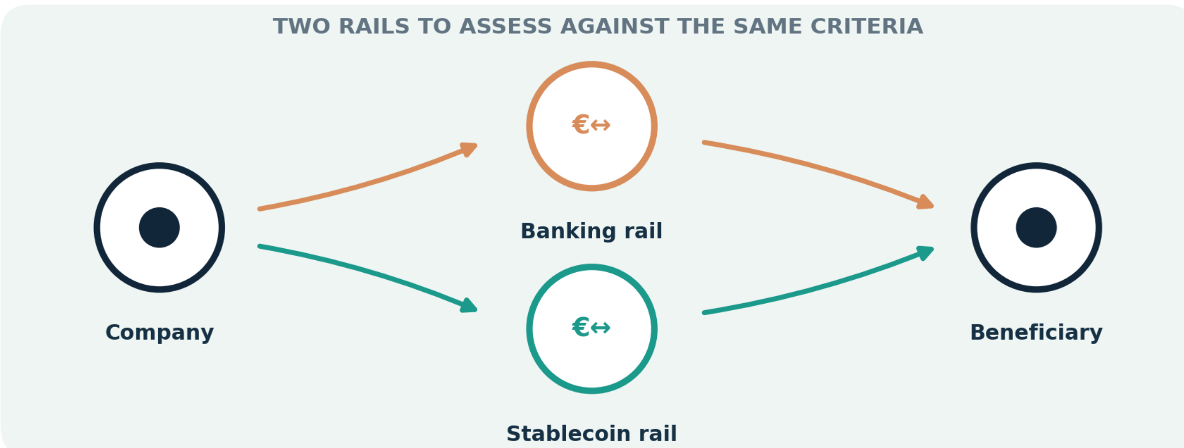
Cross-border payments

Do stablecoins really improve

your costs, speed and risk control?



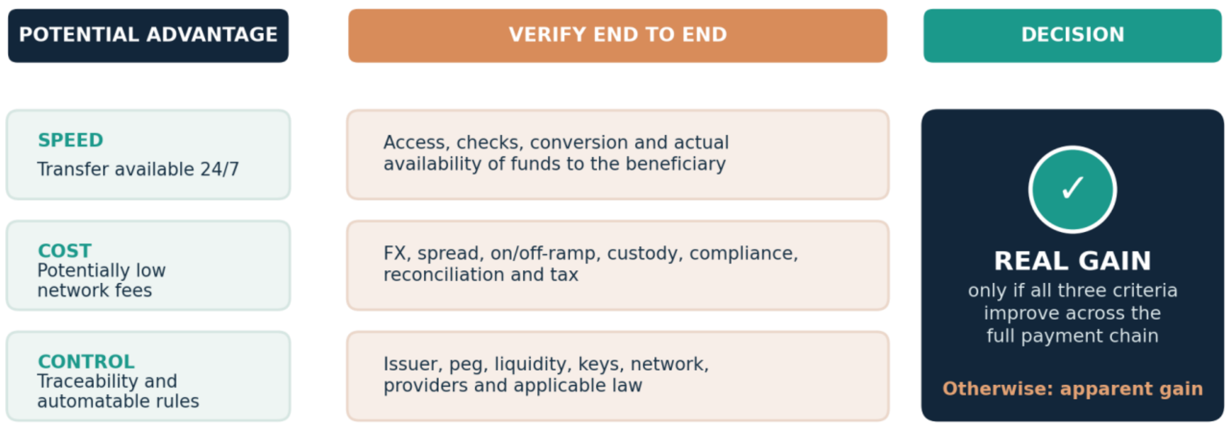
A decision framework for comparing payment rails against business criteria — without a technology bias.

2026 EDITION

Summary

Yes, stablecoins can improve a cross-border payment — but only on certain corridors and after comparing the full payment chain.

Technology alone does not create an economic advantage. A gain exists when the beneficiary receives the expected value on time, at a lower total cost and with an acceptable level of risk.



