

THE ST. PETERSBURG INTERNATIONAL ECONOMIC FORUM – 2010
JUNE 17–19, 2010

Panel session:
Russia – Today and Tomorrow
UNIVERSAL CITIZEN SMART CARD – ARE SOCIETY, THE STATE AND TECHNOLOGIES
READY FOR THIS?
In cooperation with Sberbank

JUNE 19, 2010 — 09:00-10:30, Pavilion 8, Conference Hall 8.2

St. Petersburg, Russia
2010

Description:

The draft law on electronic state services envisages the issuance of a Universal Smart Card as the key to accessing services. The proposed solution is unique and innovative in that the Universal Smart Card envisages placement of banking, medical, pension and other services thereon. In the future, the card may be used as ID, as a civil liability insurance policy tool or a driving license. When a person uses the card, they might be identified by an electronic digital signature or a finger print or simply a PIN code. Use of modern technologies can make the use of such a card unique in the world.

1) Is society ready to obtain public services in electronic form? How might the public respond to such proposals?

2) If a Universal Smart Card is introduced, what will the regions gain and/or lose?

3) What are the potential benefits and risks to the individual from using a Universal Smart Card? What are the risks for individuals using such a card to obtain services in electronic form?

Moderator:

Vladimir Solovyov, TV presenter

Panelists:

Herman Gref, Chairman of the Board and CEO, Sberbank

Mikhail Zadornov, President and Chairman, VTB24

Discussants:

Alexander Tkachev, Governor of the Krasnodar Region

Alexander Zhilkin, Governor of the Astrakhan Region

V. Solovyov:

Good morning, ladies and gentlemen. My name is Vladimir Solovyov. I was asked to facilitate a light discussion between two highly respected individuals, both of whom once played prominent leadership roles in Russian ministries, but have now become bankers. We hope to clarify a most interesting issue that is sure to have a major impact on future generations of Russian citizens. As you know, there is a lot of talk these days about an e-government program. You realize, of course, that such a program encompasses a broad range of ideas. Some ideas seem so revolutionary that they are creating a certain amount of ambivalence, including within the banking community. Among the pioneering projects, the universal smart card is perhaps one of the most attractive. I would like to invite Herman Gref, Chairman of the Board and CEO of Sberbank, who advocates for this initiative, to come up to the platform. There is no denying that Mikhail Zadornov has made his mark, first in the Russian government and now in the banking milieu. Presently, he is VTB24 President and Chairman. He has his doubts about this program, which, to be sure, are reasonable. We would like to hear Mr. Zadornov's point of view as well. I realize that things can get rather complicated when you are talking with former ministers who are now bankers, but nevertheless, I would ask, first, that you be as brief as possible and, second, that you be as clear as possible. Without further ado, Mr. Gref, please explain to us why we need this card. What advantages does it have to offer?

H. Gref:

Vladimir, do you like life as it is in our country, especially when you have to deal with officials?

V. Solovyov:

Do you want me to disappear if I give you an honest answer?

H. Gref:

I want you to somehow respond to both parts of my question.

V. Solovyov:

Then I will say that I like life in our country very much, but I don't always enjoy my interactions with officials.

H. Gref:

Well, I don't always like dealing with officials either. And the whole idea of this tool is to establish a more client-centered situation for us. It's an attempt to create a whole new approach to dealing

with officials, or, to be more exact, to create a situation whereby we don't have to deal with them. Even now this card is the key to receiving about 80% of public services. It's my hope that after the project is launched in our country, we will be able to access 100% of government services remotely, and that would include the full gamut of financial payments — to be precise, tax payments, insurance payments, housing and utility payments, public transport fees and so on. This is a totally new service made possible by 21st century technology. The card is a universal tool which, in the minds of its creators, promises to integrate various aspects of the latest technologies.

V. Solovyov:

It seems we are putting together a movie à la Luc Besson. Now that's really interesting. Mr. Gref, you must now prove that you are here — live.

H. Gref:

This just goes to show what technology is capable of.

V. Solovyov:

I agree.

H. Gref:

Actually, in our country, where there's been so much talk for so many years — for hundreds of years — about the need for greater transparency between the individual and the government, this card could go a long way to solve that problem. If you ask me, it's just what the doctor ordered for our country. There's only one way to do away with the bribery that goes on between private citizens and the government. Separate them so that there's no contact between them. That doesn't mean we should eliminate the potential for paid services or informal paid services. We only want to eliminate the contact.

V. Solovyov:

I'm not following you. What's on the card? What information about me does the card have on it?

H. Gref:

What information is already on the card today, Vladimir, in our pilot projects? Well, the most extensive project will be in Astrakhan. It is first of all a bank card with an embedded application, a complete application. And the card can be used offline. You can use it without network access. You can use it in the most desolate of places where there aren't even any phones. You can use it

to make payments or withdrawals, to access your pension — for virtually any transaction. That's the first point. The second is this: the card can be used remotely. It is a contactless card. When using the subway, for instance, you can pay for your subway passes — or for passes for any mode of transportation, for that matter. I noticed that we have among us the Chairman of the Pension Fund of the Russian Federation, a man who has done much to ensure that this card will be made available to retirees. Anybody who has any reason to interact with the Pension Fund will receive all this information.

V. Solovyov:

That means it has everything about me on it? Does it have my passport, my driver's license and my medical history on it?

H. Gref:

The card doesn't have driver's licenses or passports on it yet. But it does contain health records. You can have your prescriptions put on the card, then use it at the pharmacy to fill and pay for the prescriptions you need. Students can use the card on university campuses and, in fact, they already do. It can be used to access any government database — even to obtain a passport or get a driver's license. And down the line, our next phase includes plans to replace driver's licenses with the card. And the final step of this progression will result in the creation of an electronic or digital signature which will take the place of a passport.

V. Solovyov:

In other words, your whole life is on that card.

H. Gref:

Exactly.

V. Solovyov:

If you lose it, you can remake yourself.

H. Gref:

If you lose it, two days and EUR 3 later, you have a new card and you can start all over again.

V. Solovyov:

Mr. Zadornov, what is it about this that you don't like?

M. Zadornov:

Generally, an individual who receives government benefits isn't very young. We compiled a profile of the population presently receiving government assistance. The average recipient is 58 years old. One third of our population lives in rural areas. So let's consider how this initiative actually lines up with what state services should actually look like. The simplicity of the card, the fact that we're sure to have it, the safety of it — because what we're saying here is that all of Vladimir Solovyov's data is going to be stored on one card. And all that information will be stored in one place. And finally, we're operating a business. The project should pay for itself. If we are blending a passport, wallet, and access to government services, I would argue that there is nothing simple about it. It's very costly when we're talking about a territory as vast as that of the Russian Federation, and it can't possibly pay for itself. In fact, with the existing communications infrastructure in the country, it wouldn't be reliable.

