VERSION 1.2

Stablecoins: A Field Guide for Treasurers

Are stablecoins worth exploring, and what do I need to think about before I let my team go further? Six scenarios, five questions, and the checks that lead to a confident answer.

Commissioned by the Algorand Foundation.

Written by Thomas Byrnes. Prepared by MarketImpact Digital Solutions Ltd.

For United Nations and INGO treasury and finance teams.

Date: 1 October 2026.

Version 1.2. Incorporating contributor feedback and final editorial checks through 1 October 2026.

Jump to: Q1 | Q2 | Q3 | Q4 | Q5

Companion document: the Stablecoin Treasury Operational Toolkit.

Before you start

Finance teams are increasingly being asked whether stablecoins can help solve operational challenges in the aid sector, moving funds across borders, reducing settlement times, managing foreign exchange constraints, and expanding access to digital payments. For many organisations, however, the technology is unfamiliar, and the evidence is difficult to navigate.

Commissioned by the Algorand Foundation, this guide has been written to support those decisions. It provides a practical framework to help organisations assess whether payment stablecoins are appropriate for their own context, systems and risk appetite.

The guide is written for treasurers, CFOs and finance leads working in UN agencies and international NGOs. It assumes experience in treasury and financial management, but no previous knowledge of blockchain or digital assets.

The guide is organised around six common treasury scenarios and five decision questions. It is intended to help organisations identify where further work may be worthwhile, where existing payment systems remain the better option, and what questions need to be answered before any decision is made.

This guide focuses on decision-making. The accompanying Operational Toolkit provides the practical steps, templates and due diligence needed if an organisation decides to move forward. The guide is practical guidance, not legal, compliance, tax, accounting or sanctions advice, and each organisation's own counsel, auditors, donors and banks have the final word. It recommends no token, chain, issuer, provider, custody model or off-ramp. Named examples rest on public sources and are graded in the Toolkit annex with what each shows and what it does not. A full assessment of privacy and beneficiary identity systems sits outside this guide. Data-protection checks remain part of assessing any proposed payment route.

Six scenarios

Six ways stablecoins land on a treasurer's desk. Find yours and run its first check.

Scenario	First check	Read next
1. Stablecoin donation	Donor identity, source of funds and safe receipt.	Q3 and Tools 1–2
2. Banking blocked or slow	Relevant law at origin, transit and destination.	Q3, then Q2 and Tool 1
3. Partners hard to pay	What arrives, at what rate, with what records.	Q3 and Tool 3
4. Funds lose value while waiting	Holding approval and accounting treatment.	Q2–Q3 and Tool 1
5. Asked to find a better way	Name the problem before choosing a rail.	Q1 and Tool 1
6. Beneficiary payments	Name the need. Begin with desk review, then unfunded test.	Q1, Q5 and Tools 1 and 6

1. A stablecoin donation

A donor wants to give you a stablecoin donation, or funding. The organisation has to accept it, keep it safe, report it, and decide whether to convert it to fiat or hold and move it as a stablecoin. Conversion is the default for most organisations, but it is a decision, not an automatic step, and some agencies have chosen to move donated value onward in stablecoin form.

First check: can you identify the donor and the source of funds, and do you have somewhere to custody the stablecoin while you decide what to do with it. If not, that is where to start, not with the token.

Go to: the local regulation check (Q3), the custody check (Q3), the off-ramp check (Q3). Toolkit Tools 1 and 2.

A peer has done this: USA for UNHCR, the agency's US national partner, publicly accepted a USD 2.5m stablecoin donation from Binance Charity for the Ukraine response in 2022. What that example does and does not show: Toolkit annex C.1.

2. Banking is blocked or slow

The transfer to your country office has been sitting with a correspondent bank for three weeks, and nobody can tell you if or when it will move. Or the banking route is so unreliable that the office depends on informal transfer agents, hawala or hundi, to receive funds.

First check: what do local regulations allow in the place where the value will be received and converted. Regulations in the sending HQ jurisdiction may be clear, but the receiving jurisdiction also determines whether a route is possible. The answer is often not black and white.

Go to: the local regulation check (Q3) first, then Q2 for whether the route is worth it. Toolkit Tool 1.

A peer has done this: the Digital Hub of Treasury Solutions, a controlled UN treasury platform led by UNHCR and UNDP, places stablecoin and tokenisation work inside an agency-owned system, which is architecture evidence for the HQ-to-country problem rather than a full route end to end. Boundaries in Toolkit annex C.1.

3. Partners are hard to pay

A partner or local provider needs paying, and the route that reaches them is slow, expensive or produces records that neither their finance team nor yours can reconcile.

First check: what would the partner actually receive, in what form, at what rate, and can both finance teams reconcile it.

Go to: the local regulation check (Q3), then the off-ramp check (Q3). Toolkit Tool 3.

Providers describe this working: Coala Pay's own published case study of its pre-authorised partner settlement pilot with NRC in Somalia, cited as a public provider case study rather than the policy of the organisation named in it, and not an endorsement. Boundaries in Toolkit annex C.1. The Algorand Foundation's own account of HesabPay, a digital payment platform in Afghanistan that issues digital afghani against fiat deposits and settles transactions on Algorand, reports that more than a dozen organisations have used it to send funds to beneficiaries there.

4. Funds lose value while they wait

Money arrives, sits in local currency, and buys less by the time it is spent. Someone suggests holding a harder asset between arrival and spend.

First check: holding a balance is a different decision from moving money, with its own approval path. Establish who in the organisation would need to approve a held balance, and the auditor's position, before assessing any route.

