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BRICS Countries' De-Dollarization Strategy and Implementation

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Abstract: Since the mid-20th century, the US dollar has been the most popular currency in the global financial system and plays the most important role in global transactions. However, today, the BRICS countries have all started the process of de-dollarization. This article takes Russia, one of the BRICS countries, as an example to briefly describe its de-dollarization process. Furthermore, although the de-dollarization strategy of the BRICS countries will bring certain inconveniences in terms of economy and system, it will still bring many advantages to make up for it. Due to the two internal driving forces of economic scale and resource scale, the BRICS countries have to and will inevitably implement this strategy. This article then analyzes the specific measures of the “BRICS countries” to de-dollarize at the economic level and institutional structure level. Eventually, the perspective focuses on China and puts forward a series of meaningful strategic implementation suggestions for China to further deepen the de-dollarization strategy. These measures can increase the proportion of the RMB in the regional economy and the world economic cycle, further facilitating the de-dollarization strategy of the BRICS countries.

Keywords: BRICKS, De-dollarization, Dollar Hegemony, International Economic Law, RMB Internationalization

Introduction

In the early 20th century, the world entered a period of accelerated industrialization and globalization, the economic ties between countries became increasingly close, and the international financial system was gradually established. In the early stage, Britain passed the “Gold Standard Act” in 1816, taking the lead in establishing the gold standard system in the form of written law. From the late 19th century to the early 20th century, the global transaction

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used general equivalents to pursue the system of “gold as the value benchmark” and “pound sterling as the transaction medium”. Generally speaking, this system is more simply summarized as the “gold standard system”. With the outbreak of World War I and World War II, countries generally experienced a process of over-issuance of currency, and the over-issued currency was basically used to strengthen the country's armed forces. Due to the serious expansion of paper money - gold vouchers - countries generally restricted the free flow and free exchange of gold, and the gold standard system gradually declined. During World War II, the economies of countries around the world suffered heavy losses, and the United States, as the main “rear factory” of the war, accumulated a lot of wealth. In 1943, the United States' gold reserves accounted for 70% of the world's gold reserves, making it a well-deserved global financial hegemon. At this time, the international status of the British pound was gradually replaced by the US dollar. To rebuild the post-war international financial order, the Bretton Woods Conference was held in 1944. The conference decided to establish the International Monetary Fund (IMF) and the World Bank, and later signed the General Agreement on Tariffs and Trade (GATT).

In the GATT 1947 system, gold still played the role of the most core anchor in the system, but the vouchers were updated from British pounds to US dollars, and the Bretton Woods system with the US dollar as the core was established. In the Bretton Woods system, the US dollar was directly linked to gold, with 1 ounce of gold equal to 35 US dollars, and other currencies were linked to the US dollar through fixed exchange rates. Since the US dollar can be directly exchanged for gold, while other currencies must obtain gold indirectly through the US dollar, this makes the US dollar a de facto international reserve currency, consolidating its core position in the international financial system. However, due to the United States' implementation of the “Marshall Plan” and the Cold War military expansion around the world, its international balance of payments deficit has been expanding, and gold reserves are insufficient to support the number of US dollars in circulation. In the 1950s and 1960s, the Bretton Woods system gradually collapsed. As countries' trust in the US dollar weakened, a large number of US dollars were exchanged for gold, which eventually prompted the United States to announce the “closing of the gold window” in 1971, terminating the direct link between the US dollar and gold. The Bretton Woods system actually collapsed and the world entered the era of floating exchange rates. However, the US dollar still continues to play the role of a global currency by virtue of its dominant position in international trade, energy markets and financial markets. Oil transactions are denominated in US dollars, and the US dollar has always been the dominant currency in the international financial market. Futures and spot transactions, as well as precious metal transactions, are still priced in US dollars. The policy influence of the Federal Reserve, the financial hegemony of Wall Street, and the comprehensive strength of the US economy have further strengthened the central position of the US dollar in the international monetary system.[1]

The US dollar is not only a symbol of economic power, but also a manifestation of comprehensive political, military and financial strength. Although its hegemonic position has been challenged by other emerging currencies and regional economies, the US dollar still plays an irreplaceable role in the global monetary system.

Method

This paper uses literature analysis to analyze the de-dollarization problem of BRICS countries.