V. Solovyov:

So, you don't believe that the country should be modernized?

M. Zadornov:

I don't believe that...

V. Solovyov:

That we will get broadband Internet...

M. Zadornov:

I'll address that issue separately. We'll get it. What, essentially, are we proposing? It's not necessary to include identification, i.e. a passport, and a banking application, i.e. a wallet, in a single application. And, along with that, access to government services. They need to be separate. What does the government need to do? It will ultimately have to create a single database. We have the pension fund database, the taxation service database, the Election Commission database. And the Interior Ministry has a database, too. You'd be surprised. All these databases are electronic, but they are totally separate. There is no overlap between them. And in these databases everyone is assigned an individual number, again with no overlap. That would all have to be incorporated into one database.

So what are we proposing? Why, the simplest of things. And it's hardly extravagant at this point. Incorporating everything into one database with a single identification number. That's one aspect

of the situation. Another is that the government will have to establish a single technological standard for all banks and all regions. In other words, if you want to issue the card throughout the various regions of the country — in Astrakhan Region, in Moscow — where the banking application is combined with a social services application, there has to be a single standard. Such standards already exist. They are supported by international payment systems so that the cards will be accepted anywhere. So we have to set a technological standard for them and move in the direction of expanding these services where they are in demand. That would be in large cities for starters. Gradually, other services will be added on top of them, so to speak. I recommend that we move forward, starting in large cities and that we avoid combining three documents into one under any circumstances.

V. Solovyov:

Do you have anything to add?

H. Gref:

You know, doing things gradually is a very correct proposition that has served as a cover for conservatism and the ever-lagging ideology so characteristic of our country. We have always been inclined to mask our inability to implement the most advanced technology with platitudes like “We’re going to give this some more thought,” “We’ll look into it,” “Let’s wait until certain conditions or factors arise,” “Our people aren’t ready for this,” and so on. Officials always drum up 150 excuses to explain why we can’t launch this project or that, chalking it up to the unpreparedness of the country or the reluctance of the people to accept modern methods of contact. And to say that this isn’t simple is actually true. That’s why nobody has pursued it. We didn’t know that it wouldn’t be easy. That’s why we took it on and pulled it off. And now the technology is up and running. So, where does the strength of our project lie? We went to the government not with an idea, but with a technology that was up and running. Having already invested money in it. Granted, we changed the technology three times because we had to work out a special super state-of-the-art chip that doesn’t even yet exist in any company in the world — including MasterCard and Visa. But we rose to the challenge along with our partners in the West. Another thing: we integrated databases. Once again I want to say thank you both to the Ministry of Economic Development and the Ministry of Health and the Pension Fund for their cooperation with us on this. And the same is true for the Astrakhan Region administration. The technology is up and running today.

V. Solovyov:

Do only young people live in Astrakhan?

M. Zadornov:

I would like to respond to that. In the Astrakhan region the card has been made available only in the city of Astrakhan itself. But the idea is that all of the 140 million people in our country are supposed to get the card.

V. Solovyov:

Mr. Zadornov, you are of the socialist mindset. Everybody should get the card. No, whoever wants it can have it...

M. Zadornov:

No. It should be distributed to 140 million people with 80 million banking applications accordingly. I'm thinking beyond Astrakhan. Near Lake Baikal there is a village known as Bolshoe Goloustnoe. It's a wonderful village, an hour's ride — by boat, that is — from Listvyanka, out of which you can take any number of routes around Lake Baikal. It's a nice village with 800 properties and a population of about 1,500. Someone there needs to access his retirement account — an application that allows for cash as long as he doesn't want to receive help from the government with medications. He should have RUB 1,000 per month credited to his account and, along with that, access to a range of additional resources for supplementary medical assistance. And now suppose this man in Bolshoe Goloustnoye has lost his card and, along with it, his wallet. And what about a little old lady who goes out and loses hers? Now Mr. Gref says that in two days, he'll have a new card to these people in Bolshoe Goloustnoe. Excuse me. We're working on things, of course. I won't hide the fact that we have DHL delivery.

V. Solovyov:

Is there a DHL office in Bolshoe Goloustnoe?

M. Zadornov:

Unfortunately not.

V. Solovyov:

But Sberbank has a courier service.

M. Zadornov:

Sberbank doesn't have one either. I've been there in that village. There's no Sberbank branch in Bolshoe Goloustnoe.

V. Solovyov:

Minor oversight.

M. Zadornov:

So, the fact that you can get a new card in two days...You understand, Mr. Gref can talk about technology, about the fact that, well, you have all the rest of the people. In theory, solar batteries are a good technology, too. It's a good substitute for electricity. It'll keep you warm. How about we put solar panels on every house in the Russian Federation? We'll save a lot of energy that way.

H. Gref:

Mr. Zadornov, may I ask you something? Where were you born?

M. Zadornov:

Me? In the Hero City of Moscow. I grew up in Kamchatka and I understand life in that corner of the world quite well.

V. Solovyov:

There's nothing so bad about your having been born in Moscow. That makes two of us.

H. Gref:

Do you know the difference between tourism and migration? You traveled from Moscow to Bolshoe Goloustnoe and saw all the hardships and deprivation of the village's inhabitants.

M. Zadornov:

They are totally happy. They just don't need anything to complicate their lives.

H. Gref:

But we've come up with technology that will work just as effectively in Bolshoe Goloustnoe as it will in any place. Mr. Zadornov, if you check out our display stand, you will be surprised to discover that this card can be reissued not in two days, but in a matter of five minutes. With no need for support from even a Sberbank branch. Your bank is huge. You have 600 branches throughout the country.

V. Solovyov:

I think maybe someone might take offence at a competing bank about now.

H. Gref:

We have 20 thousand points of presence. We are creating the technology needed for the distribution of these cards. We hope that the terminals that you can see on our display here will be made widely available because this project makes it possible to issue cards in only five and a half minutes. And there isn't any need for human involvement of any kind.

M. Zadornov:

I have a very basic question. How much do you think this project is going to cost the government and banks over the next five years? What kind of outlay is it going to require? And who's going to foot the bill? The government? Businesses? Who will bear what share of the total cost? And at what point will the project have paid for itself?