Blockchain infrastructure can transfer stablecoins around the clock and reduce some frictions. This creates potential for greater speed and competition, particularly in cross-border payments.[1]

This potential is not evidence of a lower total cost. Results vary widely by country and corridor, while global cross-border payment costs remain difficult to reduce.[2]

The new rail also shifts some of the risks: peg, liquidity, issuer, network, custody, compliance and convertibility.[4] Observed depegging events show that stability is not absolute.[3]

WHAT AN EXECUTIVE SHOULD REMEMBER

Never compare a bank transfer with blockchain fees alone. Compare two complete chains, through to funds the beneficiary can actually use.

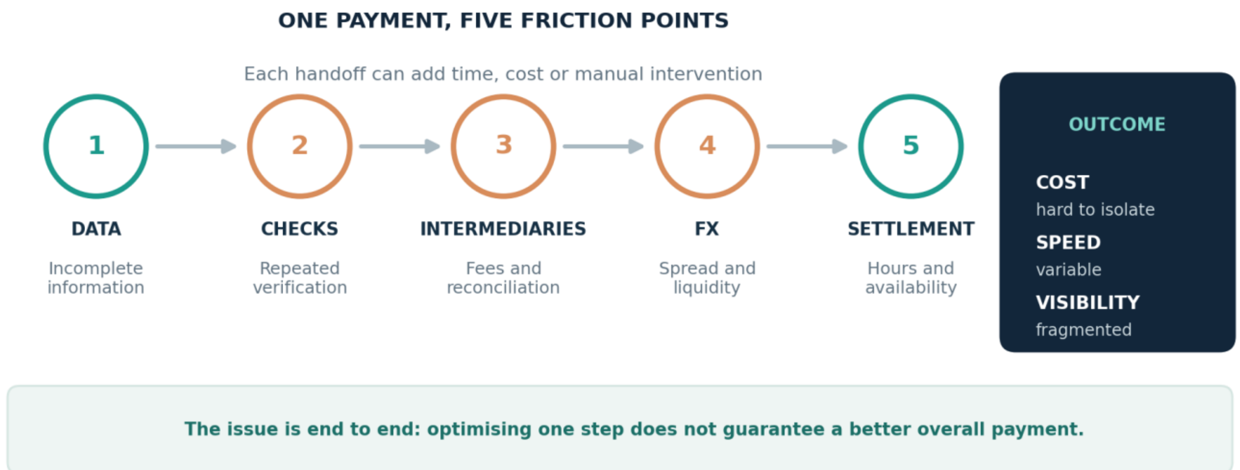
Sources

1. IMF — Stablecoins and the Future of Payments: Evidence from Financial Markets, March 2026. Official link
2. Financial Stability Board — G20 Roadmap for Cross-border Payments: Consolidated Progress Report for 2025, 9 October 2025. Official link
3. IMF — Understanding Stablecoins, December 2025. Official link
4. Bank for International Settlements — Anchoring Trust in Money: Innovation Beyond Stablecoins, 23 June 2026. Official link

The cross-border payment problem

Cost and delay arise less from one isolated step than from the accumulation of interfaces between countries, currencies, systems and intermediaries.

A payment can be fast on one segment and remain slow end to end. It can also show low upfront fees while later incurring FX, intermediary charges or processing costs.



The complexity is structural. Cross-border payments combine multiple jurisdictions, currencies, time zones, legal regimes and compliance obligations.[1]

In a correspondent chain, each intermediary may repeat checks and reconciliation. Misaligned operating hours and different public holidays add further delays and settlement risk.[2]

The problem remains visible to the end user. In 2025, the FSB found only limited global improvement in cost and transparency despite policy progress.[3]

WHAT AN EXECUTIVE SHOULD REMEMBER

Before changing technology, map the actual journey: parties, currencies, checks, operating hours, costs and the point at which funds become usable.

