p>Highlight main developments since last</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>year's survey: According to the Federal Law No. 251-FZ the Bank of Russia was empowered to regulate, control and supervise financial markets and non-credit institutions. Federal law No. 251-FZ also brought all regulatory requirements for information sharing in line with the requirements of IOSCO.</p> <p>Web-links to relevant documents: http://ntc.duma.gov.ru/duma_na/asozd/asozd_text.php?nm=146-%D4%C7&dt=2013</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|------------|---|---|---|------------------|------------|
| 12 (12) | Strengthening resources and effective supervision | We agreed that supervisors should have strong and unambiguous mandates, sufficient independence to act, appropriate resources, and a full suite of tools and powers to proactively identify and address risks, including regular stress testing and early intervention. (Seoul) | No information on this recommendation will be collected in the current IMN survey since a peer review is taking place in this area during 2014. | | |
| (12) | | Supervisors should see that they have the requisite resources and expertise to oversee the risks associated with financial innovation and to ensure that firms they supervise have the capacity to understand and manage the risks. (FSF 2008) | | | |
| (12) | | Supervisory authorities should continually re-assess their resource needs; for example, interacting with and assessing Boards require particular skills, experience and adequate level of seniority. (Rec. 3, FSB 2012) | | | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|--|--|---|--|---|---|
| V. Building and implementing macroprudential frameworks and tools | | | | | |
| 13 (13) | Establishing regulatory framework for macro-prudential oversight | <p>Amend our regulatory systems to ensure authorities are able to identify and take account of macro-prudential risks across the financial system including in the case of regulated banks, shadow banks⁵ and private pools of capital to limit the build up of systemic risk. (London)</p> <p>Ensure that national regulators possess the powers for gathering relevant information on all material financial institutions, markets and instruments in order to assess the potential for failure or severe stress to contribute to systemic risk. This will be done in close coordination at international level in order to achieve as much consistency as possible across jurisdictions. (London)</p> | <p>Please describe major changes in the institutional arrangements for macroprudential policy that have taken place in the past two years, including changes in: i) mandates and objectives; ii) powers and instruments; iii) transparency and accountability arrangements; iv) composition and independence of the decision-making body; and v) mechanisms for domestic policy coordination and consistency.</p> <p>Please indicate whether an assessment has been conducted with respect to the powers to collect and share relevant information among different authorities – where this applies – on financial institutions, markets and instruments to assess the potential for systemic risk. Please indicate whether the assessment has indicated any gaps in the powers to collect information, and whether any follow-up actions have been taken.</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>An advisory Financial Stability Council which can issue recommendations and warnings has been established on the basis of the Ministry of Finance (Government Decree No. 571 of 05.07.2013 «On creation of Financial Stability Council»).</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> | <p>Planned actions (if any): Possible changes to the structure and procedures of the Financial Stability Council.</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

⁵ The recommendation as applicable to shadow banks will be retained until the monitoring framework for shadow banking, which is one of the designated priority areas under the CFIM, is established.

