

## As the Winter Ends, the De-Dollarization Begins

Written by Marcus Goncalves

Wednesday, 22 August 2012 19:28 - Last Updated Thursday, 31 January 2013 17:46

---

Published by Benzinga.com on March 13, 2012.

Although the holiday, known as Nowruz, is typically commemorated by a symbolic purging of the home and spiritual representation of creation and fertility, this year Iran is celebrating by changing its policy for payment of oil. Essentially, Iran will no longer accept the U.S. dollar as payment for oil, and instead, will be looking for other currencies and commodities.

The charter of the Iranian oil bourse, a commodity exchange which opened back in February of 2008, calls for the commercialization of petroleum and other byproducts in various currencies other than the U.S. dollar, primarily the euro, Iranian rial and a basket of other major (non-U.S.) currencies. While there are three other major U.S. dollar-denominated oil markers in the world (North America's West Texas Intermediate crude, North Sea Brent Crude, and the UAE Dubai Crude), there are just two major oil bourses: the New York Mercantile Exchange (NYMEX) in New York City, and the Intercontinental Exchange ('ICE') in London and Atlanta.

Iran sits on one of the largest oil and gas reserves in the world, and its plan is to develop a fourth oil market where U.S. dollars are not accepted for oil trade. In fact, Iran has proposed the creation of a Petrochemical Exporting Countries Forum ('PECF'), aimed at financial and technological cooperation among members, as well as product pricing and policy making in production issues - not unlike the Organization of the Petroleum Exporting Countries ('OPEC'). The British newspaper The Guardian, cites Iran, Saudi Arabia, UAE, Russia, Qatar, and Turkey as potential members of PECF.

[Article](#) 