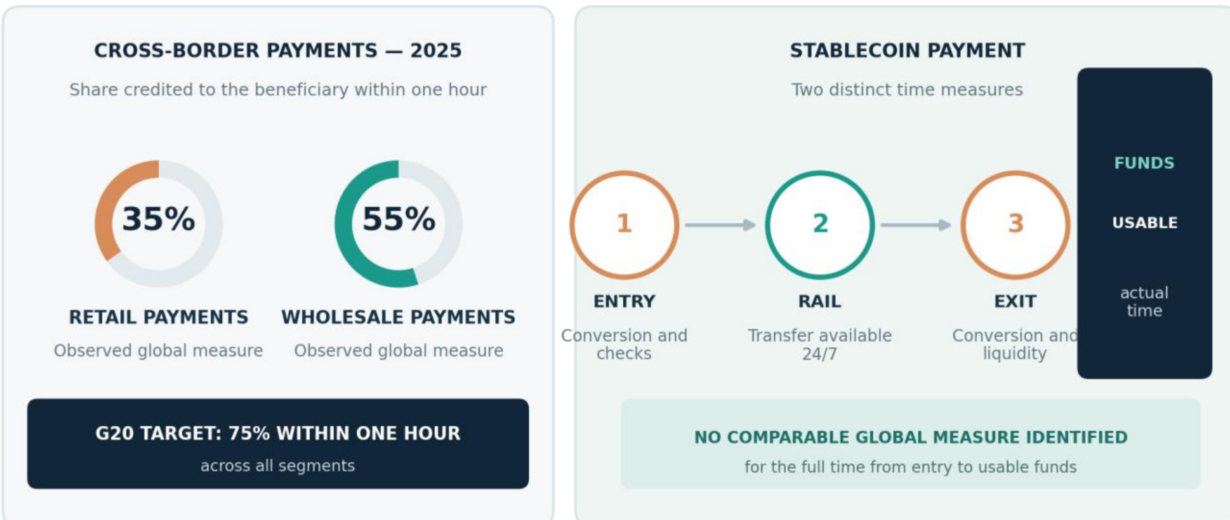
Sources

1. Committee on Payments and Market Infrastructures — Interconnect to Stabilize: Cross-border Payments in a Fragmenting World, 5 May 2026. Official link
2. Bank for International Settlements — Cross-border Payments: A Catalyst for Global Integration and Growth, 28 October 2025. Official link
3. Financial Stability Board — G20 Roadmap for Cross-border Payments: Consolidated Progress Report for 2025, 9 October 2025. Official link

Performance

A blockchain transfer can be fast. Useful performance, however, must be measured through to funds actually available to the beneficiary.

Measuring transaction validation time alone is like timing only the middle of the journey. Entry, checks, final conversion and local liquidity can remain decisive.



Traditional payment performance remains uneven. In 2025, 35% of retail and 55% of wholesale cross-border payments were credited within one hour, against a G20 target of 75%.[1]

The stablecoin rail can operate continuously. The CPMI finds that a common 24/7 platform can increase speed, while stressing the role of on- and off-ramp infrastructure.[2]

The advantage therefore depends on the corridor. It is generally more direct when both parties can hold or use the stablecoin.[3] It becomes more conditional when conversion into bank money is required at both ends.[2]

WHAT AN EXECUTIVE SHOULD REMEMBER

Measure three time periods separately: stablecoin acquisition, network transfer, then conversion or actual use by the beneficiary.

Sources

1. Bank for International Settlements — Enhancing Cross-border Payments: State of Play and Way Forward, December 2025. Official link
2. Committee on Payments and Market Infrastructures — Considerations for the Use of Stablecoin Arrangements in Cross-border Payments, October 2023. Official link
3. Bank for International Settlements — The Next-generation Monetary and Financial System, 24 June 2025. Official link