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: Short description of the content of the legislation/ regulation/guideline: Amendments to the Federal Laws «On the Central Bank of the Russian Federation» and «On banks and banking activities» (Federal Law No. 251-FZ) add financial stability to the mandate of the Bank of Russia. The Bank of Russia is responsible for monitoring of the financial market of the Russian Federation and identification of situations threatening financial stability as well as measures aimed at reduction of threats to financial stability. In 2011, Financial Stability Department was established within the framework of the Bank of Russia with macroprudential oversight as one of its core functions. Financial Stability mandate was added by the amendments to the Federal Law No. 86-FZ on 23.07.2013. National Council for Financial Stability was established. The establishment of a single financial regulator on the basis of the Bank of Russia broadens powers to supervise the Russian financial market. A number of | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>matters related to credit institutions disclosure of the information on their activities for a wide range of users, including the Bank of Russia, relates to the requirements for credit institutions and banking groups to disclose information on risks, risk assessment procedures and risk management (Pillar 3 "Market discipline" of Basel II). This matter is resolved by adopting the Federal Law No. 146-FZ.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: http://asozd2.duma.gov.ru/main.nsf/%28SpravkaNew%29?OpenAgent&RN=249469-6&02</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|------------|--|---|---|--|--|
| 14 (14) | Enhancing system-wide monitoring and the use of macro-prudential instruments | <p>Authorities should use quantitative indicators and/or constraints on leverage and margins as macro-prudential tools for supervisory purposes. Authorities should use quantitative indicators of leverage as guides for policy, both at the institution-specific and at the macro-prudential (system-wide) level...(Rec. 3.1, FSF 2009)</p> <p>We are developing macro-prudential policy frameworks and tools to limit the build-up of risks in the financial sector, building on the ongoing work of the FSB-BIS-IMF on this subject. (Cannes)</p> <p>Authorities should monitor substantial changes in asset prices and their implications for the macro economy and the financial system. (Washington)</p> | <p>Please describe at a high level (including by making reference to financial stability or other public reports, where available) the types of systems, methodologies and processes that have been put in place to identify macroprudential risks, including the analysis of risk transmission channels. Please indicate the use of macroprudential tools in the past two years, including the objective for their use and the process used to select, calibrate, and apply them.</p> <p>See, for reference, the CGFS document on Operationalising the selection and application of macroprudential instruments (Dec 2012).</p> <p>Jurisdictions can also refer to the FSB-IMF-BIS progress report to the G20 on Macprudential policy tools and frameworks (Oct 2011), and the IMF staff papers on Macprudential policy, an organizing framework (Mar 2011) and on Key Aspects of Macprudential policy (Jun 2013).</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline: On September 1, 2013 single regulator was established on the basis of the Bank of Russia (Federal Law No. 251-FZ of 23.07.2013). Its renewed mandate includes powers to monitor the financial market of the Russian Federation and</p> | <p>Planned actions (if any): The Bank of Russia constantly makes efforts to upgrade the reports presented by credit institutions in the course of supervision. Specifically, to enhance the effectiveness of monitoring of the risks assumed by credit institutions, it is planned: - to work out and introduce new reporting forms, such as an interest rate risk reporting form, a reporting form on persons affiliated with a credit institution and operations with them and a reporting form on credit risk concentration compiled on a consolidated basis; - to upgrade the existing reporting form on assets and liabilities by term and maturity; - to work out special reporting forms on assets quality of credit institutions, on current (fair) value of securities changes in value of which are reported in financial statement of a credit institution through creation (formation) of provisions for losses.</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>identify vulnerabilities threatening financial stability as well as develop measures aimed at reduction of threats to financial stability. The Bank of Russia twice a year publishes Financial Stability Review which analyses systemic risks. In 2012-2013, following measures have been undertaken to mitigate systemic risks posed by unsecured consumer lending boom (annual growth rates exceeded 40%): - risk weights have been increased for unsecured consumer credits with high effective interest rates; - provisioning rates for high quality loans have been increased. Letter of the Bank of Russia No. 142-T of 30.07.2013 prescribes the procedures for the calculation of the leverage ratio.</p> <p>Highlight main developments since last year's survey: In 2014 the Bank of Russia again increased risk weights and provisioning rates for unsecured consumer loans. In 2014 the Bank of Russia started to collect on a confidential basis data about risks of the largest 50 non-financial companies. The Bank of Russia widened its analysis of the risks of non-bank financial organizations, a special unit was created in the Financial Stability Department.</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | Web-links to relevant documents: http://asozd2.duma.gov.ru/main.nsf/%28SpravkaNew%29?OpenAgent&RN=249469-6&02 | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|------------|--|---|---|---|---|
