



НАРОДНА БАНКА НА РЕПУБЛИКА МАКЕДОНИЈА

Pursuant to Article 48 paragraph 1 item 3 of the Law on the National Bank of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 158/10, 123/12, 43/14, 153/15 and 6/16) and item 10 paragraph 3 of the Decision on the manner and the methodology for payment systems oversight (Official Gazette of the Republic of Macedonia No. 17/16), the Governor of the National Bank of the Republic of Macedonia adopted the following

INSTRUCTIONS for reporting by payment system operators

I. GENERAL PROVISIONS

1. These instructions shall define the content, form, manner and deadlines of reporting for the payment systems operation by the operator which manages and operates the payment system (hereinafter: operator).
2. The operator shall submit periodic reports for its operation and reports for planned and/or conducted changes and occurred incidents which impact the payment system operation to the National Bank of the Republic of Macedonia (hereinafter: National Bank) in order to conduct off-site payment system oversight.

II. PERIODIC REPORTS

Reports on the payment system operation

3. An operator shall report the following information:
 - number and value according to the value threshold and time of payment transactions processed in the payment system;
 - failures and disruptions in the functioning of the payment system;
 - value of net financial obligations and claims; and
 - the value of funds provided by the payment system for the purpose of managing the liquidity risks.

An operator shall report the information referred to in the first paragraph of this item in the form of tables presented in Annex 1 of these Instructions.
4. An operator shall submit the reports referred to in item 3 of these Instructions for a period of three months (quarterly). An operator shall submit the report by no later than the 15th of the month following the end of the quarter in question.

Report on the operations of the operator

5. An operator shall report on the activities of the audit function as regards the payment system operation, including:

- activities conducted in the previous year (a description of the conducted internal, external and other audits associated with the operations of the payment system operator and findings for the operations of the payment system's operator); and
- an annual activity plan of the current year (description of the planned internal, external and other audits associated with the operations of the payment system's operator).

6. The report on the operations of the operator referred to in item 5 of these Instructions shall be submitted to the National Bank by the operator by no later than the last business day in March.

Risk management reports

7. An operator shall report on risk management measures, including:

- completed testing of regular and back-up solutions and procedures;
- results of completed risk assessments in the payment system; and
- an annual activity plan regarding the testing of regular and back-up solutions and procedures, and risk assessments in the payment system.

8. As regards the conducted testing of regular and back-up solutions and procedures for the previous year, the operator shall at least report on:

- the subject and scope of testing;
- the objectives of testing;
- the period covered by the testing;
- the person responsible for and participants in the testing;
- testing scenario;
- testing results;
- correctional measures adopted in accordance with the testing results with a schedule for their implementation; and
- the implementation of measures defined in the previous risk management reports.

9. As regard the results of completed operational risk assessments in the payment system for the previous year, the operator shall at least report on:

- subject and scope of operational risk assessment;
- the objectives of operational risk assessment;
- the methodology applied in the operational risk assessment;
- the results of operational risk assessment;
- the risk management measures adopted in accordance with the operational risk assessment, with a schedule for their implementation; and
- the implementation of measures defined in the previous operational risk management reports.

10. As regards the annual activity plan for testing of regular and back-up solutions and procedures and risk assessments in the payment system for the current year, the operator shall report on:

- plan for testing regular and back-up solutions and procedures (subject and scope of testing, objectives of testing, planned period and the person responsible and participants in testing); and
- plan for conducting operational risk assessment (subject and scope of risk assessment, objectives of operational risk assessment, period of operational risk assessment and envisaged methodology which will be applied in operational risk assessment).

11. The risk management report shall be prepared by the operator for a period of one calendar year. The operator submits the report for the previous year and the annual plan of activities for the current year to the National Bank by no later than the last business day in March of the current year.

III. REPORTS ON PLANNED AND/OR CONDUCTED CHANGES AND OCCURRED INCIDENTS

Reports on status and other changes associated with payment system participants

12. An operator shall submit a report to the National Bank, no later than 5 business days following the entry into force of status changes associated with payment system participants for the inclusion of new participants in the payment system or withdrawal or exclusion of participants from the payment system, including indirect participants.

In terms of these Instructions, status changes shall mean changes that are the result of a merger or acquisition, change in the scope of authorised activities, initiation of insolvency proceedings and other changes associated with payment system participants that influence or could influence the fulfilment of conditions for participation in the payment system or on the operation of the payment system.

13. Reports in item 12 of these Instructions shall include the following:

- name of the payment system participant to which the report is related;
- description of the status change or change associated with the participation of this participant (inclusion, withdrawal, exclusion, change from indirect to direct participant, or vice versa) and the date when the status change or change associated with the participation of the participant took place; and
- assessment of possible effects on the status change or change associated with the participation of the participant, specified in line 2 of this item, on the payment system operation or risks therein.

Reports on failures and disruptions in the payment system operations

14. An operator shall submit a report in case of failures and disruptions of the payment system operations and its participants to the National Bank no later than three business days following the occurrence of the event.

For the needs of these Instructions, **failure of operation** shall mean service failure, and **disruption of operation** shall mean decrease and/or deterioration of the services.

15. Reports specified in item 14 or these Instructions include the following:
- description of the event (type of error or event, cause and indication in which part of the process the error has occurred);
 - date and time of the event;
 - description of the consequences of the event and the impact on each individual participant (by name of the participant) or on the payment system as a whole;
 - description of the conducted or planned transition to normal operation;
 - description of the reports (report recipients and the method used to report to the payment system participant);
 - list of measures for preventing the occurrence of these types of events or errors in the future;
 - schedule for the implementation of the measures specified in line 6 of this item.

