

## **ISDA and Ant International Lead New Industry Report on Use of Tokenized Bank Liabilities for FX Settlement and Cross-Border Payments Under Project Guardian**

**SINGAPORE, July 3, 2025** – The International Swaps and Derivatives Association, Inc. (ISDA) and Ant International have led a Project Guardian FX industry group to develop a new report for implementing tokenized bank liabilities and shared ledger in cross-border payments and foreign exchange (FX) settlement.

The joint report is produced under the Monetary Authority of Singapore's (MAS) Project Guardian, a global collaboration between policymakers and key industry players to enhance liquidity and efficiency of financial markets through asset tokenization. ISDA and Ant International are members of the industry group and lead the FX workstream to develop FX data specifications, risk management frameworks and FX documentation. Other contributors to the report include BNY, HSBC, OCBC and the Global Financial Markets Association's Global Foreign Exchange Division.

Available on the MAS [website](#), the report draws on the partners' technology expertise, FX payment experience and extensive industry partnerships to propose principles for leveraging tokenized bank liabilities and shared ledgers in transaction banking services. This includes:

1. Design principles for tokenized bank liabilities to standardize industry practices and enable interoperability;
2. Key risks and mitigation actions for shared ledger-based payments; and
3. Use cases showcasing real-world shared ledgers and tokenized payments in transaction banking.

As a Project Guardian participant, Ant International also leveraged its blockchain-based Whale platform to develop a global treasury management use case for real-time multi-currency clearing and settlement.

### Addressing Current Challenges in Cross-border Payments Through Tokenization

FX-related risks and costs remain a major hurdle in cross-market and cross-currency payments, especially for businesses in the digital economy. On top of limited settlement windows, they also face time zone delays and different settlement assets and platforms. This results in slower

settlement and higher fees, with an estimated US\$120 billion spent annually on cross-border transaction fees<sup>1</sup>.

In contrast, use cases by the industry group show that tokenized bank liabilities and shared ledgers can result in faster, more secure and efficient cross-border payments. By enabling interoperability between bank solutions, payments can be completed 24/7 with FX settlement conducted in real-time. Payment settlement time is also reduced to minutes or even seconds, providing a more seamless payment experience for businesses and their customers.

However, a universally-accepted industry framework is needed for industry-wide adoption, which could lower cross-border transaction costs by 12.5%, saving businesses more than US\$50 billion by 2030<sup>2</sup>.

ISDA and Ant International, together with the Project Guardian industry group, will continue to broaden the applications of shared ledgers and tokenized bank liabilities by developing more use cases for the digital economy. This includes integrating with existing banking systems and supporting other digital assets so that businesses big and small can benefit from this innovative technology.

**Scott O'Malia, Chief Executive of ISDA, said:** "Tokenization has the potential to revolutionize cross-border payments and FX settlements, significantly increasing efficiencies and reducing costs and risks. Our work with MAS and the industry group has highlighted the critical importance of common standards and industry documentation to support the safe and efficient use of tokenized bank liabilities, and this will continue to be a focus for ISDA as we further develop the potential for tokenization."

**Kelvin Li, General Manager of Platform Tech at Ant International, said:** "We are honored to help shape industry adoption of tokenization with ISDA under Project Guardian's leadership. Since 2019, Ant International has used tokenized deposits to streamline wholesale payments and treasury activities. We now process over a third of our transactions on-chain. In addition to faster, cheaper and more secure cross-border payments, tokenization programs are translating technology into more competitive FX rates and faster FX settlement for customers. We will continue evolving our Whale platform to serve businesses of all sizes with the latest shared ledger technology, such as tokenized deposits and stablecoins."

**Kenneth Gay, Chief FinTech Officer, MAS, said:** "The use of tokenized bank liabilities marks a milestone in the evolution of cross-border payments and FX settlements. Underpinned by shared ledger infrastructures, tokenized bank liabilities can enable 24/7, real-time settlement across borders and help optimize liquidity management in transaction banking. Together with

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<sup>1</sup> Unlocking \$120 billion value in cross-border payments.(2021)

<https://www.jpmorgan.com/kinexys/documents/mCBDCs-Unlocking-120-billion-value-in-cross-border-payments.pdf>

<sup>2</sup> *Better, faster, cheaper: Multibank tokenisation networks could transform cross-border payments (2024)*

<https://www2.deloitte.com/us/en/insights/industry/financial-services/financial-services-industry-predictions/2025/bank-tokenization-global-payments.html>

members of Project Guardian, we look forward to advancing efforts towards more efficient global financial markets."

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**About ISDA**

Since 1985, ISDA has worked to make the global derivatives markets safer and more efficient. Today, ISDA has over 1,000 member institutions from 76 countries. These members comprise a broad range of derivatives market participants, including corporations, investment managers, government and supranational entities, insurance companies, energy and commodities firms, and international and regional banks. In addition to market participants, members also include key components of the derivatives market infrastructure, such as exchanges, intermediaries, clearing houses and repositories, as well as law firms, accounting firms and other service providers.

Information about ISDA and its activities is available on the Association's website:

[www.isda.org](http://www.isda.org). Follow us on [LinkedIn](#) and [YouTube](#).

**About Ant International**

With headquarters in Singapore and main operations across Asia, Europe, the Middle East and Latin America, Ant International is a leading global digital payment, digitisation and financial technology provider. Through collaboration across the private and public sectors, our unified techfin platform supports financial institutions and merchants of all sizes to achieve inclusive growth through a comprehensive range of cutting-edge digital payment and financial services solutions. To learn more, please visit <https://www.ant-intl.com/>