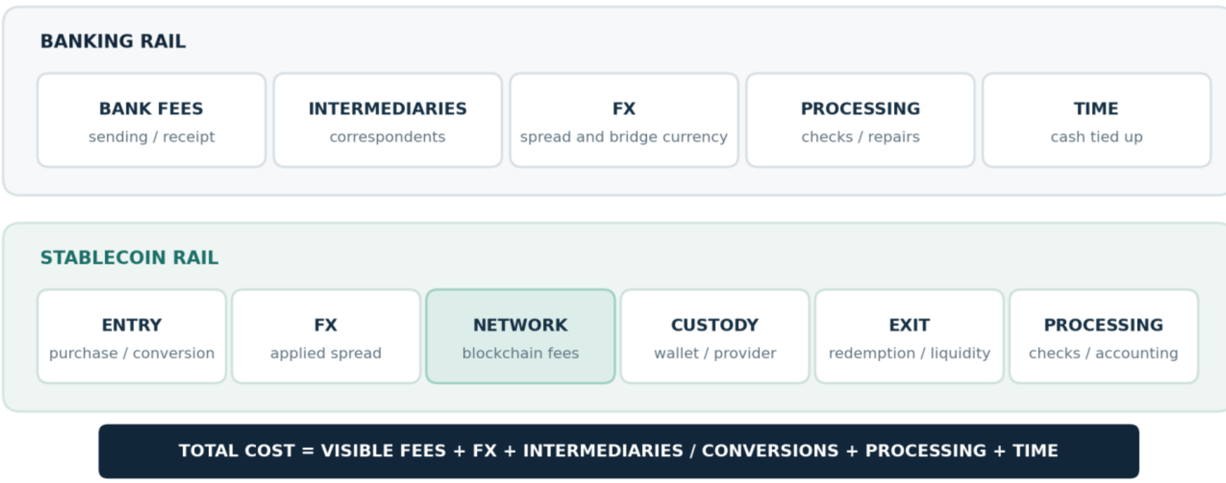
Costs

A stablecoin payment is cheaper only if its total cost is lower — after FX, conversion, liquidity and internal processing.

Comparing bank fees with network fees alone produces a false conclusion. Both rails must be costed on the same corridor, for the same amount and through to usable funds.

TWO RAILS, TWO TOTAL COSTS

Cost map — dimensions not to scale



In the banking rail, FX remains a central cost. The BIS identifies conversion costs, limited liquidity in some currencies and chains of intermediaries among the main obstacles.[1]

A stablecoin can remove some links, but not all costs. The CPMI notes that on- and off-ramp services, FX and conversion infrastructure remain decisive.[2]

Quote transparency is part of economic performance. The FSB target requires fees and charges to be shown to the payer before payment confirmation.[3]

WHAT AN EXECUTIVE SHOULD REMEMBER

Request two all-in quotes and compare the net amount received. The stablecoin rail is advantageous only if the saving also exceeds internal implementation costs.

