



Services



Real-Time, Real Value: *Delivering on the Promise of Cross-Border Payments*

As cross-border payments move toward real-time, banks must modernize infrastructure to deliver faster, cheaper, and more transparent solutions that meet evolving demands. The challenge is significant, but so is the potential reward.

The world of payments has been transformed since the G20 Roadmap for Enhancing Cross-Border Payments launched in 2020 with a mission to increase speed, reduce costs, improve transparency, and broaden access.

Nearly 89% of payments over Swift are now processed within an hour, exceeding the G20's target of 75% by 2027.¹ Innovations in tracking, ISO 20022 adoption, and enhanced data standards are making fees, FX spreads, and transaction statuses more visible.

But challenges remain; in some countries, fewer than 5% of payments reach accounts within an hour, and globally, only 42% of cross-border payments are credited to beneficiaries within an hour.²

Costs also need to come down. While the G20 aims to bring the global average cost of a cross-border payment below 1%, the current average cost of sending a \$200 remittance is 6.3%.³

Banks looking to overcome these challenges face a complex market environment. Competition is tougher than ever, with fintechs targeting fast-growing use cases such as e-commerce, consumer-to-business, and consumer-to-consumer payments, which are expected to more than double to around \$34 trillion globally by 2030.⁴

¹ <https://www.swift.com/news-events/press-releases/swifts-cross-border-payments-processing-speed-surpasses-g20-target>

² <https://www.fsb.org/uploads/P091023-2.pdf>

³ <https://www.fsb.org/uploads/P091023-1.pdf>

⁴ https://www.citiwarrants.com/home/upload/citi_research/rsch_pdf_30285638.pdf



How Real-Time Makes an Impact: A Case Study

Bank ABC, with branches in the US, UK, Australia, China, and Japan, faces a common challenge: a corporate client in Australia needs to urgently send a USD payment to its subsidiary in China.

Although both branches hold accounts in New York, the 10:00 a.m. transaction in Australia occurs at 8:00 p.m. in New York, placing the payment in a queue until the next USD clearing window. If this occurs during a US bank holiday or weekend, processing may be delayed until the next business day.

With Citi's 24/7 USD Clearing and Real-Time Liquidity Sharing, this issue is resolved. Even if the Australian branch lacks sufficient funds, the system draws from a consolidated pool, enabling almost immediate payment execution. At 10:00 a.m. local time, the payment is credited in China in real time.

Target balancing helps ensure any negative balances are neutralized and branch accounts return to their predefined levels – for example, \$100 per location. Payments proceed efficiently, regardless of time zone or local balances, as long as all branches are enabled for 24/7 clearing and liquidity sharing.

To help compete effectively and recapture market share, banks must invest in real-time operations, leverage industry shifts such as ISO 20022 compliance, and harness technologies like application programming interfaces (APIs), blockchain and artificial intelligence.

The Inevitability of a 24/7 World

In a real-time world, consumer expectations are rapidly evolving. They are increasingly accustomed to platform models where products and services are available 24/7. Consumers expect banking to function in a similar manner, with real-time, full-value payments that are fast, frictionless, and reliable. As a consequence, alternative payment methods such as digital wallets are surging, with 60% of the global population expected to use them by 2026.⁵

These shifting expectations are reshaping corporate priorities, elevating instant payments, liquidity, and real-time data on treasury agendas. Cross-border payment flows are also accelerating, driven by the platform economy, direct-to-consumer (D2C) models, and increased remittances. As apps become more integrated, there is a need for continuous real-time experiences. Payment expectations are also rising in the corporate market, where buyers and suppliers increasingly demand experiences that mirror those they encounter as consumers.

Despite these shifts, most banks still operate in traditional ways. While existing rails offer scale, they struggle to compete with – or incorporate – innovations such as decentralized applications, which run on blockchain networks and operate independently of traditional centralized systems, or stablecoins.

Crucially, traditional rails are often defined by strict schedules in relation to payments, creating friction when real-time flows occur after hours or on weekends. Pre-funding and daylight overdrafts remain common but are costly and inefficient, especially when delayed payments trigger failures due to insufficient funds.

Regulators are tightening oversight, with some markets mandating stronger liquidity controls to mitigate systemic risk. While their focus is understandably on safety and soundness, there is also a drive to foster innovation. This includes a shift towards 24/7 with many countries now operating instant payments schemes (often with mandatory participation). In addition, decentralized application and stablecoin regulations are becoming more business friendly.