H. Gref:

That's a good question. It's an expensive project. Because of the large number of people who are opposed to it and all the things that have undermined the project the whole time, we have been forced to calculate the cost — to ourselves, the government and any others who might become involved.

M. Zadornov:

Do you mean to say that you wouldn't have calculated the cost otherwise?

V. Solovyov:

Who makes calculations like that in Russia? Look how much our roads cost — and housing construction. Who's calculating that expense? We don't need to count money. That's gone out of style. Just give us a budget.

H. Gref:

We are a bank. We have to consider all expenses. Initially, we calculated only our own expenses. We also had to calculate government expenses. I can tell you today that it's an expensive project. It will cost approximately RUB 150 billion.

V. Solovyov:

Over what time period?

H. Gref:

Five years. And the banks' portion of that figure is about RUB 40 billion. What is the alternative? We can go ahead with it, or we can decide not to. Now let's look at what the expenses will look like if we don't do it.

V. Solovyov:

How long will it take to pay for itself?

H. Gref:

Just a second. I'll get to that. The cost will be approximately three times as much if we do nothing because practically every region in the Federation — practically every government agency has its own projects. They all issue their own cards in their respective regions. The agencies issue their own agency cards. We have six different cards in circulation today. And this project will not be implemented to consolidate them into one. That amounts to costs that are three times higher for the same five year period. And, unfortunately, we can never offer our citizens such an all-in-one service. Now let's look at the situation from the point of view of how the card pays itself off. Of course, the project can be implemented only if there is cooperation between the government and the private sector. It won't be a colossally profitable project for banks. The project that we've agreed upon with the government is more like a break-even type situation. The banks will get their 4-5% profit. But the investments they make will be recouped. But that's not what really matters. The most important thing is that we are solving a multifaceted problem. We are making our people more literate. Mr. Zadornov, we will show you how. We went through all the villages of Astrakhan. We showed the terminals to elderly people who might not be so ready or willing to use the card at this point. But believe me. Two to three years from now, they will master this simple technology faster than you and I.

V. Solovyov:

Mr. Zadornov, have you ever held a government position?

M. Zadornov:

Yes, in the Ministry of Finance.

V. Solovyov:

What about you?

H. Gref:

I worked in the Ministry of Economic Development.

V. Solovyov:

I just have the feeling that the conservative is saying, "I won't hand over the money," but the one committed to progress is saying, "We need to move forward." We'll return to this in round two.

All who are present today as well as those viewing the webcast will now be given the opportunity to vote. You will need to choose one of two possible responses and then cast your vote. It would be interesting to know how many Sberbank employees have voted at any given moment.

Our participants haven't yet taken note of one of Mr. Zadornov's rather interesting comments. He said that, unfortunately, the average age of users is 58. Considering that the average lifespan of Russian citizens is little more than 59-61 years of age, it would seem that you're not allowing them many years to enjoy using the card. I propose that rather than putting it off, we continue our discussion.

Where do we go from here? At this point the audience is going to help us out with their questions. I would ask that our respected ministers-cum-bankers resume their positions before our second round begins. It's a happy day when people who have devoted so many years to government service are able to demonstrate their professionalism and the realization of their ideas before the whole world. Just do so without any financial reports from recent years.

So, if you're ready, before we begin to take your questions, please move to a section within reach of the camera. If you are ready, I'll ask my crew who has the microphones to get ready as well. The second round has begun. Who would like to ask the first question? Please introduce yourself.

S. Epshteyn

The name is Epshteyn, as in Padva and Epshteyn, Attorneys at Law. Mr. Gref, our streets and villages are named after liberals and progressives, though not while they are alive. Has anyone thought through the potential for crime in connection with this subject?

H. Gref:

Thanks very much to our moderator. That's a very good question. Actually, I am proud to show off this tool because it was with security in mind that we began our work on the card. For the first time ever in our experience, this card is accessed at the discretion of the card owner either by a PIN or

a biometric fingerprint. As for the fingerprint, all devices that allow this type of access are equipped with a fingerprint reader. When the cards are issued, the card owner programs two fingers of his choice. One finger is programmed for access to the card. The other is set up to trigger an alarm.

V. Solovyov:

Knowing the Russian way of doing things, I'm afraid to even think which finger might be selected for the alarm.

H. Gref:

In the event of some unforeseen incident — let's say the card owner approaches an ATM and is forced to withdraw money from his card — rather than scanning the finger he programmed to activate the card, he scans the finger he programmed to signal an alarm. That deactivates the card and alerts the police. The incident is filmed on the spot. A camera in the ATM starts filming automatically. That's my first point.

My second point is that the issue of safety is our number one priority. You can plug a reader into your USB port that costs USD 3 dollars — RUB 90. That gives you total protection when using the Internet. You can then safely pay for anything via the Internet. You can buy books, for example. It's virtually impossible to hack the card. In any event, today's cryptographers offer a much higher security guarantee with this card than you have with an ordinary card, where you punch in your PIN, a number that can be hacked or captured over the net.

And here's the third point: information is not stored on the card. We're talking about a really good chip, which contains about 100 purses, one separate from the next, but this card is only the key to accessing the database. You go to the ATM, you insert your card, you're connected online to your database — the Pension Fund or the Taxation Service — and you view your personal portal. You can view what taxes you still owe, what debts you have outstanding.

M. Zadornov:

Excuse me, but I would like to point out that as a rule, it's a 60-year-old doing this. And there isn't even one ATM in Bolshoe Goloustnoe. There just isn't. Even with offline technology you still need a stable connection. To this day we are unable to maintain a steady connection with some places in Russia. Thirty percent of all Sberbank branches are still doing business the old way — with Telex and the like. And as such, in such places, documents can't be transmitted via the network. That's why when we discuss this issue, we need to clearly understand that our young audience — Internet users, users of electronic devices and mobile banking — is on average about 28 years old. My parents use the Internet, but it's when their grandson comes to visit that any trouble they

run into on the computer is resolved. What is a microchip? It's a computer. If you have installed a new application on a computer, you realize that it isn't always without its problems. Sometimes there are glitches. But you have an individual with 15 applications installed — 5 federal and 10 regional. The card owner scans his card, and the application fails to load. A glitch of some kind. And Mr. Gref criticizes officials. But imagine you have an employee, in social services or at the Pension Fund, approached by an older woman, Aunt Sally, who says, "The application wouldn't load properly. The microprocessor is malfunctioning. Please, fix it so that I can access what I need."

V. Solovyov:

Has it been a while since you last met with an official? Put on a mask or slather on some theatre makeup and head out to any government agency tomorrow morning. They'll deal with Aunt Sally after she stands in line a couple of days, and then they'll curse her out. "What do you think you're doing," they'll ask her, "showing up here like this, Aunt Sally?" All because she wanted to talk with an official.