Two different losses sit in this scenario. One is timing, local currency losing value between arrival and spend, which a faster route to the point of use can shrink. The other is the rate itself, and speed does not touch that one. Do not assume a held balance earns a return. MiCA prohibits interest on e-money tokens, and the US GENIUS Act prohibits issuer-paid interest or yield solely for holding, using or retaining a payment stablecoin. Ask counsel how the applicable rules and implementation dates affect any proposed reward. A payment stablecoin is not a like-for-like substitute for a deposit or money market fund. See Toolkit annex G.

Go to: Q2, the custody check (Q3), then donor and internal acceptance (Q3). Toolkit Tool 1, especially its short-route-or-standing-balance test.

5. Asked to find a better way

Leadership, or a donor, has asked whether stablecoins would improve on the current route. The first task is to establish what "better" means in this request, because cheaper, faster, more transparent and safer for the people being paid each lead to different assessments.

First check: name the problem before the tool. If nobody can state what is wrong with the current route in one sentence, there is no case yet.

Go to: Q1. Toolkit Tool 1.

6. The programme team wants to pay beneficiaries in stablecoins

A field team wants to deliver cash and voucher assistance this way, and treasury has to say yes, no, or not yet, and make the answer stick.

First check: what is driving the request. A named payment problem, donor interest in the instrument, or growing domestic use of stablecoins by the people the programme serves are all legitimate starting points, and each deserves the checks. The checks establish whether the route is possible and under what conditions.

Go to: Q1, then Q5. Start with a desk review and an unfunded test before seeking approval for a capped pilot. Toolkit Tools 1 and 6.

Peers have done this: UNHCR uses a stablecoin-linked, last-mile disbursement tool to reach people displaced in Ukraine, and Mercy Corps Ventures has publicly piloted stablecoin aid payments in Northeast Syria. Boundaries for both in Toolkit annex C.1.

Worth knowing for this scenario: cash and voucher classification turns on restrictions on how recipients can use the value after transfer. Eligibility or release conditions do not by themselves make a transfer a voucher. The Toolkit annex applies ECHO's functional definitions to stablecoin designs as this guide's interpretation, to be agreed with the donor.

What you are actually moving

A payment stablecoin is a transferable digital token designed to hold its value against a reference currency, usually the US dollar. The issuer backs the token with reserves and a redemption arrangement. The legal claim matters as much as the backing. Under EU MiCA, an e-money token is electronic money in token form. Its regulated issuer is an authorised electronic money institution or credit institution, and holders have a statutory claim to redemption at par. Other regimes create different rights. Bitcoin, by contrast, has a floating price and no issuer promising redemption at par. See Toolkit annex F and MiCA articles 48 and 49 in annex G.

Stablecoins are not all built the same way, and the differences matter more than the shared name. Three broad types cover the market:

Type	What stands behind the peg	Treasury position
Regulated and fully reserved	Reserves, issuer authorisation and holder rights governed by a specific regime, such as EU MiCA. The US GENIUS framework has its own implementation timetable. Check the issuing entity and applicable regime for the proposed route.	The category this guide is about
Reserved but outside those regimes	Reserve reports are available, but the issuing entity or offering does not meet the relevant regime's requirements. USDT illustrates the need to check this separately. ESMA required restrictions on trading and public offers of non-MiCA-compliant tokens by the end of Q1 2025. Mere custody and transfer remained possible.	Usable in practice on some routes, but the protections differ, and the difference belongs in due diligence (Tool 2)
Algorithmic	A software mechanism rather than reserves	Not suitable for treasury use. Algorithmic designs have failed at scale

Market scale	What it means
USD 317 billion as at 6 April 2026	Total stablecoin capitalisation reported in the Federal Reserve staff note of 8 April 2026, using DeFiLlama data.
Scale is not route approval	Check issuer, permissions, redemption, liquidity and the complete payment route. See Toolkit annex G.

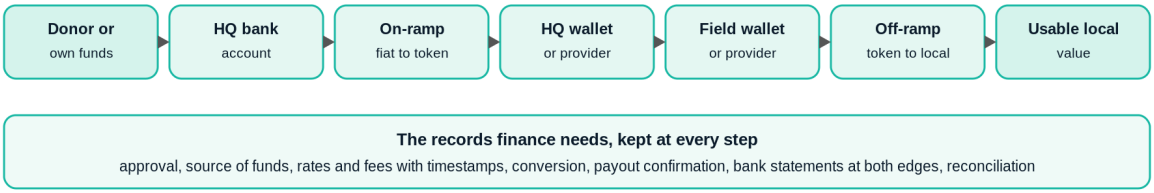
Read the scope, date, criteria and assurance conclusion of any reserve report. It is not a full financial-statement audit. The token name alone guarantees nothing. Check the issuing entity, jurisdiction, regulator, redemption claim and reserve banks. Singapore announced a stablecoin framework in 2023. As at 1 October 2026, MAS was consulting on legislation to implement it. Do not assume implementation or token authorisation. See Toolkit annex G.

The transfer route and the flow of funds

A stablecoin transfer route is the whole chain that turns money in one place into usable funds in another. A typical flow of funds runs: donor or own funds, the HQ bank account, an on-ramp where fiat converts to the token, an HQ wallet or provider account, a field wallet or provider account, an off-ramp where the token converts to bank credit, mobile money or cash, and the person or partner being paid. Each link may be a regulated business, a smart contract or a wallet the organisation controls itself, and each has its own permissions, prices and failure modes. The records finance needs to run the full length of the chain.

The flow of funds

The token is one step. The route has to reach usable local value, and the records run the whole way.



The route fails at its weakest step. A fast token leg changes nothing if the off-ramp is short of liquidity or the file cannot be reconciled.

The practical consequence is that the route has to be designed and assessed as a whole before the token is chosen. A route is only as strong as its weakest link, and the weakest link is usually the off-ramp. The longer definitions, including the instruments that look similar but are not payment stablecoins, deposit tokens and tokenised funds among them, live in the Toolkit annex.

