

Committee on Payments  
and Market Infrastructures

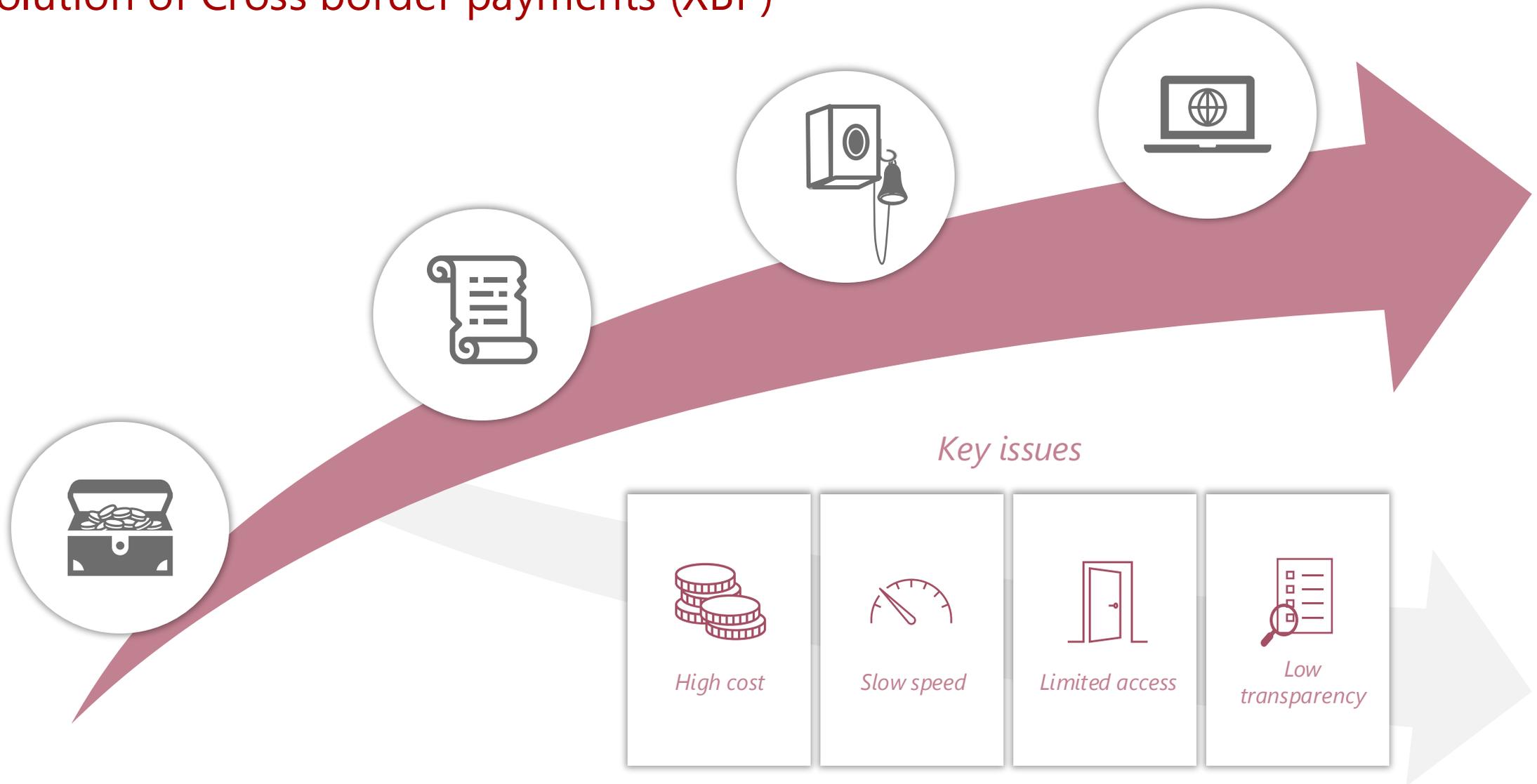


## ***Cross-border payment technologies: innovations and challenges***

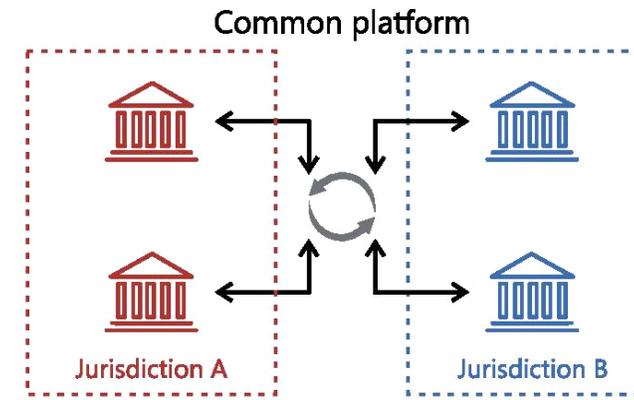