M. Zadornov:

That's exactly what I mean. That's a very good question. So, until the application is loaded, she'll be a month without a passport, purse and application she needs for social services.

V. Solovyov:

By the way, do they even know in Bolshoe Goloustnoe who's in charge of the country?

M. Zadornov:

They have a hunch.

V. Solovyov:

And do they get any newspapers there? Maybe they think they're still living under the Tsar. They are so far removed from everything, after all.

H. Gref:

If I may, I'd like to make one remark.

V. Solovyov:

We would like to hear more from the audience. We'll get you a microphone. Now we are ready for your question.

From the audience:

May I address this question to Mr. Zadornov? You probably worked in the Ministry before we had plastic cards.

M. Zadornov:

I hate to disappoint you. It was not the Ministry that implemented the most extensive project. There's a project up and running now that was initiated by the Bank of Moscow in cooperation with the government. They started it in 1996 — the Moscovite Social Card. You may be aware of it. Every Moscovite knows about it. The project is 15 years old. It's been unprofitable all this time. I spoke with Borodin, President of the Bank of Moscow, in advance of this panel discussion. There is no actual chip on that card. It only has two functions so far. First, for receiving social service deposits, secondly, it is used as a pass, though not for all modes of transportation in Moscow. Since it's been in operation for 15 years now, the outcome of the project is clear. I categorically state that we can make pipe dreams come true... Now a collective farm, in principle, is generally a good idea. It's very progressive. You judge for yourselves. We get rid of land ownership. We replace hoes with tractors. We build centralized machinery and tractor stations. We till the soil. It's a brilliant idea, innovative. Now what are these conservatives talking about when they say that people should work their own land, that there should be an economic stimulus? What do we need that for? Let's bring everyone together.

V. Solovyov:

Wait. You're no conservative. Now you are in favor of subsistence farming? What you are calling for is even worse.

M. Zadornov:

What I am in favor of is not using innovation and technology to replace sound, sober judgment. And before saying that with this card we'll give government a push, we'll force officials... maybe we should first simplify the process whereby pensions are received and adjusted?

V. Solovyov:

I agree. Do you mean to tell me that you don't have computers at your bank, that you've been using an abacus and counting machines all this time?!?

M. Zadornov:

I'll let you in on a secret. We may have fewer offices, but our deposit portfolio per office is four to five times larger than our competitors'.

From the audience:

May I get back to my question? Mr. Zadornov, we have introduced a social card in Tambov Region, but it doesn't have a payment system. Without that, it has proved ineffective. The thing is that 60% of the population is receiving entitlements and government services both by way of paid and banking services. That's why our system has failed, and that leaves the person with a plastic card in the position where he has to go to the bank, pay money and present a receipt. You realize that the situation won't get any better if we pursue your logic. Thank you.

M. Zadornov:

What kind of paid services do you have from the government? What specific paid service from among those offered by the Russian Federation? Name the service for me.

V. Solovyov:

We're not talking about bribes now.

From the audience:

No, not about bribes.

M. Zadornov:

Which service is officially paid for? A supplementary prescription plan? A pension? Social security?

From the audience:

Registered services, property entitlements.

M. Zadornov:

How often is an apartment or house registered in Tambov Region?

From the audience:

Sheds, property, dachas, cars, gifts. You know, we have the most extensive services these days — not social services, but property registration services.

M. Zadornov:

You're missing the point. We're talking about government services — about social services offered by the government, and you're talking essentially about registering property. That makes up only a minor portion in terms of transactions.

From the audience:

It doesn't matter what kind of services. You still have to go and pay for them.

H. Gref:

Mr. Zadornov, what you've just discussed in connection with Tambov is not unlike the situation in Astrakhan. When we linked all the databases in Astrakhan, it turned out that in Astrakhan — in the Astrakhan Region — where the population is just over 900,000, there were 1.1 million receiving benefits. That's more than the entire population. Once we merged the databases, cleaning them up, the number of people receiving benefits dropped threefold.

M. Zadornov:

Mr. Gref, now you're coming out on my side. Maybe we can agree that merging all the databases should be the government's responsibility.

V. Solovyov:

How nice! At thirty seven minutes they've finally understood each other. Mr. Gref said right from the start that we need to merge all the databases. Otherwise, the project makes no sense.

M. Zadornov:

But that's not anticipated. The cards will be issued beginning at the end of this year, but the databases haven't yet been merged.

H. Gref:

Mr. Zadornov, who is doing the anticipating? You propose that we do nothing.

M. Zadornov:

Nothing of the sort. Actually, I recommend that we set aside... The project doesn't cost 150, we calculated, Mr. Gref gave a modest estimate. The project will actually cost between RUB 250 and 300 billion.

V. Solovyov:

To implement?

M. Zadornov:

No, if we just make an intelligent estimate based on what they've done.

H. Gref:

Their average bank balance is three times more than that.

M. Zadornov:

We just considered the Sberbank model and calculated the cost on that basis. Before that, nobody bothered to figure it out. So then, RUB 250 billion — a figure that isn't all that small, by the way.

V. Solovyov:

Let's give Abramovich and Prokhorov a call.

M. Zadornov:

So, in essence, one tenth of these resources would be enough for the government to finally do what it hasn't wanted to do all this time for some reason.

V. Solovyov:

Really. Why don't they want to do it?

M. Zadornov:

Why shouldn't we merge all these databases, as I propose, and cut off those who, as Mr. Gref says, shouldn't be receiving certain services?

V. Solovyov:

And who's going to do that?

M. Zadornov:

The government of the Russian Federation.

H. Gref:

We'll create a special government position for the one who will do the unifying and we'll appoint you to that position.

M. Zadornov:

We have a prime minister. He is the one who unites the various aspects of government in the Russian Federation.

V. Solovyov:

Something tells me we'd better move to the next question. Is there anyone who would like to ask a question? Please introduce yourself.

S. Sheyba:

Thank you. I am Salman Sheyba of UN-GAID. Within the United Nations a new initiative called the Global Alliance for ICT and Development has been launched. I'm all for Mr. Gref and Sberbank. Here is what I have to say. We have one office in New York and another in Bahrain. We just opened a third in Moscow. The people of Bahrain are not ready either, but the government or a government company is faced with one basic challenge — to grab the people by the scruff of the neck and tell them that they need to take shelter in Bahrain's financial haven. We are either going to lag behind in life or we are going to move ahead. That's why I have a concrete suggestion for Mr. Gref. We are committed to praying for him and to recruiting investments and raising funds in support of this project. I would like to personally present this to you. Thank you.

