

**PUBLIC PRESENTATION OF THE STRATEGY FOR DEVELOPMENT OF THE  
PAYMENT SYSTEM OF THE REPUBLIC OF MACEDONIA  
FOR THE PERIOD 2013-2017**

**ADDRESS OF THE HONORABLE CHAIRMAN OF THE BANKING  
ASSOCIATION OF THE MACEDONIAN CHAMBER OF COMMERCE,  
MR. GJORGJI JANCHEVSKI**

**29 May, 2013, NBRM**

Dear Governor of the National Bank of the Republic of Macedonia, Mr. Dimitar Bogov

Dear Deputy Prime Minister and Minister of Finance, Mr. Zoran Stavreski

Ladies and gentlemen,

I will briefly look at the beginnings and the most important moments associated with the participation of banks in the payment systems in the Republic of Macedonia and certainly the Payment Systems Development Strategy for the period 2013-2017.

With the reform of payment system in the country in 2001, the banks were given the role of payment operation carriers. This change, which was made in no time, meant a huge step for us as banks and a momentum to change the previous concept of banking, encouraging the commercial approach and increasing sound competitiveness. It also meant an increase of non-interest income of banks, branch networking, increase of liquidity and ensuring a reliable domestic source of funds required for corporate and household lending etc..

The benefits of this reform for us as banks are numerous, primarily the Cross Selling Effect i.e. possibility for placement of other bank products and services, despite payment operations, raising the knowhow, organizational and technological knowledge of banks, better understanding of our clients, while the new role of banks in the payment system was the basis for the development of other modern banking products to our clients such as electronic banking, organized transport of cash, cash management in accordance with legal opportunities, various types of standing orders, client-based banking etc..

Notably, the banks made great endeavors to create the necessary resource, technical and technological, and other prerequisites to exercise the function of payment carriers, as well as the large initial and ongoing costs. The transfer of some non-commercial roles, such as forced payment etc., created additional complications to banks, placing us in the role of arbiter. We believe that this section should be reconsidered and be resolved adequately.

Since 2001, there have been many significant changes in the payment operations and payment system in Macedonia, which merely contributed to the achievement of the goal towards which we are all striving - a stable and efficient payment system, available to all its participants. Major contribution to achieving this goal was made with the establishment of the National Payment Systems Council and its activities.

For us, as a Banking Association, it has been an exceptional honor and pleasure that we, along with Ministry of Finance of the Republic of Macedonia and the NBRM, has established this primarily consultative and development body in 2004, which, since 2011, also includes representatives of the Securities and Exchange Commission, KIBS and CASYS.

As its equal participants, we consider the opportunity to be coordinated and to work jointly for the payment system development, to participate in the creation of the development strategy and its implementation, and to launch initiatives to encourage the development of payment infrastructure, payment instruments and institutional framework, to be the greatest achievement.

Benefits that we, as banks, experience from the efforts of those involved in the National Payment Systems Council were the amendment of the Law on Payment Operations in 2007 when the natural persons and legal entities received equal treatment in the payment operations, encouragement of non-cash operations which resulted in non-cash payment of wages, pensions and other personal incomes, development of modern ways of communicating with clients, successful coordination with the enforcement agents or establishment of an Executive Orders Form, organizing vocational training which we also attend, etc..

The operation of this body shows that we, as the most responsible parties for the payment systems development, have achieved a high level of cooperation and strive for the same goal.

Successful functioning of this body was also underpinned by the adoption of the Payment System Development Strategy and the Action Plan for its implementation for the period 2007-2011.

Today, in May 2013, we are here to support the new Payment System Development Strategy for the period 2013-2017.

Aspiring to modern trends in payment systems we, in the banking sector, through the adoption of this strategy, provide an incentive for further development in this field, and expect, through the implementation of strategic directions and in the spirit of successful collaboration, to reach yet another level of development and harmonization with the worldwide adopted standards in this field, and to encourage overcoming of some current limitations, primarily in the area of international payment operations and other segments that have to be further developed.

While welcoming the changes made in the past to overcome some inconsistencies in the way licensed banks conduct international payment operations, however, the obligation of banks remains to perform regime control, which largely hinders international payment operations, particularly when approving inflows on accounts of natural persons, citizens of the Republic of Macedonia. Therefore, we have initiated establishment of a working group composed of representatives of the Banking Association at the Chamber of Commerce, the Ministry of Finance and the National Bank of the Republic of Macedonia which will propose amendments to the legislation in order to drastically ease the way of carrying out payment operations, and accordingly, to ease access to capital in the Republic of Macedonia.

Bearing all this in mind, I have an honor, on behalf of the Banking Association, to sign the Statement of Acceptance of this Strategy and to give full support for its further implementation and development.

Gjorgi Jancevski  
President of the Banking Association  
Macedonian Chamber of Commerce