The Multi-Issuance Issue

Ulrich Bindseil[*], Co-Pierre Georg[#], Patrick Hansen[§], Carolina Melches[+]

Abstract

Multi-issuance arrangements, under which a single fungible stablecoin is issued and redeemed by legally separate entities inside and outside the EU, each backing only the tokens it has itself issued, have become the practical accommodation between MiCA's requirement of an EU-located issuance and reserve and the need for global fungibility of leading global stablecoins. Whether such arrangements should be permitted is still being debated. This paper makes three contributions to this debate. First, we develop a financial accounts framework covering the two issuing entities, their custodian banks, holders, and an arbitrageur that traces how par arbitrage on a fungible token could redirect redemption pressure toward the accessible issuer. Second, we argue that reserve localisation is either redundant, if foreign reserve rules are sound, or ineffective, if they are not, and that it obliges dollar-denominated tokens to be backed by offshore dollar assets that are inferior to onshore reserves. Third, we assess mitigants and alternatives: technical separation of EU-issued tokens through distinct smart contracts, and direct EU distribution of well-regulated foreign stablecoins under an equivalence regime. We conclude that the latter would not only be more efficient but would also protect EU holders better than the current approach.

Key-words: Stablecoins; multi-issuance; MiCA; e-money tokens; reserve requirements; regulatory equivalence; cross-border arbitrage; offshore dollars; financial stability; flow of funds.

JEL-codes: G28, E42, F33, G23.

We would like to thank Alexander Bechtel, Tobias Berg, Eric Monnet, Nico di Gabriele, Anton van der Kraaij, and Erwin Voloder for helpful comments. All remaining errors are ours. The views expressed in this paper are solely those of the authors and do not necessarily reflect the views of their affiliated organizations.

*: Frankfurt School of Finance & Management. E-Mail: u.bindseil@fs.de
#: Frankfurt School of Finance & Management. E-Mail: co.georg@fs.de
§: Circle International Financial. E-Mail: patrick.hansen@circle.com
+: Finanzwende Recherche. E-Mail: carolina.melches@finanzwende-recherche.de

1. Introduction

Stablecoins have evolved from settlement instruments for crypto-asset trading into a form of privately issued, cross-border digital money that would increasingly interact with the traditional financial system (Arner, Auer, and Frost, 2020; Gorton and Zhang, 2023). This shift has been accompanied by a wave of dedicated regulation on both sides of the Atlantic and elsewhere. The United States has established a federal licensing and reserve regime for “payment stablecoins” under the GENIUS Act (United States 2025), while the European Union imposes its own reserve, redemption, and governance requirements on e-money tokens and asset-referenced tokens under the Markets in Crypto-Assets Regulation, or MiCA (European Parliament and Council of the European Union 2023). The two regimes share broad similarities but also diverge for payment stablecoins/EMTs on nuances around reserve composition and attestation, redemption rights, or supervisory reach, allowing issuers to theoretically structure the same economic instrument differently across jurisdictions.

This divergence matters in the context of global cross-border stablecoin use cases and notably for so-called multi-issuance arrangements, in which a single fungible token is minted and redeemed by two legally distinct entities, one established in the EU and one in a third country, with each entity holding reserves only against the tokens it has itself issued or that are reportedly circulating in the specific jurisdiction.

The localisation requirement of the reserve of a MiCA compliant EMT can be derived as follows. Under Article 48(1) MiCA, an e-money token may be offered to the public or admitted to trading in the Union only where its issuer is authorised as a credit institution or as an electronic money institution in the EU. Article 54 then requires that the funds received in exchange for e-money tokens, safeguarded in accordance with Article 7(1) of Directive 2009/110/EC, be held as to at least 30 % in separate accounts in (EU) credit institutions, the remainder being invested in secure, low-risk assets qualifying as highly liquid financial instruments and denominated in the same official currency as that referenced by the token.[1]

Several objectives have been ascribed to reserve localisation. Where the reserve is held with an institution authorised in the Union, the issuer's obligations towards holders rest on directly applicable Union law and its custody arrangements are subject to Union requirements; the separate-account requirement of Article 54, or, where Article 58(1), point (a), applies, the segregation and creditor-protection requirements of Article 37, are supervised by the competent authority of the home Member State, with the EBA supervising compliance with Articles 55 and 58 in the case of significant e-money tokens issued by electronic money institutions (Article 117(4)); insolvency proceedings in respect of the issuer and its custodian would be opened in a Member State under a known regime; and the reserve is less directly exposed to measures taken by foreign authorities against entities within their own jurisdiction. Each of these advantages is, however, conditional. The law governing the contractual relationship between issuer and holder, and between issuer and custodian, follows from the parties' arrangements and the applicable conflict-of-law rules rather than from MiCA itself, and the proprietary position in securities held through an intermediated chain is determined by the

[1] Since "credit institution" is defined in Article 3(1), point (28), by reference to Regulation (EU) No 575/2013 and to authorisation under Directive 2013/36/EU, the deposit leg of the reserve must be placed with an institution authorised in the Union. Where an electronic money institution issues a significant e-money token, Article 58(1), point (a), substitutes Articles 36, 37, 38 and 45(1) to (4) for Article 7 of Directive 2009/110/EC, so that reserve assets must then be held by an EU-authorised credit institution, investment firm or crypto-asset service provider. The securities leg is thus also localised at the level of the custodian, while not at the level of the asset: a dollar reserve security remains a book entry in the US settlement system, held through a custody chain terminating there.

law of the relevant account, which need not be that of a Member State. Nor is the reserve removed from foreign reach: the EU bank holding a dollar deposit may itself rely on US correspondent banking and dollar payment infrastructures, and the settlement and custody chain for dollar securities remains within the jurisdiction of issuance regardless of where the top-tier custodian is licensed. As Section 3 will argue, these qualifications matter for dollar-denominated tokens; and, as Section 2 will show, they are in any case insufficient where the token itself remains fungible across issuers.

Because holders may seek redemption from either entity under a multi-issuance regime, such arrangements typically provide for a rebalancing mechanism under which one issuer transfers assets to the other when circulation dynamics change and tokens move across borders.

