



NATIONAL BANK OF THE REPUBLIC OF MACEDONIA

6-TH CONFERENCE ON PAYMENT AND SECURITIES SETTLEMENT SYSTEMS

**ADDRESS OF THE VICE-GOVERNOR OF THE NATIONAL BANK OF THE
REPUBLIC OF MACEDONIA, MRS. MAJA KADIEVSKA VOJNOVIK**

1 July, 2013

Esteemed colleagues from the Central Banks of the Netherlands and of Portugal,

Esteemed colleagues from the central banks from Central and Southeast Europe and esteemed colleagues from the Macedonian financial sector,

It is a great honor and pleasure to speak to you today, on the 6-th Conference on Payment and Securities Settlement Systems.

First, I would like to acknowledge **the successful cooperation** between the National Bank of the Republic of Macedonia and the Central Banks of the Netherlands and Portugal, who are with us here today to share their knowledge and experience and to present the best central bank practices and the latest innovations in the field of payment and securities settlement systems.

It is my special pleasure to welcome the representatives of various financial institutions from Macedonia and the region, which is yet another confirmation of **the success of our mission and the benefits from previous conferences**, within the frames of the established cooperation with the Central Banks of the Netherlands and Portugal.

At the same time, this is proof of the increasing awareness of the domestic experts for the need of a joint, continued monitoring and improvement of payment systems in the country, following the example of the developed EU countries. Also, I would like to stress the significance of this conference for **regional cooperation** through the exchange of experiences in this field with the colleagues from the central banks of the countries in the region.

My address in front of this distinguished audience is a good chance for me to provide a brief summary for the importance of the payment systems and the mission of the National Bank in this field.

In accordance with its institutional role, the National Bank has an operative, supervisory and development function in the payment system of the Republic of Macedonia. **In this regard, the National Bank contributes towards maintaining a stable financial market infrastructure, with the purpose of secure, efficient and uninterrupted functioning of the payment and securities settlement systems.**

The fact that the payment and securities settlement systems may represent a transmission channel for disturbances in the economy and the financial system, and also cause significant exposure of the participants to financial risks, is a strong reason for the central banks and the regulators to take **an integrated approach regarding the operating principles of the systems internationally.** In that regard, I salute the idea for presentation of the new **Principles for Financial Market Infrastructures** as a unique set of principles that will replace the current principles for payment and securities settlement systems and the central counterparties. The application of these new principles will require adequate adjustments of the legal and sublegal framework in the Republic of Macedonia in terms of a more integrated approach for implementation of the principles, regulations and supervision of the financial market infrastructures.

The importance of payment and securities settlement systems in modern economies has significantly increased in the last several decades. Relative to the European Union, the introduction of the single payment currency in the Euro zone contributed to expedite the process of integration of these systems, through the payment system TARGET of the European Central Bank for interconnection of the payment systems for gross real-time settlements of the EU member countries, and later with establishing the unique TARGET 2 platform, which was designed to satisfy the demands of the financial markets and stimulate further integration of the markets.

The national priority for becoming a full member of the EU is one of the main motives for determining the directions and conducting the reforms in the Republic of Macedonia in all aspects of life. The road toward EU integration of Republic of Macedonia, as a candidate country, entails numerous challenges in the area of payment systems. The dynamic market environment, the innovations in the domestic and foreign payment products, the need for faster transaction processing, as well as the increasing role of the institutions outside of the banking sector are only some of the trends and challenges for the Republic of Macedonia on its road towards EU integration.

In that regard, **the National Bank of the Republic of Macedonia started numerous activities with the purpose of strengthening the capacities in the area of payment systems and identifying the potential economic implications that the integration process brings.**

Namely, during the fourth quarter of 2012, **NBRM in cooperation with the ECB and eleven national central banks from the Euro-system, started implementing the IPA "NBRM Needs Analysis Project" for EU accession**, where the payment system was one of the areas for which priorities have been set and guidelines have been given for further synchronization of the national with the European legislation.

The National Council for Payment Systems created and adopted a "Strategy for development of the payment system of the Republic of Macedonia for 2013-2017", which, among other things, establishes that the vision for the development of the payment system of Republic of Macedonia until 2017 is modernization and progress of the operation of the separate payment, clearing and settlement system, through application of the latest technological achievement and gradual synchronization with the European and international standards and regulations for operation of the payment systems in EU. The implementation

of this strategy is expected to increase the security and efficiency in conducting payments and acceptance of the efficient cashless payment instruments. Also, it will provide gradual fulfillment of the requirements for integration in the SEPA. In that regard, the colleagues from the NBRM Payment Systems Department will cover the Strategy in more detail during this conference.

Esteemed colleagues,

The 6-th Conference on Payment and Securities Settlement Systems will include presentations on topics which are in the focus of the central banks and the financial sectors of the countries from the broader region and the EU members, and in that regard I hope they will hold your attention and interest, hoping that you will actively participate in the discussions and the workshops on this conference.

Thank you for your attention. I hope you have a successful conference and a pleasant time. Enjoy the splendors of Ohrid and the lake, monuments of the Macedonian millennial tradition and culture.