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**Международные рейтинговые агентства и их роль на мировом финансовом рынке:
современные тенденции и вызовы**

Аннотация. Статья посвящена комплексному анализу роли международных рейтинговых агентств в архитектуре современной мировой финансовой системы. Обосновывается их значение как ключевых информационно-аналитических институтов, обеспечивающих оценку кредитных рисков, формирование ожиданий участников рынка и распределение инвестиционных потоков. Выявлены и систематизированы основные направления трансформации деятельности рейтинговых агентств в условиях цифровизации финансовых процессов, усиления регуляторных требований, интеграции ESG-факторов и нарастающей геополитической неопределенности. Проведен сравнительный анализ методологических подходов ведущих мировых агентств, а также оценено их влияние на уровень суверенной кредитоспособности государств, стоимость заимствований и финансовую устойчивость корпоративных эмитентов. Особое внимание уделено модернизации инструментов кредитного анализа на основе технологий искусственного интеллекта, больших данных и методов машинного обучения, способствующих повышению объективности и прогностической точности рейтинговых оценок. Показано возрастание значимости экологических, социальных и управленческих факторов как самостоятельных параметров оценки долгосрочных рисков и устойчивого развития заемщиков. Сделан вывод о расширении функциональной роли рейтинговых агентств и усилении их влияния на инвестиционные и регуляторные решения в глобальной экономике.

Ключевые слова: рейтинговые агентства, кредитный рейтинг, финансовые рынки, ESG-факторы, искусственный интеллект, суверенная кредитоспособность, пандемия COVID-19, геополитические риски.

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**International rating agencies and their role in the world financial market: modern
trends and challenges**

Abstract. The article presents a comprehensive analysis of the role of international credit rating agencies within the architecture of the contemporary global financial system. Their significance is substantiated as key information and analytical institutions that assess credit risks, shape market expectations, and influence the allocation of investment flows. The study identifies and systematizes the principal directions of transformation in rating agencies' activities under conditions of financial digitalization, increasing regulatory requirements, ESG integration, and growing geopolitical uncertainty. A comparative assessment of methodological approaches employed by leading agencies is conducted, alongside an evaluation of their impact on sovereign creditworthiness, borrowing costs, and the financial stability of corporate issuers. Particular attention is devoted to the modernization of credit assessment tools through the application of artificial intelligence, big data analytics, and machine learning techniques aimed at enhancing objectivity and predictive accuracy. The rising importance of environmental, social, and governance factors as independent determinants of long-term risk and sustainability is also demonstrated. The findings indicate an expansion of the functional role of rating agencies and their increasing influence on investment and regulatory decision-making in the global economy.

Key words: rating agencies, credit rating, financial markets, ESG factors, artificial intelligence, sovereign creditworthiness, COVID-19 pandemic, geopolitical risks.

International rating agencies are among the key institutions of the modern global financial system, providing market participants with critically important information about the credit quality of debt issuers. Their assessments directly influence borrowing costs for states and corporations, determine the investment decisions of institutional investors, and shape the overall perception of risks in financial markets. [1][2] In the context of globalization and the growing interconnectedness of national economies, the role of rating agencies becomes even more significant, as their decisions can have a systemic impact on global financial stability.

The current stage of development in the rating industry is characterized by several key trends that are fundamentally changing approaches to credit risk assessment. Foremost is the integration of advanced technologies, including artificial intelligence (AI) and machine learning, into credit analysis processes. [6] These technologies enable agencies to process much larger volumes of information, identify hidden correlations, and improve the accuracy of credit event forecasting. Another important trend is the growing attention to environmental, social, and governance (ESG) factors, which are increasingly seen as significant drivers of credit risk. [5]

The COVID-19 pandemic and special operation in Ukraine have posed serious challenges for the rating industry, demonstrating the need to adapt assessment methodologies to new types of risks and crises. [1] These events have revealed the limitations of traditional approaches to sovereign risk assessment and underscored the importance of accounting for geopolitical factors in credit analysis. The purpose of this study is a comprehensive analysis of the role of international rating agencies in the modern global financial system, identification of key development trends, and assessment of the prospects for the transformation of the rating industry in the context of technological innovation and a changing geopolitical environment.