The legal treatment of these arrangements under MiCA has been contested from the outset. Two Single Rulebook Q&As, referred by the European Banking Authority to the European Commission, raise the question whether a technically identical and fully fungible token may be issued jointly by an EU entity and a third-country entity in light of recital 54 of MiCA, and how the volume of tokens held within the EU could even be measured, given that tokens circulate freely across exchanges and self-hosted wallets (European Banking Authority 2024a, 2024b; Di Gabriele, 2025). The European Central Bank has warned that reliance on cross-border rebalancing exposes EU holders to shortfall risk should foreign authorities restrict asset transfers in stress, and the European Systemic Risk Board called in October 2025 for a policy response to multi-issuer schemes involving third-country issuers (European Systemic Risk Board 2025). The Commission, by contrast, has taken the view, stated explicitly for the first time in its 2026 consultation on the review of MiCA, that multi-issuance is not prohibited under the regulation as it stands, while consulting on whether it should remain permissible and under which safeguards (European Commission 2026). A recent parliamentary synthesis of the EU–US comparison illustrates how differently the two jurisdictions currently approach stablecoin regulation and specifically foreign stablecoin regulation under their frameworks (Becker Đuričić et al. 2025).

Full fungibility implies that the two entities are not financially independent of one another: since the token is technically identical wherever it is issued and therefore fully fungible, holders can redeem the tokens in both jurisdictions, according to the respective regulatory specifications, regardless of how it was issued. This raises the question of how to guarantee par redemption and protect EU token holders when the reserve backing their tokens sits only partly within the EU regulatory perimeter? Ordinarily, entity-level issuer regulation cannot resolve this: an EU issuer can satisfy every domestic MiCA requirement while remaining exposed, purely through the token's fungibility, to redemption claims originating from coins minted by its foreign counterpart. Some, like the European Central Bank, argue therefore that a permissive reading of MiCA is premature absent binding equivalence, reciprocity, and credible asset-transfer arrangements (European Central Bank 2025, Tamma, Stafford, 2025).

We formalize the multi-issuance mechanism as understood by the EU Commission using a financial account (or "flow-of-funds") framework. Suppose a hypothetical scenario where access to primary-market redemption at the foreign issuer becomes restricted or costly because of redemption gates, fees, or operational friction under stress, implying that the token could begin to trade below par on secondary markets (Watsky et al. 2024). This opens an arbitrage opportunity: an EU-based arbitrageur buys the discounted token from foreign holders on the secondary market and redeems it at par at the EU issuer. Such primary-market arbitrage disciplines stablecoin pegs in normal times (Lyons and Viswanath-Natraj 2023). Multi-issuance however could turn this into a channel of cross-border contagion, since it is now the EU issuer's reserve, not the foreign issuer's one, that absorbs the redemption pressure. The arbitrage that restores the peg concentrates redemption pressure on whichever issuer remains accessible and solvent. This also echoes evidence that efficient stablecoin arbitrage improves price stability while amplifying run risk by reducing the price impact of large

sales (Ma, Zeng, and Zhang 2025), and consistent with the redemption–fire-sale–solvency feedback formalized by Gross and Senner (2026). Martino, Monnet, and Perotti (2026) attribute this potential redemption arbitrage to the legal asymmetry between MiCA's par-redemption right and the US GENIUS Act's more flexible redemption requirements that have yet to be fully specified via the U.S. Department of the Treasury's rulemaking process.

The European Central Bank and the European Systemic Risk Board favor a restrictive reading of MiCA: the ESRB's Crypto-asset Task Force identifies reserve fragmentation and cross-border transfer restrictions as a primary financial-stability risk of third-country multi-issuance (European Systemic Risk Board Crypto-asset Task Force 2025), and the ESRB's subsequent recommendation formally asks the European Commission to interpret MiCA as not permitting such schemes, or, as an alternative, calls for a binding equivalence and supervisory-cooperation framework, rebalancing arrangements, and centralized EBA oversight (European Systemic Risk Board 2025). The European Commission's own targeted consultation on the review of MiCA takes a more open stance: it notes that multi-issuance is currently not prohibited under MiCA and asks market participants which safeguards, from reserve measurement to redemption eligibility and liquidity buffers, would make it viable (European Commission 2026). From a market perspective, since the large majority of stablecoins are issued outside of the EU, multi-issuance currently represents the only viable regulatory pathway for these stablecoins into MiCA's perimeter. Without it, only a small fraction of stablecoins could actually comply with MICA.

Against this backdrop, this short paper makes three contributions. First, in a similar spirit to the bank balance-sheet mechanics of Coste (2024), it builds a transparent, seven-actor balance-sheet framework (covering the two issuing entities, their respective custodian banks, domestic users, and the arbitrageur) that traces every step of the arbitrage mechanism to a matching change in assets and liabilities. Second, it provides a comprehensive case against multi-issuance, also in the context of its draw-back to impose inferior, off-shore deposits, and not to differentiate between foreign currency and EUR denominated stablecoins. Third, it discusses possible mitigants that would allow to contain the vulnerabilities inherent to multi-issuance. Forth, it discusses two main policy alternatives: imposing distinct smart contracts per jurisdiction, sacrificing fungibility, vs. allowing the distribution in the EU of foreign issued stablecoins without a separate EU reserve.

Three caveats need to be emphasized. First, euro-area stablecoin holdings remain small relative to the banking system, even as the ECB itself cautions that spillover risks are building as the sector scales (Aerts, Lambert, and Reinhold 2025). Second, the paper does not take a position on whether third-country multi-issuance is the best regulatory pathway for foreign-issued stablecoins under MiCA — that is a question for EU institutions to resolve — but we want to emphasize the need for regulatory clarity on the issue. Third, we do not discuss the merits and risks of stablecoins more generally, and their moneyness and suitability as settlement asset.

2. A stylized financial accounts setup

Our flow-of-funds analysis relies on the seven entities shown in Figure 1: the US and EU Issuer, US and EU Users, US and EU Bank, and EU Arbitrageur. The US Reserve issues a dollar-denominated stablecoin and invests the proceeds in US government bonds. The EU Reserve issuer participates in the same USD fungible token arrangement but is a separate legal entity subject to MiCA. In the illustration, it holds safeguarded deposits with the EU Bank. Either issuer could in practice hold a broader mix of deposits and high-quality government securities. The different portfolios in the figures are assumed to make the jurisdictional separation visible. While MiCA imposes a minimum share of bank deposits in the reserve (60%

for significant stablecoins), the two legal frameworks do not necessarily produce precisely the same portfolios.

Initially, the US issuer issues 10 units of the USD denominated stablecoin and holds US treasury bills as reserve, and the EU issuer issues 5 units of fungible (thus also USD denominated) EMTs. The EU issuer holds the reserve in the form of USD deposits with a European bank, which itself has as counterbalancing position in the form of a USD deposit with a US bank (i.e. a correspondent banking account; or in case the two banks are from the same banking group, an intra-group account).