Start here: three checks

Check	What must be established
1. Is the problem real?	A specific problem with cost, speed, transparency, access or safety.
2. What is permitted?	Legal basis across relevant jurisdictions, award requirements and internal authority. Risk acceptance cannot override a prohibition.
3. Is the route worth testing?	Credible benefit in usable value, speed, transparency or safety. Record extra cost and the reason for accepting it.
Next step: desk review	No live transfer is approved. Resolve uncertainty through Q3 and Q5. Stop or redesign where a requirement cannot be met.

Three checks decide whether this goes any further. They are the path to a confident yes, or an equally confident no. The checks sit on top of the five decision questions, Q1 to Q5, that structure the rest of the guide: the checks establish whether the question deserves further work, and the questions then do that work.

Check 1: Is the problem real?

Something is wrong with the current route: blocked, late, expensive, opaque, or impossible to explain to a donor. "Working" means more than money arriving. A route that depends on informal transfer agents, delivers poor or invisible rates, or exposes staff and recipients to risk is a route with a real problem, even if the money gets there. If the current route genuinely does the job on cost, speed, transparency and risk, the sound treasury decision is to stop.

Check 2: What do regulations and agreements allow?

Three answers are needed: the legal basis across relevant origin, transit and destination jurisdictions, including applicable sanctions (Q3, check one), the donor requirement under the award, and the organisation's internal authority.

Check 3: Is the route worth testing?

A route is worth testing when quoted numbers and provider evidence support a credible improvement in usable value, speed, transparency or safety. Record any extra cost and why the benefit justifies it. Finance must be able to reconcile and defend the records.

If a check fails: stop or redesign

The analysis is recorded and the question closes until something changes. The few deal-breakers are at Q4.

If all three pass: the next step is a desk review

Nothing is approved yet. Q5 sets out the controlled steps.

The standing question underneath all three: capacity

All three checks depend on people. The finance team needs the training, time and cover to run the route and keep its records. If that capacity does not yet exist, the assessment includes whether the organisation can build it, with an owner, a budget and calendar time attached, before value moves. A route nobody can staff fails the assessment, however good the quote. Tool 1.4 asks the question, and Tool 6a tests it before anything devolves to a country office.

Q1: What problem are we solving?

Toolkit Tool 1: Treasury assessment.

Start with the problem, not the token. Most stablecoin conversations in this sector that went nowhere began with the token.

In practice, most teams reach this question having already spoken to providers or seen a pitch, and that is normal. The discipline is to write the problem down before any route is designed around a particular provider:

> We cannot get [funds] to [place or partner] in [time] without [loss or failure], and it costs us [money, delay, operational burden or audit findings].

If the sentence cannot be written, there is no case. The treasurers interviewed for this guide, senior treasury and finance leads at UN agencies and INGOs who run money into hard markets, and the providers who serve them, kept arriving at the same place: routine movement, even to difficult countries, mostly works, and where it does, the honest answer is to stop.

Real problems look like this:

- Value is blocked. A transfer sits with a correspondent bank and nobody can say if or when it will move.
- Value arrives late enough to matter. An emergency response needs cash with people in days and the route takes weeks.
- The route depends on informal agents. An office that depends on hawala or hundi networks to receive funds is already operating outside the banking system, with the associated counterparty risks, rate, and records questions that come with it. A treasurer relying on informal transfer agents has a standing reason to assess whether a stablecoin route could do the same job with better records and known counterparties.
- Value leaks. The route delivers fewer local units than the market rate implies, and the friction costs are hard to locate and harder to challenge.
- The records are weak. Finance cannot show what rate applied, what fees were taken or when value arrived, and audit questions follow.
- Exceptions eat the team. Staff time goes on chasing, correcting and explaining one route.
- The rails have multiplied. Accounts and providers have proliferated across country programmes, and consolidating them is the goal a new route must serve rather than add to.

Not problems on their own: donor optics, a strong provider pitch, or the sense that everyone else is doing something.

Assess whether a better bank, a second FX provider or a pre-positioned float can solve the problem. Compare their cost, speed, records and operational burden with the proposed route. If the problem remains, move to Q2.

Q2: When might a stablecoin route make sense?

Toolkit Tool 1.

A stablecoin, for a treasurer, is a possible leg in a payment route. What it is and is not sits on the What you are actually moving page.

Before considering any potential benefits, the first question is operational: does the rail deliver funds reliably, at the scale required? Speed and cost are assessed only once that threshold is met.

Markets come in three broad kinds: banking blocked, banking working badly, and banking working well. The blocked case is comparatively rare. Most of this sector's money moves in the middle, where banking works but slowly, expensively or with weak rate records, and where offices often supplement the bank with informal transfer agents. That middle is where the checks in this guide do the most work. When banking works well, the case usually answers itself, and the conditions further down this page say so.

A stablecoin leg is most likely to be useful when the problem is one of these:

- The bank route is blocked or unreliable and a lawful route to local value exists anyway. Where the binding constraint is access to US dollar correspondent banking rather than one slow payment, organisations described in interviews for this guide have used an on-ramp as a temporary workaround rather than a permanent design, and holding it as temporary keeps the pressure on repairing the banking relationship.
- The office depends on hawala or hundi to move money. A stablecoin route is a like-for-like comparison here, both are workarounds for banking that is not doing the job, and the comparison covers rate transparency, counterparty knowledge, speed, records and the safety of staff and recipients, not just cost. Tool 3 runs the comparison against the informal route as well as the bank route.
- Speed is the point. Emergency cash that must reach people in one or two days, on a route that takes weeks. Route speed is not process speed: a transfer that settles in minutes still waits on the organisation's own approvals, so a speed case covers the approval path as well as the rail.
- A donation has arrived in stablecoin form and the job is to accept it, decide whether to convert it or pass it on as a stablecoin, and report it safely.
- Value is leaking from balances that wait in local currency between arrival and spend, and a faster lawful route to the point of use would shrink the exposure window.