The global credit rating market is characterized by a high degree of concentration, with the three largest agencies—S&P Global Ratings, Moody's Investors Service, and Fitch Group—controlling approximately 95% of the global market. [2][3] This market structure, known as the "Big Three," was formed due to the historical development of the rating industry and regulatory recognition of these agencies as Nationally Recognized Statistical Rating Organizations (NRSRO) in the United States.

S&P Global Ratings and Moody's Investors Service dominate the international market, each controlling about 40% of the market, while Fitch Group occupies about 15%. [3] The geographical distribution of these agencies' headquarters reflects the historical dominance of the American financial market: S&P and Moody's are based in the USA, while Fitch has dual headquarters in New York and London and is controlled by the Hearst media corporation. This market concentration creates significant barriers to entry for new participants and limits competition in the industry.

The special status of the "Big Three" was enshrined in law, initially in the USA and then in Europe, giving these agencies a privileged position in the regulatory system. [3] From the mid-1990s to early 2003, these three agencies were the only NRSROs in the USA, meaning their use was mandatory by the US government in various regulatory areas. Although the list of NRSROs was later expanded, the dominant position of the "Big Three" remains unchanged.

Critics note that excessive dependence on the "Big Three" creates systemic risks for the global financial system. The lack of significant competition can lead to a decrease in rating quality, conflicts of interest, and insufficient innovation in the development of risk assessment methodologies. [3] In response to these challenges, various regions worldwide are making efforts to develop alternative rating agencies and reduce dependence on American rating giants.

The Asian credit rating market demonstrates the greatest diversity among all world regions, due to active state policies in developing national rating agencies and restrictions on the activities of foreign agencies. [3] China is the most prominent example of such a policy, where the central government regulates the entry of the "Big Three" into the domestic market, favoring local

recognized agencies such as China Chengxin International (CCXI), China Lianhe Credit Rating (Lianhe Ratings), Dagong Global Credit Rating, and Pengyuan Credit Rating.

As part of their business internationalization strategy, Chinese rating agencies began establishing international subsidiaries in Hong Kong in 2012. [3] As of 2020, the main Chinese international rating agencies are Lianhe Rating Global, China Chengxin (Asia Pacific), and Pengyuan International, which are considered national competitors to the "Big Three". These agencies aim to offer an alternative perspective on credit risk assessment, based on an understanding of the specifics of Asian markets and economic models.

The Indian subcontinent also demonstrates an interesting model of rating industry development, where three of the six registered rating agencies are subsidiaries of the "Big Three": CRISIL (a subsidiary of Standard & Poor's), ICRA Limited (affiliated with Moody's), and India Ratings (owned by Fitch). [3] In 2023, India's Chief Economic Adviser V. Anantha Nageswaran questioned India's sovereign credit rating of BBB- by S&P and Baa3 by Moody's, calling for a revision of the "Big Three's" rating methodologies.

In Russia, the development of the national rating industry received a special impetus in the context of recent geopolitical events. According to the Bank of Russia for 2024, Russian rating agencies use 70 rating methodologies and have assigned a total of 2,434 credit ratings. [4] To improve transparency in the rating industry, the Bank of Russia published in 2024 a comparative table of national rating scales, which helps companies better assess counterparty risks and facilitates informed decision-making for investors.

The modern rating industry is undergoing a period of radical transformation due to the introduction of advanced artificial intelligence and machine learning technologies into credit analysis processes. These technologies fundamentally change approaches to information processing, data analysis, and credit event forecasting, opening new opportunities to improve the accuracy and efficiency of rating assessments. [6]

The use of artificial intelligence in rating agencies covers a wide range of tasks, from automating the collection and processing of financial information to developing complex predictive models. CareEdge Ratings, for example, is at the forefront of integrating AI and machine learning into credit rating processes, using AI-driven predictive analytics to enhance the ability to assess credit risk with greater accuracy and efficiency. [6] The agency employs advanced AI models to analyze a wide range of data sources, including financial information, enabling the identification of hidden patterns and correlations not accessible through traditional analysis.

An innovative example of technological transformation in the rating industry is the activity of Modefinance, which positions itself as a fintech credit rating agency. [7] The company has developed its own methodology based on artificial intelligence, which is at the core of all rating activities and is regularly monitored and tested. Modefinance's fintech approach integrates data science and algorithmic technologies with the expertise of financial analysts to provide innovative services in the credit rating of companies and banks.

