



CENTRAL BANK OF NIGERIA



**Digital Cross-Border Payments, Global Finance,
and Economic Transformation – Opportunities
and Risks**

BY

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Protocol

Honourable Minister of Finance & Coordinating Minister of the Economy,
Federal Republic of Nigeria and Chair of the G 24,

Other Distinguished Ministers and Central Bank Governors,

Director, G-24 Secretariat,

Esteemed Delegates,

Ladies and Gentlemen,

Good morning.

1. It is a great honour for me to welcome you to Abuja for the 2026 G-24 Technical Group Meetings. This gathering comes at a crucial time, as technological shifts are transforming global trade, payments, and financial integration across the globe. This underscores why the overarching theme— ***‘Mobilizing finance for sustainable, inclusive, and job-rich transformation’***, is not only timely but perfectly suited to the moment.
2. At the heart of this transformation lies a simple, yet powerful truth: ***an economy cannot be more inclusive than its payment system***. If people cannot move money easily, affordably, and safely, across towns, borders, and continents, then they cannot fully participate in modern economic life. This is why my keynote speech today on ***Digital Cross-Border Payments, Global Finance, and Economic Transformation – Opportunities and Risks***, is not merely a technical discussion but a foundational development priority for G-24 countries.
3. Let me at this juncture, commend Nigeria’s Chairmanship under the strong leadership of the Honourable Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, for articulating a G-24 vision anchored on modernizing global finance, strengthening domestic capacities, and ensuring that the digital transition becomes a force for shared prosperity.

These priorities resonate deeply with the mandate of central banks across the G-24 countries.

4. Across the world, cross-border payments are becoming the backbone of the international monetary and financial system. For G-24 economies, inefficiencies in these systems translate directly into higher remittance costs, costly FX transactions, fragmented settlement processes, and barriers to MSME participation in global trade.
5. Improving cross-border payments, therefore, is not simply a technical reform, it is a macroeconomic and development priority. The channels through which capital, remittances and trade flows move, now form a critical part of global financial stability architecture.
6. Today, cross-border payments remain too slow, too costly, and too fragmented, especially for developing economies. With global remittance corridors costing over 6.0 percent, settlement lags of several days, and compliance burdens that exclude MSMEs, millions remain disconnected from global opportunity.
7. Digital innovation now presents a historic opportunity to correct these frictions. Modern payments infrastructure, instant payment systems, interoperable digital platforms, distributed ledger technology, and robust digital identity frameworks, can:
 - Reduce transaction costs for remittances and trade
 - Shorten settlement times
 - Improve transparency, compliance, and auditability
 - Expand access for households and MSMEs traditionally excluded from the formal financial system.
8. Interoperable digital systems also strengthen the transmission of monetary policy, expand financial inclusion, and reduce informality, if designed with resilience and strong governance.

9. These opportunities are not theoretical. They are happening around the world:
- India's Unified Payments Interface (UPI) now linked with Singapore and the UAE, has slashed remittance costs and enabled ubiquitous real-time settlement.
 - Brazil's PIX, adopted by over 70% of adults within two years, is being integrated into cross-border pilots across Latin America.
10. These examples demonstrate what is achievable for G-24 members, including **lower costs, better liquidity, stronger SMEs, job creation, and deeper regional integration.**
11. Nigeria's experience demonstrates that this potential can be realized through deliberate and sustained policy action. At the Central Bank of Nigeria, we have systematically modernized our regulatory and supervisory frameworks to keep pace with the rapidly evolving digital financial landscape. We strengthened operational oversight of switching and payment infrastructure providers, enhanced agent banking regulations to better address AML/CFT risks, and significantly improved interoperability across payment channels to support efficiency and scale.
12. Building on these reforms, we are concluding work on the new Payment System Vision 2028, developed in close collaboration with industry stakeholders and built around five strategic priorities aimed at boosting innovation, strengthening system resilience, and advancing financial inclusion. A central part of this agenda is improving the cross-border payments environment, where Nigeria has made concrete, measurable progress.
13. To deepen regional integration, the CBN introduced the simplified KYC/AML requirements for low-value cross-border transactions to encourage broader participation in PAPSS. This has eased transaction

processes for Nigerian SMEs by reducing paperwork and enabling faster, more seamless intra-African trade payments. We have also embraced fintech innovation to drive the next generation of secure, instant cross-border payments. Our Regulatory Sandbox now allows payment-focused fintechs to test new cross-border solutions under close CBN supervision, ensuring innovation proceeds without compromising stability.