Now we need to assume an adverse event that prompts EU holders and CASPs to exercise their MiCA-incured redemption rights towards the EU reserve, which they would not be able to assert to the same extent against the foreign reserve: such a scenario must be the reason why MiCA insists on a separate EU reserve and specific reserve rules for USD stablecoins issued in Europe. Legislators must have had in mind, in the absence of an equivalence and recognition regime, that the EU MiCA rules are safe, but that foreign reserve rules are potentially less so, justifying also for foreign currency denominated stablecoins a local EU reserve. Otherwise, requesting a domestic, European reserve in USD would not make sense. Assuming the US reserve operates effectively, there is no justification for a separate European reserve, as it would only add costs and drawbacks (as discussed later).

To check if multi-issuance is useful, we must therefore turn to the scenario in which there is indeed a problem on the side of the foreign reserve of the fungible token arrangement. Otherwise, we would assume away what must have been the sole motivation of the EU legislator to come up with the requirement of a separate, EU based reserve for USD denominated stablecoins. Consider now the following events that we display in the financial account system, using colors for easy matching of the text descriptions and the financial accounts impacts.

- First, to make potential sense of the MiCA requirement of an EU reserve for an USD multi-issuance stablecoin, we assume that there is **a loss in the reserve of the US based stablecoin issuer, and that the value of the reserve falls short now by 1% of the nominal value of the bonds issued**. We assume (simplistically) that this deteriorates the price of the US issued tokens proportionally. We also assume that there is no run because of some redemption gate kicking in (otherwise we should expect a full run on the SC issuer).[2]

- Second, an EU based arbitrageur (with readily available USD, to keep it simple) spots the price difference between US issued and US held tokens and the ones issued and held in Europe. **The EU arbitrageur buys 5 (nominal) of these at the price of 4.95.**
- Finally (and without delay), the **EU based arbitrageur returns the stablecoin to the EU issuer, fully depleting the reserve of the EU issuer of the USD stablecoin**.

- Now the EU holders of stablecoin can only turn to the US issuer to liquidate their stablecoins. Once everyone realizes it, **the EU holders also suffer from valuation losses (of 1%).**

Once it is clear that the EU redeemed stablecoins were stablecoins that had migrated from the US to the EU under the scheme operated by the arbitrageur, and that there are still EU

[2] We acknowledge that crypto markets are entirely global. Even the smallest price differences between trading venues across the globe are normally arbitraged away in milliseconds. The discrete steps in our model and the assumption of proportional price deterioration of the foreign issued coin are strong simplifications.

based stablecoin holders with holdings of 5 but no reserve, reserves would be expected to be transferred from the US to the EU issuer to rebalance assets and liabilities according to regions. However, the replenishment would only be conditional, due to the losses we assumed in the US.

The unfortunate result is that the separate reserve in the EU imposed by MiCA was useless — although we assumed that MiCA reserve requirements were well-designed and in principle provided great protection for a corresponding amount of stablecoins. This is not surprising, since a fungible token with two separate, different reserves will always create arbitrage opportunities in certain states of the world unless the reserve rules are strictly identical. But if

Figure 1: *Financial accounts illustrating the multi-issuance issue*

Stablecoin holder (household)					
Sight deposits		-4.95	Equity		-0.1
Stablecoin	10 -0.1	-4.95			
Stablecoin issuer					
Bonds	10 – 0.1		STC issued	10	
Equity gap.	+ 0.1				
Commercial Banks					
Bonds			Deposits (domestic)		+4.95
			Deposit European banks	5	-5
			Deposits European non-banks	5	-4.95 +5
Europe (in EUR; but we assume exchange rate 1:1)					
Stablecoin holder (household)					
Deposits			Net equity		-0.05
USD Stablecoin	5.	-0.05			
Stablecoin arbitrageur					
Deposits	5	- 4.95	Equity		+0.05
USD Stablecoins		+ 5			
Stablecoin issuer					
USD deposit (with EU bank)	5	-5	STC issued	5	-5
Commercial Banks					
			Deposits		
USD deposit US bank	5	-5	USD deposits of SC issuer	5	-5

they are strictly identical, then there is no point to insist on a separate EU based reserve for a USD stablecoin, which in this scenario would only offer cost and risks and no advantages. The overall conclusion is thus there is no state of the world in which we could justify multi-issuance, and therefore we also cannot justify it ex ante.

Arbitrage is not intrinsically destabilizing. By purchasing discounted tokens and presenting them for redemption, the Arbitrageur supports the secondary-market price and helps restore the peg. The problem is where the resulting redemption pressure is directed. When redemption at one issuer is impaired but remains available at another, or redemption at one

issuer is structurally incentivized through different redemption rights between jurisdictions, arbitrage however concentrates claims on the accessible issuer. A mechanism that promotes a single global price in normal times, can therefore transfer liquidity pressure from the stressed jurisdiction to the reserve pool located in the EU.

Tokens move freely across exchanges and self-hosted wallets, making the location of holders and the legal origin of individual units difficult to establish in real time. The ESRB's analysis accordingly emphasizes reserve fragmentation, data gaps, transfer restrictions, and the uncertain enforceability of rebalancing arrangements.[3] The mechanism does not by itself establish that a systemic run is likely or that the EU Reserve will necessarily be depleted. Its quantitative importance depends on the relative size and liquidity of the two reserve pools, eligibility for redemption, transaction costs, the speed with which the EU issuer can identify and process claims, the enforceability of issuer-to-issuer transfers, and the capacity of the banks and payment systems involved. But a structural mismatch remains in any case: the stablecoin trades as one global instrument, while regulation, reserves, and legal responsibility remain divided across entities and jurisdictions. Entity-level compliance can protect holders only if the entity's potential redemption exposure is aligned with the assets and liquidity legally available to it. Full token fungibility weakens that alignment by allowing stress to migrate across the issuance structure. As we demonstrated, there is no scenario under which multi-issuance with separate reserves is beneficial.

3. The arguments against multi-issuance and off-shore reserves

In this section we present comprehensively the arguments that have been voiced against multi-issuance. In the previous section we had illustrated that a separate EU reserve does not necessarily protect EU users of EU issued stablecoins if fungible foreign-issued tokens migrate into the euro area and are redeemed there. A further general design problem that the multi-issuance debate exposes is that MiCA's reserve-localisation requirements are currency-blind: they treat euro-denominated and dollar-denominated tokens identically, although differentiation would have been justified. For euro-denominated tokens, the case for requiring reserves to be held with institutions subject to Union law is compelling: euro deposits with euro area banks stand at the top of the hierarchy of euro claims, since those banks have access to the Eurosystem as an unconstrained euro lender of last resort; euro-denominated reserve securities are issued, settled and held in Union infrastructures within reach of EU supervisors, courts and insolvency proceedings; the currency of the liability and the jurisdiction of holder protection coincide; and the arrangement keeps an instrument that interacts with euro monetary conditions under the oversight of the central bank of issue.

