

Stablecoins: Saving \$50 Billion in Global Remittance Fees

Global Remittances: A Vital But Costly System

In 2024, migrant workers sent an estimated \$905 billion across borders, with India (\$130B), Mexico (\$70B), and the Philippines (\$40B) as top recipients. Yet this crucial financial lifeline comes with a hefty price tag: the global average fee stands at 6.62%, resulting in approximately \$57 billion annually lost to transaction costs.

How Stablecoins Transform Cross-Border Payments

Stablecoins—cryptocurrencies pegged to stable assets like the US dollar—offer three key advantages over traditional remittance systems:

1. Lower Costs

Transactions often cost under 1% versus 6.62% with traditional methods, potentially returning \$50 billion annually to senders and recipients.

2. Speed

Transfers typically complete within minutes instead of days, critical for emergencies.

3. Programmability

Smart contracts enable automated payments, conditional transfers, and direct integration with other financial services.

Real-World Impact

This \$50 billion in potential savings means:

- **More earnings reaching families instead of intermediaries**
- **Additional capital for education, healthcare, and small businesses**
- **Immediate financial response to emergencies**
- **Greater economic development in recipient communities**

The Path Forward

Despite their promise, stablecoin solutions face obstacles:

- **Inconsistent regulatory frameworks across jurisdictions**
- **Limited digital literacy in key remittance corridors**
- **"Last mile" conversion infrastructure needs**
- **Resistance from established financial players**

Innovative fintech companies like Almond FinTech are leading the way by creating user-friendly interfaces built on stablecoin infrastructure, gradually transitioning users to more direct blockchain interactions as the ecosystem matures.

The Future of Global Finance

The nearly \$1 trillion remittance market represents one of the largest opportunities for financial innovation with immediate social impact. By redirecting approximately \$50 billion from intermediaries to families, stablecoins can fundamentally democratize global finance, creating a world where borders no longer determine financial access.

Almond FinTech is a B2B financial technology company dedicated to transforming cross-border payments. Through cutting-edge solutions, Almond empowers organizations to deliver fast, affordable, and transparent international transactions.

