

# STABLECOINS

## A THOROUGHbred PAYMENTS SOLUTION

Digital currencies are typically seen as a form of investment or a store of value and they can be both of these things, but for many businesses, one of their most valuable uses is as a route to cheaper and faster payments.

This use case for blockchain-based currencies is now coming to the fore with the growing use of stablecoins, which are set to be one of the most significant growth areas of digital currency in 2025.

Stablecoins have already been growing fast and by the end of 2024 the market capitalisation of all stablecoins reached \$200 billion. Much of this growth is being driven by their potential to transform the global payments system, not just for companies involved in the digital currency sector, but for any business that makes frequent international payments.



### What are stablecoins?

Stablecoins, like other cryptocurrencies, are based on blockchain technology, but rather than having an entirely free-floating value determined by investors or speculators, stablecoins are pegged to a specific currency, for example the US dollar or euro.

While the value of stablecoins can deviate slightly from that of their underlying currency they do not undergo the same volatility seen with pure cryptocurrency.

It is this peg to a fiat currency, combined with the payments and transfer efficiency possible with a digital currency, that creates the unique use-value of stablecoins.



**BCB** GROUP

BCBGROUP.COM

# International payments in need of modernising



**As any international business knows, transferring money across borders to overseas divisions or to pay suppliers can be a laborious and slow process.**

Traditional payments can take days or even weeks to complete. Banks' protocols, regulation and creaking technology of payments systems creates delays and costs.

A typically international payment via SWIFT, for example, takes anything between two and five days. There is no definitive time for such payments to be completed because they vary, depending on a raft of factors outside of any business' control.

In any given SWIFT payment at least two banks are involved (and sometimes more), each with its own processes and priorities and each may also deduct a fee for their role in the transfer.

By the very nature of being international, such payments also involve two countries' domestic payment networks.

In fact, traditional international payments are a bit like an international rail journey, that involves multiple stations, connecting trains, different tickets, and a number of different rail companies.

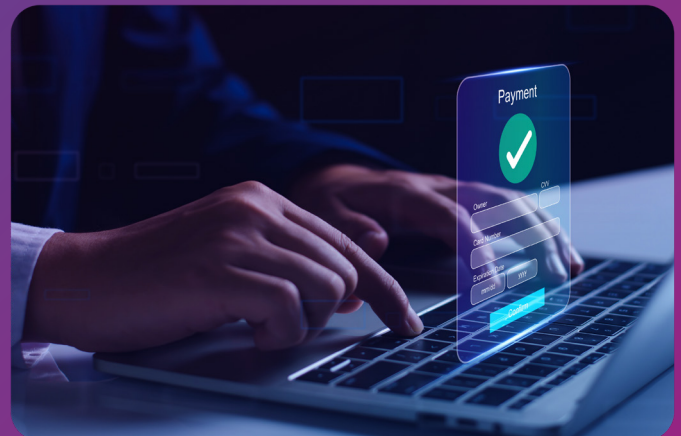
Stablecoins can be transferred instantly, at lower costs and more transparently than traditional bank-based payments networks. In essence, payments and transfers by stablecoin can cut through the multiple systems and third parties involved in traditional methods, offering a unified payments system available to any business making cross-border payments.

Stablecoins are like a single rail link for your money, direct from you to your desired destination.

## Simplicity security and certainty

Using stablecoins for payments is remarkably simple. All that is required is a payment account and a linked digital wallet for storing stablecoins – such as a BCB Crypto Account

BCB allows for multiple sub-accounts each denominated in a different crypto to fiat currency. Fiat currency can be exchanged into stablecoins without leaving BCB's platform and then payments can be made to any other digital wallet in the world.



**“Some businesses may be nervous about making payments via a digital currency, but in reality, with the right payment service provider, stablecoin transfers can be more transparent and more secure than traditional methods.”**

BCB's crypto accounts are operated to the highest regulatory standards, in line with our French Digital Asset Service Provider (DASP) registration. Your crypto assets are stored in our institutional-grade custody solution, secured with advanced hardware secure module (HSM) technology.



BCB's 'regulation first' principles, supported by our experienced compliance and transaction monitoring capability, mean all our payments are carried out in full compliance with the requirements of all jurisdictions in which we operate. This includes a clear record of all remitters and receivers of international payments as required under the Travel Rule.

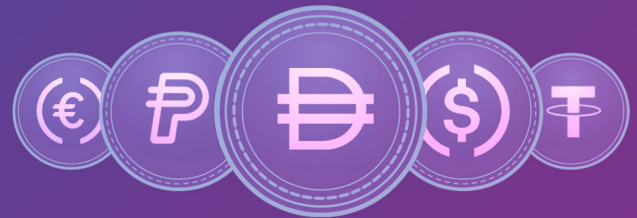
It is vital to remember that using stablecoins for payments is not about investing or speculating on cryptocurrency, it is about leveraging blockchain technology to enable fast and efficient payments linked to fiat currencies.

## Stablecoin choices

There are a wide range of stablecoins available globally, and the market and technology behind it continues to evolve. Regulation is also developing in different ways in different markets.

Regulatory consultations and planning for stablecoin are underway in many markets, including the UK, but this is a sign that regulators themselves recognise the potential of this new international payments model to revolutionise international business.

In such an evolving environment, at BCB we believe in remaining agnostic and agile, meeting all regulatory responsibilities in whatever market our clients need to operate, while ensuring we have the flexibility to pivot rapidly in response to that changing market and developing regulation.



## Stablecoin's future potential

The already formidable strength of stablecoins in streamlining international payments is just the beginning. Looking ahead, it has the capacity to streamline core business operations.

As well as providing more efficient payment rails for international remittances, blockchain technology provides an automatic record of transactions.

In principle, payments and reconciliation against invoicing could be contained within a single process – or reconciliation at source.

The capacity for blockchain-based currency to combine data with payment has led some to call the technology 'programmable money'.

Fast and effective payment is the most immediate force driving the rapid growth in stablecoin today, but fiat-pegged digital currencies have the potential for even greater transformation of business processes.



**BCB GROUP**

To learn more about how BCB can help your business streamline international payments:

[www.bcbgroup.com/contact-us](http://www.bcbgroup.com/contact-us)

The information contained in this document should not be relied upon by investors or any other persons to make financial decisions. It is gathered from various sources and should not be construed as guidance. The information contained herein is for informational purposes only and should not be construed as an offer, solicitation of an offer, or an inducement to buy or sell digital assets or any equivalents or any security or investment product of any kind either generally or in any jurisdiction where the offer or sale is not permitted. The views expressed in this document about the markets, market participants and/or digital assets accurately reflect the views of BCB Group. While opinions stated are honestly held, they are not guarantees, should not be relied on and are subject to change. The information or opinions provided should not be taken as specific advice on the merits of any investment decision. This document may contain statements about expected or anticipated future events and financial results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, new legislation and regulatory actions, competitive and general economic factors and conditions and the occurrence of unexpected events. Past performance of the digital asset markets or markets in their derivative instruments is not a viable indication of future performance with actual results possibly differing materially from those stated herein. We will not be responsible for any losses incurred by a client as a result of decisions made based on any information provided.