

CSDs: NSD (Russia)

Date: 29 Jun 2012

SMI Markets: Russia

CMIRR Markets: Russia

## FFMS Updates the List of Foreign Institutions Eligible to Open Nominee Accounts with Russian CSD

On 28 June 2012, the Federal Financial Markets Service (FFMS) published a new version of the Draft Order detailing the list of foreign institutions that are allowed to open nominee accounts with the Russian CSD. The list has been expanded to include Clearstream International SA and Euroclear Bank SA/NV. In addition, the updated Draft Order allows ICSDs to open nominee accounts with the Russian CSD only for the safekeeping of securities issued by the Russian Government, municipal authorities and foreign issuers; and this restriction is valid until 1 July 2014.

The complete list of the eligible institutions can be found here (in Russian only): [FFMS Draft order on Foreign Nominee Holders with CSD](#).

## CSD Risk Impact

### NSD (Russia)

CSD Rating: A+

CSD Flash Impact: Positive

Impacted Risk Type: Operational Risk

Current Rating = A+

Flash Impact = Positive

Permitting foreign entities to open nominee accounts with the Russian CSD should reduce operational risk exposures due to the simplification of reconciliation from beneficial owner level to omnibus level account, as well as cut the safekeeping costs for foreign investors. In addition, this draft order will bring a legal basis for the holding of nominee accounts on behalf of foreign investors by the Russian CSD.

## Market Information Impact

### Russia

This information affects the data contained in the Settlement and Safekeeping/Post Settlement sections of the Securities Market Information Service.

## Infrastructure Risk Ratings Impact

### Russia

Market Rating: BBB

Market Flash Impact: Positive

Impacted Risk Type: Operational Risk

Current Rating = BBB

Flash Impact = Positive

Permitting foreign entities to open nominee accounts with the Russian CSD should reduce operational risk exposures due to the simplification of reconciliation from beneficial owner level to omnibus level account, as well as cut the safekeeping costs for foreign

investors. In addition, this draft order will bring a legal basis for the holding of nominee accounts on behalf of foreign investors by the Russian CSD.

Related Flash: [Postponement of Direct Access to ICSDs, 10/05/2012 \(click to view\)](#)

### For further information contact:

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