

Self-regulatory  
organization



NATIONAL  
FINANCE  
ASSOCIATION

development  
initiatives  
regulation

## NFA overview

# Russian Council on Primary Markets survey results

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1 November 2018

23<sup>rd</sup> ASF AGM meeting

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## Russia | Key international standards and best practices

- Russia's Anti-Money Laundering system is compliant with FATF Recommendations;
- Russia is a party to the Articles of Agreement of the IMF and upholds free movement of capital;
- Banking regulation is compliant with Basel II, 2.5 and Basel III (RCAP 2016);
- IOSCO Principles for financial market infrastructures (PFMI) are being implemented. Upon monitoring the implementation of the PFMI, the CPMI-IOSCO gave Russia the highest-possible '4' rating in 2016 (Level 1 Assessment);
- National Settlement Depository is eligible for custody arrangements under Rule 17f-7 of the US Investment Company Act of 1940.



## NFA: Brief overview

- Self-regulatory organization "National Finance Association" was established in 1996 by major government participants securities market, with the support of Ministry of Finance of the Russian Federation and Central Bank of the Russian Federation (Bank of Russia).
- SRO NFA has 6 out of 7 possible licenses and effectively implements all SRO functions.
- SRO NFA membership profile:
  - 259 Russian securities market participants from 27 regions of all eight Federal districts of the Russian Federation:
    - **199 – banks and 45 non-bank institutions.**
  - SRO NFA members operations hold more than about 80% of the Russian banking sector market share.



# NFA: Key Working Bodies and Councils

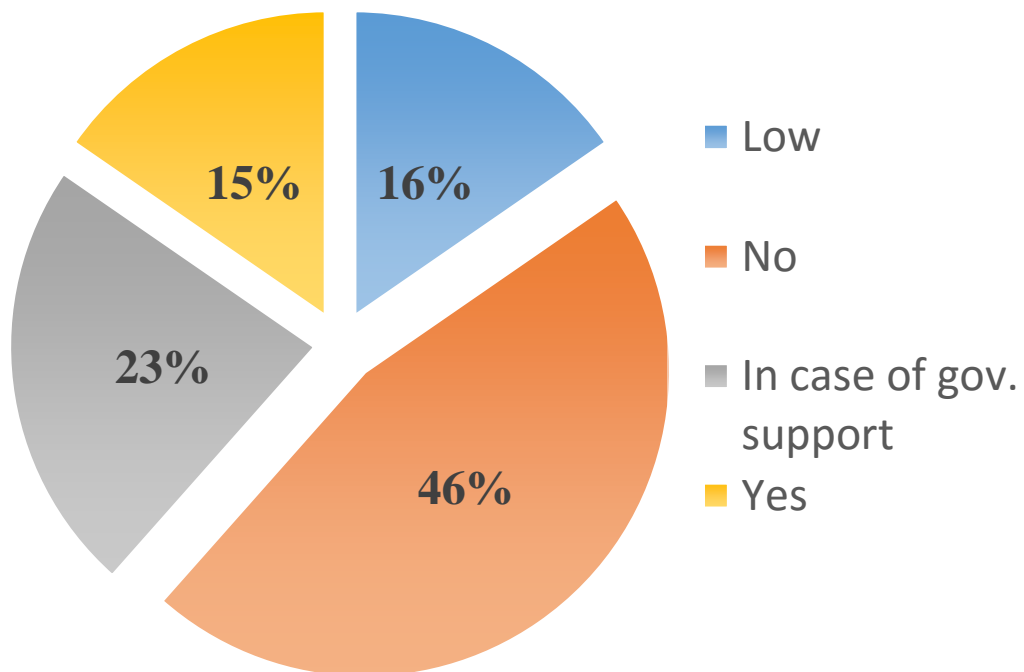
- NFA and ACI Russia joint FX Council;
- Russian REPO Council;
- NFA and the Association “Russia” Joint Securitization Committee;
- Derivatives Council;
- Brokers-Dealers Committee;
- Precious Metals Committee;
- Long-term Investments Council;
- Mortgage Committee;
- Registrars Committee;
- Custodians Committee;
- Specialized Custodians Committee;
- Treasury Council;
- Russian Council on Primary Markets;
- Expert Council on Financial Indicators and Rates;