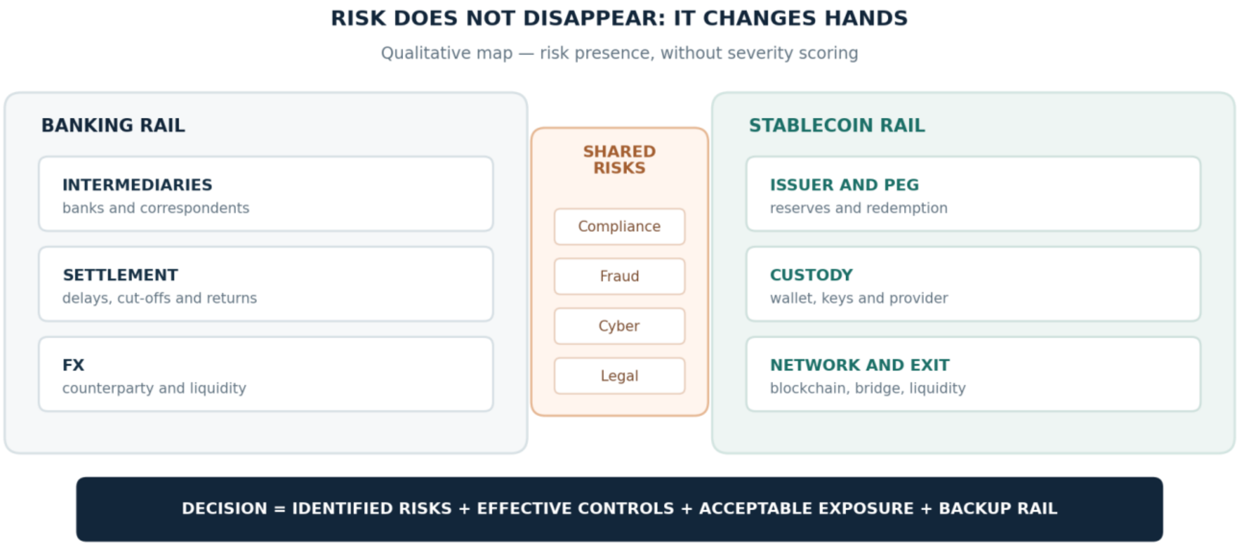
Sources

1. Committee on Payments and Market Infrastructures — Interconnect to Stabilize: Cross-border Payments in a Fragmenting World, 5 May 2026. Official link
2. Committee on Payments and Market Infrastructures — Considerations for the Use of Stablecoin Arrangements in Cross-border Payments, October 2023. Official link
3. Financial Stability Board — G20 Roadmap for Cross-border Payments: Consolidated Progress Report for 2025, 9 October 2025. Official link

Risk

A stablecoin does not remove risk: it reduces some risks and transfers others to the issuer, custody, network and conversion.

The right question is not “which rail is risk-free?”, but “which risks does the company understand, control and accept?”



Risk changes hands. The BIS distinguishes risks inherent in the instrument — integrity and value maintenance — from rail-related risks: security, governance, settlement and interoperability.[1]

The peg is not a permanent guarantee. In March 2023, USDC traded as much as 12% below its peg after the exposure of its reserves to Silicon Valley Bank was disclosed.[2]

The cross-border framework remains uneven. In October 2025, the FSB still found significant gaps and inconsistencies that could encourage regulatory arbitrage and complicate cross-border supervision.[3]

WHAT AN EXECUTIVE SHOULD REMEMBER

Authorise the stablecoin rail only if the issuer, redemption, custody, network, compliance and exit are controlled. Set exposure limits and retain a backup banking rail.

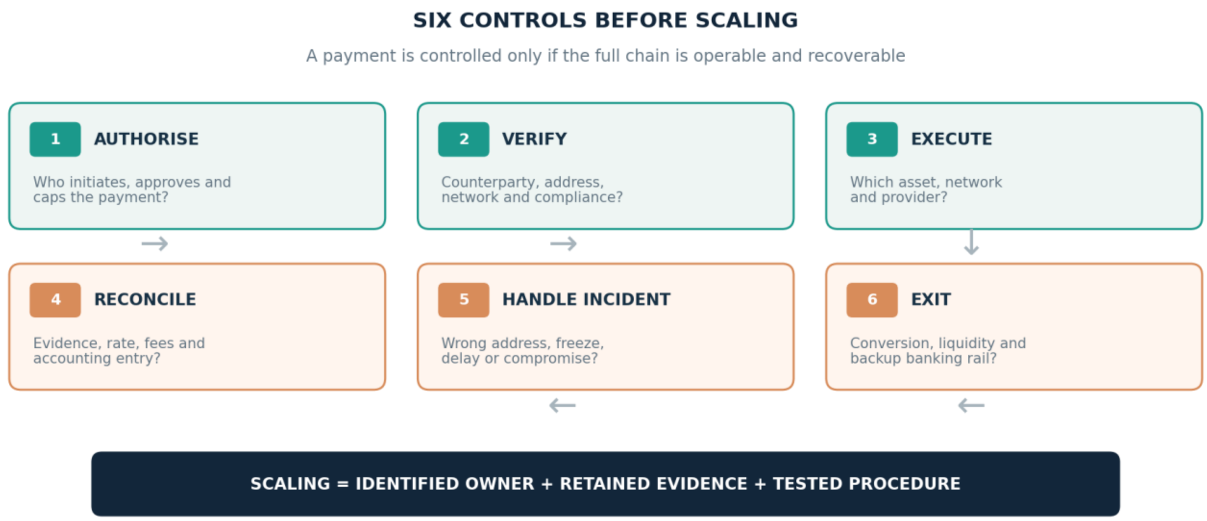
Sources

1. Bank for International Settlements — Annual Economic Report 2026, Chapter III: Anchoring trust in money: innovation beyond stablecoins, 30 June 2026. Official link
2. International Monetary Fund — Understanding Stablecoins, Departmental Paper No. 25/09, December 2025. Official link
3. Financial Stability Board — Thematic Review on FSB Global Regulatory Framework for Crypto-asset Activities, 16 October 2025. Official link

Operational control

A fast rail is useful only if the company can authorise, execute and reconcile it, and handle an incident.