For dollar-denominated tokens, each of these arguments however inverts. A requirement to hold dollar deposits with EU credit institutions is a requirement to hold offshore dollars, that is, claims that rank below onshore dollars in the hierarchy of dollar assets. First, an offshore dollar deposit carries the transfer risk of the host sovereign in addition to the credit risk of the bank: exchange controls, moratoria or forced conversion can prevent even a solvent bank from honoring foreign-currency liabilities, a risk which rating agencies operationalise through foreign-currency country ceilings that cap bank deposit ratings. Second, no central bank outside the United States can act as an unconstrained dollar lender of last resort, so offshore dollar banking rests on banks' own dollar liquidity and on discretionary Federal Reserve swap lines rather than on a legal entitlement. Third, US deposit insurance does not extend to deposits booked abroad, and all dollar payments ultimately settle over US payment systems, leaving offshore dollars dependent on correspondent access.

[3] See https://www.esrb.europa.eu/pub/pdf/reports/esrb.report202510_cryptoassets.en.pdf

Beyond these drawbacks, the localisation is in any case largely formal, since offshore dollar deposits are (in the good scenario) matched with on-shore dollar deposit on the bank's asset side, and dollar reserve securities settle in US infrastructures and the custody chain terminates in the United States regardless of where the custodian is licensed. Far from insulating EU holders, the requirement thus diminishes the quality of the assets backing their claims, while creating a contagion channel through which a run on a dollar token would drain dollar funding from EU banks.

Nor can a sovereignty rationale justify the preference for off-shore deposits: the monetary-sovereignty concern raised by foreign-currency tokens is currency substitution, which MiCA addresses through the transaction-volume restrictions of Articles 23 and 58(3)[4], not through reserve location. The Eurosystem itself articulated the better logic in its location policy for financial market infrastructures, which insisted that infrastructures with significant euro-denominated business be located in the euro area precisely so that the central bank of issue could oversee them and provide liquidity in its own currency (European Central Bank 2011). Applied symmetrically, that principle implies that dollar-denominated reserve assets belong within reach of the Federal Reserve, and that the configuration best serving the holders MiCA purports to protect would combine EU distribution and holder-facing obligations with dollar reserves held onshore in the United States. MiCA's localisation rule, by anchoring reserve location to the jurisdiction of the holder rather than to the currency of the claim, inverts the Eurosystem's well-justified doctrine.

Against this background, the case against the idea of an EU-located reserve on foreign-currency stablecoins, while assuming global fungibility through multi-issuance arrangements, can be summarized in the following five arguments.

First, the current construct, a fungible global token backed by legally separate reserves, held together by an implicit expectation of regulatory comparability, is internally contradictory (section 3). A fungible token trading at one price against segregated reserves of different quality creates an arbitrage problem that could only be eliminated if the two regimes were perfectly equivalent. But if equivalence were perfect, the separate EU reserve would serve no purpose. The requirement is therefore either harmful (under imperfect equivalence, because it sustains the arbitrage problem) or redundant and costly (under perfect equivalence).

Second, the superiority of onshore over offshore dollar claims set out above implies that a separate EU reserve for a global fungible stablecoin is actually worse — unless the applicable US reserve requirements can be shown to be significantly inferior to those of MiCA (and in this case, the issue raised in the previous bullet point is particularly significant).

Third, the EU approach of imposing local reserves on foreign currency denominated stablecoins as a requirement for distribution by local entities, if globally applied, would significantly undermine the efficiency and usefulness of stablecoins: If all jurisdictions imposed domestic reserves on foreign-issued stablecoins, the global stablecoin market would fragment into jurisdictional silos, and the presumed advantages of stablecoins for cross-border payments would largely disappear. Successful EU-issued euro stablecoins would suffer from such fragmentation no less than others.

[4] Article 23 MiCAR requires an issuer of an asset-referenced token to cease issuance and submit a remediation plan where the estimated quarterly average number and aggregate value of transactions per day associated with the token's use as a means of exchange within a single currency area exceed 1 million transactions and EUR 200 million respectively (the conditions are cumulative and refer to a quarterly average of daily figures, not a single day's breach); trading and custody transactions do not count towards the thresholds. Article 58(3) extends this regime to e-money tokens denominated in a currency that is not an official currency of a Member State, leaving euro-denominated tokens outside the caps.

Fourth, equivalence regimes can accommodate somewhat different issuance regimes, provided they are applied to the right object: if foreign-issued, foreign-currency stablecoins satisfying the equivalence conditions are admitted to direct circulation in the EU, no arbitrage condition between segregated reserve pools arises in the first place, because there is only one issuer and one reserve. In the case of multi-issuance, an equivalence regime works only in case of perfect equivalence, which is unrealistic. Moreover, if there would be perfect equivalence, there would be no need to incur the costs of a separate reserve (and the additional risks from off-shore reserves)

Fifth, EU CASPs may distribute unbacked crypto-assets such as Bitcoin, and memecoins conferring no claim on the issuer, no redemption right and no value-stabilisation mechanism. Regulated EU entities may likewise distribute volatile foreign financial instruments such as US equities, derivatives or high-yield bonds to EU households. That reserve-backed, regulated stablecoins with a comparatively lower risk profile cannot at the same time be distributed directly is not obvious.

In view of these issues, section 4 will discuss mitigation measures which aim at improving the viability and safety of multi-issuance, while section 5 will review alternatives which address the drawbacks of the current approach.

4. Risk mitigation measures to the current multi-issuance frameworks

Section 2 identified the channel through which multi-issuance can transmit stress: foreign-origin tokens migrate into the EU and are presented for redemption at the accessible EU issuer, depleting a reserve that was sized to EU circulation. Several mitigants are already deployed in practice by EU issuers, or are available to supervisors under MiCA as it stands, without amendment. Other mitigants such as formal recognition frameworks or explicit multi-issuance-tailored prudential safeguards appear to require legislative amendments or a clearer legal basis.