Literature analysis – This paper uses literature analysis to sort out the process, current situation and problems encountered in the de-dollarization of BRICS countries, and finally describes the significance of de-dollarization.

Discussion

The foreign exchange arrangement clause of Article 15 of GATT stipulates the foreign exchange system arrangement of the WTO. Its core paragraph 2 stipulates that if all contracting parties are requested to consider or deal with issues related to currency reserves, international balance of payments or foreign exchange arrangements, they shall fully consult with the International Monetary Fund. All contracting parties shall accept all statistics or other survey results provided by the Fund on foreign exchange, currency reserves or international balance of payments in consultations; all contracting parties shall also accept the Fund's judgment on whether the actions taken by a contracting party on foreign exchange issues are in accordance with the provisions of the International Monetary Fund Agreement and whether they are in accordance with the conditions of the special foreign exchange agreement signed between the contracting party and the contracting parties. If the contracting parties need to make a final decision on cases involving the standards set forth in Article 12, paragraph 2 (a) or Article 18, paragraph 9 of this Agreement, they shall accept the Fund's judgment on what is a serious decline in the currency reserves of a contracting party, what is a very low currency reserve of a contracting party, what is a reasonable growth in the currency reserves of a contracting party, and on fiscal issues of other matters involved in the consultations. The core of this clause is to coordinate foreign exchange restrictions with quantitative restrictions, and emphasize that all WTO members should not affect the stability of the multilateral trading system. In other words, these provisions legally confirm the core position of the US dollar and the three pillars of the US-led WTO system (International Monetary Fund, World Bank, and WTO).

However, more than 70 years later, as the century-old changes accelerate, the world is increasingly heading towards the "era of chaos". In recent years, global hot wars have been particularly frequent. The conflict between Islamic-Arab countries and Israel, and the conflict between Russia and Ukraine continue to challenge contemporary international law and world order. At present, the global currency voucher, the US dollar, is constantly over-issued and depreciated. The United States is moving away from reality and turning to virtuality, from a manufacturing country to a financial country. Countries around the world are calling for the reshaping of the foreign exchange arrangement system. Recently, the continuous growth of the BRICS organization in the global economic and trade system has given it a greater voice in international governance. The BRICS system may bring the WTO foreign exchange arrangement into a new era of "dollar-multi-currency system". In the multi-currency system, the "BRICS currency" or the currency circulation system between the BRICS countries and the global South countries with the RMB as the circulating currency is about to emerge.

The history of BRICS is not that long. In 2001, American scholars created the term BRIC, which is pronounced as Brick and translated into Chinese as "Golden Brick". When the concept of BRICS was first proposed, it was believed that these economies would dominate the global

economy after the middle of this century. In 2006, Brazil, Russia, China and India met for the first time, and the meeting level was upgraded to the head of state level shortly thereafter. In 2010, South Africa joined, and BRICS became BRICS (English is similar to “brick” with plural). Later, as the BRICS mechanism continued to upgrade, there are now 11 member countries and several partner countries and observer countries. The BRICS mechanism has been upgraded to “BRICS +”.

As early as 2009, the BRICS proposed in a joint declaration to reform global financial organizations in order to make them more in line with the new trend of world economic development. This view has always been the consistent insistence of the BRICS countries, which poses a threat to the hegemonic values of the United States. For most of the time since the establishment of the BRICS alliance, the BRICS countries have advocated giving emerging economies a greater voice and representation in the growing global economy, while helping them deal with the concerns brought about by the United States and Europe leading major institutions such as the IMF and the WB. In fact, the BRICS countries have been continuously carrying out their own “de-dollarization” initiatives and cooperation since their inception.

This article only takes Russia as an example. In 2014, the Russian Central Bank cut the share of foreign exchange reserves denominated in US dollars by more than half. After 2018, the Russian government sold US\$101 billion of US Treasury bonds. At the same time, it formulated a “de-dollarization plan” to gradually reduce its dependence on the US dollar and strengthen its economic independence.

