



***BRICS Pay* as the BRICS Payment System in the Legal Framework for Transactions in BRICS Countries**

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Abstract: Contemporary geopolitical and economic transformations necessitate the establishment of alternative payment systems as a critical issue on the international agenda. The modern challenges arising in international trade and economic relations encourage discussions regarding the feasibility of adopting new payment methods, including the use of cryptocurrencies and digital financial assets in cross-border transactions. In this regard, payment systems play a pivotal infrastructural role, ensuring the stability of international economic relations in cross-border transactions. Furthermore, the legal frameworks governing the operation of any international payment system must take into account the nuances of the national legislation of the participating States, especially with respect to permissible payment methods, means of payment, and the payment systems administration. A concerted initiative to align the legal systems of BRICS Member States, as well as the regulatory frameworks essential for the functioning of payment systems and cross-border settlements within BRICS, should be pursued simultaneously with, if not prior to, the technological and infrastructural developments associated with the implementation of these systems. Following a thorough analysis of the legal framework surrounding international payment systems, financial information exchange systems, and the risks linked to the establishment of the BRICS payment system — including direct competition among BRICS member economies and varying “sanction” statuses — the author concludes that it is prudent to formulate a comprehensive international agreement that considers the essential requirements of the national legal systems of the

participating countries. Furthermore, the author argues that particular attention should be paid to the issues surrounding the potential use of cryptocurrency (either existing or specifically created for the purposes of BRICS Pay). The author provides a rationale for the endorsement of a treaty that would authorize cryptocurrency transactions within the BRICS Pay framework, subject to the regulation of the central banks of the Member States.

Keywords: *BRICS pay*; BRICS payment system; applicable law; cross-border payment settlements in BRICS; legal regulation; payment system; SWIFT; BRICS+; BRICS Bridge; BRICS Clear; *mBridge*

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I. Introduction

In the context of geopolitical and economic transformation, the need to develop and launch alternative payment systems have emerged as a significant topic on the international agenda. Contemporary challenges arising in the sphere of international trade and economic relations lead to discussions about feasibility of using new payment methods,

including the use of cryptocurrencies and digital financial assets in cross-border transactions. In this context, payment systems play a crucial infrastructural role, facilitating the stability of international economic relations, especially in terms of cross-border transactions. Furthermore, the legal framework governing any given international payment system must take into account the specificities of the national legislation of the participating states concerning acceptable payment methods, means of financial transaction, payment systems administration, and other related aspects.

The issue of organizing *BRICS Pay* as a payment system for BRICS, especially in the context of the legal framework governing settlement relations within BRICS, is not extensively covered in the scientific literature due to its status as a newly discussed issue for international cooperation. Nonetheless, the challenges related to the organization and functioning of international payment systems, financial information exchange systems, specific aspects of payment relationships, cybersecurity, currency integration, and electronic payment transactions within the BRICS framework have been addressed in several scholarly articles. Notable works include papers written by Kaftulina and Dyrdova (2025), Krause (2024), Rezbayev (2024), Gutorovich (2024), Kaur and Kang (2024), Chikova (2025), Valamontes (2024), Shamraev (2019), Barbosa (2020).

In 2024, the BRICS nations held their 16th summit in Kazan, Russia. During this meeting, the traditional agenda was broadened to incorporate extensive discussions on cross-border payment issues, alongside a growing number of participating states. During the discussions, Russia repeatedly advocated for the further development of an alternative international payment system. In their joint declaration following the summit, BRICS Member States emphasized the need to “strengthen correspondent banking networks within BRICS and facilitate transactions in local currencies in accordance with the BRICS Cross-Border Payments Initiative (BCBPI), also referred to as *BRICS Pay*” (Freidin, 2024). The essence of the initiative lies in establishing a decentralized and independent payment system that enables BRICS countries to conduct trade relations using local currencies.

The concept of *BRICS Pay* as an alternative payment system was first articulated in 2018 in the context of discussions among developing countries regarding ways to establish optimal trade relations. During the Summit in 2022, *BRICS Pay* began to be viewed as a potential alternative to the *SWIFT payment system* recognized internationally as the standard for global banking transactions. The SWIFT ban against some Russian banks was seen as one of the primary sanctions imposed by Western countries against Russia. It was assumed that the sanctions in the field of payments and settlements should have made it difficult for Russia to trade with its allies, since the use of SWIFT, as well as the US dollar in cross-border settlements, constitutes a critical framework for the global economy. The imposed restrictions led, in turn, to the fact that Russia began to use national currencies for payments in international trade relations.