Scaling therefore depends not only on the provider. It also depends on internal procedures, available evidence and the ability to fall back to a backup rail.



Automation does not remove control. The BIS observes that programmable ledgers can reduce reconciliation and operate continuously, but these gains require reliable money on the ledger.[1]

Compliance must travel with the payment. In 2026, 83% of surveyed jurisdictions had enacted legislation implementing the Travel Rule, but almost half had not yet taken any related supervisory or enforcement action.[2]

Continuity must be tested. The CPMI states that an arrangement should provide controls, sufficient capacity and timely recovery after a major disruption.[3]

WHAT AN EXECUTIVE SHOULD REMEMBER

Do not scale after a single successful payment. Require segregated roles, limits, documented reconciliation, an incident test and a fallback solution before any significant volume.

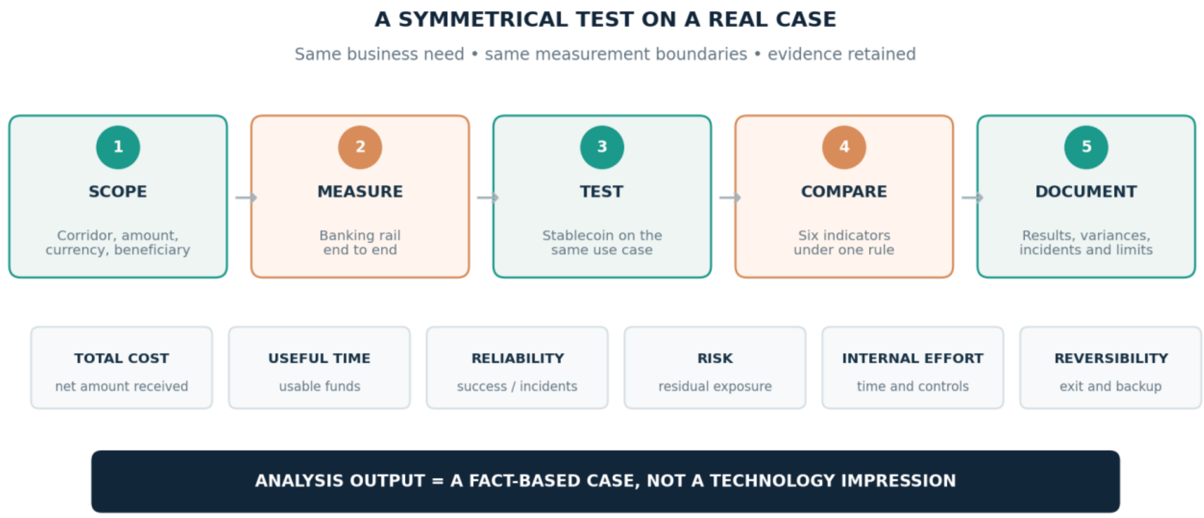
Sources

1. Bank for International Settlements — Annual Economic Report 2026, Chapter III: Anchoring trust in money: innovation beyond stablecoins, 23 June 2026. Official link
2. Financial Action Task Force — Virtual Assets: Targeted Update on Implementation of the FATF Standards, July 2026. Official link
3. Committee on Payments and Market Infrastructures — Considerations for the Use of Stablecoin Arrangements in Cross-border Payments, October 2023. Official link

The analysis method

The comparison is reliable only if both rails are tested against the same need and measured through to usable funds.

A useful test does not seek to confirm a preference. It first sets the measurement rules, gathers evidence and then explains observed variances.