At that time, the Russian Central Bank cut the share of foreign exchange reserves denominated in US dollars by more than half; in 2018, the Russian government further accelerated the pace of de-dollarization, sold US\$101 billion of US Treasury bonds on a large scale, and formulated a “de-dollarization plan”. It laid the foundation for the diversified layout of the national financial system. In 2021, the Russian Ministry of Finance adjusted the structure of the National Welfare Fund, reducing the share of the US dollar to zero, further demonstrating its determination to “de-dollarize”.[2] Starting in 2022, due to further sanctions caused by the military conflict with Ukraine, Russia began to explore new models of cross-border payments and apply encrypted digital currencies to the settlement of commodities such as oil and gas. By 2024, Russia went a step further and signed agreements with many countries to bypass the SWIFT system and establish a new cross-border payment system. This marks that Russia has taken a key step on the road to “de-dollarization”, which not only enhances financial independence with partner countries, but also has a profound impact on the pattern of the international financial system.[3]

Although the BRICS countries have generally succeeded in reducing their inflation rates, their holdings of US dollar assets continue to increase, a phenomenon that is in clear contradiction with their strategic goal of “de-dollarization”. Behind this contradiction is the deep-rooted and complex dependence of various countries on the US dollar system and the painful memory of its negative impact in history. For example, a sharp appreciation or depreciation of the US dollar has brought endless disasters to Brazil.[4] The Brazilian economy has long suffered from various forms of profit exploitation by British and American capital, and after the collapse of the Bretton Woods system, the country’s foreign exchange reserves have been lost in large quantities due to the sharp fluctuations in the US dollar exchange rate. Similarly, the free flow of US dollar capital has manipulated the Indian capital market, causing violent turmoil and causing the country’s important companies to suffer from the cycle of capital surplus and shortage. South Africa has not been spared either. Its financial companies have been fined heavily by Washington for

“money laundering” or violating unilateral US sanctions, highlighting the financial sanctions risks of the US dollar system.

In addition, the international monetary and financial system does not reflect the new changes in the power of the North and the South. Data shows that the share of the BRICS countries in the global economy has risen from about 10% in the late 20th century to 40%. However, the capital market has not reflected the changes in the power of the “Southern countries” represented by the BRICS countries. Taking the SDR as an example, it can be found from the SDR Special Drawing Rights updated periodically by the World Bank that so far, in addition to the currencies of developed countries (US dollars, British pounds, euros, Japanese yen, Swiss francs), only the RMB accounts for 12.28% of the SDR. The currencies of other BRICS countries are not part of the Special Drawing Rights.

In October 2015, the China Europe International Exchange was established. From then on, the RMB no longer had to be converted through the US dollar but directly with the British pound and the euro; in 2021, Iran launched the Iranian rial/Russian ruble currency transaction; in 2022, the UAE Central Bank signed a currency swap agreement with Turkey; as of 2022, China has signed bilateral local currency swap agreements with 40 countries and regions; in 2023, Iraq announced that it would allow direct settlement of its trade with China in RMB; trade between Brazil and China is no longer settled in US dollars but directly in local currencies. In addition, ASEAN countries have also begun to discuss plans to replace US dollars with local currencies for settlement.

Globally, the trend of “de-dollarization” aimed at reducing dependence on the US dollar is becoming increasingly apparent through the construction of new settlement methods. Many countries are actively bypassing the US dollar for direct trade and currency exchange. For example, trade between China and Brazil has been settled in local currencies, and Iraq has also approved the use of RMB payments in trade with China. As early as 2015, the China-Europe International Exchange was established, and China and Europe have achieved direct conversion of RMB with the euro and the pound. In addition, through the signing of bilateral currency swap agreements, such as the cooperation between the UAE and Turkey, and the extensive network established by China with 40 countries and regions around the world, countries have been able to strengthen financial ties. In 2021, local currency transactions were also launched between Iran and Russia; ASEAN countries are also exploring similar regional settlement plans. The essence of these new settlement methods is to enable export companies to receive payments in their own currencies, which not only saves the cost of exchanging third-party currencies and avoids the risk of exchange rate fluctuations, but also strategically enhances the influence and voice of non-US countries, especially emerging economies, in the global currency trading system. These are all manifestations of “de-dollarization” at the national level, and their essence is still a new settlement method. This approach allows bilateral export companies to receive payments denominated in their own currencies, saving on the cost of third-party currency conversions, and effectively avoiding the impact of exchange rate fluctuations in transit currencies (basically the US dollar).