The principal difference between SWIFT and systems such as BRICS Pay or the Russian System for Transfer of Financial Messages of the Bank of Russia (SPFS) is that SWIFT operates as an international interbank messaging system rather than a payment system *per se*, whereas SPFS and similar platforms are oriented toward national or regional financial operations. SWIFT facilitates the cross-border transmission of sensitive transaction data; SPFS, by contrast, provides an alternative channel for executing domestic transfers without relying on the international messaging infrastructure. Payment systems proper — defined as the ensemble of instruments, rules, and procedures that enable cashless monetary transactions — include national schemes (for example, Mir, Golden Crown, CIPS), international card networks (notably Visa, Mastercard, UnionPay), and electronic payment platforms (such as e-wallets and mobile payment services). Within this framework, BRICS Pay is conceived specifically as an initiative to create a payment system.

In this context, Russia's support for the *BRICS Pay* initiative seems also logical. At the same time, other BRICS Member States are also interested in developing an alternative payment system within the BRICS. Thus, *BRICS Pay* in some cases is positioned as a way to achieve the goals of de-dollarization, reducing the financial hegemony of the United States. In particular, Brazil fully supports the initiative of the BRICS payment system based on the standing that the time has come

for a new payment system for the BRICS countries to develop, since through this alternative system the multipolar order that the BRICS Member States are striving for will be reflected in the international financial system (in the designated context, Brazil insists on BRICS currency development initiatives).

II. Methodology

The contemporary challenges in cross-border settlements, fueled by technological advancements, the increasing prevalence of sanctions rhetoric, and the arbitrary establishment of a multipolar world order, call for a deeper analysis and, at times, a reevaluation of previously applied methodologies. This situation underscores the need for the development of new strategies aimed at examining payment systems, understanding their significance in the modern international economy, and assessing the legal frameworks that facilitate the modernization of regulatory mechanisms governing international payment systems and cross-border settlements as a whole.

Taking into account the fact that SWIFT is, in fact, the only classical international payment system, the author relies on such general research methods as induction and synthesis to examine the possibility of organizing alternative international payment systems based on instruments similar to SWIFT instruments and the newest instruments. In the context of increased risks in the field of cross-border settlements, the importance of compliance procedures in international practice of settlement relations also increases, which mediates the use of the comparative method aimed at determining ways to verify and ensure compliance with regulatory requirements in international settlements. The comparative research method in this context continues the logic of the comparative methodology for implementing compliance procedures in cross-border settlements. In the work, taking into account its legal nature, a formal-legal research method is also used. Based on the formal legal method of research, the author, in particular, formulates proposals in the field of harmonization of integration processes taking place within the BRICS.

III. Legal Aspects of the Payment Systems Operation, the Formation of an Alternative Payment System in the context of the BRICS Status and Modern International Economic Relations

It is important to understand the status and organizational capabilities of BRICS to analyze the legal aspects of the formation of the BRICS payment system and implementation of cross-border settlements within the BRICS. Thus, BRICS is not an international organization or a classic integration association. The BRICS, as noted, on the official BRICS website, is an informal association of States that consists of the Federative Republic of Brazil, the Russian Federation, the Republic of India, the People's Republic of China and the Republic of South Africa.¹ The creation of BRICS was initiated by the Russian Federation. On 20 September 2006, following the suggestion of Russian President Vladimir Putin, the first BRICS ministerial meeting was held on the sidelines of the UN General Assembly in New York. The meeting was attended by the foreign ministers of Russia, Brazil and China, and the Minister of Defense of India. During the meetings the participants expressed interest in expanding multilateral cooperation.

The formation of a payment system within an international organization seems to be more effective in terms of international obligations and infrastructure frameworks existing within an international organization. At the same time, even within the framework of an informal association of States, the emergence of separate contractual obligations and the formation of a multipolar law and order, including an alternative payment system, is possible.

Thus, as the BRICS expands, the efforts of the BRICS Member States to increase the global use of currencies alternative to the US dollar, in particular the Chinese yuan, are increasing (Greene, 2023) and the retreat from the use of the dollar in calculations contributes to the growth of national currencies, for example, the yuan in emerging markets and motivates strategic partners within the BRICS, such as Russia, India, China, to seek wider use of non-dollar currencies.

¹ History of BRICS. BRICS portal. Available at: <https://infobrics.org/page/history-of-brics/> [Accessed 01.10.2025].

