



National Committee
on BRICS Research,
Russia



上海政法學院

Shanghai University of Political Science and Law



INSTRUMENTS FOR BRICS LOW-CARBON DEVELOPMENT PROGRAMS

THE 3RD COMPETITION ON PROMOTING BRICS INDUSTRIAL INNOVATION COOPERATION.

THE PROJECT: BRICS HYDROGEN ENERGY PRODUCTION AND FINANCING

THE TEAM:

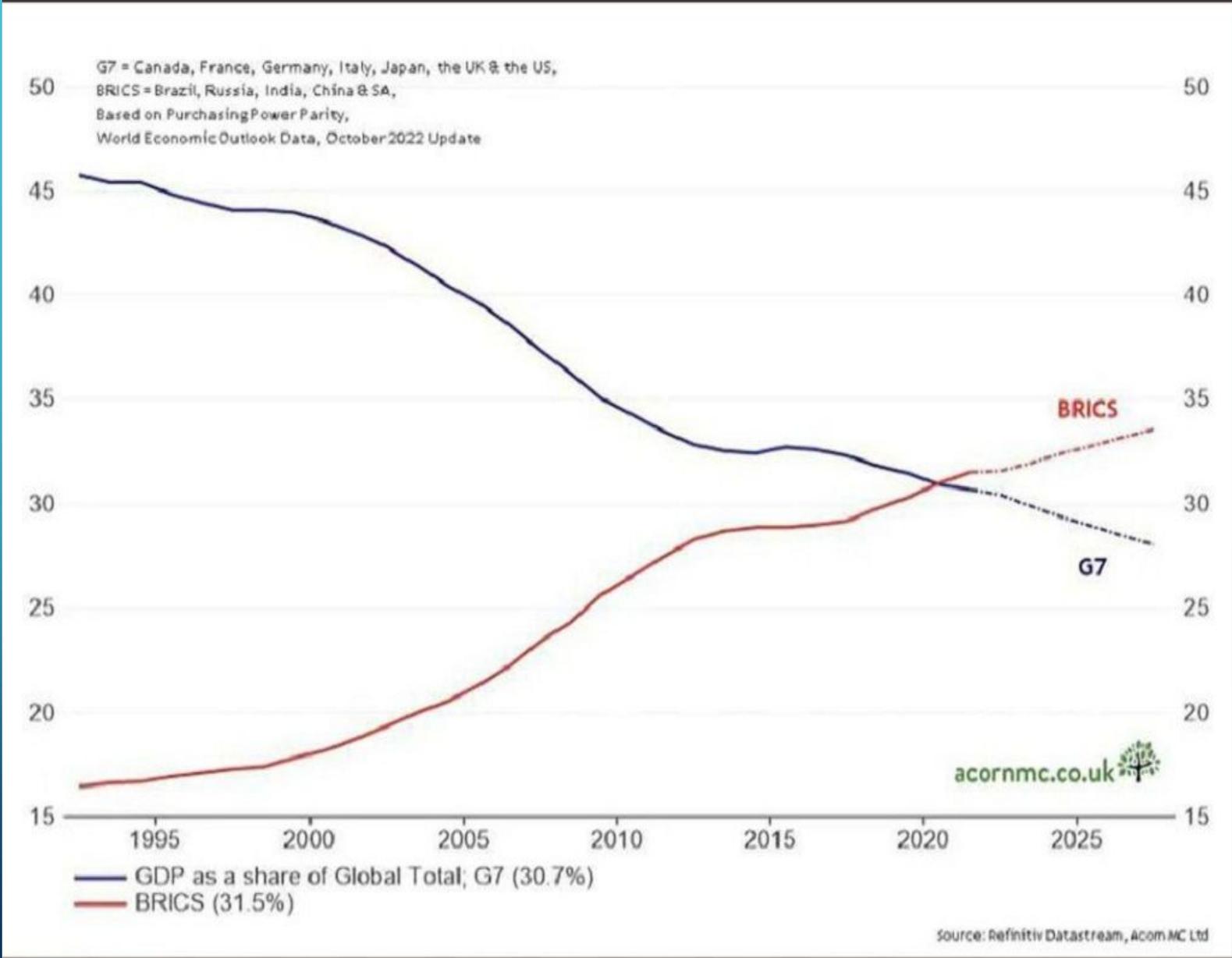
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SHARE OF GLOBAL GDP



