



Thinking Different:

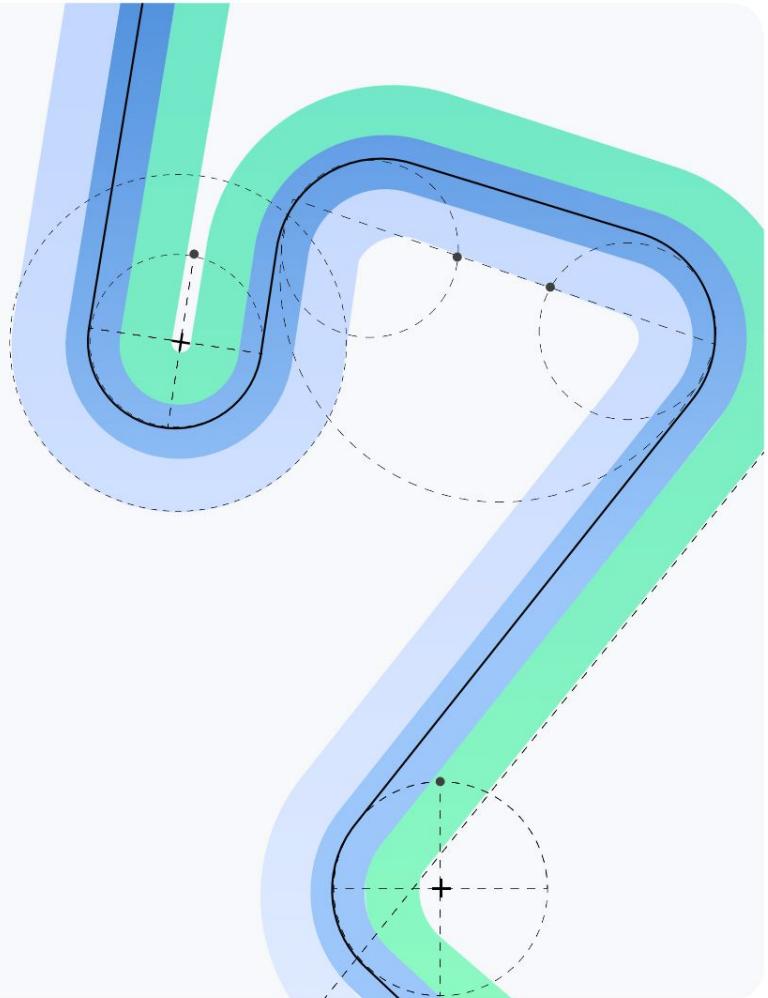
A New Type of Payments Network

SERIES A OVERVIEW

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Sphere By the Numbers

Despite having 0 money transmission licenses, 0 outbound sales, and 0 marketing budget
Sphere Pay has seen explosive growth over the course of 2024 and we're looking to pour gas on the fire.

\$2.5B

Annualized Payments Volume
\$1B in captured volume

>100x

Monthly Payments Volume YoY
(average of Q1 2025 compared to Q1 2024)

150+

Registered B2B Customers

160k

Unique Customer Wallets

200k

MRR (while still pre-revenue)
Average in Q4 2024

2023

Sphere is Founded

and launches with payment links, subscriptions and invoices for crypto payments. "Stripe for Crypto"

January 2024

Launch On/Off-Ramp

introduces flagship on/off-ramp for cross-border payments, realizes need for message optimization after rail breakdown in March 2024