V. Solovyov:

Is this the text of a prayer or is it a financial offer?

S. Sheyba:

It is to help raise funds.

M. Zadornov:

And are we going to be praying in mosques?

S. Sheyba:

We will pray for you, too, that you come to your senses.

H. Gref:

I would like to say something. One might say that Edison was the ultimate. There were many inventors of electricity, but he was the ultimate in the sense that he advocated the use of electricity in industry. He appealed to Great Britain's Ministry of Finance for financial backing, giving a grandiose one and a half hour lecture about how he would give the world and Great Britain electricity. Twenty seven minutes into his impassioned performance, he turned his attention to the ministers only to discover that half of his audience had fallen asleep. He stopped himself short, lowered his hands and said, "Electricity is something you can tax," at which point they all woke up and began to applaud him. They asked Edison similar questions. "Have you ever been in the far reaches of Scotland?" "Do you know how long it will be before your wires reach that Godforsaken place?" Electricity still hasn't reached some of our villages in Siberia, but that doesn't mean that we should have waited for the British Finance Ministers to allocate money so that Edison could introduce electricity. We would have gone all this time without light. We need to move forward regardless of what the Finance Ministers think.

V. Solovyov:

Very briefly, please.

S. Sheyba:

In Bahrain we have set up e-government for this. The vice premier handles the very things you just discussed. Maybe, since Russia is so large — with 89 regions — someone besides Sberbank needs to lend a hand.

V. Solovyov:

There are fewer now — 83.

S. Sheyba:

We have set up e-government specifically for this purpose.

V. Solovyov:

Electronic government, of course. We're also headed in that direction.

S. Sheyba:

By the way, they take things from everybody and don't even bother to ask.

V. Solovyov:

Now that sounds familiar!

M. Zadornov:

Vladimir, I really like the point made earlier about “taking Bahrain by the scruff of the neck into a bright future.”

V. Solovyov:

Excuse me, but was it ever any other way in Russia?

M. Zadornov:

That reminds me a lot of our country. A certain man asks, “Does he need that?”

A. Gaskarov:

I would like to introduce myself. My name is Mr. Gaskarov. Since ministers are being talked up in vain here, you should know that I am the Minister of Finance in Bashkortostan.

V. Solovyov:

Show us how *you* talk in vain!

A. Gaskarov:

But I really do belong to that category and when we voted, I cast my vote for Mr. Gref because, as always, I figure that the truth lies somewhere in the middle. The thing is that Mr. Zadornov is moving away from the truth and Mr. Gref is moving toward it. I come from a region where this project has made considerable progress. I would like to point out that much has been done in Bashkortostan so that today's conversation would be as relevant as it is. But it would seem that we are considering two different animals here. First, there is a separate electronic card for social services with social ID codes. Then there is a universal electric card which combines two components — a commercial component and a social or government component. A public-private partnership cuts the cost of the project. It doesn't require the same kind of outlay. Mr. Gref quoted huge figures, of course. I figure it would cost somewhere in the realm of a few billion rubles, but no more than that because there would be an overlap...

M. Zadornov:

We already calculated. It will cost twice that much.

A. Gaskarov:

No, come visit us. We'll show you that in a region like Bashkortostan, it costs RUB 20 to 30 million. Right now, as a Minister of Finance in this particular case, I can tell you for certain that we budgeted RUB 30 million for this project in Bashkortostan, and it's worth it for the residents of Bashkortostan. That's because we have a public-private partnership. The card has an identification mechanism embedded both for government services and commercial transactions. That's the most basic thing that needs to be resolved. It's the key to accessing all databases — federal, municipal, and commercial databases.

V. Solovyov:

I want to remind you of what Mr. Zadornov said. We have the key, but we don't have a single database. That is to say, they gave us the key, but they forgot about the door. So you open the door, but you don't have any databases.

A. Gaskarov:

They are being developed simultaneously. Given where we are at today in terms of developing an information-based society, it is only the absence of that key that prevents us from developing all these government services.

M. Zadornov:

Excuse me, but if that's the case, then where do you and I differ? If we start doing this in the large cities, people are ready wherever the government is ready. So, in places where this is implemented at the expense of the budget, participating banks, and those who understand its effectiveness, the project will pay for itself and, at the same time, the databases will be set up and eventually it will make its way to the last village.

A. Gaskarov:

Well, if we think about the program *Electronic Russia*, everything was done simultaneously in that case for probably more than ten years. Unfortunately, it always takes us that long to do things. Right now we need a breakthrough like the electronic card.

V. Solovyov:

I agree. I think those who raised the question may sit. No problem, just speak to that.

From the audience:

My question is for Mr. Gref. Can you comment on the privacy issues regarding your database and also how confident are you that your database is secure because, you know, there are people out there and what will happen to that information that is all sitting in one place?

V. Solovyov:

And where are you from?

From the audience:

My name Dana Lee and I am from the South African embassy.

V. Solovyov:

Thank you very much for your question. The government and the embassy — a question which, for the most part, we discussed during the first round. Again, the question is how secure the database is.

H. Gref:

There are several related issues. First, the security of the databases themselves. What is it that makes this project so interesting? The fact that it doesn't violate confidentiality and doesn't merge all the databases into one. Databases are everywhere around us. There are databases for the pension fund, the taxation service, the Ministry of Health, et cetera, et cetera. And the security of each of these databases is supported by the agencies that created them.

V. Solovyov:

And they all meet up at the Mitinsky Market selling DVDs.

H. Gref:

And if you're talking about Russia, you can come across these databases, as a rule, for a minimal price in public places. But this card guarantees access. I'm repeating myself here. There is nothing analogous by way of secure access in the whole world.

V. Solovyov:

I propose that we put an end to the discussion of this topic since we have already covered it in detail.

H. Gref:

Today we have several hundred thousand people using this card — that's really not many at all at this point — and we haven't had one incident of unauthorized access.

V. Solovyov:

Now, let's hear from Governor Tkachev.

A. Tkachev:

I think that I have to agree with my colleague who said that the project is certainly complex and multifaceted. In order to implement it, we will need to endure a certain amount of hardship. Clashing with the bureaucracy and with officials and the mindset of old women — that's inevitable, too — but you never know what you can do until you try. I'm absolutely convinced of that. And moving forward, I think, is something that I — and most people living in the Krasnodar Territory for that matter — am not afraid of. I'm a bit surprised at Mr. Zadornov. I remember how the proponents of the Yabloko movement wanted to reform the USSR in 500 days, and yet I see a certain pessimism in your eyes as if to say, "Let's wait on this one."