| 15 (15) | Improved cooperation between supervisors and central banks | Supervisors and central banks should improve cooperation and the exchange of information including in the assessment of financial stability risks. The exchange of information should be rapid during periods of market strain. (Rec. V.8 , FSF 2008) | Please describe the institutional framework through which information sharing between supervisors and the central bank takes place, e.g. through internal or inter-agency committee or bilateral MoUs. Please also describe any initiative to remove identified obstacles to enhance cooperation and information sharing. | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input type="checkbox"/> Regulation / Guidelines <input type="checkbox"/> Other actions (such as supervisory actions), please specify: Status of progress : <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: Short description of the content of the legislation/ regulation/guideline: On September 1, 2013 the single regulator was created on the basis of the Bank of Russia by merging it with the Federal Financial Markets Service. There is a cooperation process based on formal bilateral agreements between the Bank of | Planned actions (if any): Expected commencement date: Web-links to relevant documents: |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>Russia and the governmental authorities performing control and supervisory functions in financial and economic spheres.</p> <p>Highlight main developments since last year’s survey:</p> <p>Web-links to relevant documents:</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|---|--|---|---|--|--|
| VI. Improving oversight of credit rating agencies (CRAs) | | | | | |
| 16 (16) | Enhancing regulation and supervision of CRAs | All CRAs whose ratings are used for regulatory purposes should be subject to a regulatory oversight regime that includes registration. The regulatory oversight regime should be established by end 2009 and should be consistent with the IOSCO Code of Conduct Fundamentals. (London) | Jurisdictions should indicate the policy measures undertaken for enhancing regulation and supervision of CRAs including registration, oversight and sharing of information between national authorities. They should also indicate their consistency with the following IOSCO document: | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : | If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation: Planned actions (if any): Currently, a concept of a new federal law which will further enhance the regulation of CRAs is being developed. |
| (16) | | National authorities will enforce compliance and require changes to a rating agency’s practices and procedures for managing conflicts of interest and assuring the transparency and quality of the rating process. CRAs should differentiate ratings for structured products and provide full disclosure of their ratings track record and the information and assumptions that underpin the ratings process. The oversight framework should be consistent across jurisdictions with appropriate sharing of information between national authorities, including through IOSCO. (London) | Jurisdictions may also refer to the following IOSCO documents: | Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input checked="" type="checkbox"/> Regulation / Guidelines <input type="checkbox"/> Other actions (such as supervisory actions), please specify: Status of progress : <input checked="" type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input type="checkbox"/> Reform effective (completed) as of: | Expected commencement date: Web-links to relevant documents: |
| (16) | | Regulators should work together towards appropriate, globally compatible solutions (to conflicting compliance obligations for CRAs) as early as possible in 2010. (FSB 2009) | • Code of Conduct Fundamentals for Credit Rating Agencies (May 2008) • Principle 22 of Principles and Objectives of Securities Regulation (Jun 2010) which calls for registration and oversight programs for CRAs • Statement of Principles Regarding the Activities of Credit Rating Agencies (Sep 2003) • Final Report on Supervisory Colleges for Credit Rating Agencies (Jul 2013) | Short description of the content of the legislation/ regulation/guideline: Accreditation procedures for rating agencies were introduced by the Ministry of Finance of the Russian Federation (Order No. 37n of 04.05.2010). These procedures were elaborated taking into | |
| (New) | | We encourage further steps to enhance transparency and competition among credit rating agencies. (St Petersburg) | | | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>account the IOSCO principles in this field. The issues of maintaining high quality of services of CRAs and resolution of disputes are regulated by codes of professional conduct, which every CRA is required to have.</p> <p>Highlight main developments since last year’s survey:</p> <p>Web-links to relevant documents: http://www.consultant.ru/document/cons_doc_LAW_102753/</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|------------|----------------------------------|--|--|------------------|------------|
| 17 (17) | Reducing the reliance on ratings | <p>We also endorsed the FSB’s principles on reducing reliance on external credit ratings. Standard setters, market participants, supervisors and central banks should not rely mechanistically on external credit ratings. (Seoul)</p> <p>Authorities should check that the roles that they have assigned to ratings in regulations and supervisory rules are consistent with the objectives of having investors make independent judgment of risks and perform their own due diligence, and that they do not induce uncritical reliance on credit ratings as a substitute for that independent evaluation. (Rec IV. 8, FSF 2008)</p> <p>We reaffirm our commitment to reduce authorities’ and financial institutions’ reliance on external credit ratings, and call on standard setters, market participants, supervisors and central banks to implement the agreed FSB principles and end practices that rely mechanistically on these ratings. (Cannes)</p> <p>We call for accelerated progress by national authorities and standard setting bodies in ending the mechanistic reliance on credit ratings and encourage steps that</p> | No information on this recommendation will be collected in the current IMN survey since the report of the second stage of the thematic peer review has been published recently [insert link whenever published]. | | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|-------|-------------|---|---------|------------------|------------|
| (New) | | would enhance transparency of and competition among credit rating agencies. (Los Cabos) We call on national authorities and standard setting bodies to accelerate progress in reducing reliance on credit rating agencies, in accordance with the FSB roadmap. (St Petersburg) | | | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|---|---|--|---|--|---|
| VII. Enhancing and aligning accounting standards | | | | | |