4.1 Measurement and dynamic reserve calibration

Article 22(7) MiCA, the associated EBA implementing technical standards and Commission Implementing Regulation (EU) 2024/2902 oblige EU-authorised CASPs to transmit holdings data to the issuer daily, precisely because a token may be issued on an international scale outside the EU. Together with the issuer's own custodial balances for EU customers and best-efforts proxies for self-custodied wallets, this yields a daily view of the measurable share of EU circulation. Building on that data, a rebalancing mechanism moves assets between the global and EU reserve pools as circulation shifts; where both issuing entities bank with the same global credit institution, or within the same banking group, transfers can be executed as intra-group book entries rather than through correspondent chains. Rebalancing arrangements should be contractually binding, stress-tested at defined intervals and reviewed by the competent authority. The effectiveness of this measure may be limited in practice by the extent of flows and holdings involving self-hosted wallets (e.g. Gopinath 2026)

4.2 Redemption limits, delays and gates

First, redemption rights against the EU issuer may be restricted to EU-resident holders in multi-issuance models. This is already legally available under MiCA today: the regulation has no extraterritorial reach, and recital 54 ties the EU reserve to the share of tokens expected to be marketed in the EU. If the reserve is sized to EU circulation, entitlement to draw on it must be defined by the same criterion. Residency is established through the KYC/AML verification that issuers and their intermediaries must in any event perform on redeeming counterparties. Non-

EU holders retain their redemption rights against the foreign entity. While this does not fully remove the risks described above, it can add to reducing redemption claim exposure.

Second, a redemption gateway for CASPs and other large customers with direct access to the stablecoin issuer's mint/burn facilty. Where a CASP seeks to redeem materially more than the EU holdings reported in its most recent daily submission, the excess may be delayed — not refused — for a proportionate period while compliance and reconciliation checks are ongoing to avoid cross-border arbitrage. Amounts within the reported figure are processed normally. Similarly, for non-CASP customers, the issuer may set redemption thresholds in its terms and conditions above which additional compliance checks and approvals apply in stress conditions — an approach familiar from the notice and approval requirements banks attach to large deposit withdrawals. This closes the principal arbitrage channel in times of stress, because the issuer's direct redemption window is not open access. Moreover, any non-stablecoin-client prospective arbitrageur has to transact in the secondary market with crypto-asset exchanges and does not hold a direct redemption relationship with the issuer. To obtain one, they would have to onboard: customer due diligence, sanctions screening, corporate documentation, which for a business counterparty takes commonly weeks. The arbitrage modelled in Section 2 is instantaneous; the entry channel to the redemption window for non-customers is not. Customer requests on the other hand can be delayed and capped for real-time processing following pre-defined compliance protocols in stress. [5]

Third, redemption gates in stress. Where an issuer identifies conditions consistent with a stress event, it may trigger its recovery plan, which under MiCA expressly provides for liquidity fees, caps on daily redemption amounts and the temporary suspension of redemptions. This is a mechanism the regulation already contemplates, and it allows the EU reserve to be protected from a disorderly drawdown while rebalancing and supervisory coordination take effect.

4.3 Loss absorption: supervisory discretion under Article 58

MiCA already allows competent authorities to adjust requirements to the specific risks of a multi-issuance arrangement. Under Article 58, an NCA may apply to a non-significant EMT issuer the requirements otherwise reserved for significant issuers — raising own funds from the 2% floor to 3% of the average reserve. This capital request can be further increased via the supervisory mechanisms foreseen by MiCA Article 35 (3) and (5) to a maximum of 4.8% of the average reserve based on the issuer's risk profile and stress testing results. Whether own funds requirements are appropriate should be regularly evaluated. Additionally, supervisors may require liquidity stress testing and more frequent reserve audits and reporting. Stress tests can be specified directly on the mechanism of Section 2: migration of foreign-issued tokens into the EU, redemption at par at the EU entity, and no replenishment from abroad.

4.4 Supervisory coordination and cross-border arrangements

Multi-issuance supervision can be strengthened by the existence of a comparable framework in the foreign issuer's jurisdiction and by cooperation arrangements between the EU authority and the home supervisor, covering information exchange, crisis management, notification of recovery and redemption plan triggers, and rapid consultation on cross-border reserve transfers. Such arrangements are already emerging in this specific field: the New York

[5] There is some heterogeneity in how stablecoin issuers design redemption gates. See Ashwanth Samuel, Dan Aronoff and Neha Narula (2025), "1:1 Redemptions for Some, Not All", MIT Digital Currency Initiative (Blog).

Department of Financial Services and the European Banking Authority have concluded a memorandum of understanding on stablecoin supervision and cooperation, indicating that the supervisory infrastructure this model presupposes is being built rather than merely postulated.[6]

4.5 Systemic backstops

Independently of the above, Articles 23 and 58(3) cap the use of non-EU-currency-denominated tokens as a means of exchange at one million transactions and EUR 200 million per day on a quarterly average, requiring cessation of issuance and a remediation plan on breach. Article 24 empowers competent authorities and the ECB to restrict issuance and withdraw authorisation where monetary sovereignty or payment system operations are threatened. Article 94 permits suspension of trading, Article 104 confers temporary intervention powers on the EBA, and Article 105 preserves national intervention powers.

5. Alternatives to Multi-Issuance-Schemes

At least two alternatives to the current multi-issuance regime are viable. The first removes fungibility, while the second removes duplicative issuance. Both have advantages and disadvantages that we briefly discuss below.

The non-alternative: Excluding global stablecoins from MiCA's perimeter

One theoretically possible alternative is the exclusion of global stablecoins from the MICA parameter, meaning that EU CASPs would not be allowed at all to distribute global stablecoins. However, this option would have significant drawbacks.

First, any such approach would depart from the regulation's original design. The Commission's 2020 proposal responded directly to the emergence of global stablecoins and incorporated the FSB's recommendations on their supervision; the impact assessment considered and explicitly rejected the option of limiting their use, on the grounds that restriction would forgo the benefits of the instrument and leave financial stability risks unaddressed if EU consumers used third-country stablecoins regardless. MiCA's architecture confirms this: Articles 23, 24 and 58(3) cap the use of non-euro-denominated EMTs as a means of exchange and provide for intervention where monetary sovereignty is threatened. Provisions calibrating the growth of foreign-currency tokens inside the Union would be without object if such tokens were never expected to operate under MiCA at all.

Second, the costs of exclusion fall on key use cases. Foreign-denominated stablecoins carry the overwhelming share of global stablecoin settlement and serve as the base currency of global crypto markets. EU-authorised trading venues deprived of global stablecoin liquidity would face thin order books, wider spreads and systematically worse execution than competitors in open jurisdictions, with the predictable migration of users and market infrastructure away from supervised EU entities. This not only affects the markets for private crypto assets, but could also have adverse effects for the nascent markets for tokenized securities.

