CROSS-BORDER PAYMENTS / LATIN AMERICA

Dollars Without Borders

Latin America isn’t waiting for permission to fix cross-border payments.

By Diego — Principal, Mediavertical

If you want to see where stablecoin-based settlement is furthest ahead of the regulatory conversation happening in Washington and Brussels, look at Latin America — not as an emerging-market curiosity, but as the region already running the playbook everyone else is still debating in white papers. 71% of Latin American firms already use stablecoins for cross-border settlement. That's not adoption at the margins; that's a majority behavior, and it happened without waiting for a global regulatory consensus to arrive first.

As someone who grew up in Mexico City and has spent a career moving between multinational institutions and operator roles, this is the pattern I find most instructive: the region with the most friction built the workaround first, and the rest of the world is now studying it.

Three forces explain why LatAm moved first, and one implication for anyone building payments or treasury infrastructure into the region.

1. Correspondent banking friction is highest exactly where LatAm trade happens.

Traditional cross-border settlement through correspondent banks still takes 3–5 business days, with all-in costs — wire fees, FX markups, intermediary deductions — reaching 2–7%. For mid-market companies running supplier networks across Mexico, Brazil, and the broader region, that friction compounds with every new market added: trapped working capital, failed payments, and reconciliation overhead that scales faster than revenue. The problem isn't exotic. It's structural, and it's been priced into the cost of doing business in the region for decades.

2. Local currency volatility makes USD-denominated settlement a rational default, not a crypto bet.

B2B stablecoin payments in emerging markets grew 733% year-over-year, driven overwhelmingly by businesses using USD-pegged tokens to protect payment value between invoice date and settlement — the same logic that drives dollarization of savings in high-inflation economies, just applied to trade finance instead of personal savings. When local currency can move meaningfully between an invoice date and a payment clearing, holding the value in a dollar-equivalent token isn't speculative. It's the conservative choice, and treasurers across the region have understood that for longer than most global institutions have been willing to admit.

3. Infrastructure providers are now building for this corridor specifically, not retrofitting it.

Payment platforms and remittance networks have moved from experimentation to production-scale deployment in exactly this region — building compliance-first rails, with KYC/AML integrated at the transaction level, designed around emerging-market corridors rather than adapting infrastructure built for US-EU flows. That design choice matters more than it sounds: platforms retrofitting compliance tooling onto legacy rails carry a structural disadvantage against those built compliance-first from day one, particularly as regulators in the region sharpen their own frameworks.

4. The opportunity is in the "boring" middle layer, not the token itself.

The technology — sub-minute blockchain settlement — has been production-ready for years. What's still being built is the orchestration layer: fiat on/off ramps, ERP integration, and local collection methods feeding cleanly into the cross-border settlement leg. 70% of corporates say they'd adopt stablecoin rails faster if ERP integration were available. This is an integration problem now, not a legal or technology one — which is exactly the kind of problem operators, not just protocol engineers, are positioned to solve.

The bottom line: for anyone building payment or treasury infrastructure with exposure to Mexico or the broader LatAm corridor, the question isn't whether stablecoin-based settlement is viable there — the market has already answered that, at scale, without asking permission. The real question is who builds the compliance-first orchestration layer that lets a business capture value locally and move it across the border without the recipient ever needing to think about tokens at all.

This is the exact problem I'm building toward with Mediavertical's payments platform. If you're working on similar infrastructure for Mexico or LatAm corridors, I'd genuinely welcome the conversation.

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