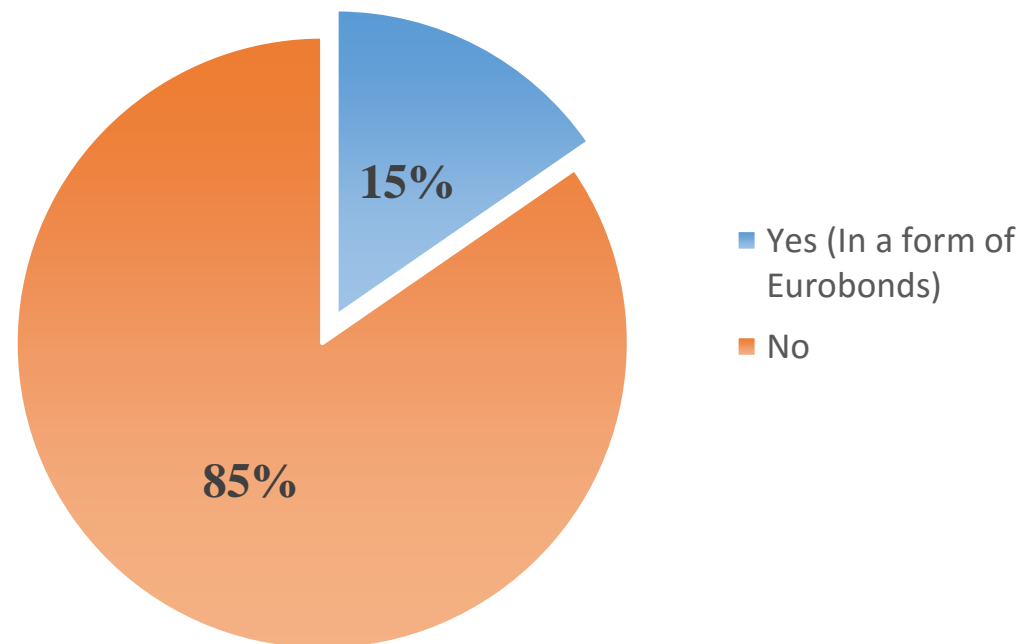
# Primary Market Council: Survey results (1)

## Perspectives of the Green Bond Market development in Russia

- Do you see demand from your clients for the green bonds?

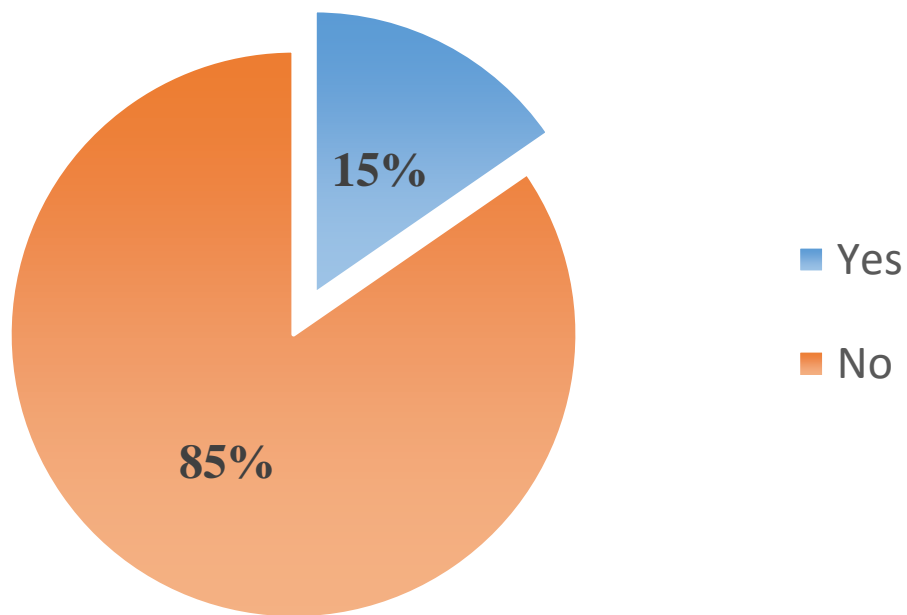


- Do you consider international exchanges to issue green bonds (for example, Luxembourg Green Exchange)?

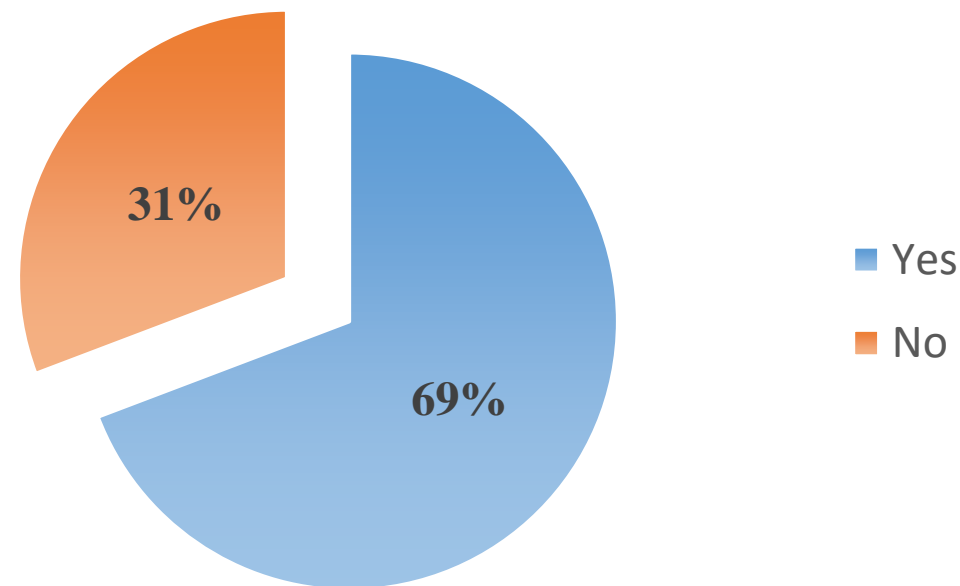


## Primary Market Council: Survey results (2)

- Do you consider the issuance of the green bonds at the OTC market?