The same assessment protects the organisation from a route that adds nothing, and four caveats keep it honest:

- The comparison is with the route actually available, on all four tests: cost, speed, transparency and risk to the people involved. When an existing route holds up on all four, including markets with functioning instant payments and liquid FX, the stronger case is usually to stay with it. A route that delivers the money but fails on transparency, speed or the safety of staff and recipients gives legitimate grounds to assess an alternative.
- The fee has to be earning something specific. Organisations trading FX at near-corporate rates have found quoted stablecoin routes uncompetitive, and Tool 3's all-in comparison is how any quote gets tested.
- Judge the route at the point of usable local value. A fast token transfer adds no speed benefit if conversion or payout removes the time saved. Cost, records and safety still need comparison. FX exposure is deferred rather than removed because conversion rates still apply at cash-out. Do not leave recipients to solve the cash-out problem themselves.
- The existing bank may be the simplest builder. Ask about bank-run conversion and settlement, including deposit tokens. A tokenised bank deposit is a claim on a bank, not the same claim as a payment stablecoin. Do not assume it substitutes for the proposed route. Test access, interoperability, conversion and destination coverage. The bank conversation comes first: Toolkit Tool 2.4.

Kathryn Powers, Head of Global Treasury at World Vision International, put the working standard this way: if we cannot explain it, we should not use it.

If one of the helping cases applies, the four checks in Q3 determine whether the route can proceed to a first step. Where none applies, recording that and staying with the current route is an equally sound outcome of the assessment.

Understanding real costs

Read this section before meeting any provider.

Compare the quoted percentage and fixed charges at the intended transfer size. A saving against a route not taken is a counterfactual comparison, not a separately booked gain. Actual fees, balances and exchange differences still follow the agreed accounting policy.

Parts of the route have been studied: market bodies price cross-border transfers and remittances, and the annex cites them. No published analysis was identified, in the sources reviewed for this guide or by the practitioners interviewed, that prices a full route end to end, origin bank to usable local value, with staff time and exception handling counted. Any headline saving is therefore context-specific. Published figures are often attached to claims they do not support, most often by mixing a fee and spread saving with an exchange rate difference. The two differ in kind and by an order of magnitude, so ask any provider which of the two their number describes, and on which corridor it was measured. The comparison also needs a figure most organisations do not yet have, their own current route priced end to end, and building that baseline is worth doing whatever the organisation decides about the rail.

The comparison is all-in: what local value arrives, when, with what records, after every fee, spread, conversion and hour of staff time, against the same total for the route already in use. Toolkit Tool 3 does that arithmetic. The worked example below shows the shape. Every number in it is invented for the sums. An organisation has a gross sending budget of USD 100,000. Fees are deducted from that budget before conversion. This simplified example excludes other costs which Tool 3 requires the organisation to assess. Its current route achieves 1,000 local units per dollar, with weak rate transparency, USD 200 in wire and correspondent charges, and end-to-end delivery in around three weeks. A tested alternative quotes 1,200, with a 3 per cent provider fee, delivery in one to two days, and counsel has confirmed the route is permissible in that jurisdiction.

	Current route	Alternative route
Fees paid	USD 200	USD 3,000
Rate achieved	1,000	1,200
Local units delivered	99,800,000	116,400,000
End-to-end time	Around three weeks	One to two days
What the ledger shows	A small fee	A fee fifteen times larger

With both routes achieving 1,000, the alternative delivers 97,000,000 local units and the bank delivers 99,800,000. The bank delivers more local currency in this comparison. Whether it is the better route overall also depends on speed, records and safety. Tool 3 records those trade-offs using real quotes for the proposed route.

For small urgent transfers, need can override cost. Speed is sometimes worth a fee that would be indefensible on a routine payment.

One further cost factor needs careful handling. Some published pilots report that a route improved the exchange rate achieved, particularly where official and market rates diverge. The public evidence for this effect is thin and context-specific, the legal position differs by jurisdiction, and how any route interacts with a rate gap is a question for counsel in that jurisdiction (Q3, check one), never a design feature. This is an area where the sector needs more research than currently exists, and this guide treats it as an open question.

Q3, check one: Navigating local regulation

Questions for counsel (Toolkit annex) and Tool 2.

The first question on any route is what regulations allow in the country where value is received, held, converted and paid out.

Check the destination as well as headquarters. A route may be permitted at HQ and prohibited elsewhere. The organisation may be headquartered in one country, funded from a second, banking in a third, using a provider in a fourth and converting in a fifth. Obtain a written assessment of relevant origin, transit and destination obligations, including applicable sanctions.

The same question arises for the exchange rate. Where value enters through the official banking system in territory an authority controls, that authority's rate regime is the starting point, and the practitioner experience behind this guide is that the route decides the answer more than the type of organisation does. That is not a safe assumption to carry into a specific case: UN agencies operate under their own rate arrangements, and what rate an organisation is obliged to use on a given route is a counsel question in that jurisdiction, recorded in writing with the rest of check one.