Given the fact that international payment systems form the basis of world trade, since the transfer of funds is facilitated, such systems, in fact, act as an intermediary between private entities in different countries, allowing them to conduct transactions in a safe and reliable manner. With the growing number of cross-border settlement requests and the growth of international trade in general, international payment systems have become increasingly important.

A step-by-step operation of the international payment system can be described as follows. First, the payer initiates a transaction, i.e., an individual or legal entity wishing to transfer money abroad initiates a transaction by providing information about the recipient (a payee), such as name, account number and bank details. Next, the payer's bank checks the transaction and authorizes the transfer of funds, which involves checking at this stage the payer's account balance and confirming that he has enough funds to make the transfer. The payer's bank then interacts with the payee's bank through the secure network of the international payment system to ensure that the funds are transferred to the correct account. It is important to note that if the payer and the payee use different currencies, the funds are converted from one currency to another at the current exchange rate. Once funds are transferred and converted, the payee's bank credits the payee's account, and the payee can then access the funds according to their bank's rules.

Thus, the international payment system plays an intermediary role, i.e., a service role aimed at simplifying and speeding up international payments and settlements. Obviously, this kind of functionality can be represented by different systems providing alternative services, solutions, and conditions. Moreover, in modern conditions, only SWIFT is the classic international payment system. Other systems can only be conditionally called analogues, which determines the relevance of the discussion of the creation of a new international payment system *BRICS Pay*. For example, the CIPS system is often called an analogue of SWIFT, but this Chinese payment system is designed for settlements in yuan, despite the fact that SWIFT only helps banks from different countries transmit messages to each other for transactions. Rather, CIPS should be compared with the American CHIPS used to clear settlements with American companies.

CHIPS is a real-time gross settlement system designed for the same-day processing of large transactions in US dollars. Operating within the United States, CHIPS is managed by *The Clearing House*, a private organization owned by major commercial banks, that provides a secure and efficient platform for the transfer of funds between participating banks, ensuring the finality of payments.

SWIFT and CHIPS differ primarily in their scope and functionality. While SWIFT serves as a global network connecting banks worldwide for various types of financial messaging, CHIPS operates exclusively within the United States. SWIFT facilitates communication among banks for a diverse range of financial transactions, whereas CHIPS specializes in the processing of large-scale US dollar transactions. Consequently, SWIFT functions as a broader payment system, while CHIPS serves as a more focused payment mechanism, confirming the international character of SWIFT as a global payment system.

The dominant position of SWIFT in the realm of cross-border payments has developed for over 40 years. However, as companies increasingly view payment optimization measures as integral to business growth and development, and as they explore new potential trajectories for cross-border payments amid economic constraints, they are willing to diverge from the SWIFT system in favor of alternative methods. Moreover, despite SWIFT's scale and reliable technology, international payments made via SWIFT can be slow, costly, and opaque. Such inefficiencies adversely affect cash flow and financial planning, and they may slow down the very expansion that SWIFT was designed to facilitate.²

When discussing potential alternatives, it is important to note that the payment industry has undergone significant changes in recent years. New cross-border payment solutions have emerged, driven by the advent of banking APIs (Application Programming Interfaces that allow third-party applications to access a common set of tools), FinTech innovations, and blockchain projects. Blockchain projects offer tremendous prospects for addressing many of the issues associated

² Best 4 Swift alternatives for cross-border payments in 2024. BVNK blog. 18 July 2023. Available at: <https://www.bvnk.com/blog/swift-alternatives> [Accessed 10.01.2025].

with payments through SWIFT. Blockchain solutions are not bound by geographical limitations, they operate around the clock seven days a week, and facilitate direct payments (i.e., payments that move directly from the payer to the payee without intermediaries).

Before the emergence of SWIFT, a telegraphic transfer (also known as *Telex*) was the only way for banks and other financial institutions to transfer money internationally. However, *Telex* lacked a unified data standard, which meant that transfers were slow, insecure, and susceptible to human error. SWIFT became the dominant method for processing cross-border payments affectively addressing the problems associated with *Telex*.

SWIFTNet messaging services employ a common ML data standard, whereas the implementation of XML-based MX messaging has created opportunities for data integration from external (third party) systems. SWIFT is now transitioning to a new messaging standard ISO 20022 that represents an international standard for data exchange among financial institutions, supporting enriched data in a more efficient and structured format.

