

# TARGETING 20pc TRADE IN LOCAL CURRENCIES

Anwar says this will strengthen regional partners' monetary autonomy



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**M**ALAYSIA and several regional partners are targeting to conduct up to 20 per cent of their trade in local currencies, said Prime Minister Datuk Seri Anwar Ibrahim.

He said this signalled a regional push to strengthen monetary autonomy and reduce overdependence on the US dollar.

In an exclusive interview with international broadcaster TV BRICS, Anwar said the shift included trade with China, Thailand and Indonesia, covering transactions worth "billions of dollars".

"This shows that where we can, we should proceed," he told TV BRICS host and international cooperation director Darya Ivankova.

The interview took place on the sidelines of the KazanForum 2025, on the final day of Anwar's four-day official visit to Russia, which concluded on Friday.

"It's not about replacing the dollar, which remains dominant globally, but about creating buffers to protect our national interests," he said.

Anwar added that the effort formed part of broader regional cooperation under frameworks like the Chiang Mai Initiative.

Under the initiative, Asean+3 economies are deepening collaboration among their central banks and promoting cross-border settlements in domestic currencies.

He said discussions had also touched on reviving the concept of an Asian Monetary Fund, not as a competitor to existing institutions, but as a strategic buffer.



Prime Minister Datuk Seri Anwar Ibrahim speaking to TV BRICS host and international cooperation director Darya Ivankova during an interview in Kazan on Friday. PIC COURTESY OF TV BRICS

"This isn't about challenging anyone," he said. "It's about mitigating shocks and building regional resilience. This is especially important for trade-focused economies like Malaysia."

Anwar said Malaysia's broader economic strategy was anchored in digital transformation, energy transition and food security, areas where partnerships with BRICS and Global South countries have become increasingly vital.

He pointed to Malaysia's emerging role as a regional hub for semiconductors, artificial intelligence (AI) and data centres, supported by the government's National Semiconductor Strategy.

"We have attracted massive investments from global leaders, Google, Microsoft, Nvidia and Infineon from Germany," he said.

"The next phase is about increasing efficiency, scaling up our talent and making the country even more competitive."

Highlighting Asean-wide energy cooperation, Anwar cited the Asean Power Grid project as a milestone initiative to support energy sharing across the region.

"It's a phenomenal shift, from fossil fuels to hydro, gas and renewable alternatives. It's our collective contribution to sustainability and climate action."

On Malaysia's concurrent roles as Asean Chair and a new BRICS partner country, he said both platforms provided unique avenues to pursue inclusive, multipolar economic diplomacy.

"Malaysia is a trading nation. Asean takes its position of centrality, which means we engage with everyone. BRICS offers a cohesive force within the Global

South. We negotiate together and protect our turf together."

He noted that Malaysia would be hosting the Asean-Gulf Cooperation Council (GCC) Summit at the end of the month.

This will be followed by the East Asia Summit and Heads of Government Meeting at the end of the year, offering critical opportunities to strengthen regional economic fundamentals.

Anwar also discussed Malaysia's push for more free trade agreements (FTAs), including with the United Arab Emirates, a BRICS member, and reaffirmed Malaysia's openness to future FTAs with BRICS+ countries.

"FTAs remain one of the most practical tools to boost trade flows. We've signed them with the United Kingdom and reengaged with the European Union after past setbacks. We're pragmatic."

He said what distinguished BRICS was its focus on the specific challenges of the Global South. This included food security, raw materials, petrochemicals and gas, areas that are often sidelined in traditional global market structures.

Anwar concluded the interview by stressing that economic growth must be paired with human development, governance and justice.

"To me, the role of women, culture, education and environmental protection are not side issues, they are central to progress."

"We can't keep being lectured by countries that haven't fulfilled their promises to the developing world."

"We have to move forward on our terms, fairly and sustainably."