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Major Turkish Banks Halt Use of Russia's Mir Payment System

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DPA / TASS

Two of Turkey's largest banks have suspended their acceptance of Russia's Mir payments system after U.S. warnings of punishment for sanctions evasion, Bloomberg reported Monday.

Mir (Russian for "peace" and "world") became an alternative for Russian travelers after their Visa and Mastercard cards stopped working abroad. The two international payment system providers suspended Russian operations over the country's Feb. 24 invasion of Ukraine.

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Turkey's largest private lender IsBank and Denizbank, a Turkish unit of the United Arab Emirates' NBD, suspended transactions through Russia's Mir system.

The U.S. Treasury warned banks outside the United States last week that dealing with Mir would "risk supporting Russia's efforts to evade U.S. sanctions."

IsBank said it was assessing the U.S. Treasury's statement, according to Bloomberg. Denizbank only said late Monday that the lender was "currently unable to provide."

Three Turkish banks still process payments using Mir.

The Russian association of tour operators, ATOR, on Monday recommended that its nationals travel to Turkey with cash in hand due to shrinking card payment options.

Eight mostly Russia-friendly countries accept Mir cards. Turkey and Vietnam are the only Mir-accepting nations that are not former members of the Soviet Union.

Russia's Central Bank said last week that foreign banks were reluctant to join the Mir system out of fears of secondary sanctions.

The card's issuing company estimates more than 100 million Mir cards have been issued since the system launched in 2015, meaning more than half of Russia's population has a Mir card.

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