The automation of data collection processes related to millions of companies allows rating agencies to significantly reduce costs and develop profitable, highly qualified rating assessments capable of competing with the traditional rating market. [7] The availability of corporate information processed statistically enables financial analysts to work with a unique and objective database and focus specifically on assessing the qualitative behavior of issuers. Highly automated methodologies provide a quick and stable response in the interests of users who require timely access to credit rating information in near real-time.

The growing attention to environmental, social, and governance (ESG) factors has become one of the defining trends in the modern rating industry. In 2024, the European Securities and Markets Authority (ESMA) initiated consultations on possible amendments to the regulatory framework for rating agencies to ensure better integration of ESG factors into credit rating methodologies and subsequent public disclosure. [5]

The proposed ESMA changes aim to ensure that the relevance of ESG factors within credit rating methodologies is systematically documented. [5] This includes increased disclosure of the

relevance of ESG factors in credit ratings and rating outlooks, as well as ensuring a more robust and transparent credit rating process through the consistent application of credit rating methodologies. These initiatives reflect the recognition that ESG factors are becoming increasingly important drivers of credit risk and require systematic consideration in rating assessments.

Integrating ESG factors into credit ratings is a complex methodological challenge, as many environmental and social risks are long-term and not always quantifiable using traditional financial analysis methods. Rating agencies are forced to develop new approaches to assessing climate risks, social sustainability, and the quality of corporate governance, integrating these factors into a comprehensive assessment of issuers' creditworthiness.

ESG factors are particularly important in the context of sovereign ratings, where environmental risks such as climate change and natural disasters can have a significant impact on macroeconomic stability and fiscal sustainability. Social factors, including demographic trends, human capital quality, and social cohesion, are also becoming important elements in the analysis of sovereign creditworthiness. The quality of public governance has traditionally been considered a key factor in sovereign risk, but modern approaches require a more systematic and detailed analysis of institutional characteristics.

The COVID-19 pandemic and Russia's special operation in Ukraine, which began on February 24, 2022, have had a strong impact on the debt levels of European and other countries, creating new challenges for rating agencies in assessing sovereign creditworthiness and solvency. [1] These crisis events have demonstrated the need to adapt traditional rating methodologies to new types of risks and uncertainties that were not always adequately reflected in historical credit analysis models.

Studies show that crises related to pandemics and geopolitical conflicts negatively affect sovereign creditworthiness and solvency. [1] For example, inflation began to decline within one year after the end of wars and almost immediately after the end of pandemics, as did bond yields. These differences in the dynamics of economic recovery require a differentiated approach to assessing various types of crises.

The growing energy crisis also affects key economic indicators, creating additional challenges for rating agencies. [1] Volatility in energy prices, supply chain disruptions, and geopolitical uncertainty require rating agencies to take a more dynamic approach to monitoring and updating ratings.

These events have revealed the limitations of traditional approaches to stress testing and scenario analysis, which did not always account for the possibility of simultaneous impacts from multiple shocks of different natures. Rating agencies are forced to revise their methodologies, including new risk factors in the analysis, such as cybersecurity, the resilience of critical infrastructure, and the ability of states and corporations to adapt to rapidly changing conditions.

The activities of international rating agencies are subject to increasingly stringent regulatory oversight, especially after the global financial crisis of 2008, which revealed serious shortcomings in rating processes and conflicts of interest. [2] Rating agencies were criticized for assigning high credit ratings to debt obligations that later turned out to be high-risk investments, especially in the area of mortgage-backed securities.

One of the key problems identified by critics is the potential conflict of interest between rating agencies and securities issuers. [2] Since securities issuers pay rating agencies for their services, agencies may be reluctant to assign very low ratings to securities issued by those who pay their salaries. This funding model creates potential incentives for rating inflation and requires special attention from regulators.

In response to these challenges, regulators in various jurisdictions are tightening requirements for the transparency of rating methodologies, disclosure of potential conflicts of interest, and increased accountability of rating agencies for the quality of their assessments. The European Union is considering the creation of a state-supported agency based in the EU to reduce dependence on American rating giants. [3]

The Bank of Russia is actively working to increase the transparency of the Russian rating industry by creating a repository where all rating activities of Russian rating agencies can be viewed since their inclusion in the regulator's register. [4] This initiative aims to improve the availability of information on rating activities and enhance opportunities for comparative analysis of various agencies and their methodologies.

