



Iran and Russia want to issue new stablecoin backed by gold

Description

The potential stablecoin aims to enable cross-border transactions instead of fiat currencies like the U.S. dollar, the Russian ruble or the Iranian rial.

The Central Bank of Iran is reportedly cooperating with the Russian government to jointly issue a new cryptocurrency backed by gold.

[According](#) to the Russian news agency Vedomosti, Iran is working with Russia to create a “token of the Persian Gulf region” that would serve as a payment method in foreign trade.

The token is projected to be issued in the form of a stablecoin backed by gold, according to Alexander Brazhnikov, executive director of the Russian Association of Crypto Industry and Blockchain.

The stablecoin aims to enable cross-border transactions instead of fiat currencies like the United States dollar, the Russian ruble or the Iranian rial. The report notes that the potential cryptocurrency would operate in a special economic zone in Astrakhan, where Russia started to accept Iranian cargo shipments.

Russian lawmaker Anton Tkachev, a member of the Committee on Information Policy, Information Technology and Communications, stressed that a joint stablecoin project would only be possible once the digital asset market is fully regulated in Russia. After multiple delays, the Russian lower house of parliament once again promised to start regulating crypto transactions in 2023.

Iran and Russia are among the countries that banned their residents from using cryptocurrencies like Bitcoin ([BTC](#)) and stablecoins like Tether ([USDT](#)) for payments. At the same time, Iran and Russia have been actively working to adopt crypto as a tool of foreign trade.

In August 2022, Iran's Industry, Mines and Trade Ministry approved the use of cryptocurrency for imports into the country amid ongoing international trade sanctions. The local government said the new measures would help Iran mitigate global trade sanctions. Iran subsequently placed its first international import order using \$10 million worth of crypto.

The Bank of Russia — historically opposed to using crypto as a payment method — agreed to allow crypto in foreign trade to mitigate the impact of international sanctions. The regulator has never clarified which cryptocurrencies would be used for such transactions though.

Category

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