PARTNER – COUNTRIES' ECONOMIC AIMS

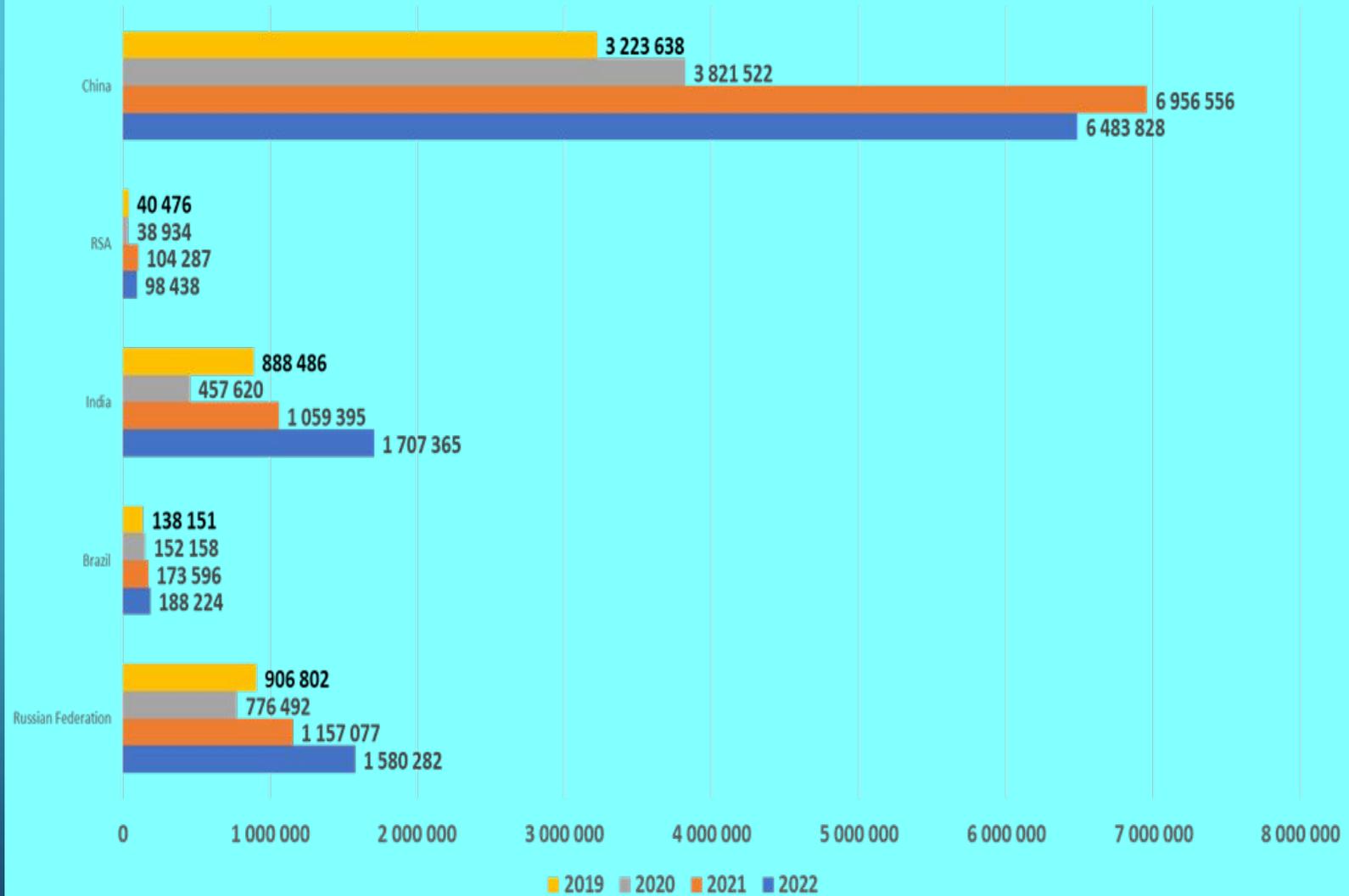


Sustainable economic growth & successful reproduction

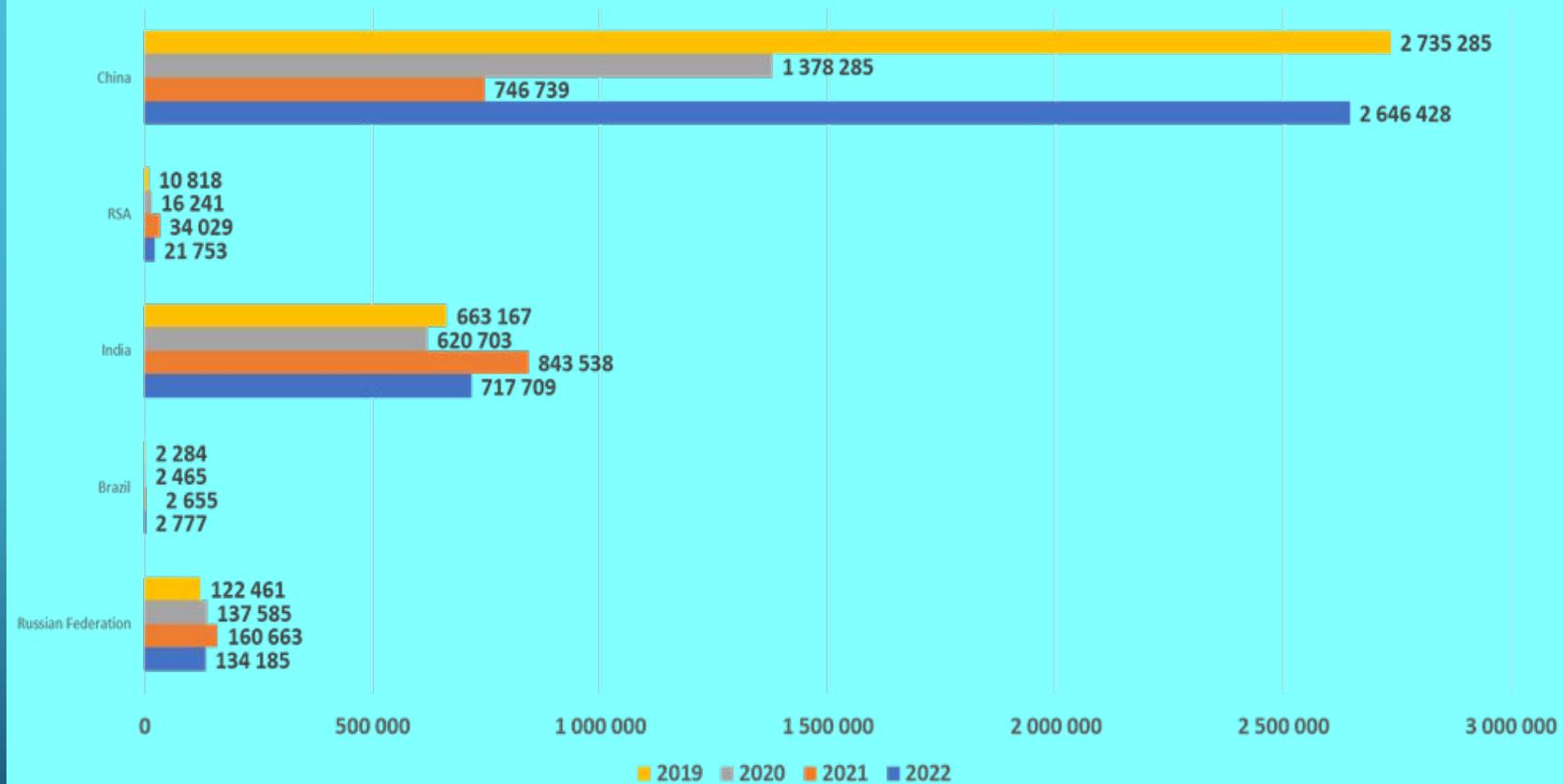
Safe finance & effective risk management