---

[6] European Banking Authority, "The EBA and the New York State Department of Financial Services Sign a Memorandum of Understanding to Foster Cooperation in the Supervision of International Stablecoin Activities," press release, https://www.eba.europa.eu/publications-and-media/press-releases/eba-and-new-york-state-department-financial-services-sign-memorandum-understanding-foster. The MoU, concluded under MiCA Article 126, establishes information exchange and coordinated supervision between the EBA and NYDFS over cross-border stablecoin (ART/EMT) activities.

And third, for consumers, exclusion does not fully extinguish demand, but may partially relocate it. EU users would continue to hold and transact in the globally dominant tokens (because that is what their counterparties, venues and applications use) but through offshore platforms and unhosted wallets, with no local redemption right, no white paper and no supervised point of contact, while supervisors lose visibility over activity that continues anyway. Similar usage, less protection, less oversight. That outcome is also difficult to reconcile with MiCA's treatment of everything else: EU service providers may lawfully distribute unbacked crypto-assets and memecoins conferring no claim on any issuer and no redemption right, and regulated entities may distribute volatile foreign financial instruments to households, yet a fully reserved stablecoin issued under a comprehensive foreign regime could not be distributed at all.

Instead, we see two possible alternatives, each with their own set of advantages and disadvantages.

Alternative 1: Abandoning the single fungible token

Under this alternative, a foreign issuer would deploy a separate smart contract for its EU entity, so that EU-issued tokens are technically distinguishable (and distinguishable for users) from those issued elsewhere and the EU entity's redemption promise attaches verifiably to the EU-issued tokens alone. Because issuance and burning are recorded on-chain, the outstanding supply of the EU token is observable at any moment and can be matched against the EU reserve.

In the strictest version, there would be no longer any commingling of supply between the EU and foreign entity, so liability can be attributed at all times: no issuer can face redemption claims exceeding the tokens it has itself created. No rebalancing mechanism between issuers is required, and the enforceability of cross-border transfers ceases to be a dependency. EU circulation becomes directly measurable for the purposes of Articles 22, 23 and 58(3), without reliance on CASP reporting or proxies for self-custodied holdings.

Alternative 1 would preserve EU control over reserve assets and redemption obligations, aligns each issuer's liabilities with an identifiable reserve pool and reduces dependence on decisions taken by third-country authorities during periods of stress.

It is sometimes argued in support of the design that leading stablecoins already circulate as technically distinct tokens across several blockchains, held together not by technical identity but by the issuer's uniform redemption promise and by issuer-operated burn-and-mint conversion. The analogy is however imperfect in two respects. First, the two tokens would coexist on the same blockchains rather than on separate ones, so the usual means by which holders distinguish them (the network they are transacting on) would not apply. Infrastructure and wallet providers would show the two tokens as distinct assets that can trade against each other. Second, the mechanisms that keep cross-chain prices aligned would not be available. The global token, not being MiCA-compliant, could not be offered, marketed, admitted to trading or distributed in the EU, and could not be minted or burned there by the issuer. Arbitrage between the two legs would have to be conducted entirely outside the EU by non-EU participants with no access to the EU redemption window, and the issuer's own conversion mechanism could not operate across the EU boundary. Price divergence between the two tokens is therefore more likely than between the same token on two chains, even if it would remain rare in normal conditions.

There are further drawbacks. Distinguishing between two tokens sharing a brand, a denomination and a chain could be difficult for holders. The implied confusion would have asymmetric implications: a transfer of the EU token to a venue, wallet or protocol that supports only the global contract address is typically rejected or, worse, irrecoverable. A business

paying a foreign supplier, or a user bridging into a lending or liquidity protocol, may discover the error too late. Even where the distinction is understood, use outside the EU would require a conversion step (including an intermediary, a fee and a delay) reintroducing the friction. Liquidity would fragment across the two instruments: order books, lending markets and AMM pools would split, EU venues would quote the thinner leg with wider spreads and weaker execution, and integrators would bear the cost of supporting two assets across every chain.

Tokenholder protection is also narrower than it may first appear. MiCA rights would attach only to the EU token. Due to its greater liquidity and acceptance, EU holders may be incentivized to hold the global token, rather than the EU token. Finally, the alternative leaves the currency problem of section 3 unsolved: the EU-issued token would remain a dollar claim backed by offshore dollar assets, inferior in the respects set out above to reserves held onshore.

5.2 Alternative 2: An equivalence and recognition regime for foreign-issued stablecoins

The second alternative is to amend MiCA to permit the distribution in the EU, by EU-authorised service providers, of foreign-issued stablecoins denominated in the currency of the jurisdiction in which they are issued, where that jurisdiction's regime has been recognised as equivalent. There is a single issuer, a single global reserve held onshore in the currency of denomination, and a single redemption promise. No arbitrage between segregated reserve pools can arise, because there is only one global pool.

An equivalence implies that EU holders have whatever legal protection, supervisory visibility and redemption reliability the non-EU issuer grants to its global holders and customers. But it would avoid the duplication of the foreign issuer's balance sheet inside the EU. Equivalence turns on enforceable redemption rights, effective supervisory cooperation and sufficient locally available liquidity to meet ordinary-course Union redemption demand. It avoids the need for reserve duplication and the associated regulatory complexities and consistency issues.

The regime would follow the two-layer architecture that EU law already uses. At the first layer, the Commission determines by implementing Act, on EBA technical advice, that a third country's regulatory, supervisory and enforcement framework for stablecoin issuers achieves outcomes equivalent to MiCA. The assessment is outcomes-based rather than line-by-line. The determination is made at jurisdiction level, is unilateral, revocable and subject to periodic review, and confers no rights on any individual issuer.

At the second layer, an issuer authorised in a recognised jurisdiction applies to the EBA for entity-level recognition, granted where the equivalence determination is in force and where the conditions for Union distribution are satisfied. Recognised issuers are entered in a public EBA register and subject to direct EBA oversight.

Equivalence followed by entity-level recognition is the standard EU technique for extending controlled market access to third-country regimes. The current MiCA approach is actually anomalous: it is one of very few significant EU financial services regimes in which access for a well-regulated foreign product is conditioned on local re-issuance rather than on recognition.

The GENIUS Act contains a dedicated regime for foreign payment stablecoin issuers: where the Secretary of the Treasury determines that a foreign jurisdiction's regulatory framework is comparable to the US regime, an issuer authorised in that jurisdiction may offer and sell its stablecoin in the United States without establishing a US issuing entity. Other jurisdictions such as the UK and Switzerland that are also calibrating local obligations for foreign-issued stablecoins are considering a similar approach. An EU regime built on the same logic would be compatible with these approaches.