The security and reliability of financial transactions are ensured through the implementation of a Virtual Private Network (VPN) that guarantees confidentiality and protection via encryption, authentication controls, integrity checks, and non-repudiation protocols. In parallel, SWIFT continues to innovate and introduce new payment services. For instance, SWIFT GPI (Global Payment Innovation), launched in 2017, integrates previously fragmented domestic real-time payment networks. It employs a unique end-to-end transaction reference (UETR) to ascertain the status of payments in real time and reroute them along expedited paths. Additionally, it provides a pre-validation feature, which mitigates the risk of transaction failures. Swift GPI currently facilitates daily transactions worth \$ 300 billion, with 50 % of these transactions completed within 30 minutes and 96 % finalized in less than 24 hours. In 2021, within this framework, the *Swift Go* service was launched, specifically targeting small and medium-sized enterprises (SME customers) engaged in low-value international payments (under \$ 10,000, GBP, or EUR).

Moreover, SWIFT provides a wide range of additional services on its platform, including tools for compliance support, analytics, issue resolution, and record keeping.

The outlined structured and detailed approach to organizing the operation of payment systems with various differentiated services should undoubtedly be taken into account when establishing an alternative payment system, regardless of the technological solutions employed or the number of participants involved. The use of technologies and legal solutions to harmonize approaches to recognizing electronic messaging at the national – and potentially international – legal levels could serve as an effective trajectory for the creation and legal support of an alternative payment system.

IV. Harmonization of Approaches to Cross-Border Payments and Associated Relations amid BRICS Growth and Development

Continuing the analysis of the challenges and potential solutions for the development of an alternative payment system such as *BRICS Pay*, it is important to consider the fact that the BRICS association initially focused its efforts on reforming multilateral financial institutions, namely, the International Monetary Fund. However, over time, the trajectory of cooperation within this association has shifted from modernizing the operations of existing institutions to establishing new ones, and even discussing the prospects of founding an international organization.

The status of an international organization would provide BRICS with new opportunities to develop an international payment system using the existing infrastructure of an international organization and under international obligations, as stipulated by an international agreement. This treaty could have an open status, allowing any interested states, regardless of their membership in BRICS, to utilize such infrastructure and the relevant provisions of the international treaty (or multiple international treaties).

It is important to note that with the inclusion of oil-producing and refining nations into the BRICS group – specifically, the United Arab

Emirates, Iran, Egypt, and Ethiopia, which will join on 1 January 2024, followed by Indonesia on 6 January 2025— BRICS is poised to attain a significantly enhanced informal status. This potential advancement hinges on the Member States' ability to collaborate and prioritize collective interests over individual political and commercial agendas (Crowe, 2025). For example, the United States continues to be China's primary trading partner.

It is anticipated that a decentralized operating system will empower BRICS Member States to conduct trade amongst themselves without the need to convert their payment currencies into US dollars. This will be achieved using blockchain technology and digital financial assets, while also circumventing the international payment system SWIFT. In this regard, BRICS Pay is introduced as a means to lower costs, improve efficiency, and potentially protect participants from possible economic sanctions.

According to some experts, the launch of the *BRICS Pay* system could be a significant step towards a multipolar global economy, reducing the dominance of the US dollar and creating a more balanced trading environment for developing countries. This could also encourage increased competition between Western and Eastern economic models, with long-term geopolitical consequences (Vaidyanathan, 2025).

It is crucial to recognize that international banks, financial accounting and auditing firms, as well as law firms, have their roots primarily in Western economies, notably the United States and the United Kingdom. Nevertheless, these entities currently face limitations in their access to the major economies of BRICS — Brazil, China, India, and Russia. In this regard, BRICS represents a counterbalance to the G7, influencing the dynamics of multipolarity and international competition, and potentially exacerbating the rise of protectionist measures. Nevertheless, the processes of globalization persist, and they must be taken into account when shaping any international payment system and model of the international economy and trade as a whole. Globalization processes, within the framework of the contemporary international order and legal system, as well as in light of the functioning of international economic and trade organizations and the obligations arising from international agreements and documents under the WTO,

ECOSOC, OECD, APEC, et al., must also be advanced in the context of developing compromise solutions that, in one way or another, connect the multipolar international legal regimes and infrastructure solutions.