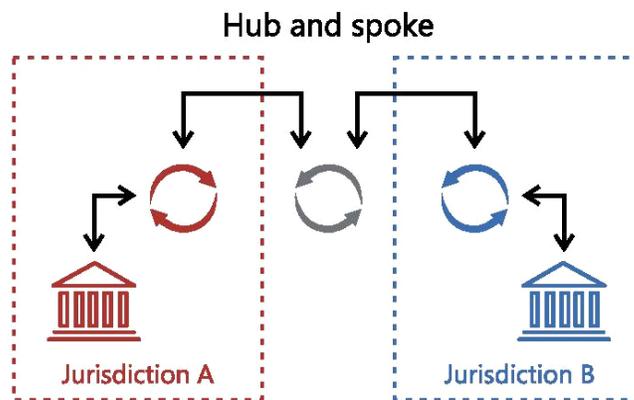
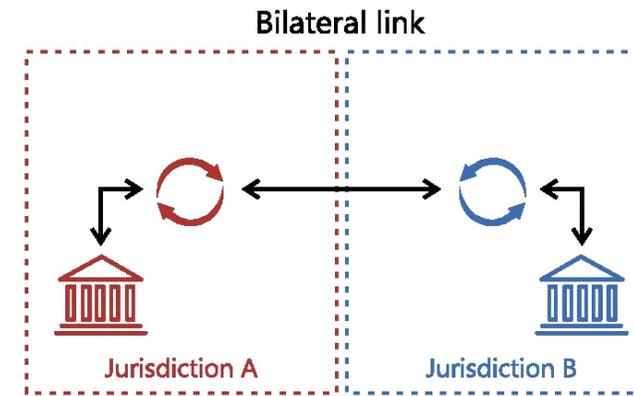
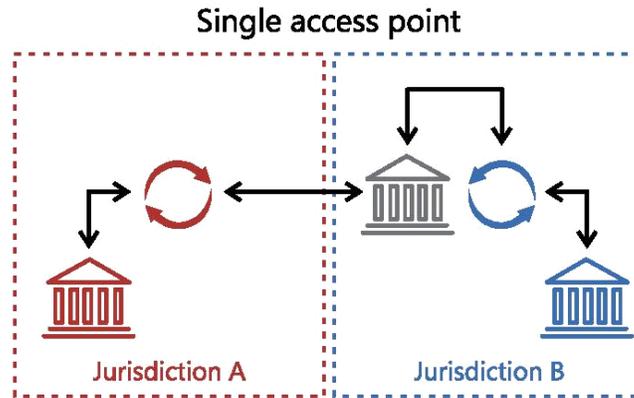
Tara Rice (Head of CPMI Secretariat, Bank for International Settlements)