Of course, the protective effects of an equivalence regime depend on the requirements applied to the foreign regulatory frameworks and their stringent implementation. Moreover, the benefits that have been attributed to reserve localisation would be lost (supporting direct enforceability under EU law, access to EU courts, effective supervisory control, predictable insolvency treatment, asset segregation and protection against foreign ring-fencing of the direct claim of the stablecoin issuer). Moreover, it could be argued that regulatory equivalence would not necessarily ensure equivalent outcomes in a crisis. In the event of an issuer failure, EU holders would have to rely on foreign insolvency, supervisory and crisis-management regimes to recover their funds, and non-EU authorities are accountable primarily within their own legal, fiscal and political jurisdictions, as EU authorities are within theirs. The failure of Landsbanki in 2008 illustrates the point: domestic deposit-taking operations were transferred to a newly established Icelandic bank, while depositors in foreign branches were left to protracted cross-border processes, with the United Kingdom and the Netherlands ultimately compensating their own depositors and then seeking recovery from Iceland. The legal circumstances differ from those of stablecoins, but the episode shows that harmonised rules and cooperation arrangements do not guarantee equivalent treatment of domestic and foreign claimants. The underlying issue is not the degree of regulatory harmonisation but the absence of a common fiscal, legal and democratic jurisdiction. This is also why, even in banking, where the Basel framework harmonises prudential standards, authorities often prefer locally incorporated subsidiaries to foreign branches.

These objections are relevant, but a separate local EU reserves under multi-issuance is not a universal solution to them either. The alternative to a claim on a foreign issuer is not a claim ultimately secured within the Union, but a separate EU reserve that fungibility exposes to redemption by holders whose tokens originated abroad, and whose dollar assets are held offshore and settled through a chain terminating in the jurisdiction of issue.

6. Conclusions

This note has reviewed the multi-issuance approach for stablecoins in the EU, under which a fungible token is issued by legally separate entities inside and outside the Union, each holding reserves only against its own issuance. We do not take a position on whether such arrangements are desirable under MiCA; that question is for the EU legislators to resolve, and the Commission's 2026 consultation indicates that it will be resolved as a matter of policy rather than of interpretation alone. Our contribution has been to provide the analysis against which that policy choice can be made.

The financial accounts framework of Section 2 concludes that the only coherent motivation for requiring a separate EU reserve for a foreign currency stablecoin is the possibility that the foreign reserve regime proves deficient in ways MiCA would have prevented. Yet it is exactly in this contingency that the arrangement fails: because the token is fungible and redeemable at par at either issuer, arbitrage concentrates redemption pressure on the issuer that remains accessible and fully backed, and, assuming this is the EU issuer, the EU reserve is depleted in favour of holders whose tokens originated abroad, while remaining EU holders are left exposed to the foreign shortfall through the rebalancing channel. If, conversely, the foreign regime is sound, the EU reserve serves little purpose but generates costs. A fungible token backed by segregated reserves under non-identical rules thus creates arbitrage in some states of the world; under identical rules, separation has little merits, unless one argues that similar rules do not guarantee equal treatment of EU and US holders. The requirement is either ineffective or redundant, and this dilemma cannot be resolved by entity-level regulation, however well designed, because fungibility unravels the link between an issuer's redemption exposure and the assets legally available to it.

A second conclusion concerns the currency dimension, which MiCA's reserve localisation rules ignore. For euro-denominated tokens, EU-located reserves are the natural arrangement: the currency of the claim, the jurisdiction of holder protection, and the central bank able to provide liquidity in that currency (directly or indirectly) coincide. For dollar-denominated tokens they do not, and the localisation requirement forces the EU issuer into offshore dollar assets that rank below onshore dollar assets in every relevant respect: transfer risk of the host sovereign, absence of an unconstrained dollar lender of last resort, and dependence on correspondent access to US payment systems. The Eurosystem's own location policy for financial market infrastructures rested on the principle that the relevant anchor is the currency of denomination and its central bank of issue; applied symmetrically, that principle implies that dollar reserves belong within reach of the Federal Reserve, not that they should be relocated to Europe. MiCA distinguishes euro from foreign currency tokens where it perceives a currency substitution risk, through the transaction volume restrictions of Articles 23 and 58(3), but not where the currency of denomination matters as much, namely reserve quality and location.

The mitigants reviewed in Section 4, from rebalancing commitments, redemption delays and gateways to capital and liquidity add-ons and supervisory coordination, can significantly reduce but not fully remove the underlying tension, since each of them presupposes the enforceability of cross-border transfers or the measurability of EU holdings. Among the alternatives of Section 5, technical separation through distinct smart contracts would restore the alignment between each issuer's liabilities and its reserve and would make EU holdings measurable for the purposes of Articles 22, 23 and 58(3), at the cost of fragmenting liquidity, and while leaving the “real” globally used stablecoin unregulated and the offshore reserve problem in place. Some possible remedies such as “locational tagging” of the same fungible token so far appear non-viable due to technological design of the underlying ledger and specifically the account-based nature of most of the blockchains currently used by stablecoin issuers. This should be seen as a motivation for further research.

The analysis of various policy alternatives conducted in this paper suggests that the most promising route is therefore to permit the direct distribution in the EU of foreign issued stablecoins denominated in the currency of their home jurisdiction, conditional on a recognition of the home regime as sufficiently equivalent (which includes effective foreign supervision and commitment to transparency and co-operation with EU supervisory authorities). Under this approach there is a single issuer and a single reserve, located onshore in the country of the currency of denomination; no arbitrage between segregated reserve pools can arise; and EU holders obtain a claim whose backing is of higher quality than anything the current localisation requirement can deliver. Equivalence would need to be applied realistically and proportionately, would normally not extend to euro-denominated tokens issued abroad or to tokens issued in a third country other than that of the currency of denomination, and would be subject to the familiar political economy of reciprocity. Such a reform would also remove an inconsistency that is difficult to defend, namely that EU service providers may freely distribute unbacked crypto-assets conferring no claim on anyone, while a conventionally structured, fully reserved foreign stablecoin cannot be distributed at all.

Euro area stablecoin holdings are currently small relative to the banking system, so the risks analyzed here are still limited. This should however not be taken as an excuse to not act. The current occasion to review MiCA before the sector reaches a scale at which transition would be more costly should not be missed.