When discussing the legal regulation of relationships in the sphere of international trade, it is important to note that the United Nations Convention on Contracts for the International Sale of Goods (the Vienna Convention of 1980) is a crucial international treaty that harmonizes substantive law rules governing sales transactions between entities from BRICS Member States. The fact that not all BRICS Member States are parties to the Vienna Convention (with Russia, Brazil, Egypt, and China having ratified it, while India, Indonesia, Iran, South Africa, the UAE, and Ethiopia have not) does not diminish its harmonizing potential and significant impact on the law of international trade within BRICS. A conflict-of-law clause in the Convention that refers to the law of the contracting state as a whole entails the application of the provisions of the Convention as special rules governing contractual relationships (under Para. 1 Art. 1 of the Convention, it applies to contracts for the sale of goods between parties whose commercial enterprises are located in different States, including where the law of the Contracting State is applicable under the rules of private international law). It is also essential to understand that the nationality of the parties, their civil or commercial status, or the civil or commercial nature of the contract do not affect the applicability of the Vienna Convention (Para. 3 Art. 1 of the Convention).

The application of the Convention may also be justified by the fact that the norms of international treaties can take precedence over national legislation, a situation that depends on the national approach to this issue in the respective BRICS Member States. For instance, according to Part 4 Art. 15 of the Constitution of the Russian Federation, universally recognized principles and norms of international law, as well as international treaties of the Russian Federation, have priority over national laws, forming an integral part of the legal system of the State. This means that if an international treaty establishes rules that differ from those provided by national law, the provisions of the international treaty shall apply. Conversely, the Constitution of the People's Republic of China does not contain any norms establishing

the primacy of international law over national legislation, nor does it enshrine universally recognized principles and norms of international law as part of China's legal system. The relevant Art. 5 of the Constitution of the PRC just declares that the State ensures the uniformity and observance of socialist legality, and no laws, administrative acts, or local regulations shall contradict the Constitution.

However, the harmonization of substantive legal norms in the area of sales does not eliminate the necessity of considering the effect of conflict-of-law norms in international private law. Therefore, the rules pertaining to the choice and determination of applicable law must also be harmonized within the context of the BRICS nations (Wethmar-Lemmer, 2017).

Indeed, collaborative efforts in the field of private international law aimed at harmonizing both substantive and conflict-of-laws approaches among BRICS Member States are highly relevant due to the significant increase in the number of cross-border transactions and relationships among entities from these countries. In this regard, the conflict of laws and legal systems, particularly in the context of the proposed BRICS Pay initiative, may result in undesirable legal consequences associated with the potential operation of the payment system. This includes issues relating to the recognition of electronic communications, contractual terms, correspondent banking relationships, and other related matters.

In the specified context, it appears prudent to develop consolidated acts that harmonize the integration processes occurring within the framework of BRICS. This includes initiatives focused on the developmental trajectories of BRICS under the BRICS+ format, which aims to expand cooperation with new States.

In addition to the overarching strategy, the following key elements have been incorporated into the foundation of the BRICS+ initiative: *BRICS Pay*, *BRICS Bridge*, and *BRICS Clear*. *BRICS Pay* is reportedly aimed at harmonizing the internal payment systems among Member States; however, it currently functions more as a symbolic project rather than an operational one, given the absence of an active system at this time (Corbet, 2024).

In contrast, *BRICS Bridge*, inspired by the Bank for International Settlements' (BIS) *mBridge* project, employs distributed ledger tech-

nology (DLT) to facilitate transactions in local currencies through the prospective incorporation of multiple central bank digital currencies (CBDCs), operating as an internal payment infrastructure. However, the *mBridge* project, initially developed by the central banks of China, Hong Kong, Thailand, and the United Arab Emirates (UAE) within the BIS Innovation Hub, which aims to establish direct digital connections between the participating central banks and effectively operate outside the current correspondent banking framework, may face termination by the BIS. This possibility is being discussed in the context of its potential utilization for circumventing sanctions and the risk it poses to the dominance of the US dollar in the global financial system.³ Against this backdrop, *BRICS Clear* offers a securities depository and settlement system as an alternative to Western organizations such as *DTCC* and *Euroclear*, which is currently under active discussion.

The ideas of the BRICS payment system are also supported by increasing bilateral cooperation between the participating States. The most illustrative example here is Russian-Chinese economic relations, the rapid growth of which was characterized by several remarkable events. The most notable of them were bilateral trade and currency swap agreements that allow trading in national currencies. It is noteworthy that transactions in national currencies increased by 67 % in 2022 compared to the previous year, and by the end of 2023, 95 % of Chinese-Russian trade was carried out in national currencies. This was largely facilitated by improving the integration of the Russian Financial Messaging System (FMS) with the Chinese Cross-Border Interbank Payment System (CIPS) in order to avoid the use of the SWIFT payment system and thereby increase the financial stability and continuity of operations of companies subjected to economic restrictions (Corbet, 2024). Further unification of payment systems was achieved through the integration of the Russian *Mir* network with the Chinese *UnionPay*.