The receiving-country position is often not a yes or a no. Three broad categories cover most receiving jurisdictions, and the routes worth considering usually sit in the third:

- **Clearly permitted or regulated.** A licensing regime or explicit regulatory position exists. The work is confirming that providers hold the right permissions for the roles the route needs.
- Clearly prohibited. The documented legal assessment finds receiving, holding, transferring, converting or paying out prohibited under applicable law. Stop the proposed route. In contested settings, effective control is a factual consideration for counsel, not the sole test of applicable law. Q4 sets out the decision route.
- A grey zone. Regulation is absent, partial, under development or unevenly enforced. Counsel first establishes the legal basis under applicable existing law. The organisation then decides whether the remaining regulatory uncertainty and operational risk are acceptable, and records who accepts them. Risk acceptance does not override a prohibition.

For the grey zone, the questions that structure the assessment:

1. If there is no stablecoin-specific regulation, does existing law (payments, FX, e-money, banking) permit or constrain the proposed use?
2. How are wallet providers and off-ramps licensed, if at all, and what do those licences actually cover?
3. Does the design use custodial or self-custody wallets, and how does that choice change the regulatory exposure?
4. What is the regulator's enforcement record and capacity in practice?
5. Is there existing domestic usage of stablecoins absent regulation, and how is it treated?
6. What do the compliance programmes of the intended partners and providers cover, and what do they leave with the organisation?

The Toolkit annex carries these as a worked question set for counsel, framed so a lawyer can be briefed in an afternoon, including the classification question treasurers often meet late: how the instrument is classified in each jurisdiction, and what that classification carries with it. That is not only a compliance question. Where an instrument is treated as a crypto asset in some jurisdictions and not others, the legal exposure differs by country, and organisations described in interviews for this guide have used that mapping to decide how far to run the route centrally rather than leave it with country offices. Where official and market exchange rates diverge in a jurisdiction, how a route interacts with that gap is itself a counsel question there, never a design feature.

What good looks like, whichever category applies: a documented legal or counsel view covering the relevant jurisdictions, provider status confirmed for the roles the route needs, sanctions and screening responsibilities assigned to a named owner (what the provider screens, what it does not, and what remains with the organisation), and the house bank's tolerance tested early, because banks fund the fiat edges of every route.

The compliance obligations on a stablecoin route, KYC, sanctions screening and transaction monitoring, are the same in kind as on a bank transfer, applied across more counterparties, and the

chain adds a corroborating record fiat routes do not have. Binaya Dhakal, Global Treasurer at Mercy Corps, put the governance principle simply: the only difference is the mode of payment. All existing policies, procedures, and control requirements continue to apply. Additional approvals may be necessary based on the organisation's risk appetite and risk management framework. What changes is the set of counterparties and controls those policies attach to.

This guide is not a source of legal advice and offers no reading for any jurisdiction. Where it describes what regulation currently says, that is background for the conversation with counsel.

Legality where the organisation operates is also a programme-access question, and that changes whose decision it is. A clear ban, or acute political sensitivity around crypto instruments, puts the organisation's permission to operate in that country in play. That is a country-management and programme-leadership decision, informed by counsel, with treasury advising rather than deciding.

Q3, check two: Donor and internal acceptance

Toolkit Tools 1 and 6.

The donor question decides how much approval work is involved, and the answer depends on where the stablecoin sits in the flow of funds.

Where the payout is programmatic, meaning the stablecoin touches what a beneficiary, vendor or partner finally receives, the protective position is written donor approval or documented non-objection. Without it the organisation carries disallowed-cost risk at audit, and audit findings, more than the technology, are what keep treasurers in this sector cautious. Whether informing the donor in writing is sufficient, or approval is required, depends on the award: some awards constrain payment instruments and some do not, and practice is not settled across donors. In the practice described in interviews for this guide, flexible and private funding often required no payment approval, while institutional awards carried the audit exposure, and the funding type decides which conversation applies. The working rule is to check the award first and document whichever conversation follows.

For internal treasury movement, the case is different. Moving the organisation's own funds between HQ and a country office, converting fully to local currency, then paying salaries and vendors in fiat is a treasury decision under the organisation's own authority framework. In the practice described in interviews for this guide, the trigger for donor engagement is the payout, not the internal rail. Award terms differ, so the award itself is checked, in either direction.

Fee treatment matters in both cases. A route fee charged to an award needs its allowability, and the reporting of FX gains and losses, confirmed before the transfer, because reporting time is too late to fix them.

The table identifies which conversation applies, not the answer:

Situation	The donor question	Working action
Stablecoin donation	Can we accept, convert or hold, account for and report the gift, preserving any restriction?	Document donor identity, source of funds, custody, conversion and reporting treatment
Programmatic payout	Does the award permit the payment route and its costs?	Check the award, then written approval or documented non-objection as it requires
Internal movement, office receives fiat	Is this internal treasury only, with no stablecoin at the payment point?	Check award terms, local law, accounting policy and auditor expectations
Route fee charged to an award	Is the fee allowable, allocable and documented?	Record fee basis and FX treatment before the transfer

Internal acceptance is the same discipline pointed inward. Who can approve the route, who can hold or control a wallet, and who books the entry. If the delegation of authority does not answer those questions, the delegation is fixed first, and the example policy in the Toolkit (Tool 7) is built for exactly that.

Q3, check three: Route models, custody and providers

Toolkit Tool 2: Provider due diligence.

Who holds the value, who can move it, who can stop it, and who carries the loss if a counterparty fails. Every answer on this page has a working control behind it in Tool 2, so the risks below read as a checklist that can be passed rather than a warning to stop.

Two decisions sit on this page, and they are different in kind. The first is the route model: who operates the route. The second is custody: where any token value the organisation itself holds actually sits. A design that outsources the whole route may involve no custody decision at all.