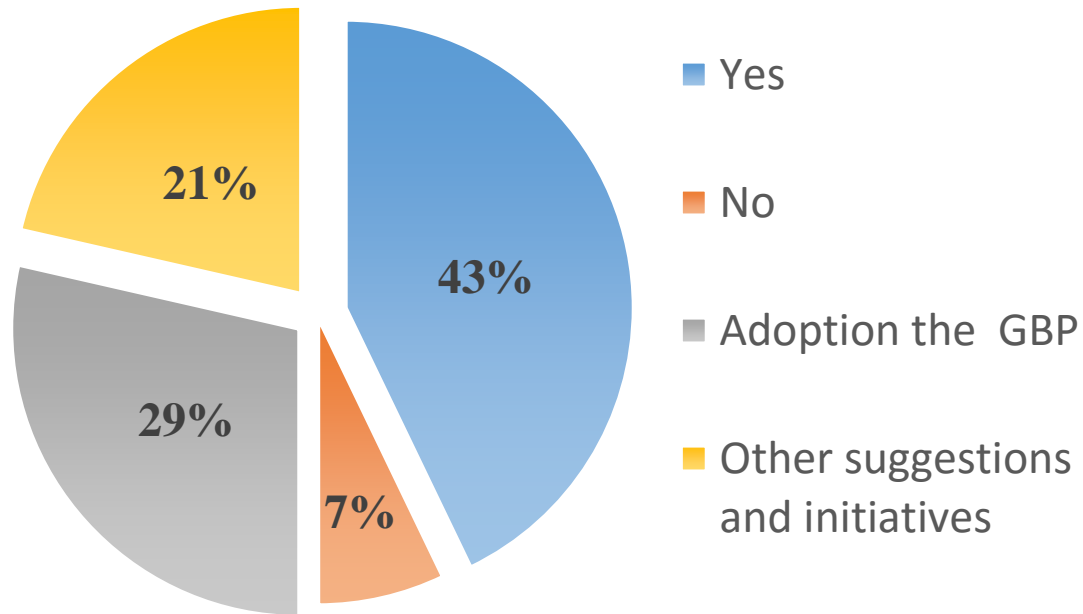


- Do you consider that the absence of the special measures of State support for the green bond market limits its development in Russia?

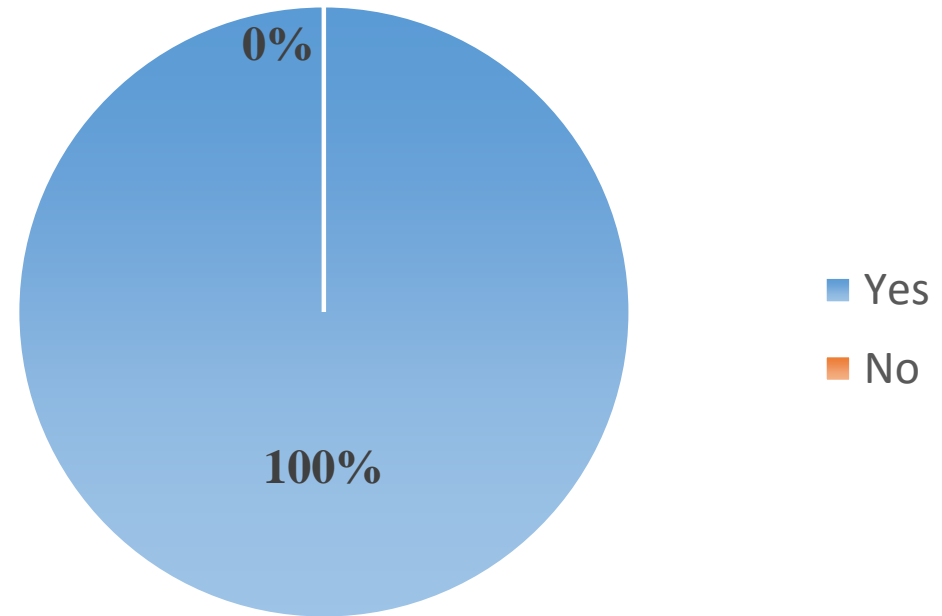


# Primary Market Council: Survey results (3)

- Do you consider the development of the separate local market standard or adopting the international standards for green bonds?



- Do you consider the special regulatory regime and government preferences for green and social bonds issuances and issuer to play a vital role for the market development?



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