



The Economics of Stablecoin for Cross-Border Transactions

Stablecoin Costs in Cross-Border Payments

Stablecoin portends to enable faster, more transparent cross-border value movement; this is frequently cited as currently the strongest use case for stablecoins.

One reason cited for this strong use case is that cross-border stablecoin payments will be (near) free.

While stablecoin may offer benefits to cross-border payments, the idea that they will be 'free' is a fallacy.

The actual cost depends on multiple factors, and there are many variables, but some return is needed for parties to participate.

This visual is intended for payments and strategy leaders at financial institutions and fintechs to

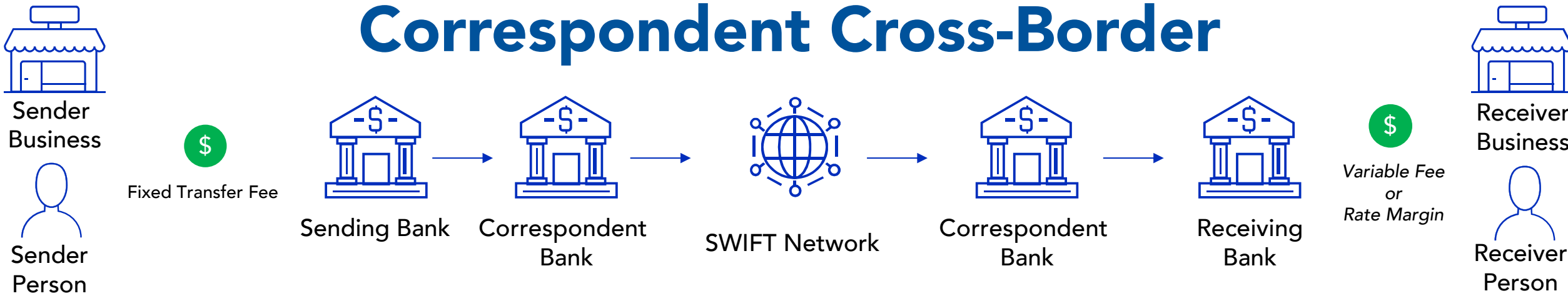
- Evaluate the economics of stablecoin cross-border flows
- Inform product strategy, partner negotiations and margin optimization

rather than for deep implementation or regulatory analysis.



Stablecoin Flow and Cost Elements

This flow, widely referred to as “stablecoin sandwich,” starts and ends in fiat currency.