| 18 (18) | Consistent application of high-quality accounting standards | Regulators, supervisors, and accounting standard setters, as appropriate, should work with each other and the private sector on an ongoing basis to ensure consistent application and enforcement of high-quality accounting standards. (Washington) | <p>Jurisdictions should indicate the accounting standards that they follow and whether (and on what basis) they are deemed to be equivalent to IFRSs as published by the IASB or are otherwise of a high and internationally acceptable quality, and provide accurate and relevant information on financial performance. They should also explain the system they have for enforcement of consistent application of those standards.</p> <p>Jurisdictions may want to refer to their jurisdictional profile prepared by the IFRS Foundation, which can be accessed at: http://www.ifrs.org/Use-around-the-world/Pages/Jurisdiction-profiles.aspx.</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input checked="" type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input type="checkbox"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline: Legal basis for the application of IFRS by Russian companies was created by the Federal Law No. 208-FZ of 27.07.2010 “On Consolidated Financial Reporting”.</p> <p>According to this Federal Law</p> | <p>Planned actions (if any): Continue implementing the Plan for development of accounting and reporting on the basis of IFRS in the Russian Federation for the period of 2012-2015 includes the following:</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> <p>http://www1.minfin.ru/common/img/uploaded/library/2012/12/Plan_po_razvitiu_bu_na_osnove_MSFO.pdf</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>consolidated financial reporting should be prepared in compliance with IFRS standards by public companies (whose shares are included in the quotation list), banks, insurance companies, and other entities obliged to do so according to legislation or articles of association. These companies prepare consolidated financial statements in compliance with IFRS standards starting from 2012.</p> <p>IFRS standards which are recognized according to the Decision of the Government of the Russian Federation No. 107 of 25.02.2011 “On Approval of the Regulation on the Recognition of International Financial Reporting Standards and Interpretations of International Financial Reporting Standards for Application in the Russian Federation”.</p> <p>The procedure of recognition of IFRS is defined according to the above mentioned Regulation. IFRS documents enter into force by decision of the Ministry of Finance with the approval of the Bank of Russia.</p> <p>Currently, all IFRS standards published by IFRS Foundation and required for the preparation of financial standards in 2014</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>and 2015 are recognized and in effect.</p> <p>All IFRS standards are recognized in the form they were originally published by IFRS Foundation.</p> <p>Federal Law “On Consolidated Financial Reporting” contains requirements for the consistent application of IFRS. For instance, consolidated financial statements are subject to mandatory audit. The Bank of Russia supervises submission and publication of consolidated financial statements.</p> <p>Federal Law No. 402-FZ of 06.12.2011 “On Accounting” defines IFRS as the basis for national reporting standards. There are 24 national standards based on IFRS, which are regularly reviewed in order to reflect the changes in IFRS standards.</p> <p>The Federal Law No. 208-FZ states general requirements to preparation, presentation and publication of consolidated financial statements in accordance with IFRS by a legal entity, including credit institutions starting from the reporting for 2012.</p> <p>Federal Law No. 402-FZ, effective from 1, January, 2013, provides for application</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>of international standards as a basis for developing national and sectoral accounting standards.</p> <p>Resolution No. 107 states the procedure of recognition of IFRS and Interpretations of IFRS, issued by IASB, for application in the Russian Federation.</p> <p>Order No. 160n provides for implementation of IFRS in the Russian Federation and Interpretations of IFRS effective as of January 1, 2011.</p> <p>Order No. 106n provides for implementation in the Russian Federation of the new documents of IFRS mandatory for application for preparation of annual financial statements for 2013 replacing documents on IFRS.</p> <p>Order No. 143n provides for implementation in the Russian Federation of new documents of IFRS mandatory for preparation of annual financial statements for 2013.</p> <p>Order No. 36n provides for implementation of new documents of IFRS, mandatory (non-mandatory) for preparation of annual financial statements for 2014 with simultaneous determination of replaced IFRS documents.</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>Order No. 50n provides for implementation in the Russian Federation of new documents of IFRS mandatory for preparation of annual financial statements for 2013.</p> <p>Instruction No. 2964-U provides for presentation to the Bank of Russia and publication by credit institutions of annual financial statements (except for annual consolidated financial statements), prepared according to IFRS, starting from the reporting for 2012.</p> <p>In 2011 Ministry of Finance approved a plan for IFRS-based development of domestic accounting and reporting standards in 2012-2015. According to the Plan, the system of Russian accounting standards should be fully compliant with IFRS by the end of 2014.</p> <p>Highlight main developments since last year's survey: In 2013 the following documents provided for implementation in the Russian Federation: IFRS 9 "Financial instruments"; IFRIC 21 "Levies"; Amendments to IAS 32 "Offsetting Financial Assets and Financial Liabilities"; Amendments to IFRS 7; Amendments to IFRS 10, IFRS 12 and IAS "Investment Entities";</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>Amendments to IAS 36 “Recoverable Amount Disclosures for non-financial Assets”; Amendments to IAS 39 “Novation of Derivatives and Continuation of Hedge Accounting”. In 2013 IFRIC 9 “Reassessment of Embedded Derivatives” determined since implementation of IFRS 9 in the Russian Federation. In May 2014 the Federal Law No. 208-FZ of 27.07.2010 “On Consolidated Financial Reporting” was amended so that non-state pension funds, asset management companies and clearing companies became subject to mandatory preparation of consolidated financial statements in accordance with IFRS.</p> <p>Web-links to relevant documents: http://www.ifrs.org/Use-around-the-world/Pages/Jurisdiction-profiles/Russia-IFRD-Profile.pdf http://www1.minfin.ru/common/img/uploaded/library/2011/03/Consolidation_Law_eng.pdf http://www.1.minfin.ru/common/img/uploaded/library/2011/03/Resolution_107_eng1.pdf http://www.1.minfin.ru/common/img/uploaded/library/2011/12/402-FZ_jbukhuchete.pdf</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|------------|--|---|---|---|--|
