

BRICS to create competitor to SWIFT international payment system

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Moscow, September 29 (RHC)-- BRICS nations plan to create a money-transferring network competing with the SWIFT international payment system, Russian Finance Minister Anton Siluanov says. Speaking

to TASS news agency on Thursday, Siluanov said the creation of an alternative to SWIFT will be discussed within the BRICS next year.

Talking to reporters at the Moscow Financial Forum, he said a number of BRICS countries had already developed their own payment systems. "We are trying to implement our financial information transmission system. Other BRICS countries are either creating their own systems or have their own systems. Therefore, for now, this issue is a topic of discussion," he said.

The Russian official said the economic bloc was looking for ways to replace international payment systems with mechanisms that will help promote trade between member states.

"This is on the agenda of next year's meeting at the level of financial authorities and administrations of the BRICS member countries. It will be one of the standing issues. Today, Russia is rebuilding all relations from the West to the Southeast, and this trend will continue," Siluanov explained.

The move comes as BRICS nations, namely, Brazil, Russia, India, China, and South Africa -- which have complained about the Americans' use of the US currency for politico-economic influence over other nations, damaging their economies-- continue their de-dollarization efforts aimed at promoting trading in the economic bloc.

China has previously launched the Cross-Border Interbank Payment System (CIPS) in 2015 to promote the use of Chinese currency RMB in international trade.

Currently, more than 4,200 banking institutions in 182 countries and regions around the world use the CIPS payment system either directly or through an institution besides the two primarily involved in the transaction.

South Africa's finance minister Enoch Godongwana, who hosted his fellow BRICS finance ministers at the BRICS summit in Johannesburg last month, said the bloc would not be looking to replace international payment systems including SWIFT, but rather consider creating one that would strengthen trade in local currencies.

The bloc's leaders announced at the three-day BRICS summit in Johannesburg that they would task their finance ministers to consider the issues of local currencies, payment instruments, and platforms and report back in a year.

In related news, Russian President Vladimir Putin has slammed the West over its abuse of the US dollar and weaponizing it as a tool in international affairs to put pressure on other nations.

In a July meeting between Putin and Dilma Rousseff, the head of the China-based New Development Bank (NBD) -- also known as the BRICS Bank -- the former president of Brazil said the international financial institution was developing an alternative currency to the US dollar as a necessary step at a time when Washington is using the US dollar as a weaponized tool against other nations.

NBD was founded in 2014 by the BRICS group in a bid to move away from the US dollar in international trade as it aims to introduce other currencies as the medium for international trade's financial transactions.

In the meantime, BRICS has announced plans to float a gold-backed currency to settle international trade payments to challenge the global reserve status of the US dollar.

The decision to introduce a new currency, according to RT, is adding momentum to the ongoing de-dollarization trend unfolding in the global economy.

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