22 October 2025

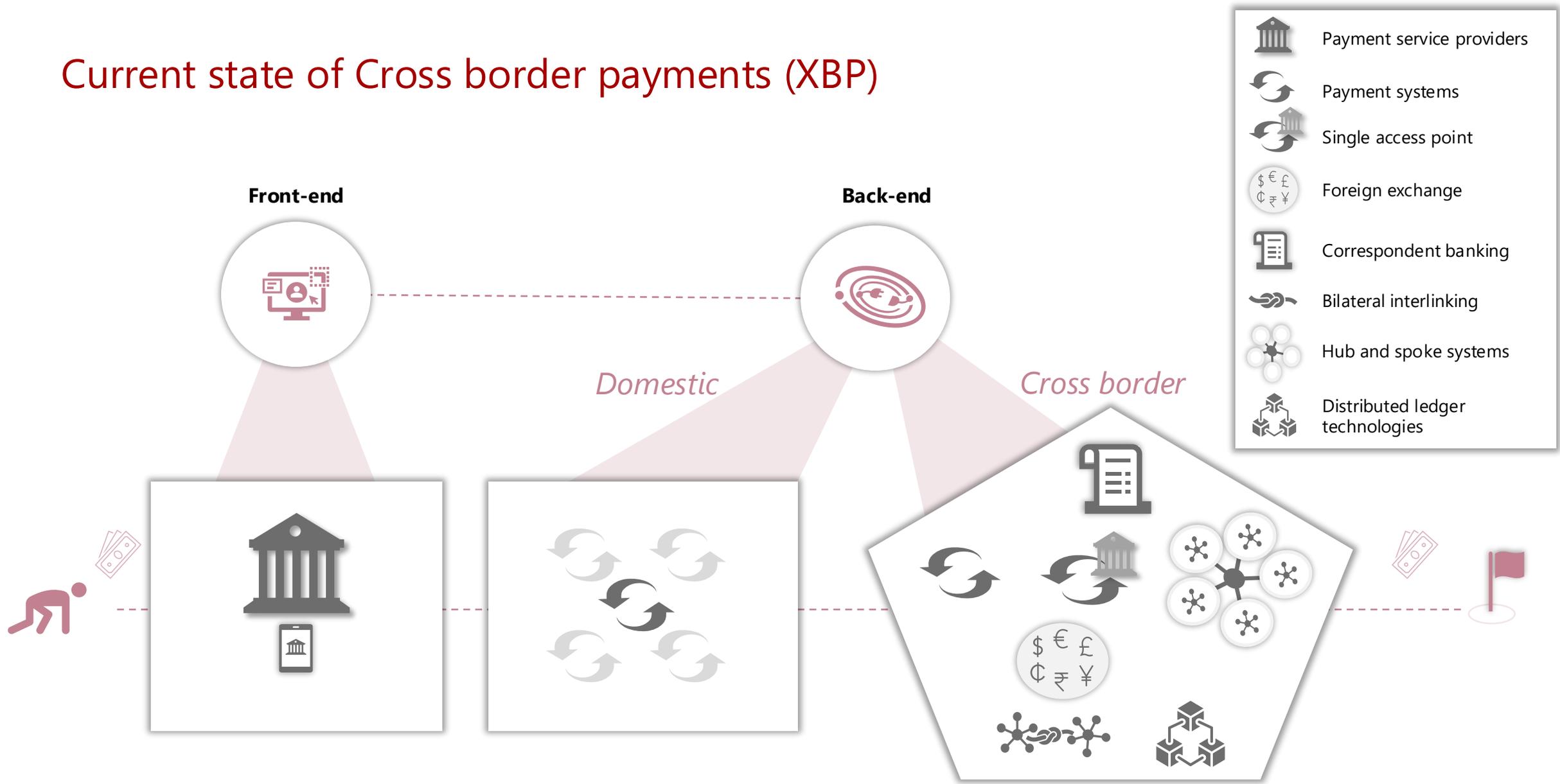
# Evolution of Cross border payments (XBP)