Measure the outcome for the user. The G20 programme tracks four outcomes: cost, speed, transparency and access. The framework must therefore cover the complete payment, not a single infrastructure.[1]

Technology is not enough. In 2026, the CPMI stressed that adopting new standards and tools alone does not materially improve cross-border payments.[2]

Include entry and exit. For a stablecoin, the CPMI considers buying and selling infrastructure essential; it can become the main bottleneck.[3]

WHAT AN EXECUTIVE SHOULD REMEMBER

Run a limited pilot on a representative corridor. Compare the net amount received, useful time, incidents, residual risk, internal effort and exit capacity. Decide only after this test.

Sources

1. Financial Stability Board — G20 Roadmap for Enhancing Cross-border Payments: Consolidated Progress Report for 2025, 9 October 2025. Official link

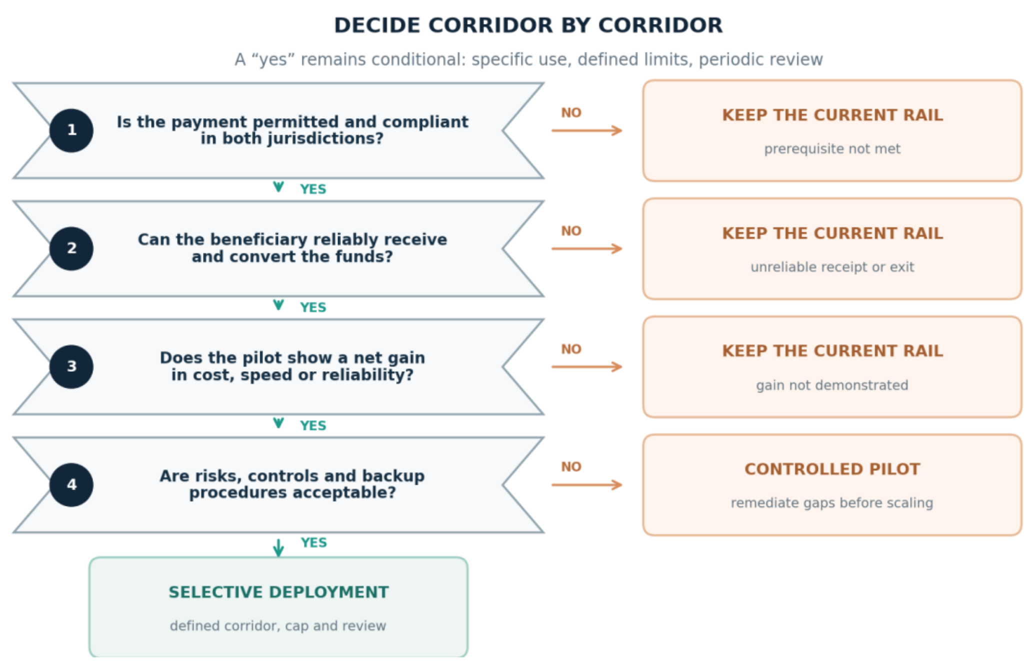
2. Committee on Payments and Market Infrastructures — Enhancing Cross-border Payments Step by Step: Insights from the 2025 Monitoring Survey, 27 May 2026. Official link

3. Committee on Payments and Market Infrastructures — Considerations for the Use of Stablecoin Arrangements in Cross-border Payments, October 2023. Official link

The decision tree

The decision is not about stablecoins in general. It is about their usefulness for a specific corridor, beneficiary and use case.

One unmet condition can eliminate an apparent gain. Conversely, a positive answer authorises only a bounded and reversible deployment.



Start with actual feasibility. The CPMI states that a stablecoin can facilitate a cross-border payment only if practical and affordable buying and selling arrangements exist in the relevant jurisdictions.[1]

Require an observed end-to-end gain. The G20 framework assesses user outcomes across cost, speed, transparency and access.[2]

A technical gain does not settle the decision. The BIS notes that stablecoin networks still face interoperability, governance, security and settlement challenges.[3]

WHAT AN EXECUTIVE SHOULD REMEMBER

Deploy only where all four answers are positive. Otherwise, keep the current rail or limit activity to a pilot until gaps are resolved.