Results

1. Advantages of De-Dollarization

First, it is conducive to maintaining the monetary sovereignty of the country. The most direct benefit of de-dollarization is to enhance the autonomy of monetary policy. Once the

dependence on the US dollar is reduced, countries will no longer be significantly affected by the Fed's policies. For example, when the US dollar enters a strong cycle, emerging economies often encounter currency crises due to the outflow of US dollars. If de-dollarization is achieved, these countries can reduce the impact of changes in US dollar liquidity on their capital flows and exchange rates, and regulate the economy more flexibly, such as through monetary policy tools such as medium-term lending facilities or 7-day reverse repurchases to stabilize their financial environment.

Second, it can reduce the financial risk of being sanctioned. The United States, relying on the international status of the dollar, has imposed the threat of financial sanctions by excluding target countries from the SWIFT system and other means. De-dollarization helps weaken the US financial hegemony and reduce the constraints of the international financial system dominated by the US dollar. For example, in recent years, the BRICS countries have promoted the construction of local currency settlement systems and de-dollarized payment networks, which not only enhanced their ability to deal with US financial sanctions, but also provided a more stable environment for economic and trade exchanges between member countries.

Third, it promotes the stability of capital flows and economic growth. In the context of de-dollarization, if countries can build a more diversified international monetary system, it will help reduce the risk of large fluctuations in exchange rates and promote more stable international capital flows. At the same time, by expanding the use of local currencies in international trade and investment, it can improve transaction convenience and stimulate investment and economic growth.

2. Disadvantages of de-dollarization

First, the global economy's high dependence on the US dollar is difficult to change in the short term. Despite the growing calls for de-dollarization, the US dollar still has an absolute controlling position in international financial transactions. International commodity transactions are mainly denominated in US dollars, and the US dollar is the main currency for global trade settlement and financial market transactions; the US dollar also dominates the global foreign exchange reserves with a proportion of about 60%. To completely get rid of dependence on the US dollar, it is necessary to reshape the trade and financial structure.

Second, the internal coordination problem of emerging economies. In the process of promoting de-dollarization by the BRICS countries, there are also inherent conflicts of interest and coordination problems. For example, countries have differences in the priority and distribution of benefits in the internationalization of their own currencies. In order to build a stable alternative system, in-depth cooperation is needed in terms of mechanism design, cross-border payments, credit stability, etc. Otherwise, it is easy to be driven by interests and each country will act on its own.

Third, the risks of exchange rates and capital flows will increase in the short term. The process of de-dollarization may be accompanied by instability in exchange rates and capital markets. If there is no mature alternative currency system to support it, it may lead to insufficient confidence in emerging currencies, capital outflows, and even local financial crises. In addition, large-scale adjustments to the allocation of international reserve assets may also impact the stability of the international capital market.

3. The BRICS countries have a huge economic scale

Since the 1990s, the BRICS countries have begun to serve as the main engine of world economic growth with their rapid growth rate. The total GDP of the BRICS countries has jumped

from US\$2.4 trillion in 1995 to US\$24.71 trillion in 2021, surpassing the United States in one fell swoop, with a compound growth rate of 8.97%.[5] In 1995, the proportion of the BRICS countries in the world economy was only 7.83%. 27 years later, the BRICS economy accounted for more than 25% of the world's total. Since the establishment of the BRICS organization in 2006, its contribution to world economic development has exceeded 50%. In terms of population, the BRICS countries have a population of 3.22 billion, accounting for more than 40% of the world. The huge economic scale and population base of the BRICS countries mean a vast market demand, and the development of finance cannot be separated from the support of the real economy. This has built a good foundation for monetary and financial cooperation among the BRICS countries.

4. BRICS countries have strong resource complementarity

BRICS countries have very strong resource complementarity, including resource-based countries such as Russia, Brazil and South Africa, as well as major energy resource importing countries such as China and India. Russia has the largest natural gas reserves in the world, the second largest coal reserves in the world, and the second largest oil export in the world, and plays an important role in the international energy field. Brazil is an important exporter of iron ore and agricultural products. South Africa has rich non-ferrous metal resources. The cooperation between China and India, as resource importers, and Brazil, Russia, and South Africa, as resource exporters, is conducive to the BRICS countries to achieve the internal circulation of international trade settlement in local currencies and break the monopoly of the US dollar in the pricing of international bulk commodities. From an industrial perspective, Brazil and Russia have comparative advantages in primary processed products such as natural resource products, while India and China have comparative advantages in industrial manufactured products and deep-processed products. In recent years, BRICS countries have been working hard to promote the transformation and upgrading of the manufacturing industry. For example, India plans to increase the share of manufacturing in the national economy from 16% to 25% by 2022. These measures have proved that the BRICS countries have strong resource complementarity. Combined with the will of countries, it is feasible to build a big cycle within the BRICS countries.