Support of economic entities for better living

Volume of financial transactions of private companies in mln. dollars.



Volume of financial transactions of state-owned companies in mln. dollars.



MULTILATERAL COOPERATION AS A NEW CHALLENGE

Customs Union – Mutual Market –
Economic Union – Currencies Union –
Free economic cooperation



Eurasian Economic Union (EAEU) nations



WHY HYDROGEN FOR BRICS GREEN ECONOMY?

Economic and population growth as well as energy consumption

Hydrogen can become a new ecological energy carrier (hydrogen economy)

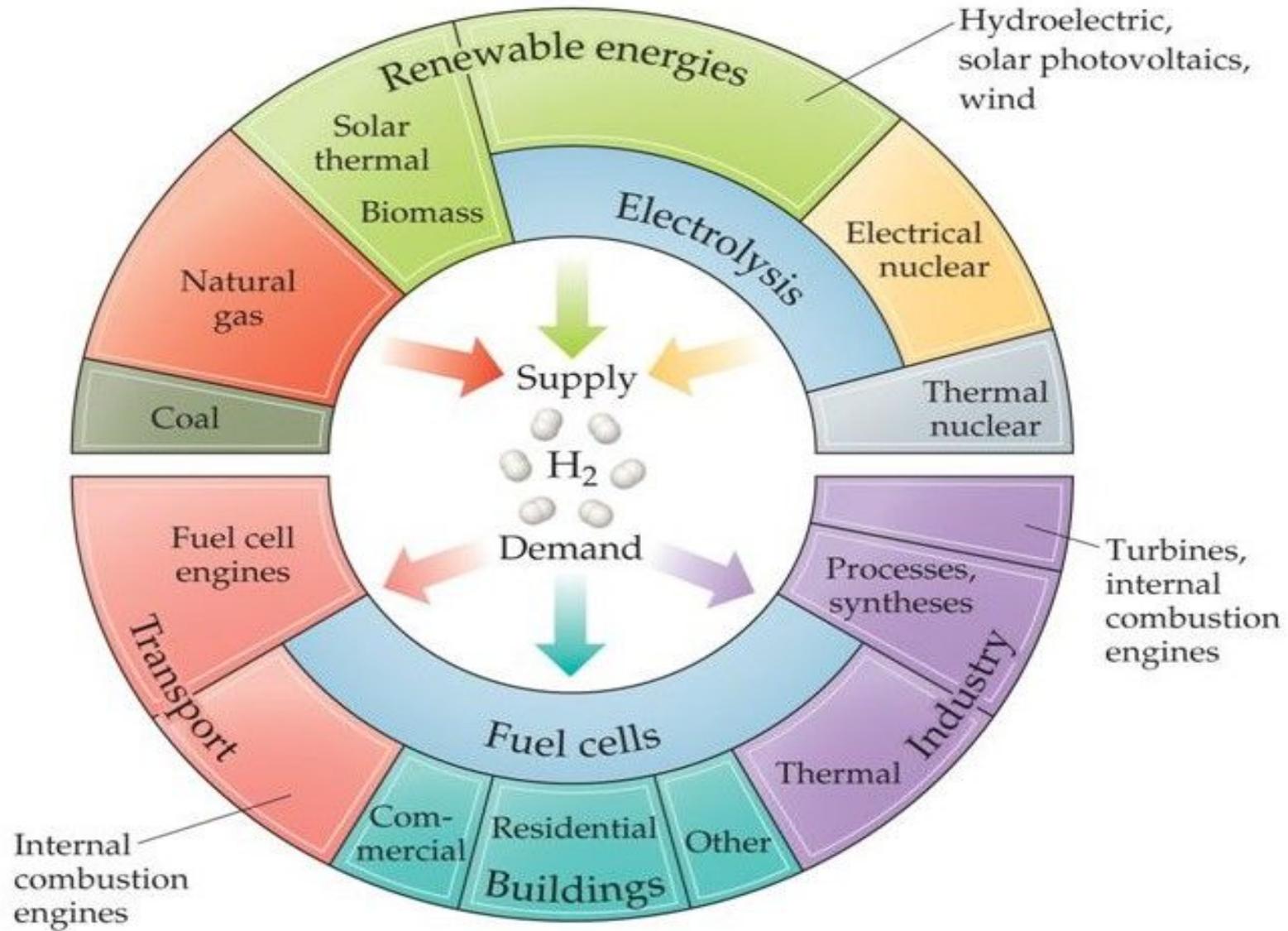
Hydrogen economy depends on R&D its infrastructure, a way to extract hydrogen, harmonized rules of fuel operating procedures