References

Aerts, Senne, Claudia Lambert, and Elisa Reinhold. 2025. "Stablecoins on the Rise: Still Small in the Euro Area, but Spillover Risks Loom." Financial Stability Review, November 2025, Box 5. European Central Bank. https://www.ecb.europa.eu/press/financial-stability-publications/fsr/focus/2025/html/ecb.fsrbox202511_05~63636227b4.en.html

Arner, Douglas W., Raphael Auer, and Jon Frost. 2020. "Stablecoins: Risks, Potential and Regulation." BIS Working Papers No. 905, 24 November 2020. https://www.bis.org/publ/work905.htm

Becker Đuričić, Rudi, Santiago Iglesias Escudero, Maja Sabol, Harald Stieber, and Dirk Verbeken. 2025. "Digital Assets: EU Regulatory Framework, Market Uptake, Risks and Challenges." In-depth Analysis PE 779.851, Economic Governance and EMU Scrutiny Unit, European Parliament, November 2025. https://www.europarl.europa.eu/RegData/etudes/IDAN/2025/779851/ECTI_IDA%282025%29779851_EN.pdf

Coste, Charles-Enguerrand. 2024. "Toss a Stablecoin to Your Banker—Stablecoins' Impact on Banks' Balance Sheets and Prudential Ratios." ECB Occasional Paper Series No. 353, July 2024. https://www.ecb.europa.eu/pub/pdf/scpops/ecb.op353~11120d3428.en.pdf

Di Gabriele, Nico (2025), “Crypto-asset, global regulatory landscape and a controversial stablecoin issuance model”, in: Maria-Teresa Paracampo (ed), Beyond MiCA - An overview of developments on crypto-assets, p. 157-190, G. Giappichelli, Torino.

European Banking Authority. 2024a. "One Leg Out Multi EMT Issuance – Legal Possibility and Related Issues." Single Rulebook Q&A 2024_7068, submitted 29 April 2024. https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2024_7068

European Banking Authority. 2024b. "Scope of Application of Recital 54 of MiCAR." Single Rulebook Q&A 2024_7069, submitted 29 April 2024. https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2024_7069

European Central Bank. 2011. Eurosystem Oversight Policy Framework. Frankfurt am Main: ECB, July.

European Central Bank. 2025. "ECB Non-paper on EU and Third Country Stablecoin Multi-issuance." Council of the European Union working document WK 4742/2025 COR 1, 10 April 2025. https://data.consilium.europa.eu/doc/document/WK-4742-2025-COR-1/en/pdf

European Commission, Directorate-General for Financial Stability, Financial Services and Capital Markets Union. 2026. "Targeted Consultation on the Review of Regulation on the Markets in Crypto-assets (MiCA)." Consultation document, 20 May 2026. https://finance.ec.europa.eu/document/download/62be7015-f066-4fac-b74e-71bacdbcc9f5_en?filename=2026-mica-review-targeted-consultation-document_en.pdf

European Parliament and Council of the European Union. 2023. "Regulation (EU) 2023/1114 of 31 May 2023 on Markets in Crypto-assets, and Amending Regulations (EU) No 1093/2010 and (EU) No 1095/2010 and Directives 2013/36/EU and (EU) 2019/1937." Official Journal of the European Union L 150, 9 June 2023, pp. 40–205. CELEX 32023R1114. http://data.europa.eu/eli/reg/2023/1114/oj

European Systemic Risk Board. 2025. "Recommendation of the European Systemic Risk Board of 25 September 2025 on Third-country Multi-issuer Stablecoin Schemes

(ESRB/2025/9)." Official Journal of the European Union C/2025/6342, 21 November 2025. http://data.europa.eu/eli/C/2025/6342/oj

European Systemic Risk Board Crypto-asset Task Force. 2025. "Crypto-assets and Decentralised Finance: Report on Stablecoins, Crypto-investment Products and Multi-function Groups." European Systemic Risk Board, October 2025. https://www.esrb.europa.eu/pub/pdf/reports/esrb.report202510_cryptoassets.en.pdf

Gopinath, Gita. 2026. "Stablecoins and anonymous money", speech on the occasion of the Bank's Annual General Meeting, Basel, 28 June 2026.

Gorton, Gary B., and Jeffery Y. Zhang. 2023. "Taming Wildcat Stablecoins." University of Chicago Law Review 90(3): 909–971. https://chicagounbound.uchicago.edu/uclrev/vol90/iss3/3/

Gross, Marco, and Richard Senner. 2026. "From Par to Pressure: Liquidity, Redemptions, and Fire Sales with a Systemic Stablecoin." IMF Working Paper No. 2026/005, 16 January 2026. DOI: 10.5089/9798229036795.001.

Lyons, Richard K., and Ganesh Viswanath-Natraj. 2023. "What Keeps Stablecoins Stable?" Journal of International Money and Finance 131: 102777. DOI: 10.1016/j.jimonfin.2022.102777.

Ma, Yiming, Yao Zeng, and Anthony Lee Zhang. 2025. "Stablecoin Runs and the Centralization of Arbitrage." NBER Working Paper No. 33882, May 2025. DOI: 10.3386/w33882.

Martino, Edoardo D., Eric Monnet, and Enrico Perotti. 2026. "Stablecoins without Borders: Stablecoin Multi-Country Issuance and Dollar-Run Risks in Europe." Working Paper. University of Amsterdam; Paris School of Economics; CEPR.

Portes, Richard. 2025a. "Multi-issuer Stablecoins: A Threat to Financial Stability." In Frontiers of Digital Finance, edited by Dirk Niepelt, chapter 12, pp. 125–134. Paris and London: CEPR Press. https://cepr.org/chapters/multi-issuer-stablecoins-threat-financial-stability

Portes, Richard. 2025b. "The Stablecoin Loophole That Could Expose the EU." Financial Times, 25 July 2025. https://www.ft.com/content/3dd627ff-d091-4141-9c48-5d63a15eb879

Tamma, Paola, Stafford, Philip. 2025. “Brussels set to disregard ECB warnings over stablecoin rules” Finanical Times, 25 June 2025. https://www.ft.com/content/97c78ba5-225a-439c-8d10-bc82c2d934d1?syn-25a6b1a6=1

United States. 2025. "Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act)." Public Law 119–27, 18 July 2025, 139 Stat. 419. https://www.congress.gov/119/plaws/publ27/PLAW-119publ27.pdf

Watsky, Cy, Jeffrey Allen, Hamzah Daud, Jochen Demuth, Daniel Little, Megan Rodden, and Amber Seira. 2024. "Primary and Secondary Markets for Stablecoins." FEDS Notes, Board of Governors of the Federal Reserve System, 23 February 2024. DOI: 10.17016/2380-7172.3447.