Route models, in order of how little the organisation builds:

- **The existing bank intermediates.** The banking partner provides or fronts the stablecoin layer inside the relationship and contracts already in place. Today the answer is usually "not yet", but bank-native offerings are arriving, this is the model most conservative organisations actually want, and asking commits the organisation to nothing. Tool 2.4 gives the questions, and the bank conversation comes before building anything below.
- **A provider runs the route.** The organisation sends fiat to a licensed provider, the provider executes the token leg, and fiat or local value is delivered at the far end. The organisation may never hold a token. This is the simplest model to operate, and it concentrates risk in one firm, which is why the provider's licensing, protections and financial standing carry the weight. The route can be outsourced, but accountability for it stays with the organisation.

Custody models, where the organisation does hold token value:

- **A custodian holds it.** A regulated third party holds the tokens under contract. Less key-management burden for the organisation, new counterparty and contract questions, including segregation on insolvency.
- **The organisation holds the wallet.** Full control and full operational burden: trained people, dual approval, no single-person movement authority, tested recovery. Most organisations are not ready for this on day one, and do not need to be.

Bank intermediates	Provider runs the route	Custodian holds tokens	Organisation holds wallet
Ask the bank what it can provide. Tool 2.4.	Fiat in and fiat out. Assess concentrated provider risk. Tool 2.	Assess contract, segregation and counterparty risk. Tool 2 and counsel.	Full operational responsibility. Trained people, dual approval and tested recovery. Tools 2 and 6a.

The counterparty is a stack rather than a single company. Custodian, issuer and off-ramp each sit in the route, and each needs its own check in Tool 2. Test custody segregation, the issuer's jurisdiction and regulator, reserve-bank quality and concentration, and local payout liquidity. Freezing and blocking powers can form part of regulated compliance, including sanctions, legal orders and responses to suspected fraud or security incidents. Read the legal basis and published terms, the grounds, the decision process and the recourse. Do not assume either unrestricted discretion or that every freeze requires a court order. Custody matters because the affected address may belong to the organisation, a custodian or an omnibus account. Passing one layer says nothing about the other two.

Check onboarding before designing around a provider. An issuer or intermediary may decline the organisation, donor, destination or transaction under its KYC, KYB, AML, sanctions or risk-appetite rules. Obtain written confirmation for the proposed route. For a MiCA token, start with the published white paper and disclosures, then resolve what they do not answer. Tool 2 records that evidence.

Three custody questions belong with counsel: whether client assets are segregated if the custodian fails, in whose name mint and redemption rights sit, and who controls signing and recovery when keys are shared with a provider. All three are in the Toolkit's questions for counsel.

Deposit protection does not follow the money outside the banking system. Some regimes give e-money or client-asset safeguards, many give nothing, and none of it matches bank deposit

insurance. A route provider can be licensed, competent and still fail. The discipline is to establish what protection actually applies, then set limits sized to the answer, exactly as with any uninsured counterparty exposure.

Do not rely on recall after a token transfer. There is no guaranteed network-level reversal. Escalate a mistake immediately through the provider or recipient where possible, without assuming recovery. The preventive controls are a small approved test transaction, independently verified and allow-listed destination addresses, dual approval before signing, and a named person who can stop a payment before execution and did not initiate it.

Assign initiation, address approval, payment approval and stop authority explicitly. Incompatible duties must be separated. The people available must be sufficient to run those controls, not merely meet a headcount minimum. Tool 1.4 tests capacity, Tools 2 and 5 specify transaction controls, and Tools 6 and 6a govern pilot approval and country-office readiness.

Q3, check four: The off-ramp and the records finance needs

Toolkit Tool 3: Off-ramp assessment. Tool 4: Finance records checklist.

Whether a route works usually comes down to the off-ramp, because conversion into usable local value is the hardest step. Destination banks do not, in general, receive tokens directly, so conversion happens before the bank and the off-ramp sits in nearly every route. A fast transfer to a wallet means nothing if local value arrives late, short, or unverifiably.

Four questions before anything moves:

1. **What arrives?** Local units delivered after every fee, spread and conversion, at the tested size and the intended size. Get a timestamped rate against a reference rate, and know who sets it.
2. **In what form?** Bank credit, mobile money or cash-out, and whether local liquidity actually supports it at the intended volumes. Ask for an organisation that has taken payout at your size on this corridor, and ask to speak to them. If the provider cannot name one, that is itself an answer, and the pilot cap belongs at the largest size the provider can actually evidence.
3. **Will the bank take it?** The receiving bank accepts the proceeds and the paperwork, tested rather than assumed.
4. **Who owns the exceptions?** Failed payouts, bank queries, delayed credits. Named owner, response time, fallback route.

In many of the currencies this sector works in, the market for converting stablecoins into local currency is thin or non-existent, so the rate received is the rate negotiated. Different USD stablecoins can also fetch different exchange rates at the same off-ramping venue, which makes the token choice itself a rate question at the last mile. With stable reference rates, the question narrows. With unstable ones, rate risk concentrates at the off-ramp. The rate belongs in the contract: Tool 3 carries an example clause, and the legality question behind rate divergence belongs to check one and to counsel.

Separate the funding and reporting currencies, the token's reference currency, and the currency received at the off-ramp. Euro funding, accounting or redemption needs can make a euro token relevant even where local liquidity favours a dollar token. Compare every conversion and the final usable amount. The issuer's jurisdiction is a separate question from the token's currency. Record both in Tools 1 and 3.

USDQ, a US dollar-referenced e-money token issued by Quantoz Payments, a Dutch electronic money institution, illustrates why the token's currency and the issuer's jurisdiction should be checked separately. This is an illustration, not a recommendation. See DNB and Quantoz in Toolkit annex G.

The records finance needs. Build the file from approvals, custody or provider reports, conversion and payout confirmations, bank statements at the fiat edges and reconciliation. For a donation received directly in tokens, start with the donation receipt, donor and restriction records, and wallet or provider evidence. Chain data alone does not establish authority, purpose or receipt. Agree the evidence package with finance and the auditor before the test. Trained people must keep the records. Where capacity is missing, train first and move value second. Tool 4 is the checklist.