The high concentration of the rating services market in the hands of the "Big Three" continues to raise concerns among regulators and market participants about the lack of competition and potential systemic risks. [3] Many experts believe that the dominance of three agencies controlling 95% of the market was a critical factor in creating the environment of toxic debt instruments that led to the 2008 financial downturn.

In response to these challenges, various initiatives are being undertaken to develop alternative rating agencies and reduce dependence on the "Big Three." In November 2013, rating organizations from five countries—CPR from Portugal, CARE Rating from India, GCR from South Africa, MARC from Malaysia, and SR Rating from Brazil—joined forces to launch ARC Ratings, a new global agency positioned as an alternative to the "Big Three." [3]

The European Securities and Markets Authority (ESMA) notes that there are more than 100 national and regional rating agencies that could issue ratings if they could enhance their creditworthiness by meeting ESMA registration requirements. [3] These agencies could also use data from the European Central Bank and the International Monetary Fund to assist in their analyses. Dependence on the "Big Three" could also be reduced through self-assessment by large companies.

The development of fintech solutions in credit rating represents a particularly promising direction for strengthening competition in the industry. Companies like Modefinance demonstrate the potential of advanced technologies to create more efficient and cost-effective rating solutions. [7] Automating data collection and processing allows these agencies to offer competitive services with lower costs and greater speed.

The rating industry stands on the threshold of significant changes driven by technological progress, changes in the regulatory environment, and the evolution of investor requirements for the quality and transparency of rating assessments. Artificial intelligence and machine learning will play an increasingly important role in the development of rating methodologies, enabling agencies to process more data, identify complex patterns, and improve the accuracy of credit event forecasting. [6]

The integration of ESG factors into credit ratings will become not just desirable but a mandatory practice, especially amid increased regulatory pressure and growing investor demands. [5] ESMA plans to review the feedback received during consultations and present its technical recommendations to the European Commission by December 2024, which could lead to significant changes in the regulatory framework for rating agencies in Europe.

Geopolitical fragmentation of the world economy may further stimulate the development of regional rating agencies and reduce dependence on Western rating giants. Chinese international rating agencies such as Lianhe Rating Global, China Chengxin (Asia Pacific), and Pengyuan International may strengthen their positions in Asian markets and seek to expand their global presence. [3]

The development of blockchain and distributed ledger technologies could open new opportunities for creating more transparent and decentralized credit rating systems. Smart contracts could automate many aspects of the rating process and provide a higher level of transparency for market participants. Real-time rating updates are becoming increasingly important in the context of growing financial market volatility and accelerated business cycles. [7]

International rating agencies continue to play a central role in the global financial system, despite criticism and challenges related to high market concentration and potential conflicts of interest. The current stage of development in the rating industry is characterized by profound transformation driven by advanced technologies, the integration of ESG factors, and the need to adapt to new types of risks amid geopolitical instability.

The use of artificial intelligence and machine learning opens up new opportunities to improve the accuracy and efficiency of credit analysis, enabling rating agencies to process much larger volumes of information and identify hidden correlations. Fintech approaches to rating demonstrate the potential for creating more cost-effective and timely solutions, which can strengthen competition in the industry and reduce the dominance of the "Big Three."

The integration of ESG factors into credit ratings is becoming an integral part of modern assessment methodologies, reflecting the growing understanding of the importance of environmental, social, and governance risks for the long-term creditworthiness of issuers. Regulatory initiatives, such as ESMA's proposals to improve the regulatory framework for rating agencies, aim to ensure more systematic consideration of these factors in rating assessments.

Geopolitical crises, including the COVID-19 pandemic and geopolitical conflicts, have highlighted the need to adapt rating methodologies to new types of risks and uncertainties. Rating agencies are forced to revise approaches to stress testing and scenario analysis, including factors such as cybersecurity, critical infrastructure resilience, and the ability to adapt in a rapidly changing environment.

The development of regional alternatives to the "Big Three," especially in Asia, reflects the desire of various jurisdictions to reduce dependence on Western rating giants and create a more balanced competitive environment. The success of these initiatives will depend on the ability of new agencies to ensure high-quality ratings and gain the trust of the international investment community.

The future of the rating industry will be determined by the ability of agencies to adapt to technological innovations, regulatory changes, and the evolution of market participants' requirements. Agencies that can effectively integrate new technologies, systematically account for ESG factors, and ensure a high level of transparency in their methodologies will have the best prospects amid growing competition and a changing market environment.

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