M. Zadornov:

It's one thing to reform a country, and quite another to deform it.

A. Tkachev:

In our prime, we were younger. All of us were younger, bolder, more self-assured and confident that we could implement our projects. And yet I fully understand. We governors stand together for the first time and today...

M. Zadornov:

Governor Tkachev, what makes VTB24 so different? Just read our five-year strategy and what it calls for. Everything has been implemented. Down to the details. No, we're moving along according to the strategy now. The next phase will be shorter. It's a three-year strategy.

A. Tkachev:

Mr. Zadornov, Mr. Gref, to be honest, I think that both of you are progressive-minded people, and we can pull off this project together. The country needs it. Our people need it. I think that all it's going to take in most cases is for people to try it and then you won't be able to pry it away from them even if you grab them by the ears. It will take time — two to three years, maybe five. That's not so bad. It's a big change for a huge country. It costs a lot of money and involves a lot of resources. But the outcome promises to be first-rate. Thank you.

V. Solovyov:

As you know, we have a second round of voting coming up. So, please have your clickers ready and, again, I will tell you what you need to do. Unfortunately, I don't know what kind of voting is taking place on the Internet. I can't see that. So I can't give you any indication of how many people are participating or how they are voting. I can only tell you what is happening right here in the auditorium. I would ask you to evaluate only the second round of discussion. In other words, just the Q&A round, and if you're ready, please cast your vote.

Interesting. If these numbers coincide exactly with the previous results, then we'll know we have to check to see who works where and who has taken out loans with whom. But as of now, there are some changes. The gap is narrowing. It looks as if Mr. Zadornov has gained some ground this time. A few more reasonable pessimists have turned up.

For our third round, as you've probably guessed, I am going to torment our respected guests with more questions. I just liked how Governor Tkachev made wise mention of the Yabloko movement, how first they get hold of ministerial portfolios and later, when they're addressing specific business issues, they take a much more conservative approach. But that's how politicians generally operate. It's a lot easier to make promises than it is to follow through on them. We had an intriguing comment from our respected representative from Bahrain, who, if I remember correctly, is with the United Nations. He said that we need to grab people by the scruff of the neck. That combination — first we grab people by the scruff of the neck and then, as the governor said, we won't be able to get the card away from them even if we grab them by the ears — seems to suggest that maybe our population is a bit obstinate. But what can you do? It is what it is. As it turns out, we're not the only ones like that. They're like that in Bahrain, too. So, if you've caught your breath, then I suggest we move to the third round.

V. Solovyov:

Mr. Zadornov, tell me, please. How many cards do you have? No, no, no. Not credit cards. That's a personal matter. I'm talking about ID cards. We have all kinds of pension plans.

M. Zadornov:

I have a card like everybody else — you know, the green one — with the pension fund.

V. Solovyov:

Any others? Do you have a medical insurance card?

M. Zadornov:

I don't remember. I have a pension card, yes...

V. Solovyov:

What about a medical card? Where is that?

M. Zadornov:

A medical card? You mean my health records?

V. Solovyov:

No, no. You don't even know, do you, that in our country we have a system for that?

M. Zadornov:

No, why do you say that? We do. We do have a system. But that card isn't issued everywhere.

V. Solovyov:

A driver's license?

M. Zadornov:

A driver's license? No.

V. Solovyov:

Hmmm. How about a passport?

M. Zadornov:

Of course, I have more than one. I have an external passport, too.

V. Solovyov:

Oh, you mean an international passport. And now tell me, please, how you carry them around. In your wallet? In an attaché case?

M. Zadornov:

No, as a matter of fact, the idea, I think, that an ordinary citizen... You know, please excuse me, if you lose your passport... I can tell you that even in Moscow, in Moscow, if you are, let's say, very assertive, you will get a new one in two weeks.

V. Solovyov:

That's optimistic.

M. Zadornov:

That's the internal passport I'm talking about. It would be a month for an international passport in Moscow. In some regions, of course, it would take longer...

V. Solovyov:

Your concerns about two-day delivery have already been allayed.

M. Zadornov:

It's not about two-day delivery. Actually, there are different agencies involved when you lose a passport that is combined with your wallet, and I guarantee you, Vladimir, that access to these services...

V. Solovyov:

I have no doubts about what you're guaranteeing here. But with e-government, you could hope for a replacement to be delivered in two days since it only takes five minutes to reissue.

M. Zadornov:

You wouldn't have it. They wouldn't deliver it in two days.

V. Solovyov:

Don't you have any faith in our postal system?

M. Zadornov:

It's not the postal system I don't trust.

V. Solovyov:

You don't seem to trust much of anything.

M. Zadornov:

I just know what it costs and how much time it takes now even by DHL delivery. Delivering cards to cities isn't the same as delivering them to regional centers in the Russian Federation.

V. Solovyov:

What difference does the delivery make? You have a card that can be reissued in five minutes that contains all that information or, in any case, lost hard copy documents that you... And you don't get the replacement documents all that easily since, as you said, instead of a five minute reissuing process, it takes several weeks.

M. Zadornov:

Nobody will mess with the passport. Just don't forget that passports will still be around.

V. Solovyov:

That's not so. We're talking about the future.

M. Zadornov:

It's true. It's true.

V. Solovyov:

...when you'll have everything on that card.

M. Zadornov:

It's required by the Constitution, by the law that addresses citizenship in the Russian Federation. Lawyers can verify that for you.

V. Solovyov:

Let's leave the lawyers out of this.

M. Zadornov:

You will actually have two systems in operation in the country because of the large number of people living in rural regions and because of what I was talking about earlier. You will have a hard copy system for passports, and this system...

V. Solovyov:

Can we do away with the hard copy driver's license?

M. Zadornov:

The people should decide what to do about the driver's license.

V. Solovyov:

Okay. Sure. Let's just do a roll call of sorts, and that ought to do the trick.

M. Zadornov:

No, it's just that I was thinking of someone in particular, a client — whether it would be convenient or inconvenient...

V. Solovyov:

Just don't give us the name of the client who is going to make the decision. Seriously, you surprise me. Based on your logic, we should all still be carrying our check books around with us and writing out checks to each other.

M. Zadornov:

I hate to burst your bubble again. Check books haven't done well because we are moving toward a continental banking system. Anglo-Saxon checks, à la the US and England, haven't caught on at all here.