Conclusion

1. Currency swap mechanism

Currency swap is an important tool for de-dollarization. Through bilateral or multilateral currency swap agreements, countries can directly use their own currencies to complete trade settlements and reduce their dependence on the US dollar. For example, China has signed bilateral currency swap agreements with many countries to help trading partners provide liquidity support when their own currencies are insufficient. This mechanism not only reduces the demand for US dollar foreign exchange reserves, but also strengthens economic cooperation within the region.

2. Promote non-dollar pricing of commodities

The dollar-denominated commodity trade is an important basis for the dollar's hegemony. One of the keys to de-dollarization is to promote commodity transactions to be denominated in local currency or third-party currencies. For example, China promotes crude oil futures trading denominated in RMB, while India, Russia and other countries are also exploring energy trade

in non-US dollar currencies. This move not only weakens the dominance of the US dollar in the commodity market, but also enhances the internationalization of emerging currencies.

3. Expansion of local currency settlement

Local currency settlement avoids the role of the US dollar as an intermediary currency by paying directly in the local currencies of the two parties to the transaction. In recent years, the proportion of local currency settlement has gradually increased in economic and trade cooperation among BRICS countries. For example, Russia and China settle energy trade in RMB and rubles, significantly reducing the use of the US dollar in bilateral trade. The promotion of local currency settlement not only improves the convenience of transactions, but also reduces the risk of foreign exchange fluctuations and sanctions. At present, at the BRICS Kazan Summit in October 2024, Russia, a BRICS country, has claimed that it will promote the RMB as the main settlement currency. At this time, there is also a view in the United States that the BRICS countries' own currencies are mainly affected by the internationalization of the RMB.[6]

4. Anchoring of digital currency and "stable currency"

There are many types of digital currency. Except for the digital currency issued by central banks of various countries, such as the digital RMB issued by the People's Bank of China, it is basically divided into two categories. These are cryptocurrencies and stable currencies. Cryptocurrencies are Bitcoin, Ethereum and some other niche cryptocurrencies that have emerged in recent years. The characteristic of this currency is that anyone can issue it, and the price of the currency is not anchored to any real object. Its price is determined only by liquidity and supply and demand. The total value of cryptocurrency was only US\$1.5 billion in 2013, but now it has reached US\$3.38 trillion in June 2025.[7] However, the characteristic of cryptocurrency is that it fluctuates extremely violently. For example, when Trump took office as the US president in November 2024, Bitcoin once fluctuated by more than 10% in one day. Another currency issued by financial institutions - stable currency - perfectly avoids this drawback. The value of stable currency is anchored to sovereign currency or related assets. For example, 1 stable dollar = 1 US dollar, and the issuing institution promises to exchange it to the holder of the certificate at any time with the certificate of stable currency.[8] Stablecoins also have the characteristics of crypto assets, but the stability of their value depends mainly on the quality and transparency of their reserve assets. At present, the BRICS countries have carried out preliminary research and supervision of stablecoins and cryptocurrencies at the domestic level. On May 21, 2025, Hong Kong, China passed the Stablecoin Bill, which opened up the supervision of private entities on the issuance of digital currencies and stablecoins in Hong Kong. The regulations stipulate that anyone who issues legal currency stablecoins or Hong Kong dollar stablecoins in Hong Kong, promotes the issuance of legal currency stablecoins to the Hong Kong public, etc., must obtain a license. South Africa began to study the feasibility of issuing central bank digital currency in 2016, and conducted a digital currency payment project trial called "Khokha" in the country. On September 2, 2021, it joined the Dunbar (hereinafter referred to as "Dunbar") project to cooperate with Australia, Malaysia and Singapore to carry out cross-border payment trials of central bank digital currency.[9] After years of wavering on digital currency, India launched wholesale and retail digital rupee pilots in November and December 2022, respectively. After proposing the idea of central bank digital currency in 2020, Russia quickly completed the construction of the prototype of the digital ruble platform and

officially launched pilot testing in February 2022. Brazilian President Lula proposed creating a common digital currency “Sur” in Latin America as a supplement to Latin American trade and capital circulation.[10]

The “de-dollarization” cooperation at the structural level means starting from the cooperation system itself, gradually moving away from the US dollar monetary framework, and ultimately promoting the transformation of the international financial system. The core institutions of the international financial system (such as the IMF and the World Bank) have traditionally been dominated by the United States, and their dollarization mechanism provides institutional support for the hegemony of the US dollar. De-dollarization requires promoting the reform of the international financial system at the structural level and weakening the monopoly of the US dollar in the international reserve and payment system. For example, the establishment of the BRICS Development Bank provides member countries with non-dollarized financing options and promotes the diversification of multilateral financial governance.

