

## FSB Taskforce on legal, regulatory and supervisory matters (LRS Taskforce)

Tuesday 2 December 2025 (Virtual)

### Summary and Action Points

Improving the transparency of cross-border payment services for end-users continues to be an important policy objective under the G20 Roadmap for Enhancing Cross-border Payments. The LRS Taskforce had a second discussion on this topic at their final meeting in 2025, following on their initial discussion in February. The meeting focused on identifying a range of practices that provide transparency on cross-border payment cost, speed and other terms of service. The meeting also included an update from the OECD Working Party on Financial Consumer Protection, Education and Inclusion on their work for developing guidance for implementation of principles related to transparency in cross-border payments.

#### 1. Business practices for providing transparency

The Chair of the LRS Taskforce highlighted the continued commitment of the FSB and G20 to continue progressing the work on improving cross-border payments. Improving the transparency of payment services enables customers to make informed choices about the payment services that fulfil their needs, thus promoting efficient markets and customer protection. Participants from the private sector shared various practices they were employing to provide transparency to end-users.

While a number of practices focused on presentation of cost transparency, one participant emphasised the importance of clarifying non-cost related service terms in respect to certain cross-border payment use-cases including commercial transactions. On practices for ensuring cost transparency, a general understanding emerged on the need to reflect different customer needs, preferences, and levels of understanding. A participant explained that pricing structure (e.g. applying fees or higher FX margin, per transaction fee or monthly flat rate) can differ by jurisdiction depending on customer preferences which can be grounded in cultural or societal expectations on how financial services are priced. The same participant explained that families sending money to relatives to cover living costs may prioritise cost while SMEs with time sensitive payments may prioritise speed. Different business models or payments instruments and the method of funds transfer was also raised as elements which could impact transparency of payments. Where an internationally active bank services multiple corridors for global corporates' treasury management, more unified service conditions may be preferred by customers. A participant raised the lack of liquidity of some currencies and how it impacts cost

transparency in terms of presenting the applicable FX rate to the end-user. On foreign currency, another participant raised specific challenges related to certain African currencies where regulation limits foreign currency holding to certain periods or values, which can complicate processes for maintaining liquidity and impacts speed transparency. Due to such variations in customer needs, preferences, and the impact of market conditions, a participant suggested to differentiate and focus on certain segments such as remittances, to support the policy objective of consumer protection.

A public sector participant presented on the work they conducted for improving transparency in cross-border payments. While the outcome of the work does not form regulation, supervisory expectations are conveyed to encourage industry to review and improve practices. A participant emphasised that industry should act on such work by public authorities to ensure it translates into practical improvements for end-users. The same participant emphasised the need to acknowledge different baselines from which each jurisdiction is starting from in terms of transparency. The need to progress work on relevant issues such as broadening access to payment systems to support shorter transaction chains which supports transparency was also highlighted.

The Chair concluded the discussion by noting the overall support for an outcome-based approach to ensure different customer needs and understanding are addressed by industry practices for providing transparency. She noted the need to specify the concrete preferences of customers such as the need to be clear on sending and receiving amount, while being cognizant of market circumstances which may impact availability of mid-market rates for certain currencies. She reiterated that the ultimate objective of improving transparency is to support competition which leads to efficient markets.

## 2. OECD work on transparency of retail and remittance payments

A representative of the OECD Working Party on Financial Consumer Protection, Education and Inclusion provided an update of its work to develop guidance for the implementation of the G20/OECD High-Level Principles on Financial Consumer Protection that are related to transparency in cross-border payments. The OECD explained the preliminary results of a survey which was sent to members of the OECD, FSB, G20 and ASEAN to gather information on transparency requirements and their development status as well as jurisdictional monitoring and enforcement of payment service transparency regulation.

The preliminary results are based on 41 responses with broad regional coverage. The results highlighted different degrees of development of transparency regulation in terms of addressing cost, speed and other service terms. Application of transparency regulations also differed by payment instruments (e.g. cash, card, credit transfer). The OECD explained that follow-up work with individual jurisdictions is continuing and that finalisation of the work is foreseen for 2-3Q 2026.

A participant noted the low share of jurisdictions which have requirements for payment status tracking compared to cost transparency and raised the need to decipher technological limitations from issues specific to certain payment rails (e.g. connectivity of Fast Payment

Systems to tools which enable payment status tracking). Another participant suggested that further analysis by the OECD could cover whether there is a correlation between consumer needs and the existence of specific transparency regulation and whether payment service providers go beyond regulatory requirements to have a competitive advantage against peers. The same participant emphasised that payment service providers tend to focus resources on the customer segments they prioritise for business and service development and have deep insight on customer needs. Another participant raised the potential for new technology such as blockchain to support improvements to transparency.

#### Action points:

- The OECD will provide a further update on their work on developing guidance for implementation of international consumer protection principles to FSB ahead of finalisation.
- LRS Taskforce members to inform the FSB Secretariat of any legal, regulatory, and supervisory issues that impact progress on enhancing cross-border payments.