| 19 (19) | Appropriate application of Fair Value Accounting | <p>Accounting standard setters and prudential supervisors should examine the use of valuation reserves or adjustments for fair valued financial instruments when data or modelling needed to support their valuation is weak. (Rec. 3.4, FSF 2009)</p> <p>Accounting standard setters and prudential supervisors should examine possible changes to relevant standards to dampen adverse dynamics potentially associated with fair value accounting. Possible ways to reduce this potential impact include the following: (1) Enhancing the accounting model so that the use of fair value accounting is carefully examined for financial instruments of credit intermediaries; (ii) Transfers between financial asset categories; (iii) Simplifying hedge accounting requirements. (Rec 3.5, FSF 2009)</p> | <p>Jurisdictions should indicate the policy measures taken for appropriate application of fair value accounting.</p> <p>See, for reference, the following BCBS documents:</p> <ul style="list-style-type: none"> • <u>Basel 2.5 standards on prudent valuation (Jul 2009)</u> • <u>Supervisory guidance for assessing banks' financial instrument fair value practices (Apr 2009)</u> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Reform effective (completed) as of: 18.07.2012</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Regulation of the Bank of Russia «On the Procedure of Derivatives Accounting» No. 372-P of 04.07.2011 (hereinafter - Regulation No. 372-P)/ Regulation of the Bank of Russia «On Accounting in Credit Institutions in the Russian Federation»</p> | <p>If this recommendation has not yet been fully implemented, please provide reasons for delayed implementation:</p> <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>No. 385-P of 16.07.2012 (hereinafter - Regulation No. 385-P). Regulation No. 372-P stipulates mandatory accounting of derivatives at fair value by credit organizations since 01.01.2012. Regulation No. 385-P replaced earlier Regulation of the Bank of Russia of 26.03.2007 No. 302-P «On accounting in credit institutions in the Russian Federation». According to mentioned regulations credit institutions since January 1, 2008 have been recognizing at fair value securities measured at fair value through profit and loss and the changes in fair value of securities available for sale reflected through capital (other comprehensive income); since January 1, 2012 credit institutions have the right to account investment property at fair value with recognition of changes in fair value in profit or loss. Order of the Ministry of Finance of the Russian Federation No. 106n of 18.07.2012 brought into force IFRS 13 “Fair Value Measurement”.</p> <p>Highlight main developments since last year’s survey: Order of the Ministry of Finance of the Russian Federation No. 106n of 18.07.2012 brought into force IFRS 9 “Financial Instruments”.</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | Web-links to relevant documents: http://base.consultant.ru/cons/cgi/online.cgi?req=doc;base=LAW;n=111454 http://minfin.ru/ru/accounting/mej_standart_fo/docs/ | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|--|--|--|--|--|--|
| VIII. Enhancing risk management | | | | | |
| 20 (20) | Enhancing guidance to strengthen banks' risk management practices, including on liquidity and foreign currency funding risks | Regulators should develop enhanced guidance to strengthen banks' risk management practices, in line with international best practices, and should encourage financial firms to re-examine their internal controls and implement strengthened policies for sound risk management. (Washington) | Jurisdictions should indicate the policy measures taken to enhance guidance to strengthen banks' risk management practices. In particular, please indicate the status of implementation of the following standards: | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : | Planned actions (if any): In 2014, the Bank of Russia is going to conduct a quantitative impact study and calibration of some run-off factors used for the LCR calculation that are not determined by the BCBS. As to alternative liquidity approaches for jurisdictions with insufficient supply of high quality liquid assets, the Bank of Russia is developing a mechanism of committed liquidity facilities to Russian banks subject to future LCR requirements. After the monitoring period the Regulation on LCR calculation are to be amended in order to introduce LCR as a prudential ratio. |
| (20) | | National supervisors should closely check banks' implementation of the updated guidance on the management and supervision of liquidity as part of their regular supervision. If banks' implementation of the guidance is inadequate, supervisors will take more prescriptive action to improve practices. (Rec. II.10, FSF 2008) | <ul style="list-style-type: none"> • BCBS <u>Basel III: International framework for liquidity risk measurement, standards and monitoring (Dec 2010)</u> • BCBS <u>Principles for sound stress testing practices and supervision (May 2009)</u> | Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input checked="" type="checkbox"/> Regulation / Guidelines <input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify: LCR methodology has been developed in line with Basel III recommendations. LCR will come into force through data collection and monitoring (including LCR by significant currency) on July 1, 2014. | Expected commencement date: The LCR is expected to be introduced as a prudential ratio (under the BCBS's timeline) on January 1, 2015. |
| (20) | | Regulators and supervisors in emerging markets ⁶ will enhance their supervision of banks' operation in foreign currency funding markets. (FSB 2009) | Jurisdictions may also refer to FSB's <u>thematic peer review report on risk governance (Feb 2013)</u> and BCBS <u>Peer review of supervisory authorities' implementation of stress testing principles (Apr 2012)</u> | Status of progress : <input type="checkbox"/> Draft in preparation, expected publication by: <input checked="" type="checkbox"/> Draft published as of: January 2014 <input type="checkbox"/> Final rule or legislation approved | Web-links to relevant documents: |
| (20) | | We commit to conduct robust, transparent stress tests as needed. (Pittsburgh) | | | |