5. Attempts to establish a reserve currency

Discussions within the BRICS on building alternative currency schemes began in June 2022, when Russian President Vladimir Putin first proposed at the Business Forum that he planned to develop a reserve currency based on a basket of currencies of member countries, with the explicit goal of reducing dependence on the US dollar and circumventing Western financial sanctions. During the BRICS Johannesburg Summit in August 2023, member countries agreed to set up a technical committee to study the feasibility of establishing a common payment system and a potential common currency.[11] However, during the BRICS summit, member countries made it clear that the organization “does not seek to de-dollarize.” At the Kazan Summit in October 2024, Russia went a step further and declared that it would promote the renminbi as the main settlement currency within the framework.

In addition, some scholars also believe that the BRICS may refer to the Special Drawing Rights model of the International Monetary Fund (IMF) to create a BRICS settlement transaction accounting unit. Using this unit for cross-border trade also partially achieves the role of creating a unique currency.

6. Establish an independent cross-border payment and settlement system

At present, in the BRICS countries, except South Africa, each member country has created a cross-border payment and settlement system based on regional or multilateral currencies:

BRICS countries have established and operated their own payment systems, such as Russia’s Mir, China’s UnionPay and RMB Cross-Border Payment System (CIPS), India’s RuPay and Brazil’s ELO. On this basis, Russia first proposed the idea of building a unified “BRICS payment” system in February 2019, aiming to integrate the systems of member countries to simplify cross-border payment processes and reduce the impact of US dollar exchange rate fluctuations on trade. In November of the same year, the relevant letter of intent was signed. The original intention of this initiative was to provide an alternative to the global financial network dominated by the US dollar. In recent years, the idea has further evolved into the creation of a more comprehensive “BRICS Bridge” settlement and payment platform, aiming to create new possibilities for a fairer global financial order.

7. Establishment of cross-border financial institutions

This measure has already taken precedence within the BRICS countries. The BRICS countries have long jointly initiated the establishment of the “New Development Bank”. The New Development Bank can hold a basket of reserve currencies of the BRICS countries, provide

a channel for social interaction, and become a new alternative way for commodity exchange in financial development. At the same time, the New Development Bank is still expanding continuously, and its member countries have expanded from five countries at the beginning of its establishment to twelve countries. In addition, as early as 2018, the BRICS Business Council had launched a multilateral cross-border payment system called BRICS Pay, and successfully completed scenario testing in Russia in 2024. This system is scheduled to be fully operational during the BRICS Summit in 2025. It has established a swap settlement channel that supports 9 currencies such as the US dollar, euro, and RMB, as well as gold, and allows member countries to use local or foreign currency settlement methods, so that the BRICS countries are no longer dependent on the SWIFT system.[11] The BRICS countries pointed out that the above measures have provided considerable convenience for mobilizing resources for infrastructure and sustainable development projects in the BRICS countries and other emerging market economies and developing countries, and have also promoted the diversification of multilateral and regional financial institutions. Foreign scholars believe that the BRICS New Development Bank is feasible and beneficial as a potential alternative to international organizations such as the IMF. This move is also a response to the Western countries led by the United States arbitrarily excluding countries from SWIFT.[4]

Conclusion Remarks

China's exploration of "de-dollarization" is essentially a gradual practice of promoting the internationalization of the RMB. Building RMB-denominated payments within the BRICS framework and de-dollarization can be carried out together. Although China has a huge economic and trade volume, due to various reasons, the RMB still has limited say in determining international pricing currencies and settlement options under the combined effect of factors. Therefore, it is urgent to seize the opportunity of "de-dollarization" and closely follow the adjustment opportunities of the current international monetary structure of "one rise and one fall". It is crucial for China to find its position in the future diversified payment system. In addition, measures to improve the domestic financial market and financial regulatory infrastructure are taken to expand the corresponding development space in the diversified international monetary settlement system. Specifically, the following response strategies can be adopted:

