**Press Release**

# Sanctions in the Stablecoin Age

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The United States' increasing use of economic and financial sanctions has spurred terrorist organizations and rogue actors to rely on non-traditional financial tools – including cryptocurrency, and most notably stablecoins. In a new primer, policy fellow Oren Swagel explains the growing use of stablecoins to evade sanctions when conducting financial transactions, and the potential to undermine sanctions' effectiveness.

Key points:

- Sanctioned entities and other illicit actors received an estimated $141 billion of stablecoin in 2025, with the Iranian Revolutionary Guards Corp (IRGC) and affiliated groups reportedly receiving at least $1 billion worth of stablecoin from 2023–2025.
- The U.S. Treasury's Financial Crimes Enforcement Network warns that Iran has been using such cryptocurrencies, including a U.S. dollar denominated stablecoin issued by an Iran-linked crypto exchange registered in the United Kingdom, to circumvent U.S. sanctions.
- Although stablecoins present a threat to the efficacy of U.S. sanctions, three factors temper this threat: stablecoins' links to traditional financial institutions, their issuers' and exchanges' sanctions compliance obligations, and an expected Treasury rule intended to subject regulated stablecoin issuers to bank-style illicit finance regulations; nevertheless, because stablecoins are a quickly evolving technology, policymakers should continue to monitor the efficacy of existing sanctions in preventing illicit stablecoin finance.

Read the analysis.