Q4: The few real deal-breakers

Toolkit Tool 5: Risk register.

Three conditions stop a stablecoin route outright in the standard case:

1. The documented legal assessment finds the proposed route prohibited under applicable law. Check receiving, holding, transferring, converting and paying out across relevant jurisdictions, including sanctions. Do not proceed with a prohibited route.
2. **There is no lawful off-ramp.** Where token value cannot lawfully become usable local value, there is no route, only a stranded asset.
3. **The donor prohibits it.** Where the award rules the route out, whether it prohibits the payment instrument itself or refuses permission for a programmatic payout, the answer is no for that award, and other funding may differ.

In contested settings, competing authorities may issue conflicting financial instructions. Counsel assesses applicable law and the practical effects of those instructions. Effective control on the ground does not by itself settle the legal answer. Country management and humanitarian-access leads assess the operational exposure, with treasury implementing the authorised decision. Neither operational acceptance nor a provider's willingness overrides a legal prohibition.

Sanctions regimes follow the same logic in both directions: they can close a route local law permits, and a licence or exemption can open a route a blanket reading would close. A licence changes the government's position, though, and not necessarily the issuer's or the provider's: their compliance functions apply their own rules, so the licence is put to them in writing before a route relies on it (Tool 2 carries the question). Establishing that a jurisdiction is prohibited, and not merely unclear or contested, is the output of the assessment in Q3 check one.

These are the three structural deal-breakers used in this guide. A route also waits if a required approval, provider acceptance or control is absent, or the residual risk exceeds the organisation's appetite. The Toolkit pairs operational risks with controls, owners, limits and stop rules:

The worry	The control that manages it	Where
A payment sent in error cannot be recalled	Test transaction to every new counterparty and corridor, whitelisted destinations approved separately, dual approval, named stop authority	Tools 2, 5 and 6
Issuer freeze or de-peg	Holding limit, conversion window, approved alternatives named in advance	Tools 2 and 5
Custodian failure	Segregation terms in the contract, dual approval, limits	Tool 2
Provider or platform failure	Exposure limit sized to the protections that actually apply, fallback route	Tools 2 and 5
FX at cash-out	The rate clause in the provider contract, timestamped rate records	Tool 3
Data exposure	Minimisation review, no central identity store without cause	Tool 1 and annex E
Accounting challenge	Ledger treatment agreed with auditors before value moves	Tool 4
Audit or donor challenge	The approval file, donor permission documented as the award requires	Tools 4 and 6

Each of these risks still needs a control, an owner and a limit, and the Toolkit's risk register pairs every one of them with its control.

The working order: check the three structural deal-breakers first. Record unresolved legal questions and obtain the assessment the proposed route needs. If a prohibition applies, close the proposal until something changes. Otherwise, use the desk review in Q5 to resolve open questions and

establish whether approvals and controls can be put in place. No live value moves before they are ready.

Q5: Where do we start?

Toolkit Tool 6: Pilot approval. Tool 8: Example decision paper.

Start within the organisation's delegation of authority. The first step is never a live transfer. The path is graduated, and each step builds the case for the next.

1. Desk review. No value moves. One named owner, the three checks, the deal-breaker scan, an open-questions log. The desk review takes a few days. It is normal for an exploration to end here, either with a documented no or a case for step two, and both are useful outcomes for the organisation.

2. Unfunded test. Still no value moves. Map the route end to end, get real quotes, collect the provider's sample reports, and ask finance whether it could reconcile the paperwork. A test that ends in a documented "no" has done its job.

3. Capped pilot. Live value, one route, one use case, hard limits. Value cap, time limit, named owner, and a stop rule written before the first transfer: what event pauses the route, and who can pull that trigger without asking the operator's permission. The caps in full, set before anything moves: maximum single transaction, maximum aggregate value, the approved token, chain and provider set and no others, maximum holding period before conversion, the review date, and the named person who can continue or close it. Tool 6 is the approval template a country office can submit.

Every step has a named owner, and the pilot has a stop rule.

The decision the organisation is taking comes in five sizes, and naming the size correctly keeps the approval at the right level:

Decision level	What it authorises	What it needs first
No action	File the analysis, revisit on a named trigger	The Tool 1 case and the deal-breaker scan
Desk review	A named owner and an open-questions log, no value moves	Nothing more, this is the default first step
Unfunded test	Route mapped, real quotes gathered, reconciliation rehearsed	The desk review's conclusions
Capped pilot	Live value, one route, hard caps, a stop rule	Tools 1 to 5, assembled in Tool 6
Material live route	Standing use within policy	A completed pilot and its close-out paper

Approval sits wherever the organisation's delegation of authority puts a decision of that size. In most organisations a desk review or unfunded test sits comfortably with the CFO or treasurer, and many capped pilots will too. When a decision does go to a board or committee, the paper is short: the problem, the route, the limits, who accepts the residual risk, who can stop it. Tool 8 is a worked example built to be marked up rather than written from scratch.

A successful pilot supports a decision on the next stage. Before increasing limits, recheck liquidity, controls, provider capacity and approvals at the proposed volume.

What we are seeing now

The public evidence to date concentrates in humanitarian cash, and the agency-owned examples sit at its centre: UNHCR's stablecoin-linked last-mile disbursement route reaching people displaced by the war in Ukraine, and the Digital Hub of Treasury Solutions, led by UNHCR and UNDP, which reports live blockchain-enabled disbursement projects in several countries, both graded in the Toolkit annex. Humanitarian cash is where the three real drivers converge: banking that is broken or blocked where the money must arrive, speed that matters in days, and donors who want to see

delivery. It is also where need can override cost, because a fee that would be indefensible on a routine payment can be worth paying when people must be reached within days.