According to the law of development and evolution of currency internationalization, "pricing-clearing-reserve" is a key step and important symbol in the process of RMB internationalization. The construction of the US dollar system was built with the help of the control of the transaction medium of international trade after World War II, especially after the collapse of the Bretton Woods system. However, as of the beginning of 2023, although ranked fifth, the proportion of RMB in global payments was only 1.91%. This proportion is far lower than the 40.12% of the US dollar, the 37.88% of the euro, and the 6.57% of the British pound and the 3.15% of the Japanese yen.[12] Even in cross-border transactions involving China as a trading party, the use rate of RMB is only 18%. In fact, it shows that there is still an inertial dependence on foreign currencies (especially the US dollar). This does not match China's status as the largest trading country. It can be seen that the current degree of RMB internationalization is still relatively low, especially the increase in the proportion of pricing and settlement. There is still considerable room for improvement.

Therefore, we should focus on China's status as an economic power and a trading power and continue to do a good job in RMB trade settlement. Through local currency trade settlement, the circulation of RMB can be expanded, and then on this basis, we will strive to expand from trade settlement currency to strategic commodity pricing currency.[13] In terms of strategy,

we should start from key areas such as ASEAN and the “Belt and Road”. We should strive to gradually penetrate RMB settlement into commodities, cross-border e-commerce and other fields, and build pricing mechanisms such as “petro-RMB” to break the existing pattern and create new growth points for RMB pricing.

Facing the dilemma of the unipolarization of the US dollar system, promoting the RMB to become a regional dominant currency is an effective path. Relying on the market size of China as the world’s second-largest economy and the largest commodity trading country, by strengthening coordination with emerging economies, the international acceptance of RMB can be gradually improved[14]. Establishing a regional currency cooperation system dominated by RMB can substantially expand the international influence of RMB. On the other hand, it can also limit and constrain the functional unipolar US dollar system. The RMB Cross-Border Payment System (CIPS), built by the People’s Bank of China, is an important tool to achieve this goal. As of 2022, CIPS has connected 178 countries and regions around the world, providing a strong clearing network and infrastructure support for the cross-border use of RMB.

Although the BRICS countries have established the BRICS New Development Bank in 2015 and the “BRICS Dispute Resolution Shanghai Center” at the Shanghai International Arbitration Center, they still lack substantive investment cooperation norms with institutional binding force. The process of regulating national investment rules in which the BRICS countries actively participate is mostly limited to the unilateral or bilateral level, ignoring the reconstruction of investment rules within the BRICS.[15] In fact, as an emerging topic in international investment governance, “investment facilitation” provides a new approach for BRICS countries in the face of the increasingly heated and institutionalized investment protectionism within the country. This concept is different from the traditional investment agreement that focuses on ex post protection and dispute settlement. It focuses more on optimizing the business environment by improving transparency and simplifying administrative procedures. Although there is no unified agreement with legal binding force like the Trade Facilitation Agreement in the world, its importance has been widely recognized. Many international organizations, such as the Asia-Pacific Economic Cooperation (APEC), the Organization for Economic Cooperation and Development (OECD) and the United Nations Conference on Trade and Development (UNCTAD) have conducted in-depth discussions on this topic.

As a pioneer and key promoter, China initiated and established the “Friends of Investment Facilitation” mechanism within the framework of the World Trade Organization (WTO) in 2017, taking the lead in introducing this topic into the core agenda of the multilateral trading system and actively promoting rule-making. More importantly, China has promoted the BRICS group to reach an important consensus on investment facilitation on different international platforms, laying the foundation for future cooperation. For example, at the 2016 G20 Hangzhou Summit, all BRICS members jointly adopted the Global Investment Guiding Principles, which explicitly advocated the use of effective investment dispute prevention and resolution mechanisms. In 2017, the BRICS Investment Facilitation Cooperation Framework was signed, which for the first time elevated the relevant investment facilitation policies in each member country from a state of independence to a level between countries that requires mutual coordination and cooperation. Therefore, in the context of the reality that it is difficult to form a unified and standardized investment mechanism in the short term, making full use of these existing consensus bases and starting with the construction and improvement of investment dispute prevention mechanisms and consultation and dialogue mechanisms is undoubtedly the most pragmatic and effective choice to promote the deepening of investment cooperation and resolve internal differences among BRICS countries.