⁶ Only the emerging market jurisdictions that are members of the FSB may respond to this recommendation.

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>and will come into force on:</p> <p><input checked="" type="checkbox"/> Reform effective (completed) as of: 29.12.2012</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>1.Liquidity: Regulation for LCR calculation sets the requirement to compile LCR and report data to the Bank of Russia by the largest Russian banks for monitoring purposes after July 1, 2014, till the end of 2014. Bank of Russia conducts top-down liquidity stress-testing exercise. 2. Operational risk: Capital adequacy requirements - as of Nov 2009 (amended – Jul 2012). Requirements to operational risk management with regard to organizations providing payment services, June 2012. Recommendations on operational risk management - as of May 2005 and May 2012. Main recommendations regarding bank's stress-testing procedures were published in 2012 and pertain to development of recovery and resolution plans (Recommendation letter No. 193-T of 29.12.2012). First RRP of banks were analyzed by supervisors in 2013. Banks were given recommendation to improve their plans. This work is underway. The Federal Law N 146-FZ of 02.07.2013: -</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>obliged credit institutions to comply with the Bank of Russia requirements for internal risk and capital management systems and internal control systems; - empowered the Bank of Russia to set individual reserve requirements for credit institutions which underestimate risks; - allowed to use advanced risk assessment frameworks (IRB approach) in order to calculate capital requirements.</p> <p>Highlight main developments since last year's survey: Draft regulation for LCR calculation and the corresponding reporting form on LCR were published for public consultation in January 2014, discussed with Russian banks, finalized and approved by the Bank of Russia on May 30, 2014 (Regulation No. 421-P).</p> <p>Web-links to relevant documents:</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|------------|---|---|---|---|---|
| 21 (21) | Efforts to deal with impaired assets and raise additional capital | Our efforts to deal with impaired assets and to encourage the raising of additional capital must continue, where needed. (Pittsburgh) | Jurisdictions should indicate steps taken to reduce impaired assets and encourage additional capital raising. For example, jurisdictions could include here the amount of new equity raised by banks operating in their jurisdictions during 2013. Jurisdictions may also refer to the relevant IMF Financial Soundness Indicators at http://fsi.imf.org/ . | <input type="checkbox"/> Not applicable <input type="checkbox"/> Applicable but no action envisaged at the moment <i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i> <input checked="" type="checkbox"/> Implementation ongoing or completed : Issue is being addressed through : <input checked="" type="checkbox"/> Primary / Secondary legislation <input type="checkbox"/> Regulation / Guidelines <input type="checkbox"/> Other actions (such as supervisory actions), please specify: Status of progress : <input type="checkbox"/> Draft in preparation, expected publication by: <input type="checkbox"/> Draft published as of: <input type="checkbox"/> Final rule or legislation approved and will come into force on: <input checked="" type="checkbox"/> Reform effective (completed) as of: 01.01.2013 Short description of the content of the legislation/ regulation/guideline: In the end of 2012 the amendments to the Federal Law «On the use of government securities to increase capital of banks» № 181-FZ of 18.07.2009 were adopted that are aimed at simplification of raising | Planned actions (if any): Expected commencement date: Web-links to relevant documents: |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | capital by banks. Highlight main developments since last year's survey: Web-links to relevant documents: http://base.consultant.ru/cons/cgi/online.c gi?req=doc;base=LAW;n=140177;fld=13 4;dst=100646;rnd=0.9709164609666914 | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|-------------------------|---|---|---|--|--|
| 22 (22) (New) | Enhanced risk disclosures by financial institutions | <p>Financial institutions should provide enhanced risk disclosures in their reporting and disclose all losses on an ongoing basis, consistent with international best practice, as appropriate. (Washington)</p> <p>We encourage further efforts by the public and private sector to enhance financial institutions' disclosures of the risks they face, including the ongoing work of the Enhanced Disclosure Task Force. (St. Petersburg)</p> | <p>Jurisdictions should indicate the status of implementation of the disclosures requirements of IFRSs (in particular IFRS7 and 13) or equivalent. Jurisdictions may also use as reference the recommendations of the October 2012 report by the Enhanced Disclosure Task Force on Enhancing the Risk Disclosures of Banks and Implementation Progress Report by the EDTF (Aug 2013).</p> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Reform effective (completed) as of: 25.10.2013</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>Information on the Federal Law is given in point 9 of this table. Information on disclosing by credit institutions consolidated financial reporting is given in point 18 of this table. The following regulations were adopted by the Bank of</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>Russia: - Direction No. 3083-U of 25.10.2013 “On Consolidated Financial Statements Disclosed and Submitted by Bank Holding Companies” which defines the form and the procedure of filing the information to the Bank of Russia necessary to assess risks of bank holding companies for the purposes of supervision over credit institutions – participants of bank holding companies; - Direction No. 3080-U “On the Forms, the Procedure and the Time Terms of Disclosure by the Leading Credit Institutions of Bank Groups of Information on the Assumed Risks and on the Procedures for Estimating Them and for Controlling the Risks and the Capital” which defines the procedure of disclosure of annual and semi-annual information by head credit organizations of bank groups on the assumed risk, their assessment framework and capital and risk managements systems. - Direction No. 3097-U of 25.10.2013 “On Amending the Instruction of the Bank of Russia No. 139-I of 03.12.2012 “On Banks’ Obligatory Ratios”. Moreover, each credit institution discloses the information on the assumed risks, their assessment framework, and capital and</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>risk management systems on both quarterly and annual basis. According to the Direction of the Bank of Russia No. 3081-U. Starting from the first quarter of 2014 credit organizations will disclose section I of reports prepared according to form 04090808 “Information on capital adequacy” which meets Basel III disclosure requirements. According to the requirements of Basel II form 04090808 for the financial year 2014 will be wholly disclosed (sections I and II “Information on the size of the credit, operational and market risks covered by capital”).</p> <p>Highlight main developments since last year’s survey: Direction No. 3080-U “On the Forms, the Procedure and the Time Terms of Disclosure by Leading Credit Institutions of Bank Groups of Information on the Assumed Risks and on the Procedures for Estimating Them and for Controlling the Risks and Capital”. Direction No. 3087-U “ On Consolidated Financial Statements Disclosed and Submitted by Bank Holding Companies”. Direction No. 3083-U “On the disclosure of the Information on the Risks of Bank Holding Companies to the Bank of Russia”.</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|----------------------------------|------------|
| | | | | Web-links to relevant documents: | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|--|--|--|---|---|--|
| IX. Strengthening deposit insurance | | | | | |
