

**Chinese business & finance****China tees up digital payments system to compete with dollar**

Beijing's cross-border currency platform will be backed by central banks of Hong Kong, Thailand, UAE and Saudi Arabia



A sign indicating payment is accepted using China's new digital currency © Greg Baker/AFP/Getty Images

**Joe Leahy** and **Cheng Leng** in Beijing

Published JUNE 13 2026

---

Could you be the FT's top trader? [\*\*Try our new stock picking game\*\*](#)

China is getting ready for the commercial rollout of a digital currency programme that could reshape cross-border transactions, reduce reliance on the dollar and draw Beijing closer to its “Belt and Road” trading partners.

The Beijing-led platform, known as mBridge, is backed by the central banks of mainland China, Hong Kong, Thailand, the United Arab Emirates and Saudi Arabia. A Hong Kong-based entity will be set up to oversee its operations, people familiar with the matter said.

They did not reveal the exact date of the commercial launch but said preparations were advanced and that fees would be half those of conventional international payment systems. Smaller businesses that found international payment systems, such as Swift, expensive and difficult were expected to use mBridge, they said.

China's drive to widen global use of its currency has been boosted by the Iran war, with adoption of Beijing's more conventional renminbi cross-border clearing and payments system (Cips) — its version of Swift — surging since the conflict erupted. The mBridge platform is a separate and complementary system, designed to bolster the use of digital renminbi.

The project also comes as other regional payment systems gain traction. Initiatives such as the European Central Bank's Sepa, as well as private-sector efforts such as Ant Group's cross-border QR code network, are also targeting faster, lower-cost transactions, particularly for smaller, real-time payments done by tourists.

"There is an alternative financial systems arms race going on quietly in the background," said Tom Keatinge, the founding director of the Centre for Finance and Security at UK-based RUSI, pointing to the US embrace of stablecoins under President Donald Trump. Stablecoins are crypto assets pegged to fiat currencies such as the dollar.

He said China wanted to secure the role in global finance of its digital currency, the ECNY, using systems such as mBridge. "You could say it's a digital currency belt and road and so it's no surprise that the Chinese would be continuing to press ahead with that," he said of mBridge.

The "global payments landscape", which was once dominated by Swift, was fragmenting into a "system of competing networks, with mBridge set to be one of them", said Gene Ma, head of China research at the Institute of International Finance.

The mBridge project, which began with an earlier initiative between the HKMA and the Bank of Thailand under the name Inthanon-LionRock, took on its current form and name in 2021 with the involvement of the Bank for International Settlements and the central banks of Dubai, China and the UAE. It has faced repeated public and political scrutiny over whether it could enable countries or entities to bypass the dollar system and evade sanctions.

The BIS handed the mBridge project over to its partners in 2024, a decision the FT has reported was due to pressure from Washington. The BIS's then general manager Agustín Carstens denied there was any such pressure.

The BIS and officials at the People's Bank of China say the mBridge project complies with the Financial Action Taskforce's anti-money laundering rules, referring to the global body whose task is to tackle illicit global financing networks.

The mBridge platform, now led by Beijing, uses blockchain technology to transact directly between central banks using their own digital currencies — reducing the role of the dollar as an intermediary currency and cutting the time to make foreign exchange transactions down to seconds.

Commercial banks could participate in mBridge transactions under the supervision of their central banks, people familiar with the project said. So far mBridge had processed about Rmb470bn (\$69bn) in transactions to date, the people familiar with the matter said.

Strategically, analysts say the system could reinforce China's position in global trade and deepen financial links with regional partners.

“For exporters, it speeds up cash turnover and reduces the risk of liquidity strains,” said Wang Jian, chief financial sector analyst at Guosen Securities. “More broadly, it could strengthen China's voice in the global monetary order and support the internationalisation of the renminbi.”

The PBoC declined to comment.

*This story has been amended to make clear that Agustín Carstens is no longer the general manager of BIS.*

## **Follow the topics in this article**

---

Foreign exchange

Banks

Chinese economy

Chinese business & finance

Swift