“De-dollarization” is a new direction explored by the BRICS countries in response to changes in the global financial landscape, and is also an important attempt to enhance monetary sovereignty and promote a multipolar international financial system. Although this process faces challenges such as the path dependence of the global economy on the US dollar, the internal coordination difficulties of emerging economies, and the risk of short-term capital fluctuations, the BRICS countries, relying on their huge economic size, resource complementarity, and continuously deepening monetary cooperation, have gradually broken the monopoly of the US dollar and explored a more fair and stable global financial order. At the same time, China has taken the internationalization of the RMB as a starting point in this process, and has continuously enhanced its influence in the international monetary system through regional cooperation, the improvement of the pricing and settlement system, and the construction of financial infrastructure. In the future, with the dynamic adjustment of the international monetary system, the BRICS countries may promote a more balanced development of the global economy and open up a new international financial landscape under the background of “de-dollarization”.

Contribution of the author

The article is finished by the three authors equally. The First and Corresponding Author Li Xue finished the first version of this paper; the second author and the third author verified the first version and gave useful comments on this paper. The first author corrected the paper and submitted the paper.

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БРИКС елдерінің долларсыздандыру стратегиясы және оны жүзеге асыру

Аңдатпа: 20 ғасырдың ортасынан бастап АҚШ доллары әлемдік қаржы жүйесіндегі ең танымал валюта болды және жаһандық операцияларда ең маңызды рөл атқарады. Дегенмен, бүгінде БРИКС елдерінің барлығы долларсыздандыру процесін бастады. Бұл мақалада долларсыздандыру үдерісін қысқаша сипаттау үшін мысал ретінде БРИКС елдерінің бірі Ресейді алады. Сонымен қатар, БРИКС елдерінің долларсыздандыру стратегиясы экономика мен жүйе тұрғысынан белгілі бір қолайсыздықтар әкелгенімен, оның орнын толтыру үшін әлі де көптеген артықшылықтар әкеледі. Экономикалық ауқым мен ресурстық ауқымның екі ішкі қозғаушы күшіне байланысты БРИКС елдері бұл стратегияны жүзеге асыруға міндетті және міндетті түрде жүзеге асырады. Содан кейін бұл мақалада «БРИКС елдерінің» экономикалық деңгейден және институционалдық құрылым деңгейінен долларсыздандыру бойынша нақты шаралары талданады. Ақырында, перспектива Қытайға назар аударады және Қытайға долларсыздандыру стратегиясын одан әрі тереңдету үшін маңызды стратегиялық жүзеге асыру ұсыныстарын ұсынады. Бұл шаралар аймақтық экономика мен әлемдік экономикалық циклдегі юаньның үлесін арттырып, БРИКС елдерінің долларсыздандыру стратегиясын одан әрі жеңілдетуі мүмкін.

Түйін сөздер: BRICKS, де-долларизация, доллар гегемониясы, халықаралық экономикалық құқық, юань интернационализациясы

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Аннотация: С середины XX века доллар США является самой популярной валютой в мировой финансовой системе и играет важнейшую роль в глобальных транзакциях. Однако сегодня все страны БРИКС начали процесс дедолларизации. В данной статье на примере России одной

из стран БРИКС, кратко описывается процесс дедолларизации. Более того, хотя стратегия дедолларизации стран БРИКС принесёт определённые неудобства с точки зрения экономики и системы, она всё же принесёт множество преимуществ. В силу двух внутренних движущих сил – масштаба экономики и объёма ресурсов – страны БРИКС вынуждены и неизбежно реализуют эту стратегию. Далее в статье анализируются конкретные меры стран БРИКС по дедолларизации на экономическом и институциональном уровнях. В заключение авторы статьи фокусируются на Китае и предлагают ряд значимых стратегических предложений по её реализации для дальнейшего углубления стратегии дедолларизации. Эти меры могут увеличить долю юаня в региональной экономике и мировом экономическом цикле, а также дополнительно способствовать реализации стратегии дедолларизации стран БРИКС.

Ключевые слова: BRICKS, дедолларизация, гегемония доллара, международное экономическое право, интернационализация юаня

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