V. Solovyov:

Actually I'm afraid I have to burst *your* bubble here because we missed out on that development — that was during the Soviet era — and then we moved right to a whole new level thanks to technology.

M. Zadornov:

Vladimir, you've hit the nail on the head. In English-speaking countries, the checkbook was once considered quite progressive. So now we can look at the card that we'll be issuing over the next five years as very progressive. Actually, it is just one embodiment of a personal checking account.

V. Solovyov:

A checking account, not a check.

M. Zadornov:

A checking account. And a checking account is much cheaper, simpler. So, we need to make sure that everyone has a checking account, that it's simplified, that access is guaranteed — and then everybody can make their own choice.

V. Solovyov:

First, you need to figure out what *you* want because you always seem to end up saying pretty much the same thing ideologically that Gref is saying. The difference is that you say that this will all happen in some happy future that, hopefully, we won't live long enough to see.

M. Zadornov:

Nothing of the kind.

V. Solovyov:

But Gref says that we need to live long enough to make the change. Mr. Gref, I have a question for you. What do you recommend — by the ears or by the scruff of the neck? Or doesn't it matter how we coerce people into believing in this since the people of our country traditionally don't believe anyway? They don't trust anybody. They figure that you've come up with another Big Brother to keep an eye on them, that now nothing will be sacred and we'll have total surveillance and no freedom whatsoever. Orwell has taken over.

H. Gref:

Thank you very much. First, I would like to make an announcement. In the village of Goloustnoe in Irkutsk Region, satellite office 8586063 of Sberbank of Russia has been temporarily closed for renovations. It will be reopening soon.

M. Zadornov:

It's not Goloustnoye. It's Bolshoe Goloustnoe. There are two villages there. Apparently they gave you the information for the branch in Goloustnoe. There's another village, Bolshoe Goloustnoe.

V. Solovyov:

And what, is Bolshoe Goloustnoe smaller than Goloustnoe? I mean, do you suppose there isn't a Sberbank branch there?

M. Zadornov:

By the way, I'm making a note of that. It's closed for renovations. An old woman shows up and she's told, "Sorry, we're closed for renovations. We can't help you with your meta-processor."

H. Gref:

That's the first point. Here's the second. Do you know the main thing this project is depending on? Nobody intends to grab anybody by the scruff of the neck. Our citizens have such an aversion to being grabbed by the scruff of the neck that there aren't enough hands that could possibly coerce 140 million people that way. The project is designed in such a way as to be convenient. That doesn't imply that everybody is going to be overjoyed, that people are going to jump at the opportunity to have one card instead of a pile of cards, IDs and so on, which is what is happening now in Astrakhan. With the help of local administrations and social agencies, we're talking with people, explaining to them what the card is and how it works.

V. Solovyov:

Does that mean they have a choice?

H. Gref:

Of course. People can get the card and that doesn't rule out — Mr. Zadornov is absolutely right about this — the possibility of system failures. No system is perfect. Sometimes there are system delays and other issues. It will be perfected over time. There will always be the option of receiving services without a card in the same way that people get them now. But over time, as the years go by, such cases will become more and more infrequent, and everybody will switch over to electronic access to services.

M. Zadornov:

Wait a minute. So we'll be supporting two systems after all. There will be a branch office for the pension fund in Bolshoe Goloustnoe, where an old lady can get her pension in cash, and you'll also be able to access your pension with a card.

H. Gref:

Not a pension fund branch office, but a post office. Yes, that will still be around for a while...

M. Zadornov:

In other words, we're funding two systems.

V. Solovyov:

Question: How many people will be working in the new system? Will the number of officials be reduced?

H. Gref:

I'll get to that. We are not financing two systems. We are financing the creation of a new system which right off the bat, in its earliest phase, will make it possible to reduce the number of employees needed for the current system. And during the second phase we can safely let go of about 20%. Later that figure is likely to go up to about 60 or 70%. We will be able to let go of 60-70% of the employees currently involved in provision of services. But that's not the issue. Why did we look to create a totally new tool in the first place? Again Mr. Zadornov addressed this question quite nicely when he pointed out that delivery of a Visa card or MasterCard is quite an expensive proposition these days. Because according to Central Bank policy, this piece of plastic is considered a valuable and must be specially handled. A single card must be delivered to you by a cash messenger in a secure armored vehicle. That's quite expensive.

M. Zadornov:

It's not just cash messengers who are making the deliveries.

H. Gref:

If it isn't cash messengers making the deliveries, that's a violation of Central Bank policy. A delivery should only be made by a cash messenger. It's the same as delivering cash. Our technology is based on the notion that you can avoid delivery by DHL cash messenger. Blank forms are available at the local branch. You can take care of everything right on the spot. The

individual is free to choose the design of the card and, I hope, during the next phase, he will be able to issue himself a card.

V. Solovyov:

Excuse me, but maybe it would be better if I put that into a language we can all understand.

M. Zadornov:

For our native aspens.

V. Solovyov:

Well, that's not a bad idea either, but it was our beloved villagers I had in mind. Mr. Zadornov, since you don't have a license, you don't drive, but, unfortunately, it happens quite often that the person behind the wheel ends up in an accident. An ambulance arrives on the scene and checks to see who they're dealing with. Fine, if there's an ID, a license. They poke around the car to see who the driver is. He needs medical attention. How do you know whether or not he has any allergies to medications? How do you find out his medical history? How do you know what you can do to help him and what you can't?

H. Gref:

The card will have an accessible file with his blood type and all the information necessary to properly identify him and provide appropriate medical attention.

V. Solovyov:

We're talking about two different things now. The question is whether or not all that information should be included in one document...

H. Gref:

I apologize. Mr. Zadornov just mentioned something very important. If you lost your wallet today, if your wallet was stolen and your license was in it along with your pensioner's ID....

V. Solovyov:

If you're driving, you have a whole stack of documents on you. Otherwise, the State Traffic Police will make your life miserable...

M. Zadornov:

Take my wallet...

V. Solovyov:

It's obvious that they're stealing the car and the documents. Goodbye, insurance. What glovebox, Mr. Zadornov? Wake up! What year are we in? The glovebox...

H. Gref:

Take any wallet of anybody sitting here, and you'll find 4-5 documents in it. So, God forbid, if they've stolen your documents, you'll knock yourself out running around to different agencies replacing all those documents — your license, your passport, your medical insurance, your pension, and all the rest of it. All that information is stored in different databases. You can exchange all of that for one card, and do it rather quickly by the way. Technology makes that possible — we can demonstrate it right here at the forum — in a matter of five and a half minutes. We can't do it all just yet. But we're moving in that direction. So although it may take you a few days, this card will replace all your documents. And you won't have to run around to a whole bunch of officials, groveling, coping with long lines, paying bribes.