However, the risks of organizing the BRICS payment system remain. Direct competition between the economies of the BRICS Member States, different “sanctions” status can seriously complicate

³ Frank Media website. The Bank for International Settlements has initiated discussions regarding the closure of the *mBridge project*. Available at: <https://frankmedia.ru/182709> [Accessed 12.01.2025]. (In Russ.).

the smooth implementation of the payment system, which can be aggravated by different nature and stages of economic development, as well as different regulatory frameworks characteristic of the respective BRICS + countries. Although the initiative obviously relies on the achievements of the *mBridge* project, this technological basis, as noted above, is also at risk; project tests have demonstrated the need to use traditional markets because of the credit and liquid risks that have arisen, as well as the lack of consistency in common standards.

The aforementioned risks appear to be ongoing; however, they can be addressed through the advancement of BRICS technologies and the adoption of open “neutral” solutions. This approach aligns with the promotion of multipolarity, considering the ongoing developments within globalization processes. It is important to highlight that as the significance of payment sovereignty grows, an unprecedented interest in alternative payment systems that challenge conventional mechanisms is expected (Maynard, 2024).

V. Conclusion

Given that the *BRICS Pay* Concept seeks to create a completely independent network of financial institutions for facilitating cross-border payments, thereby enabling Member States to sustain uninterrupted trade relations, and that the proposed system will include a compatible retail QR code payment system, a B2B payment system, potential cryptocurrency settlements, a loyalty program for tourism, and an international digital platform for cross-border securities transactions, it is advisable to establish a comprehensive international framework that addresses the essential needs of the national legal systems of the participating States. Additionally, specific attention should be given to the potential use of cryptocurrency (either existing or specially created for the purposes of BRICS Pay). In cases where national legislation of a participating state prohibits the use of cryptocurrency as a means of payment in cross-border transactions, it may be permissible to adopt an agreement that allows for cryptocurrency settlements within the framework of *BRICS Pay*, subject to oversight by the central banks of the participating states in the payment system.

It is of utmost importance to ensure that *BRICS Pay* seamlessly integrates with the diverse payment systems and financial technologies of each Member State. This necessitates intricate technical coordination and development of standardized protocols that operate within various banking infrastructures.

A suitable integration measure would be for BRICS to adopt an Agreement on Cooperation among national payment systems, establishing provisions for exchanging data and messages via a common protocol through a shared supranational BRICS Pay platform. Such an agreement would permit national payment systems to function as subsystems of the wider BRICS payment system. Implementation should be coordinated by the central banks of BRICS member states, which could, through national working groups, effectively coordinate the activities of national payment systems and the development of the national segment of BRICS Pay infrastructure in each country, including in states that currently lack a domestic payment system.

Furthermore, the payment system must implement cutting-edge security measures to safeguard against cyber threats, fraud, and unauthorized access. Achieving this requires comprehensive legal frameworks, regular updates, and continuous monitoring to address emerging vulnerabilities (Adetunji and Chinonso, 2025).

The establishment of a comprehensive legal framework that is in harmony with international standards while accommodating the national regulatory requirements of each participating State is essential. This necessity is underscored by several key factors: implementation of effective mechanisms to guarantee compliance with established requirements across various legal systems, thereby maintaining agreed-upon standards; the fight against money laundering and the financing of terrorism, which calls for the introduction of stringent measures to avert these activities while facilitating legitimate transactions; the imperative of data confidentiality, which requires adherence to strict data protection standards that align with diverse national regulatory demands to protect user information internationally; the continuous enhancement of cybersecurity measures to defend against evolving threats and ensure the resilience of the payment system; the optimization of taxation and resolution of complex issues related to taxation in cross-

border transactions; and protection of consumer rights, which entails the application and enforcement of effective regulatory provisions to foster user trust.

Thus, it appears that comprehensive efforts to harmonize the legal systems of the BRICS Member States, as well as to provide legal support for the functioning of the payment system and cross-border settlements within BRICS, should be undertaken concurrently or even in advance of the technological and infrastructural processes required for the system's implementation.

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