| 23 (23) | Strengthening of national deposit insurance arrangements | National deposit insurance arrangements should be reviewed against the agreed international principles, and authorities should strengthen arrangements where needed. (Rec. VI.9, FSF 2008) | <p>Jurisdictions should describe any revisions made to national deposit insurance system, including steps taken to address the following recommendations of the FSB's February 2012 thematic peer review report on deposit insurance systems:</p> <ul style="list-style-type: none"> • Adoption of an explicit deposit insurance system (for those who do not have one) • Full implementation of the Core Principles for Effective Deposit Insurance Systems jointly issued by BCBS and IADI in June 2009 (by addressing the weaknesses and gaps identified in peer review) | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Reform effective (completed) as of: 01.07.2014</p> <p>Short description of the content of the legislation/ regulation/guideline:</p> <p>According to amendments to the Federal Law No. 177-FZ of 23.12.2003 “On Insuring Natural Persons’ Deposits Made with Banks of the Russian Federation” which entered into force on 01.01.2014 banking accounts (deposits) of sole</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>proprietors are subject to mandatory insurance if such banking accounts (deposits) are opened to conduct business. On July 1, 2014 Federal Law No. 379-FZ of 21.12.2013 “On Amending Certain Legislative Acts of the Russian Federation” enters into force, which introduces new types of banking accounts to the Civil Code of the Russian Federation: pledged account, escrow account and nominal account. Such expansion of banking account types also involves expansion of financial resources types subject to mandatory insurance in accordance with Item 2 of Article 2 of the Federal Law No. 177-FZ of 23.12.2013 “On Insuring Natural Persons’ Deposits Made with Banks of the Russian Federation”. The State Duma of the Russian Federation approved in the first reading the draft of a federal law No. 298254-6 “On Amending the Federal Law “On Insuring Natural Persons’ Deposits Made with Banks of the Russian Federation” and the Federal Law “On the Central Bank of the Russian Federation (the Bank of Russia)”. The draft introduces differentiated rates of banks’ payments to the deposit insurance fund depending on the value of deposit rates for individuals and starting from 01.01.2015 depending on assessment of</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>financial soundness of banks, which will be carried out by the Bank of Russia by means of assigning banks to different financial soundness groups. The procedure for assignment of banks to different groups, as well as the set of indicators used to assess the bank and their calculation methodology will be defined by the Bank of Russia.</p> <p>Highlight main developments since last year's survey: Amendments to Federal Securities Market Law were adopted concerning creation of prudential supervision system for non-bank securities market intermediaries. The main aim of the Law is to set prudential capital requirements for non-banks professional market participants, including their securities lending and repos activities. The Law was adopted in 2013 and came into force on 01.07.2014.</p> <p>On 11.06.2014 updated methodology for the assessment of bank's financial stability for the purposes of recognizing it as sufficient for participation in Deposit Insurance System was published by the Bank of Russia (Direction No. 3277-U).</p> <p>Web-links to relevant documents: http://asozd2.duma.gov.ru/main.nsf/%28SpravkaNew%29?OpenAgent&RN=2982 </p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|------------------|------------|
| | | | | 54-6&02 | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|--|---|---|---|---|--|
| X. Safeguarding the integrity and efficiency of financial markets | | | | | |
| 24 (24) | Enhancing market integrity and efficiency | We must ensure that markets serve efficient allocation of investments and savings in our economies and do not pose risks to financial stability. To this end, we commit to implement initial recommendations by IOSCO on market integrity and efficiency, including measures to address the risks posed by high frequency trading and dark liquidity, and call for further work by mid-2012. (Cannes) | <p>Jurisdictions should indicate whether high frequency trading and dark pools exist in their national markets.</p> <p>Jurisdictions should indicate the progress made in implementing the recommendation in the following IOSCO reports in their regulatory framework:</p> <ul style="list-style-type: none"> • Report on Regulatory Issues Raised by the Impact of Technological Changes on Market Integrity and Efficiency (Oct 2011); and • Report on Principles for Dark Liquidity (May 2011). | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “ Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input checked="" type="checkbox"/> Regulation / Guidelines</p> <p><input checked="" type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Status of progress :</p> <p><input type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Reform effective (completed) as of:</p> <p>Short description of the content of the legislation/ regulation/guideline: Order of FFMS No. 10-78/pz-n of 28.12.2010 “On the Approval of the Regulations on Organizing Trade on the Securities Market” (hereinafter Order of FFMS No. 10-78/pz-n). The Law «On organized trade» No. 282-FZ of 29.12.2012 sets</p> | <p>Planned actions (if any):</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>legal framework for trade organizers and exchanges. The Federal Law «On the Special Economic Measures» No. 281-FZ of 29 December 2012 amended mortgage-backed securities legislation to raise efficiency of mortgage securitization. Amendments to Federal Securities Market Law were adopted concerning creation of prudential supervision system for non-bank securities market intermediaries. The main aim of the law is to set prudential capital requirements for non-banks professional market participants, including their securities lending and repos activity. The law was adopted in 2013 and comes into force on 01.07.2014. Rules for organized trade include certification system for high frequency trading (HFT) mechanism as well as setting extra tariffs depending on the frequency of transactions, which did not lead to deals. Stock trading imply discrete auctions for particular cases (according to the Order of FFMS No. 10-78/pz-n) Draft legislation on ombudsman for financial services consumers is being prepared for introduction to the State Duma. The draft Law will establish an institute of financial sector ombudsman, who will be responsible for independent review of complaints of retail customers of banks</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>and insurers.</p> <p>Highlight main developments since last year's survey:</p> <p>Web-links to relevant documents: http://www.consultant.ru/document/cons_doc_LAW_156922/ http://pravo.gov.ru/proxy/ips/?docbody=&nd=102347243&intelsearch=353-%F4%E7 http://asozd2.duma.gov.ru/main.nsf/%28SpravkaNew%29?OpenAgent&RN=136312-5&02 http://www.pravo.gov.ru/proxy/ips/?searchres=&bpas=cd00000&a3=102000492&a3type=1&a3value=%D4%E5%E4%E5%F0%E0%EB%FC%ED%FB%E9+%E7%E0%EA%EE%ED&a6=&a6type=1&a6value=&a15=&a15type=1&a15value=&a7type=1&a7from=&a7to=&a7date=28.07.2012&a8=145-%D4%C7&a8type=2&a1=&a0=&a16=&a16type=1&a16value=&a17=&a17type=1&a17value=&a4=&a4type=1&a4value=&textpres=&sort=7&x=60&y=11 http://www.pravo.gov.ru/proxy/ips/?searchres=&bpas=cd00000&a3=102000492&a3type=1&a3value=%D4%E5%E4%E5%F0%E0%EB%FC%ED%FB%E9+%E7%E0%EA%EE%ED&a6=&a6type=1&a6value=&a15=&a15type=1&a15value=&a7type=1&a7from=&a7to=&a7date=29.12.</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>2012&a8=282- %D4%C7&a8type=2&a1=&a0=&a16=&a16type=1&a16value=&a17=&a17type=1&a17value=&a4=&a4type=1&a4value=&textpres=&sort=7&x=55&y=12 http://www.pravo.gov.ru/proxy/ips/?searchres=&bpas=cd00000&a3=102000492&a3type=1&a3value=%D4%E5%E4%E5%F0%E0%EB%FC%ED%FB%E9+%E7%E0%EA%EE%ED&a6=&a6type=1&a6value=&a15=&a15type=1&a15value=&a7type=1&a7from=&a7to=&a7date=29.12. 2012&a8=281- %D4%C7&a8type=2&a1=&a0=&a16=&a16type=1&a16value=&a17=&a17type=1&a17value=&a4=&a4type=1&a4value=&textpres=&sort=7&x=0&y=0 http://asozd2.duma.gov.ru/main.nsf/(ViewDoc)?OpenAgent&work/dz.nsf/ByID&A3088ABDB1FBA3ECC3257824004BC E3D</p> | |