Sources

1. Committee on Payments and Market Infrastructures — Considerations for the Use of Stablecoin Arrangements in Cross-border Payments, October 2023. Official link

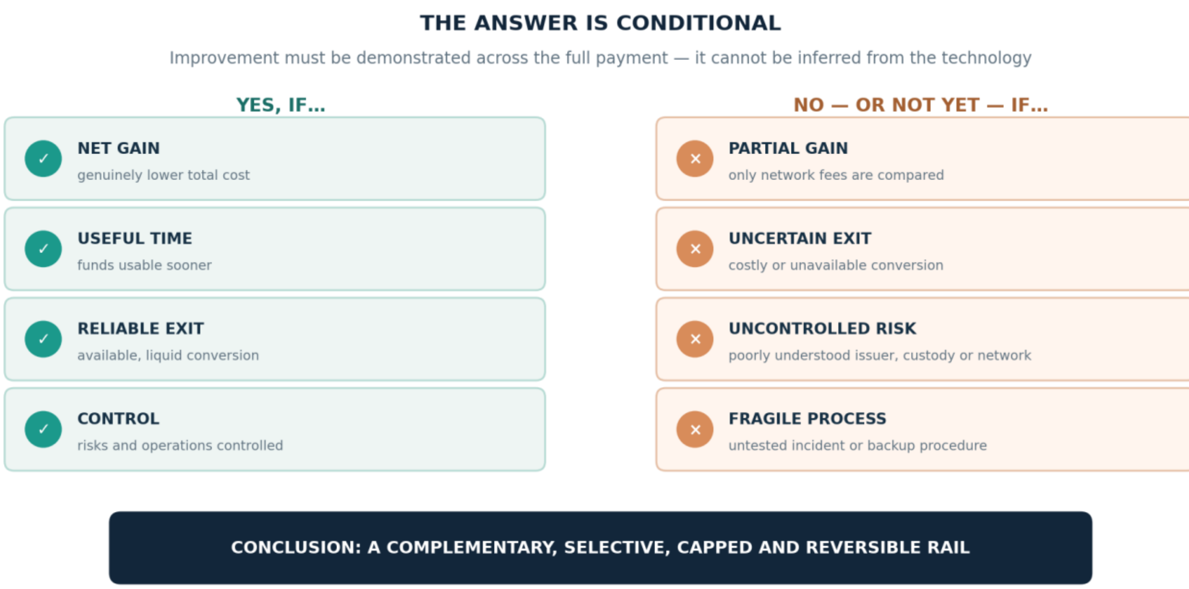
2. Financial Stability Board — G20 Roadmap for Enhancing Cross-border Payments: Consolidated Progress Report for 2025, 9 October 2025. Official link

3. Bank for International Settlements — Annual Economic Report 2026, Chapter III: Anchoring Trust in Money: Innovation Beyond Stablecoins, 23 June 2026. Official link

Conclusion

Yes, stablecoins can improve some cross-border payments — but only when the gain remains real after conversions, risks and operational constraints.

The right decision is therefore neither general adoption nor rejection on principle. It is the rigorous selection of corridors where the company has a measured and controlled advantage.



The potential is real. The BIS recognises that tokenisation can reduce reconciliation, enable simultaneous settlement and support continuous operations.[1]

But performance remains uneven. The CPMI stresses that access to on- and off-ramps, interoperability and resilience determine a stablecoin's cross-border usefulness.[2]

The decision must remain reviewable. The FSB still finds significant differences between jurisdictions in implementing the regulatory framework for crypto-assets and stablecoins.[3]

WHAT AN EXECUTIVE SHOULD REMEMBER

Treat the stablecoin as a complementary rail. Deploy it only on corridors where a pilot demonstrates a net advantage, with caps, controls, a reliable exit and a backup solution.

Sources

1. Bank for International Settlements — Annual Economic Report 2026, Chapter III: Anchoring Trust in Money: Innovation Beyond Stablecoins, 23 June 2026. Official link
2. Committee on Payments and Market Infrastructures — Considerations for the Use of Stablecoin Arrangements in Cross-border Payments, October 2023. Official link
3. Financial Stability Board — Thematic Review on FSB Global Regulatory Framework for Crypto-asset Activities, 16 October 2025. Official link