# Current state of Cross border payments (XBP) - Overview of four stylised models of interlinking arrangements

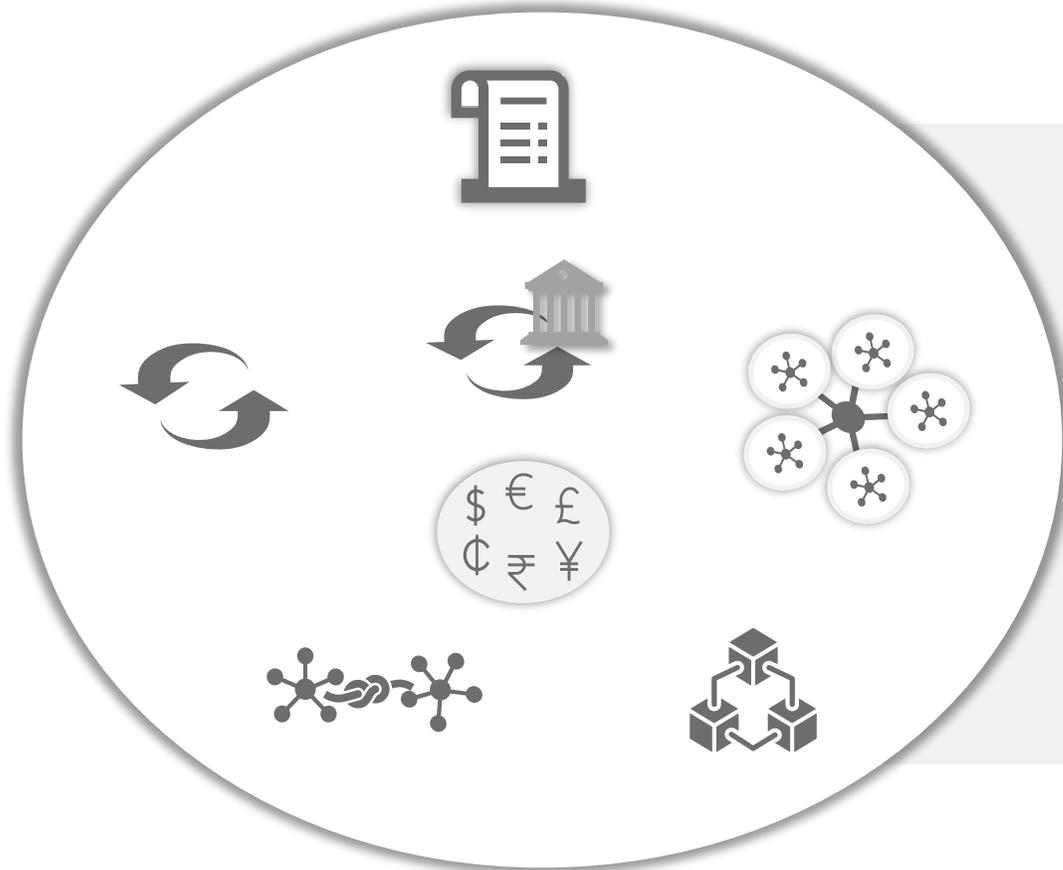


# Current state of Cross border payments (XBP)



# Current state of Cross border payments (XBP)

## Cross border model choice



*Main drivers*

Use Case

Domestic  
Payment market  
structures

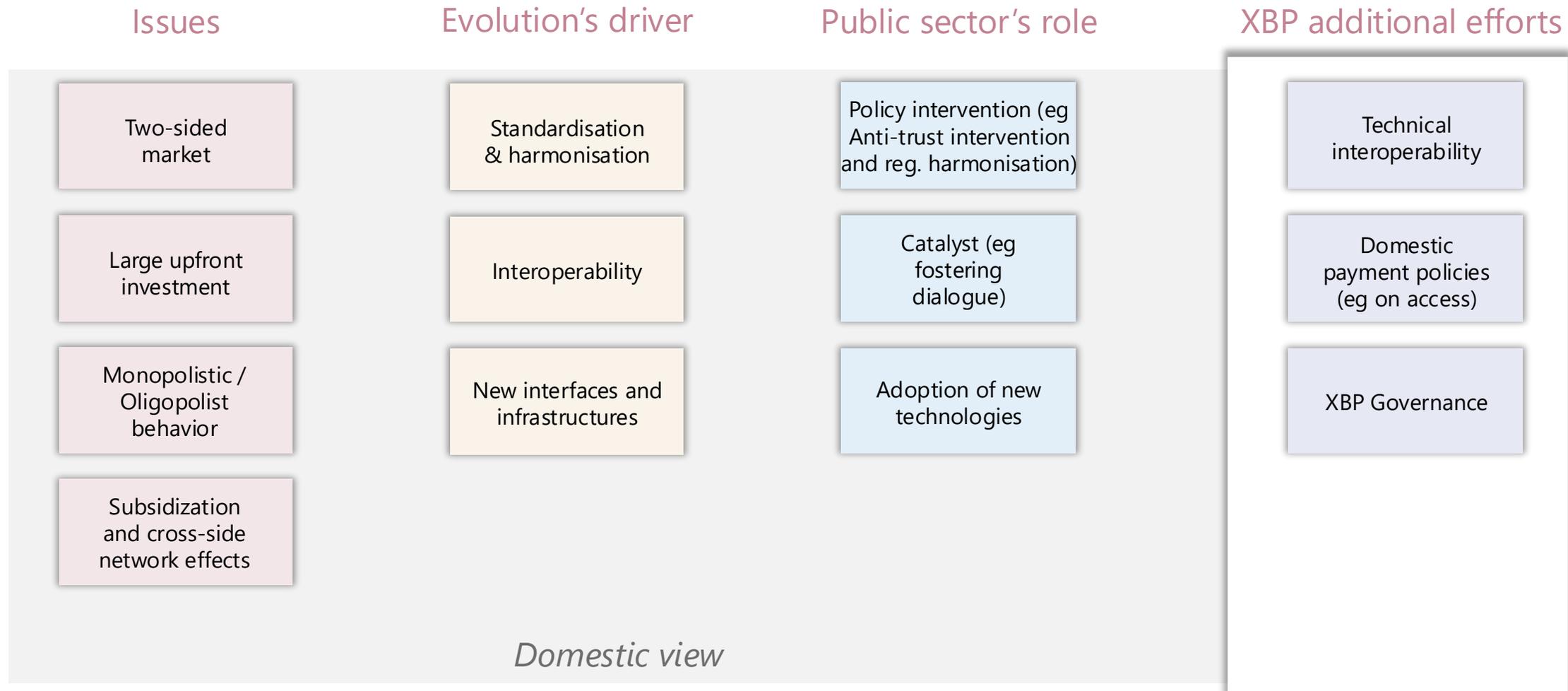
Degree of trade,  
financial & other  
integration