Many banks are responding positively to this new environment: 78% of Citi's global bank clients surveyed in 2023 are investing in always-on information systems, and 62% in real-time liquidity solutions.⁶ Corporates are not far behind – 62% identify as “fast followers,” while 25% consider themselves early adopters.⁷

⁵ <https://www.juniperresearch.com/press/digital-wallet-users-exceed-5bn-globally-2026/>

⁶ <https://www.citibank.com/tts/email/2024/tts/2315123-perspectives-corp/The-Real-time-Treasury-Evolution.pdf>

⁷ <https://www.citibank.com/tts/email/2024/tts/2315123-perspectives-corp/The-Real-time-Treasury-Evolution.pdf>

Delivering End-to-End Solutions

Real-time success is not just about speed – it requires smarter, end-to-end infrastructure that optimizes timing, funding, and delivery. Leveraging its global network and \$1.5 billion annual investment in services infrastructure, Citi has developed offerings to meet this need, including:

24/7 USD Clearing is now used by 240 banks in over 40 markets, enabling Citi's clients to make USD payments across Citi's 1,500 financial institution customers, and helping unlock opportunities for banks to essentially offer cross-border USD payments to their corporate and retail clients 24/7/365. No additional contracts or accounts are required.

Real-Time Liquidity Sharing allows a group of accounts to pool balances, enabling payments to be executed without pre-funding or credit facilities. This solution operates 24/7 and supports Citi's real-time USD clearing service – a vital advantage for institutions with international networks.

Citi® Token Services, which leverages blockchain and distributed ledger technology, facilitates cross-border payments in as little as 90 seconds. These services are designed to deliver the benefits of digital innovation – continuous availability, rapid execution, and reliability – without requiring clients to manage the underlying complexities associated with blockchain.

More broadly, Citi is using technology, such as APIs, to help power banks' digital transformation, so that they can deliver near real-time advisory, traceability and transparency around payments.

Those banks that modernize their infrastructure and embrace real-time as a strategic imperative are expected to be *best placed to lead in a rapidly evolving payments ecosystem.*

The Network Effect of a True 24/7 Multibank Value Proposition*

Company X is a global multinational looking for a more efficient solution for managing their cross-border payments, which are regularly challenged by time-zones and cut-off time constraints. They are looking to pay their vendors in a “just-in-time” manner, with transactions being processed in real time, across time-zones, beyond cut-off times and without concern of upcoming bank holidays. In this particular case, Company X is looking to move USD real-time to Bangladesh on a Sunday.

Citi offers Company X its Citi Token Services solution. This will help enable them to make near real-time payments out of their USD London account using Citi's private permissioned blockchain on Sunday – a non-working day in U.K.

Utilizing Citi Token Services integration with the 24/7 USD Clearing solution, Citi will move the funds to the beneficiary bank, which is part of the network of 250+ banks enabled to transact dollars 24/7/365. Despite being a weekend in Bangladesh, the beneficiary bank** credits the beneficiary near real-time enabling Company X to complete the transaction in near real time.

*For illustrative purposes only, commercial readiness and product availability may vary according to a variety of factors including geography, regulatory requirements, and internal approvals.

**This will depend on each bank's strategic ability to credit funds on weekends and after cut-off times. 24/7 USD Clearing will help enable the funds to reach the beneficiary bank near real-time.



Looking Ahead

Global market dynamics are converging towards a truly 24/7 ecosystem. Consumer expectations, technology, and business models are evolving rapidly – placing pressure on financial institutions to operate around the clock. And G20 cross-border objectives are fueling the regulatory environment to drive these changes.

Banks must prepare for a world where real-time is the norm. Investing in capabilities that align with client needs and regulatory direction will not only help meet the G20 goals of faster, cheaper, and more transparent and accessible cross-border payments but should also help unlock significant growth opportunities.

Given rising competition from fintechs, the stakes are high. Those banks that modernize their infrastructure and embrace real-time as a strategic imperative are expected to be best placed to lead in a rapidly evolving payments ecosystem.

Product and feature market availability subject to change without prior notice, in Citi's sole discretion.

Note: This article is based on Citi's recent webinar "[From Real-Time to Next-Gen: Redefining Cross-Border Payments.](#)"

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