

BRICS leaders propose creating alternative payment system to SWIFT



This initiative aims to strengthen trade and investment among countries in the Global South, as well as reduce dependence on platforms controlled by Northern powers. Photo: Antonio Scorza / BRICS Brazil.

Rio de Janeiro, July 7 (RHC)-- One of the proposals discussed during the previous BRICS summit in October 2024 in Kazan, Russia, was the possibility of creating a new alternative payment system to SWIFT, currently the main interbank payment network. This interest was most vigorously debated at the most recent 17th BRICS Summit in Rio de Janeiro, held on July 5th and 6th.

During the 17th annual BRICS meeting in Rio de Janeiro 2025, the bloc's leaders proposed moving forward with the creation of such a system, within the framework of the BRICS Cross-Border Payments Initiative, which aims to facilitate more accessible, faster, and secure transactions between member countries.

According to the summit's final declaration, the group welcomed the technical report prepared by the BRICS Payments Working Group, which outlined possible strategies to ensure greater interoperability between national financial systems.

SWIFT (Society for Worldwide Interbank Financial Telecommunication) is a network that connects more than 11,000 financial institutions in over 200 countries. It is controlled by major Western powers, which use it as a political tool to impose unilateral economic sanctions.

This has been particularly exploited by the United States and its allies to impose economic sanctions on several countries or exclude their companies from this network, preventing them from making payments, as is the case with Russia, a recurring victim of US and EU sanctions.

Faced with this reality, the bloc seeks to reduce its dependence on the U.S. dollar in international trade and finance, so a new alternative payment system would focus especially on de-dollarization in member countries.

In summary, the possible new alternative system pursues the following objectives:

Facilitate more accessible, faster, and secure transactions between member countries.

Reduce dependence on platforms controlled by Northern powers.

Strengthen trade and investment among countries of the Global South.

Protect the bloc's countries against unilateral sanctions.

Ensure greater monetary and financial autonomy.

Driven primarily by China and Russia, and established as a priority by Brazil during its presidency of the bloc, the initiative is part of a broader project to de-dollarize international trade and should be complemented by other financial measures such as the use of the New Development Bank (NDB) to finance in local currencies and strengthen regional insurance and reserve mechanisms for the bloc.

In this regard, the final declaration of the BRICS Summit in Rio de Janeiro proposes developing a Multilateral Guarantee initiative through the NDB, a tool to stimulate infrastructure investment in member countries. This measure is considered central to making the new cross-border payment system viable, as well as consolidating the group's financial autonomy.

The recently concluded summit demonstrates that, amid the constant sanctions imposed on multiple BRICS nations, the bloc proposes building its own financial ecosystem that allows for greater economic sovereignty and avoids the vulnerability that comes with depending on systems like SWIFT.

[SOURCE: teleSUR]

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