

RBI, 4 Asean nations tie up for cross-border payments platform

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The Reserve Bank of India (RBI) has joined hands with the Bank for International Settlements (BIS) and central banks of four Asean (Association of Southeast Asian Nations) countries to collaborate on Project Nexus — a multilateral international initiative to enable retail cross-border payments.

The platform, which is expected to go live by 2026, will interlink domestic fast payment systems (FPS) of countries namely Malaysia, the Philippines, Singapore, Thailand and India. The central banks of these countries are the founding members and first movers of the platform.

“An agreement to this effect was signed by the BIS and the central banks of the founding countries — Bank Negara Malaysia (BNM), Bank of Thailand (BOT), Bangko Sentral ng Pilipinas (BSP),

Monetary Authority of Singapore (MAS), and the Reserve Bank of India — on June 30, 2024, in Basel, Switzerland,” the RBI said in a release.

Indonesia would continue to be involved as a special observer to the platform.

Project Nexus is aimed at making retail cross-border payments efficient, faster and cost-effective, the RBI release said. The banking regulator has indicated that the platform would be extended to more countries in the future.

India has been promoting its homegrown FPS, the Unified Payments Interface (UPI), for cross-border person-to-person (P2P) and person-to-merchant (P2M) payments.

Countries such as Mauritius, Singapore, Nepal and Sri Lanka among others accept UPI payments, as per details on the National Payments Corporation of India’s (NPCI’s) website.