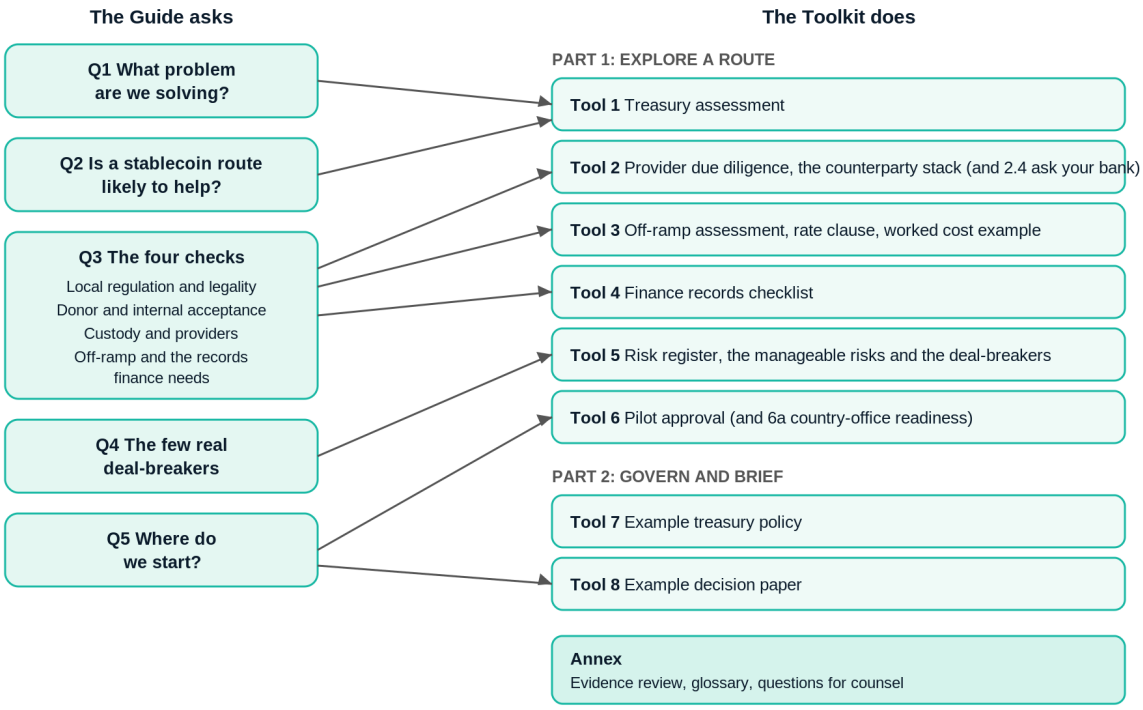
Around that centre, five things show up consistently in the public evidence:

- **The rails are becoming intermediated.** In the wider payments market the dominant pattern is stablecoins packaged inside card-network settlement, merchant checkout, business accounts, remittance tools and treasury-management systems, all of them channels finance teams already recognise. Very little of that has reached this sector yet, and direct token holding by treasurers remains the rarer pattern here.
- **Humanitarian and development use is real but narrower than the noise.** The agency-owned evidence sits in cash assistance. The partner-settlement and development-context cases are mostly provider-published or venture-published pilots, small, and often de-risked by a vendor or a single donor. They are prompts for an organisation's own checks rather than proof.
- **There is no universal cost case.** Some routes show real savings, some do not, and the published numbers are context-specific. The all-in comparison in Tool 3 is the version of the cost question worth asking.
- **The governance question has moved.** The debate has shifted from which chain to which route: who holds the funds at each step, who sets the rate, who screens, who proves payout, who reconciles. These are treasury questions, and they are the reason this guide exists.
- The market is big enough to matter. A Federal Reserve staff note published on 8 April 2026 reported total stablecoin capitalisation of USD 317 billion as at 6 April 2026, using DeFiLlama data. Scale says nothing about whether a given route is lawful, liquid or better than the existing bank.

What we see	Evidence class	Why it happens there
Donation acceptance	Strong, agency-owned	Donors offer the asset, so readiness is forced rather than chosen
Humanitarian cash routes	Strong, agency-owned	Broken banking, speed to people, donor-visible delivery
Partner and provider settlement	Provider-published pilots	Slow, expensive last miles where a tested provider can beat the bank route
HQ-to-country liquidity	Architecture evidence, not full routes	Blocked or unreliable banking on specific routes
Many small payments	Provider and commercial sources	Reconciliation improves when each payment carries its own record
Treasury infrastructure	Strong commercial evidence	Card networks and treasury systems are absorbing the rails

Every example behind this page sits in the Toolkit annex with what it shows and what it does not. The pattern across the annex's examples is a short route: into the country, across it, and out into usable local money promptly.

The pack map



Each check page in the guide names the tool to open next. The annex sits behind every public example.

The guide supports the decision, and the Toolkit supports the work that follows, through eight tools in two parts.

Annex: Evidence review, glossary and questions for counsel. Every public example this pack relies on, with what it shows and what it does not, the longer definitions, and the questions to put to counsel, including the grey-zone question set from Q3 check one, with no legal readings offered.

The evidence base was assembled through July 2026 and revised following contributor feedback in August and September. This edition adds targeted regulatory and source checks dated 1 October 2026. It is not a comprehensive update of every market example. Everything in it assumes the organisation completes its own legal, regulatory, compliance, audit, accounting, donor and bank review before live use. The Toolkit makes that review faster. It does not replace it.

AI tools supported drafting, structuring, editing and reference management. Responsibility for the content and publication decisions remains with the author and publisher.