Risks of ecology & energy security depends on mutual activity of the relevant actors

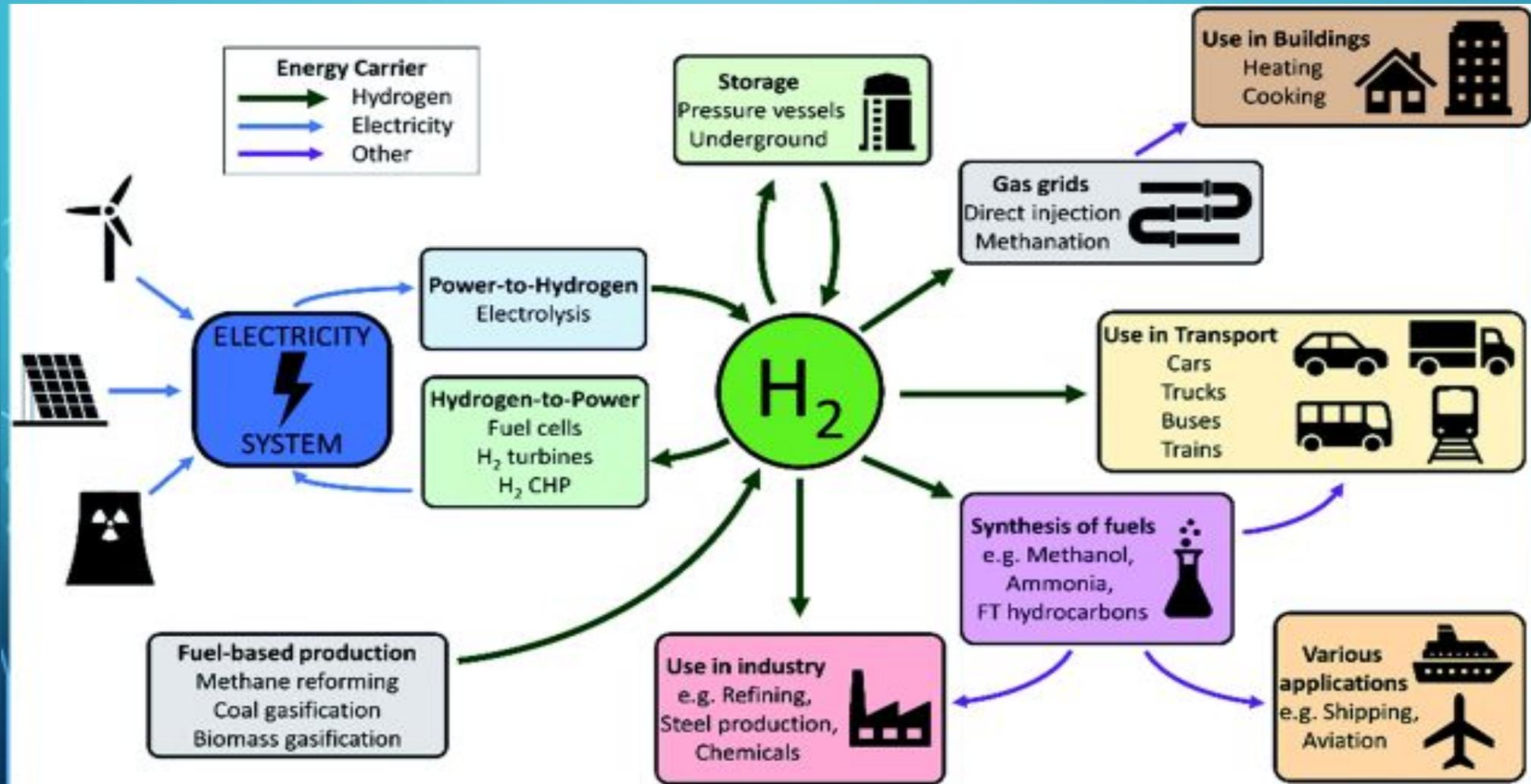
Helps us to forget about exhaust gases, oil rigs and gasoline dependence forever