Reports on planned changes in the payment system operations

16. No later than one month prior to the start of activities for implementing any changes in the payment system operation which could have an impact on the risk management pursuant to the Decision on the criteria and standards for payment systems operations (Official Gazette of the Republic of Macedonia No. 17/16), an operator shall submit a plan of activities to the National Bank.

17. The plan for implementing the activities of item 16 of these Instructions contains the following:
- Detailed substantive description of the planned changes in the operations of the payment system;
 - Schedule for the implementation of the changes and responsible persons for the implementation of each individual action; and
 - Assessment of the impact on financial and operational risk management in the payment system.

IV. SUBMISSION OF REPORTS TO THE NATIONAL BANK

18. An operator shall submit periodic reports and planned and/or conducted changes and occurred incidents to the National Bank through the electronic system of the National bank for payment statistics. The manner of usage of the electronic system is defined in the document "Instructions on submitting electronically payment operations data"

V. TRANSITIONAL AND CLOSING PROVISIONS

19. These Instructions shall enter into force on the day of its publication on "Official Gazette of the Republic of Macedonia", and shall apply from 1 October 2017.

20. As regards to the first report in accordance with item 4 of these Instructions, the operator shall submit monthly data from the beginning of 2017.

21. Operators shall submit the first reports for the calendar year of 2017, in accordance with items 6 and 11 of these Instructions no later than the last business day of March 2018.

No. 2908/2
1.2.2017
Skopje

Governor
Dimitar Bogov

Annex 1. Reports on payment system operation

Table 1: Volume and gross value of the processed credit transfers in large value payment systems by value thresholds in denars

Category in denars	Month (MM.YYYY)		Month (MM.YYYY)		Month (MM.YYYY)	
	Volume	Value	Volume	Value	Volume	Value
Up to 500						
More than 500 up to 1.000						
More than 1.000 up to 5.000						
More than 5.000 up to 10.000						
More than 10.000 up to 50.000						
More than 50.000 up to 100.000						
More than 100.000 up to 250.000						
More than 250.000 up to 500.000						
More than 500.000 up to 1.000.000						
More than 1.000.000 up to 10.000.000						
More than 10.000.000 up to 100.000.000						
More than 100.000.000 up to 1.000.000.000						
More than 1.000.000.000						

Table 1.1: Volume and gross value of processed credit transfers in large value payment systems by value thresholds in euros

Category in Euros	Month (MM.YYYY)		Month (MM.YYYY)		Month (MM.YYYY)	
	Volume	Value	Volume	Value	Volume	Value
Up to 20						
More than 20 up to 100						
More than 100 up to 500						
More than 500 up to 1.000						
More than 1.000 up to 5.000						
More than 5.000 up to 10.000						

More than 10.000 up to 50.000						
More than 50.000 up to 100.000						
More than 100.000 up to 500.000						
More than 500.000 up to 1.000.000						
More than 1.000.000						

Table 1.2: Volume and gross value of processed credit transfers in retail payment systems by value thresholds in denars

Category in denars	Month (MM.YYYY)		Month (MM.YYYY)		Month (MM.YYYY)	
	Volume	Value	Volume	Value	Volume	Value
Up to 500						
More than 500 up to 1.000						
More than 1.000 up to 5.000						
More than 5.000 up to 10.000						
More than 10.000 up to 50.000						
More than 50.000 up to 100.000						
More than 100.000 up to 250.000						
More than 250.000 up to 500.000						
More than 500.000						

Table 2: Volume and gross value of payment card transactions by value thresholds

Category in denars	Month (MM.YYYY)		Month (MM.YYYY)		Month (MM.YYYY)	
	Volume	Value	Volume	Value	Volume	Value
Up to 250						
More than 250 up to 500						
More than 500 up to 1.000						
More than 1.000 up to 5.000						
More than 5.000 up to 10.000						
More than 10.000 up to 20.000						
More than 20.000 up to 30.000						

More than 30.000						
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The payment system submits data in four tables, reporting individually for the following:

- transactions on physical points of sale;
- virtual points of sale;
- cash withdrawal; and
- cash depositing.

Table 3: Volume and gross value of transactions in denars by hours

From – to (interval of 1 hour)	Month (MM.YYYY)		Month (MM.YYYY)		Month (MM.YYYY)	
	Volume	Value	Volume	Value	Volume	Value
00:01-01:00						
01:01-02:00						
02:01-03:00						
03:01-04:00						
04:01-05:00						
05:01-06:00						
06:01-07:00						
07:01-08:00						
08:01-09:00						
09:01-10:00						
10:01-11:00						
11:01-12:00						
12:01-13:00						
13:01-14:00						
14:01-15:00						
15:01-16:00						
16:01-17:00						
17:01-18:00						
18:01-19:00						
19:01-20:00						
20:01-21:00						
21:01-22:00						
22:01-23:00						
23:01-00:00						

Table 4: Failures and disruptions of payment system operations

Month (MM.YYYY)	Number of failures/ disruptions	Duration of failures/ Disruptions (in minutes)	Number of regular working hours of the payment system during the month (hh:mm)	Number of additional working hours of the payment system during the month (hh:mm)

Table 4.1: Description of individual failures and disruptions in payment system operation

Date (DD.MM.YYYY)	Duration of failures/disruptions (in minutes)	Description

Table 5: Overview of net financial obligations and claims by settlement date

Date (DD.MM.YYYY)	Name of participant	Net position (in denars)

Table 6: Balance of guarantee funds in denars

Month (MM.YYYY)	Participant in the system	Participant's funds (in denars)