



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Baroness Kramer
House of Lords
London
SW1A 0PW

25 July 2025

Dear Susan,

Thank you for your recent question about stablecoins. My apologies for not having an answer for you in the chamber.

The Government is committed to making the UK a world leading destination for digital assets. We recognise that unlocking the full transformative potential for digital assets and blockchain technologies requires payments that interact with them directly and stablecoins can play an important role in achieving this.

As you noted, the United States is indeed taking significant steps to support the development of USD-backed stablecoins, and it is important that the UK also creates an attractive proposition for firms to come to the UK and issue GBP-denominated stablecoins.

That is why we are bringing forward a new comprehensive regulatory regime for cryptoassets in the UK this year, including stablecoins. In April this year, the Government published draft legislation, which includes provisions to support the development of UK GBP stablecoins, and facilitate effective market access for overseas issued stablecoins.

At present, UK stablecoins are a nascent market. The Government's regulatory approach seeks to address current risks, while remaining flexible to respond to future market developments.

The forthcoming cryptoasset regulatory regime will provide cryptoasset firms the regulatory certainty needed to invest and drive innovation in our financial services sector, while ensuring UK customers are protected from the worst harms when they make use of cryptoasset services.

I hope you find this answer helpful.

A copy of this letter will be placed in the Library of the House.

Yours sincerely

Spencer Livermore

FINANCIAL SECRETARY TO THE TREASURY