76

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>agricultural commodities, crops, chemicals, pharmaceuticals.</p> <p>Highlight main developments since last year's survey: The Federal Law N 325-FZ of 21.11.2011 "On organized trading" was amended on 21.12.2013. It regulates relationships on commodities and financial markets, introduces principles for state regulation and control of organized trading on these markets. It also stipulates that all OTC transactions with exchange commodities should be reported to commodity exchange. Capital adequacy requirements for commodity derivatives traders have been introduced by Direction of the Bank of Russia No. 3132-U of 03.12.2013.</p> <p>Web-links to relevant documents:</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|-------------|--------------------------------|---|---|------------------|------------|
| 26 (New) | Reform of financial benchmarks | We support the establishment of the FSB's Official Sector Steering Group to coordinate work on the necessary reforms of financial benchmarks. We endorse IOSCO's Principles for Financial Benchmarks and look forward to reform as necessary of the benchmarks used internationally in the banking industry and financial markets, consistent with the IOSCO Principles. (St. Petersburg) | Collection of information on this recommendation will be deferred to the 2015 IMN survey given the ongoing policy work in this area, the reviews of interest rate and foreign exchange benchmarks during 2014, and the recent publication of IOSCO's Principles for Financial Benchmarks. | | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|--|---|--|--|--|---|
| XI. Enhancing financial consumer protection | | | | | |
| 27 (27) | Enhancing financial consumer protection | We agree that integration of financial consumer protection policies into regulatory and supervisory frameworks contributes to strengthening financial stability, endorse the FSB report on consumer finance protection and the high level principles on financial consumer protection prepared by the OECD together with the FSB. We will pursue the full application of these principles in our jurisdictions. (Cannes) | <p>Jurisdictions should describe progress toward implementation of the OECD's G-20 high-level principles on financial consumer protection (Oct 2011).</p> <p>Jurisdictions may also refer to OECD's update report including the Annex to the report on effective approaches to support the implementation of the High-level Principles based around the following three priority principles:</p> <ul style="list-style-type: none"> • <i>Disclosure and transparency</i> • <i>Responsible business conduct of financial services providers and their authorised agents</i> • <i>Complaints handling and redress</i> | <p><input type="checkbox"/> Not applicable</p> <p><input type="checkbox"/> Applicable but no action envisaged at the moment</p> <p><i>If “Not applicable “ or “Applicable but no action envisaged ...” has been selected, please provide a brief justification:</i></p> <p><input checked="" type="checkbox"/> Implementation ongoing or completed :</p> <p>Issue is being addressed through :</p> <p><input checked="" type="checkbox"/> Primary / Secondary legislation</p> <p><input type="checkbox"/> Regulation / Guidelines</p> <p><input type="checkbox"/> Other actions (such as supervisory actions), please specify:</p> <p>Status of progress :</p> <p><input checked="" type="checkbox"/> Draft in preparation, expected publication by:</p> <p><input type="checkbox"/> Draft published as of:</p> <p><input type="checkbox"/> Final rule or legislation approved and will come into force on:</p> <p><input checked="" type="checkbox"/> Reform effective (completed) as of: 01.07.2014</p> <p>Short description of the content of the legislation/ regulation/guideline: Draft legislation on ombudsman for financial services consumers is being prepared for introduction to the State Duma. The draft Law will establish an institute of financial sector ombudsman, who will be responsible for independent review of</p> | <p>Planned actions (if any): Draft federal law “On financial ombudsman” defines the legal status of the financial ombudsman, regulates the procedure of investigation of citizens’ claims and of other matters related to the protection of the rights and interests of financial services consumers. According to the draft law financial ombudsman will investigate citizens’ claims concerning services provided by credit organizations, insurance organizations and mutual insurance societies. Draft federal law “On financial ombudsman” passed the preliminary review in the State Duma and was sent for approval to all interested ministries and authorities.</p> <p>Expected commencement date:</p> <p>Web-links to relevant documents:</p> |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>complaints of retail customers of banks and insurers. Federal Law N 353-FZ of 21.12.2013 “On consumer credit (loan)” was adopted. The law will provide better protection of the retail borrowers: - maximum interest rates are limited; - maximum fines and charges in case of overdue payments are limited; - scope of information which must be sent to the borrower monthly is defined; - measures, which stimulate credit institutions to perform their informational obligations, are introduced; - a period during which a person can withdraw from a credit contract without paying any fines in addition to charged interest during the period is introduced. Currently, Direction of the Bank of Russia No. 3249-U of 29.04.2014 “On the Procedure of Defining by the Bank of Russia Categories of Consumer Credits (Loans) and on the Procedure of Calculation and Publication of Average Market Effective Interest Rate on a Quarterly Basis” was registered in the Ministry of Justice of the Russian Federation on 01.07.2014. In 2014 Service for Protection of Financial Services Consumers and Minority Shareholders was established in the Bank of Russia. The main objectives of the Service are: - assessment of financial sector regulation from the point of view</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|---|------------|
| | | | | <p>of protection of rights of consumers of financial services and investors; - preparation of amendments to respective regulations; - investigation of claims and complaints of investors and consumers of financial services; - take law enforcement measures in respect of (i) providers of financial services, except credit institutions, in case of violation of rights of financial services consumers and investors and (ii) securities issuers and other institutions in case of violation of investors' rights; - analysis and aggregation of practices, identification of major risks to financial services consumers, investors and financial services providers; - development and implementation of financial literacy programs and of informational programs about instruments of the Russian financial market; - support of authorized persons who are protecting the rights of consumers on the Russian financial market. Federal Law of 28.12.2013 No. 422-FZ "On Guaranteeing the Rights of Persons Insured in the Mandatory Pension Insurance System of the Russian Federation in the Process of Funding and Investing of Pension Savings, On Setting and Provision of Payments Using the Funds of Pension Savings" was adopted. According to this Law the guarantee</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | <p>system for rights of persons insured in the mandatory pension insurance system of the Russian Federation will begin functioning on 01.01.2015. Within this system pension savings guarantee fund will be created on the basis of guarantee payments by non-state pension funds, which are providing services of mandatory pension insurance and are registered in guarantee system for rights of insured persons. Federal Law of 21.12.2013 No. 375-FZ “On Amending Certain Legislative Acts of the Russian Federation” was adopted in order to strengthen the control over microfinance organizations. This Law amends the Administrative Violations Code, by specifying (tightening) responsibility for violation of the laws of the Russian Federation on microfinance activities, credit cooperation, agricultural cooperation and pawnshops.</p> <p>Highlight main developments since last year’s survey: Federal Law No. 375-FZ was adopted on 21.12.2013. Federal Law No. 422-FZ was adopted on 28.12.2013. Direction of the Bank of Russia No. 3249-U of 29.04.2014. In 2014 Service for Protection of Financial Services Consumers and Minority Shareholders was established in the Bank of Russia.</p> | |

| No | Description | G20/FSB Recommendations | Remarks | Progress to date | Next steps |
|----|-------------|-------------------------|---------|--|------------|
| | | | | Web-links to relevant documents: http://pravo.gov.ru/proxy/ips/?docbody=&nd=102347243&intelsearch=353-%F4%E7 http://www1.minfin.ru/ru/regulation/bank/Inst-fin-omb/ http://asozd2.duma.gov.ru/main.nsf/%28SpravkaNew%29?OpenAgent&RN=136312-5&02 http://base.consultant.ru/cons/cgi/online.cgi?req=doc;base=LAW;n=156546 http://base.consultant.ru/cons/cgi/online.cgi?req=doc;base=LAW;n=156005 | |

XII. Source of recommendations:

[St Petersburg: The G20 Leaders' Declaration \(5-6 September 2013\)](#)

[Los Cabos: The G20 Leaders' Declaration \(18-19 June 2012\)](#)

[Cannes: The Cannes Summit Final Declaration \(3-4 November 2011\)](#)

[Seoul: The Seoul Summit Document \(11-12 November 2010\)](#)

[Toronto: The G-20 Toronto Summit Declaration \(26-27 June 2010\)](#)

[Pittsburgh: Leaders' Statement at the Pittsburgh Summit \(25 September 2009\)](#)

[London: The London Summit Declaration on Strengthening the Financial System \(2 April 2009\)](#)

[Washington: The Washington Summit Action Plan to Implement Principles for Reform \(15 November 2008\)](#)

[FSF 2008: The FSF Report on Enhancing Market and Institutional Resilience \(7 April 2008\)](#)

[FSF 2009: The FSF Report on Addressing Procyclicality in the Financial System \(2 April 2009\)](#)

[FSB 2009: The FSB Report on Improving Financial Regulation \(25 September 2009\)](#)

[FSB 2012: The FSB Report on Increasing the Intensity and Effectiveness of SIFI Supervision \(1 November 2012\)](#)

XIII. List of Abbreviations used:

FFMS: Federal Financial Markets Service

BOR: Bank of Russia