The Hydrogen Economy



H₂ PRODUCTION AND USAGE REQUIRES FINANCING



PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT

Development of international economic & financial relations backed by cyber platforms

Direct/indirect financing

Harmonization of rules, instruments, services

Public Private Partnership (preferential for partners)

NEW CHALLENGES FOR DEVELOPMENT BANKS

- **New Development Bank**
- **Asian Infrastructure Investment Bank**
- **International bank for economic cooperation**
- **International Investment Bank**
- **Intergovernmental Bank**
- **Eurasian Development Bank**
- **Black Sea Trade and Development bank**
- **Inter-American Development Bank**
- **Asian Development Bank**
- **African Development Bank**



FINANCIAL PARTNERSHIP FOR SUSTAINABLE ECONOMIC GROWTH

Easier penetration to partner's financial market

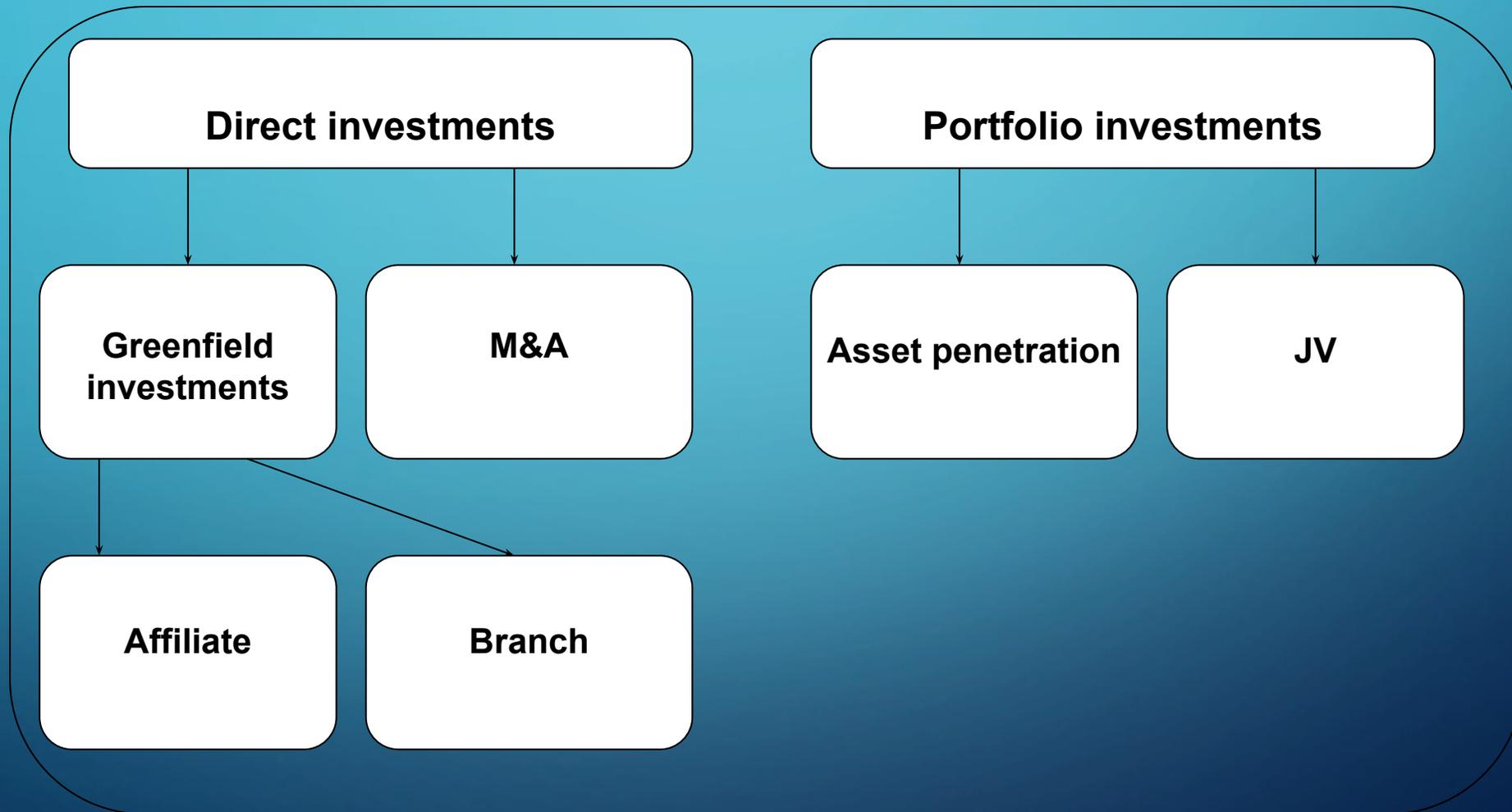
Shorter periods for strategic developments