V. Solovyov:

You also said that they conducted an experiment in Astrakhan and discovered that with the introduction of the card, the number of ghost recipients dropped significantly.

H. Gref:

Absolutely.

V. Solovyov:

By how much...? Has anybody figured this out yet? How much can the outlay budget be reduced by cleaning out all the ghost recipients currently receiving medical and other services?

H. Gref:

That will vary from region to region. Suppose we take a region like Bashkortostan, for example. They are ahead of the game, so their outlay will not be as high. The Minister of Finance is absolutely right about that. But the impact of savings in their case won't be as great because they have already straightened things out. In regions where the databases are still separate, their outlay will be higher, but there will be colossal benefits — savings on fraudulent benefits claims, et

cetera. As for Astrakhan, by merging the databases of beneficiaries alone, initial investments were recouped three times over.

V. Solovyov:

That just goes to show that we don't need to be afraid to invest our money. Mr. Zadornov, I would like to give you two minutes for concluding remarks since you've had a lot more time than Mr. Gref during this round. And if there is anything more that you would like to say with respect to the card or to Mr. Gref, please don't hold back.

M. Zadornov:

Perhaps I will just briefly mention a few things that haven't yet been addressed. Not one country in the world — not even the largest in terms of geographical area or population — has done what Mr. Gref is proposing. One might go so far as to say that we are pioneers of Russian technology. We are in the lead and all that, but quite frankly, my skepticism regarding how realistic the implementation of this project is makes for a giant period at the end of the argument. Not one country has done this. We have checked. And that says a lot. Technological issues...

V. Solovyov:

That makes sense. That's why we had to shut down our space program during the Soviet era, too — because we launched the first artificial satellite, the first man in space...

H. Gref:

Korolev approaches Khrushchev and says, "Listen, has America launched a spaceship yet?" The response: "No." "Well, how about we wait and see what they manage to do, and then we'll see how it works out?"

V. Solovyov:

And have I mentioned that not one great country in the world speaks Russian — except us.

M. Zadornov:

Vladimir, as far as banking technology is concerned, we're catching up to countries that have already made huge strides.

V. Solovyov:

That's fine, but it isn't enough. That's how it has always been in Russian history. We were catching up, gaining ground and then we took a good look and realized we'd been left in the dust. We can console ourselves with an illusion or we can feel like the underdog.

M. Zadornov:

And my second point. We've been talking quite a bit about how all this will work and so on. So let's return to the ordinary person on the street, Marya Ivanova, who's getting along fine about now, minding her own business.

V. Solovyov:

That's in another village, no doubt.

M. Zadornov:

Let's say she lives in Moscow. They have just restructured pensions again in Moscow. People have been waiting in line since 7 o'clock in the morning. That doesn't deter them because they need to have their pension recalculated. You have to have live interaction with a case worker for this kind of thing.

V. Solovyov:

And why is that?

M. Zadornov:

Because everybody wants to be sure that their extra RUB 100, 200 or 300 is calculated correctly. They are bound to have questions, too.

You can't do all that by phone. When you get on some kind of government benefit, you'll see...

V. Solovyov:

Now that's the very thing Gref is talking about. We need to separate officials from the public.

M. Zadornov:

That's not what we need. We need standard procedures, standard ways of delivering government services. The first step is to simplify the system as much as possible, and then we will be able to automate it. What do we need then? We need to keep doing things essentially as we are now.

V. Solovyov:

So that's it.

M. Zadornov:

And figure that with the electronic card we can change the way we do things.

H. Gref:

An interpretation of sorts.

V. Solovyov:

Thank you very much, Mr. Zadornov. Mr. Gref, could we have a brief closing statement from you, please?

H. Gref:

In our country we have always had to have a whip — first and foremost for our officials. We have had to push very hard to make any kind of progress. The way I look at it, in the realm of government services, this pilot project makes for one very effective push. Progressive officials are actually in support of it. And thanks to them, a law is now under consideration in the Duma and, God willing, the project will go ahead. I want to point out that experience is the best criterion for determining truth. I don't think there is anything that can stop progress. We can do this thing in Russia or we can refrain from doing it, but technology is going to move in this direction regardless. The question is this: Are we going to remain in the lead or are we going to drag up the rear? We can miss this opportunity — and I think that we can thank Mr. Zadornov, who as a matter of fact, is putting together a very respectable organization, quite a decent bank, and he is a progressive man — I think maybe it's because he hasn't delved deeply enough into the issue that he has some reservations about whether or not the project is going to work, but I'm sure that...

M. Zadornov:

Or maybe it's that I've delved too deeply.

V. Solovyov:

Or maybe he has too keen an awareness of the day-to-day realities of Russian life. Please take a load off your feet, gentlemen. Thank you very much to our panelists. They have stuck it out on air here for well nigh an hour. And now, as our program is coming to an end, I would like you to participate in a final vote. This time we will be considering the entire presentation, that is, not just the third round, but the overall presentation from start to finish. Of course, a separate vote is being

held at this time. We will not be combining the tally results for the open vote held on the RIA Novosti website and the Sberbank vote. Those of you who would like to know the outcome of those votes are welcome to sign onto the computer to find out. We have very little time left. If you are ready, please feel free to cast your vote. Wouldn't it be funny if, all of a sudden, Mr. Zadornov came out in the lead for two rounds?

M. Zadornov:

No, Vladimir. That's not about to happen, considering the demographics of our audience.

V. Solovyov:

I'm in agreement with you on that one. Well, what then? As is so often the case in Russia, one might say that hope for a brighter future means saying goodbye to the present. But at least we are pressing onward and, Mr. Gref, I salute you! And you can be happy that a group of your own colleagues and those who joined our discussion supported your point of view. Thank you very much, ladies...

M. Zadornov:

No, Vladimir, for the sake of clarity, I would like to see a show of hands...

V. Solovyov:

Would those of you who are directly affiliated with Sberbank please raise your hands and those who work at Sberbank...? But this is an Internet vote. For RIA Novosti we have 63.8% in support of Gref's position. 36.2% support Zadornov's way of thinking. Our local Sberbank contingent has voted 64 to 36. So, Mr. Zadornov, don't let it bother you.

M. Zadornov:

Not in the slightest.

V. Solovyov:

Romanticism is the impetus for change. Thank you very much to all of our participants. I hope that we will one day see the card in use throughout the Russian Federation. Have a good one!