Legend of Fees

All cost elements subject to reduction or waiver by providers

\$

Bundled fee; contains portions of other fees

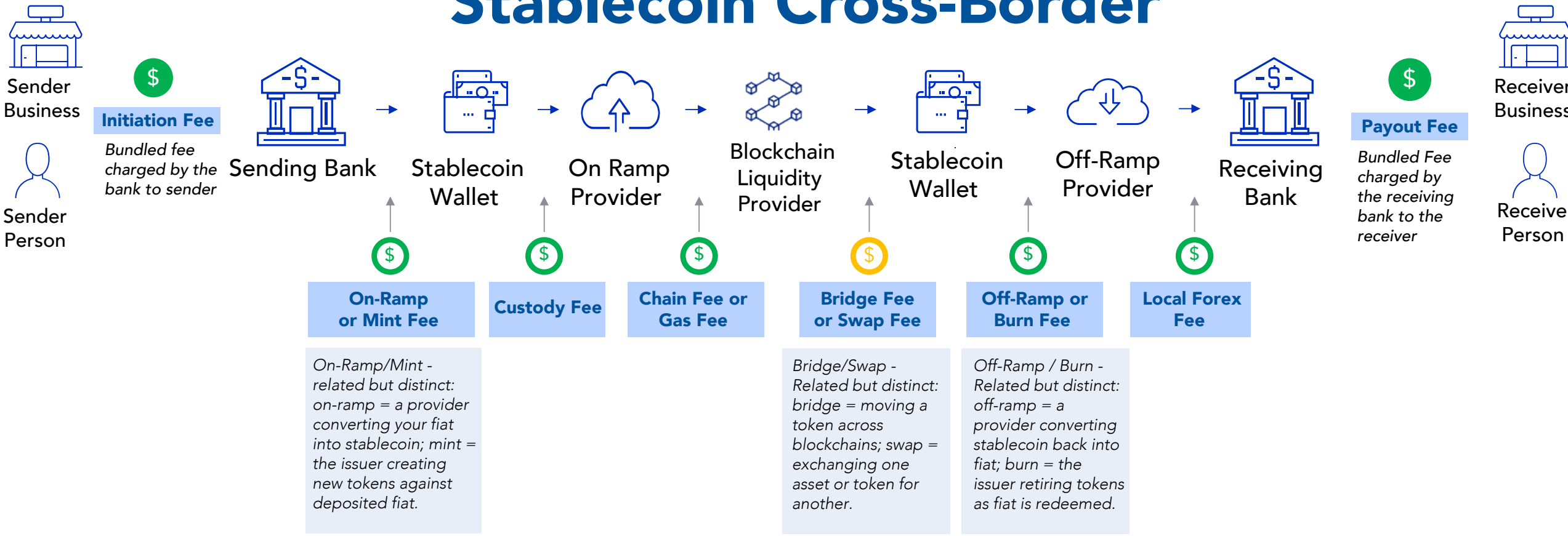
\$

Standalone fee

\$

Optional fee; may not apply in all situations

Stablecoin Cross-Border



Definitions and Fee Ranges for Stablecoin Flow

	Low/High \$ on \$1,000	Chain/Scenario Notes
Initiation Fee \$ Charged to the sender when a payment is initiated	\$0-1	• Typically \$0 for bank ACH deposit to exchange; negligible for most on-chain native flows.
On-Ramp Fee / Mint Fee \$ Charged to convert fiat from a bank account into a digital asset (stablecoin) available in a blockchain wallet	\$1-15	• Exchange Trading fee 10-50 bps (major venues); all-in retail ramp 50-150 bps including spread. • Direct Circle/issuer mint typically 0-5 bps, but requires institutional access.
Custody Fee \$ Cost associated with safeguarding digital assets and managing the cryptographic keys required to authorize wallet transactions	\$0-0.50	• No per-transaction custody fee for retail stablecoin transfers. • Institutional custody/key management costs are real but amortized across volume, not per-transaction.
Chain Fee / Gas Fee \$ Fee required by a blockchain network to process, validate and permanently record a transaction on a ledger	\$0-50	• Highly chain-dependent and fixed per transaction.
Bridge Fee / Swap Fee \$ Charged to convert or move a digital asset between asset types or blockchain networks	\$0-3	• Only applicable if cross-chain movement requires (e.g., USDC on Ethereum to Polygon). • Includes Protocol fee + source/destination gas.
Off-Ramp Fee/Burn Fee \$ Charged to convert a digital asset back into fiat and deposit it into a traditional bank account	\$1-15	• Symmetric with On-Ramp in most corridors. Exchange trading fee for USDC to fiat conversion.
Local Forex Fee \$ Cost incurred when a digital asset is converted into the recipient's local fiat currency at the time of payout	\$0-40	• Only applicable for cross-currency transfers. (e.g., USD to EUR at destination) • Often embedded in off-ramp spread rather than quoted as separate line item.
Payout Fee \$ Fee charged for delivering funds to the recipient's bank account, wallet, or local payment method	\$0-1	• Final bank withdrawal from exchange to recipient's account. Most major exchanges absorb ACH/SEPA withdrawal costs.

About the U.S. Faster Payments Council

The FPC is an industry-led membership organization whose vision is a world-class payment system where Americans can safely and securely pay anyone, anywhere, at any time and with near-immediate funds availability. By design, the FPC encourages a diverse range of perspectives and is open to all stakeholders in the U.S. payment system. Guided by principles of fairness, inclusiveness, flexibility and transparency, the FPC uses collaborative, problem-solving approaches to continue to advance faster payments adoption and build towards the future of payments.

For more information, please visit FasterPaymentsCouncil.org

About the FPC’s Digital Assets in the Financial Industry Work Group

This Work Group maps out how digital assets relate to the financial industry, focusing specifically on payments made with digital funds – central bank digital currency (CBDC), regulated liabilities and stablecoin.

The FPC also would like to thank and acknowledge the specific Work Group Members who contributed to this infographic (see the full list here).

For more information, visit FasterPaymentsCouncil.org/Work-Groups



Sources

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