Technological and administration reserves

Professional challenges, harmonization of relations



FINANCIAL COOPERATION FOR LOW-CARBON DEVELOPMENT PROGRAMS

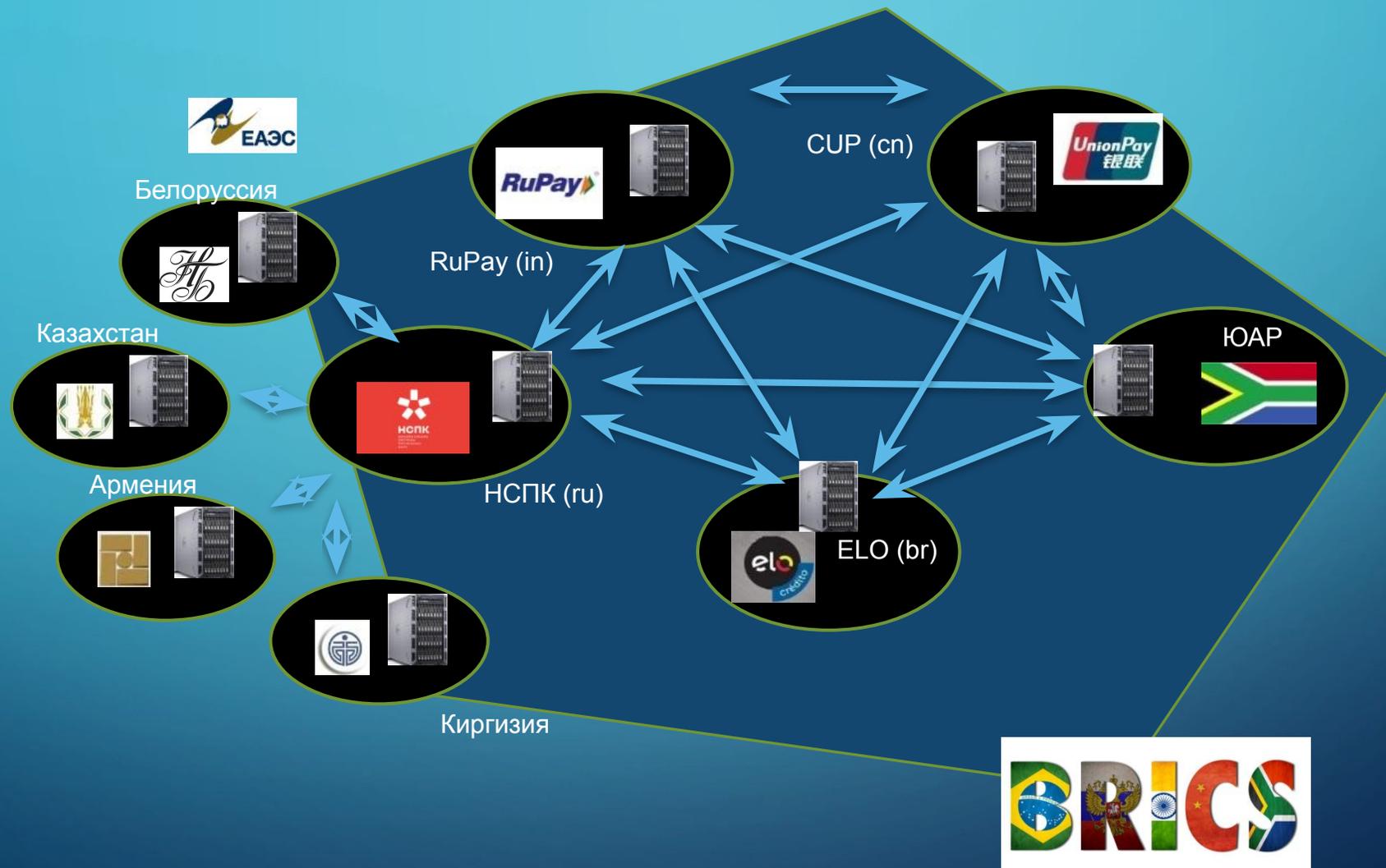


ENTITIES SUPPORT FOR ECONOMICALLY BASED POLITICS

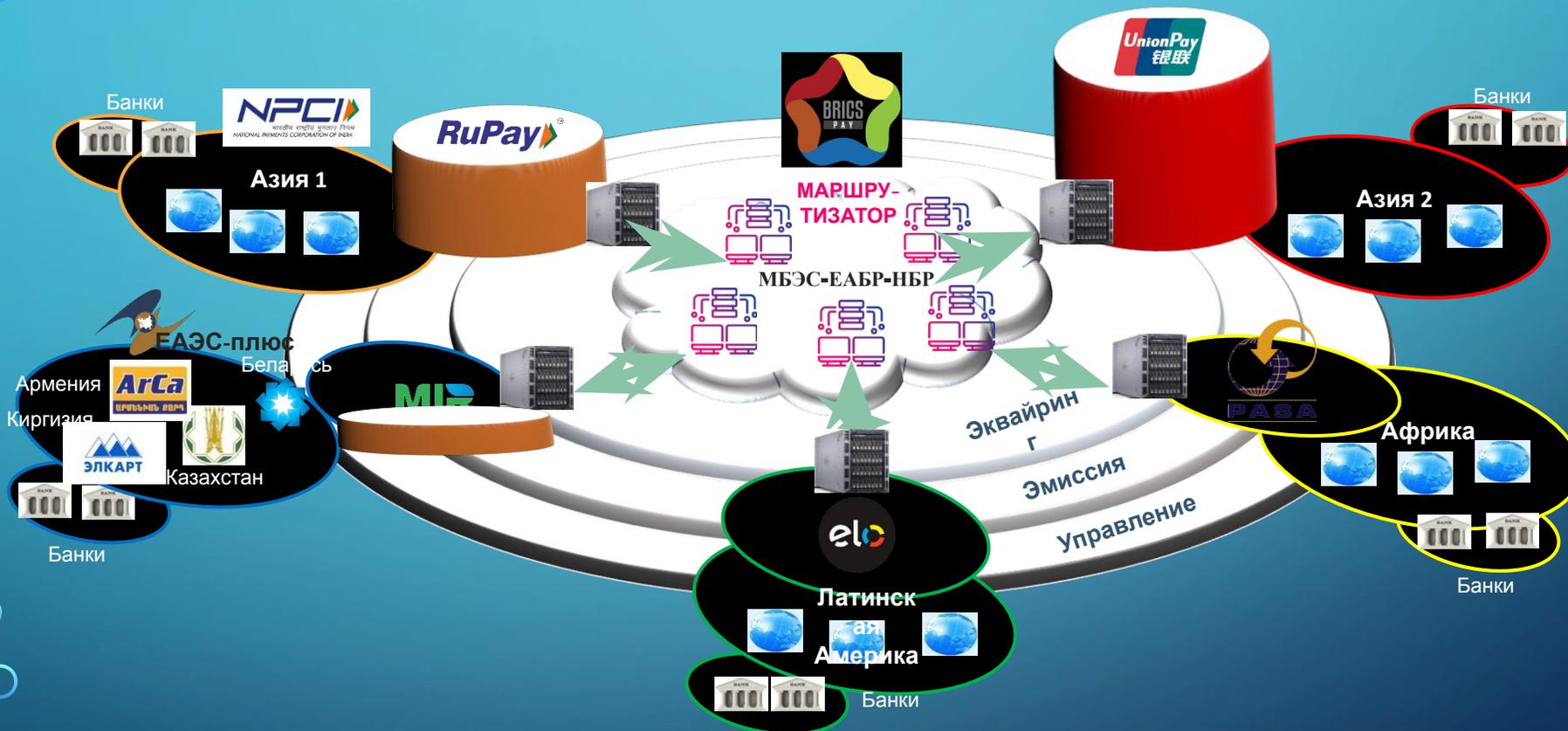
- Export – finance priorities
- Guaranties issuance
- Multiple project - finance
- Syndicated loans
- Factoring
- Leasing
- Other types of indirect financing
- Direct financing



BRICS - EURASIAN ECONOMIC UNION PAYMENT SYSTEM



NEW INTERNATIONAL MEGA PAYMENT SYSTEM (NMPS) BRICS PAYMENT SERVICES, DIRECT & INDIRECT FINANCING



STRATEGY FOR BRICS PAYMENT SYSTEM AS A FACTOR FOR HYDROGEN ECONOMY

KEY ASPECTS:

- FUNCTIONING RULES
- OPERATORS OF PAYMENT SYSTEMS
- REQUIREMENTS FOR CONSUMERS
- PRINCIPLES OF SUPERVISION



STOCK EXCHANGES ALLIANCE (CROSS-LISTING OF FINANCIAL INSTRUMENTS IN NATIONAL CURRENCIES , FEBRUARY, 2017)

- BM&FBOVES PA (Brazil)
- Moscow Stock - Exchange
- BSE Ltd (India)
- JSE Ltd(South Africa)
- HK Exchange (China)
- International Association of CIS



**Background for BRICS global Financial
Center as a new cyber platform for
direct financing**

PREREQUISITES FOR LOCAL CURRENCIES / CYBER CURRENCY CIRCULATION

- Reliable economic and financial developments
- Economic demand
- Ability of the national currency to perform as the money abroad (payments, savings, exchange base, etc.)
- Low level of transaction costs
- Legislation

LOW CARBON DEVELOPMENT PROGRAMS CONTRIBUTE TO

- Innovative fuel supply & its diversification
- Positive impact on integrity and stability of energy supply system
- **Environment protection**
- Financing (Low carbon hydrogen production, infrastructure of gas processing, storage, shipment, etc.)

CHALLENGES FOR BRICS PARTNERSHIP ON HYDROGEN ENERGY PRODUCTION

INVESTMENTS

Investments in carbon-free and / or carbon-neutral hydrogen production technologies to improve technical and economic characteristics & contribute to the reduction of CO₂ emissions

TRANSITION PERIOD

In the medium term: usage of "blue", climate-neutral hydrogen technology to ensure the production of "green" hydrogen from renewable energy sources (till 2030)

PILOT PROJECTS

BRICS pilot projects for the development of pilot plants (hydrogen production) to find the most effective and economically feasible technological solutions

HARMONIZATION OF RELATIONS IS OF A NEED FOR BRICS LOW-CARBON DEVELOPMENT

- Market structure & environment
 - Operation procedures
 - Financial reporting
 - Financial supervision