- 14.** In June 2025, Nigeria launched the National Payment Stack, our next-generation real-time payment system built on ISO 20022 messaging and designed to support multi-currency and cross-border transactions. We have also strengthened our AML/CFT frameworks in line with FATF guidelines, requiring strict dual-screening of cross-border transactions to mitigate risks. On remittances, we worked with domestic and international stakeholders in 2024 to remove long-standing bottlenecks and expand efficient corridors.
- 15.** This has led to the introduction of new instruments such as the Non-Resident Nigerian Ordinary Account (NRNOA) for remittances and family support, the Non-Resident Nigerian Investment Account (NRNIA) for diaspora investments, and the Non-Resident BVN platform to allow Nigerians abroad to open and service accounts digitally. As a result of these reforms, remittance inflows now average about \$600 million per month, and we are confident of reaching a \$1 billion monthly milestone in the near term.
- 16.** Beyond regulation, we have engaged globally, through platforms like the Strategic Fintech Dialogue at the 2025 IMF annual Meetings, to ensure Nigeria contributes to shaping emerging global standards.
- 17.** The results are already evident: Digital financial reforms have supported millions of new entrants into Nigeria's formal financial system, strengthened confidence, and improved market integrity. Extending these

gains across borders represents the next frontier for inclusive growth, provided it is underpinned by robust regulation and strong institutions.

18. Beyond efficiency gains, digital cross-border payments are reshaping global finance itself. They are enabling:

- Local-currency settlement in cross-border trade
- New channels for South-South financial integration
- Reduced dependence on a limited set of reserve currencies; and
- More efficient transmission of global and regional capital flows.

19. Experiments such as mBridge, Dunbar, and other multi-CBDC platforms show the growing potential for real-time, local-currency settlement among central banks. These innovations are especially relevant for G-24 countries seeking a more balanced, inclusive global payments architecture.

20. Africa's experience with the Pan-African Payment and Settlement System (PAPSS) offers a powerful lesson for the G-24 in building modern, inclusive payment systems. PAPSS demonstrates how developing regions can create home-grown, interoperable infrastructure that reduces reliance on external correspondent banks, lowers settlement costs, and enables instant local-currency cross-border payments. It is already deepening regional value chains, supporting MSMEs under the AfCFTA, and strengthening macro-financial resilience through wider use of local currencies.

21. However, we must be clear-eyed: The opportunities of digital payments come with equally significant risks. The expansion of private digital payment platforms and stablecoins raises concerns about:

- Currency substitution and weakened monetary transmission
- Increased FX volatility and capital flow pressures
- Systemic importance of non-bank payment providers
- Regulatory arbitrage and fragmentation.

- 22.** Without coordination, digital cross-border payments risk becoming fragmented across jurisdictions, entrenching dominant currencies and platforms, reducing interoperability, increasing costs and undermining the ability of Emerging Market and Developing Economies (EMDEs) to safeguard monetary sovereignty.
- 23.** G-24 countries, many with shallow markets and capacity constraints, face amplified vulnerabilities. This is why the digital transition must be carefully sequenced and well-regulated.
- 24.** Central banks sit at the heart of this agenda. Our responsibilities include:
- Safeguarding monetary and financial stability
 - Modernizing payment and settlement systems
 - Operators of critical financial market infrastructure; and
 - Anchors of trust and stability
- 25.** In the G-24 context, central banks must also help drive job-rich growth, productive investment, and real-sector transformation. This requires policy coherence across monetary, fiscal, and financial reforms, echoing the G-24's emphasis on integrated, scalable solutions to development challenges.
- 26.** The G-24 has long advocated for a more inclusive global financial architecture and the Bretton Woods @ 80, offers an opportunity to re-anchor payments reform within a cooperative, rules-based international monetary system, - one in which developing countries help shape emerging standards rather than merely adapt to them.
- 27.** Success should be measured not only by speed and cost reductions, but by:
- Preservation of monetary and financial stability
 - Inclusion of EMDEs in governance and rule-setting; and
 - Resilience of payment systems to shocks

28. Distinguished colleagues, Digital cross-border payments can become a public good and help rebalance global finance and development, if central banks shape the architecture rather than adapt to it.
29. The task before us is clear: **To shape the future of global finance, rather than be shaped by it.**
30. Nigeria is honoured to host this important meeting, and the Central Bank of Nigeria remains committed to working with fellow G-24 members, the IMF, the World Bank Group, and other partners to build a financial system that is more inclusive, more resilient, and more development-oriented.
31. I wish you fruitful deliberations and thank you for your attention.

**Mr. Olayemi Cardoso,
Governor, Central Bank of Nigeria.**