Each cross-border payment arrangement comes with its own set of strengths and challenge

The choice of arrangement depends on:

- the specific use cases (eg wholesale has historically relied on Correspondent banking),
- the unique circumstances of the jurisdiction (eg presence of a FPS), and
- the ultimate objectives to be achieved (eg foster trade, AML/CTF or reducing frauds)

# Highlights from research on payment systems



# Lessons for XBP and conclusions

## Wholesale

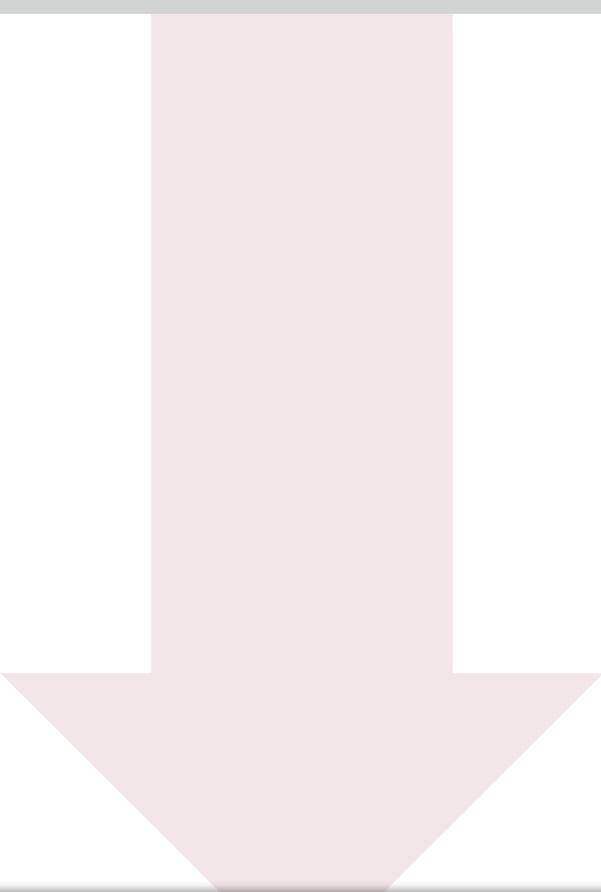
- RTGS have been in operation for decades and may need to modernize
- Modernisation offer opportunities for harmonisation and standardization
- In some cases, starting fresh could be easier (eg by leveraging new technologies)

## Retail

- Single access model was most common in the past to connect communities across borders
- New interlinking models offer more promising solutions for XBP
- Hub and spoke model has more coordination issues but offer greater scalability and efficiency

## Remittances

- By nature, difficult to improve but experience suggest improvements are possible



A key constraint for cross border payments is political agreement

Past experiences show that geopolitically alignment dominate economic and technical factors

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