BRICS CHALLENGES FOR PARTNERSHIP



INTERGOVERNMENTAL CONSORTIUM

Establishment of Consortium for pilot projects of H₂ production from natural gas

(new jobs creation, sustainable economic development)

RENEWABLE ENERGY FINANCING

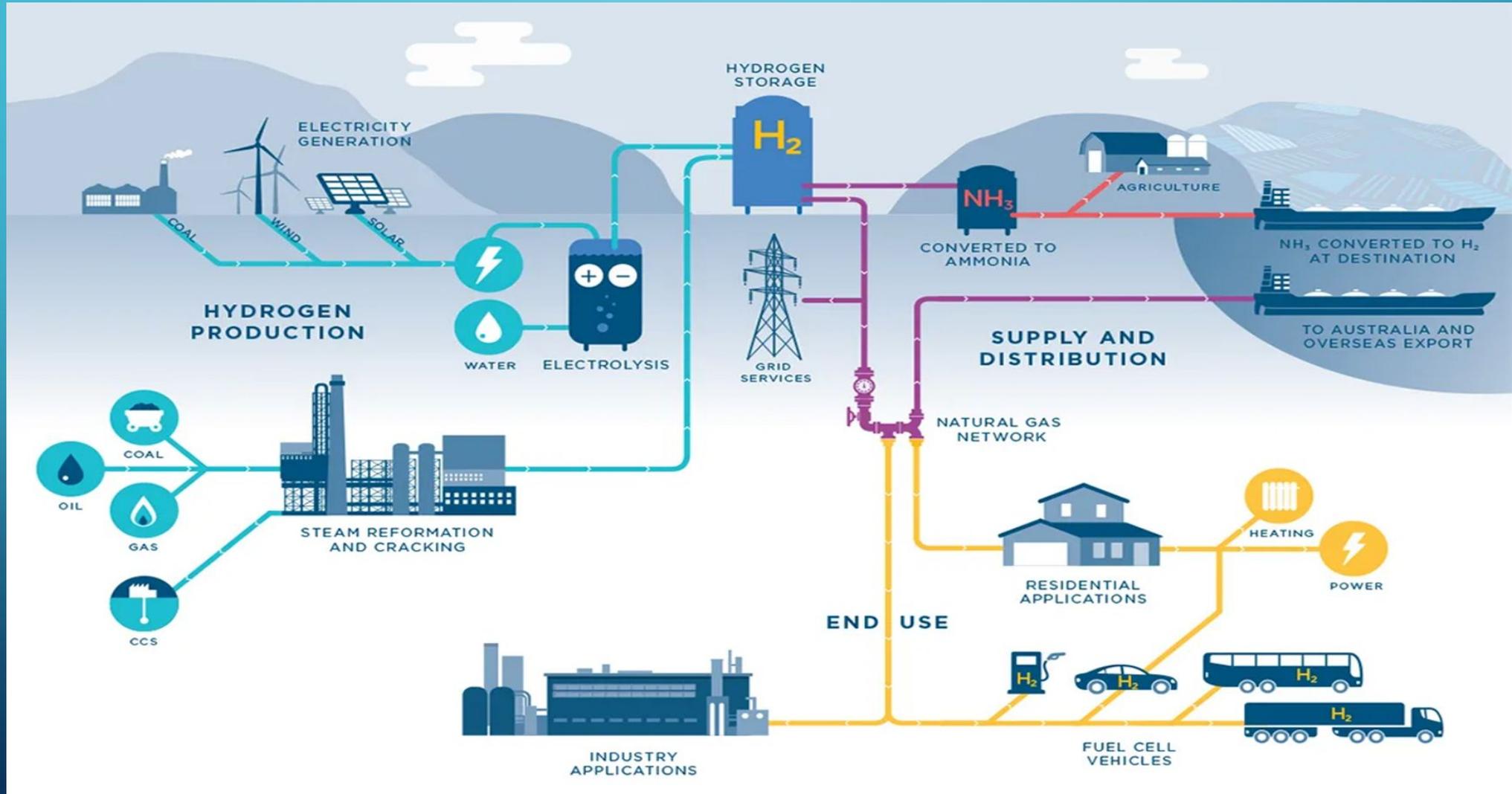
Acceleration of renewable energy financing to ensure in the medium and long term the growing of domestic and external demand for "green" hydrogen

SAFE ENVIRONMENT FINANCING

In the long term:
transition of resource-intensive production to "green" energy carriers based on hydrogen to reduce carbon dioxide emissions into the atmosphere

INDUSTRIAL INNOVATION

(H₂ REPRODUCTION CYCLE)



PUBLIC PRIVATE PARTNERSHIP

- **Mutual interests in projects and funds management**
- **Transparency is the main principle of cooperation for financial institutions**

- **No assets transfer**
- **Separation of responsibilities**



KEY ASPECTS FOR BRICS PARTNERSHIP

Democratic approach

Provision of intergovernmental administration and legal support, backed by national currencies

Acceleration of trade and financial cooperation backed by new technologies

CHALLENGES FOR BRICS PPP PROJECTS

(COMPLEX APPROACH)

Security

(energy production, environment, cyber, health, international relations)

Financial engineering

Communication

(different spheres)

Infrastructure development

Water supply



Be attention



Thank you for the kind attention

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