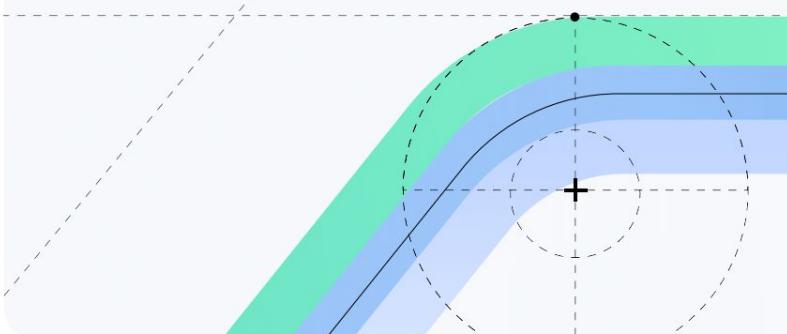
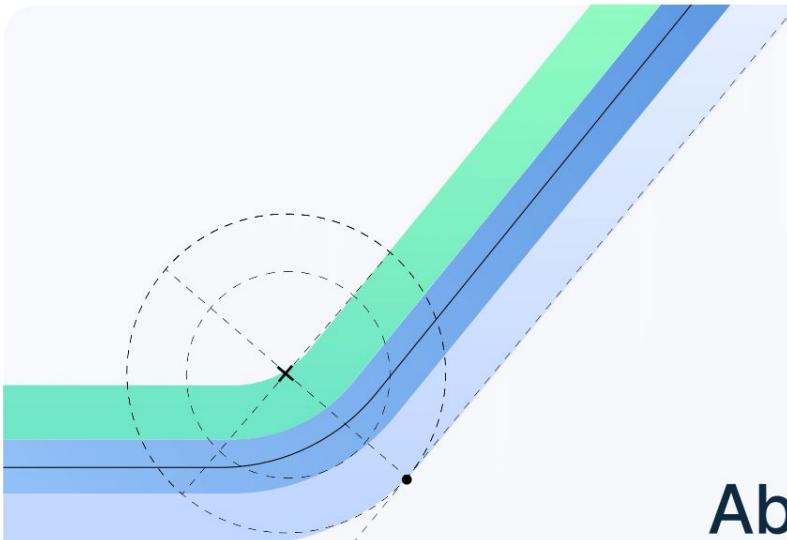
Into 2025

Where We're Headed

We've added key team members in compliance, risk, and sales and are rapidly expanding in key markets like Mexico, Brazil, and Argentina.

We anticipate licensed activity to begin by end of Q1, with an overnight 2-5x in revenue due to cost-savings on money transmission.

Iterate on Spherenet, including via partnerships with Wormhole and Pyth in anticipation for a late-2025 or early 2026 mainnet launch.

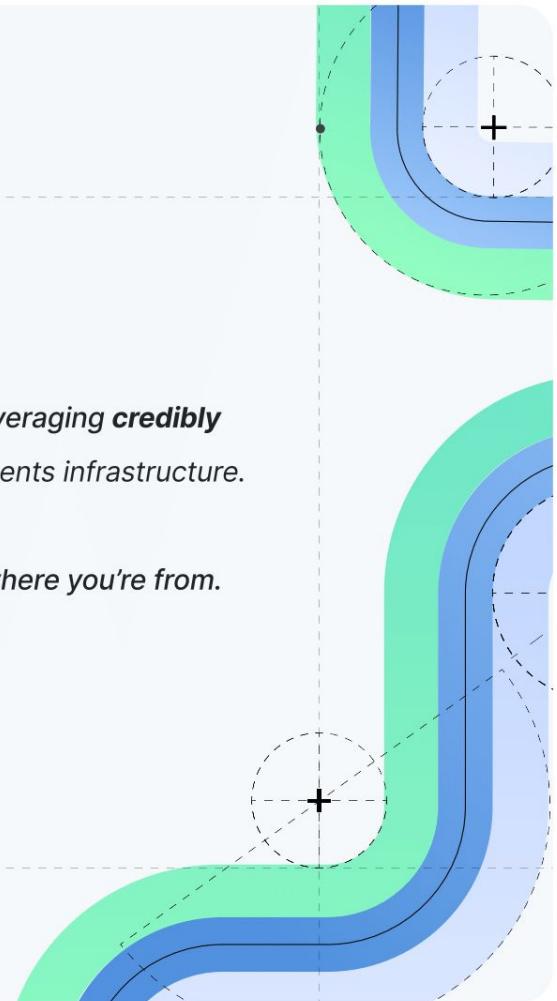


About Sphere

Our Mission

Our mission is to create more global prosperity by leveraging credibly neutral, sustainable, and non-extractive global payments infrastructure.

Money should move at the speed of light, no matter where you're from.



Sphere Overview



Sphere Labs

Sphere Labs is the seed stage company (\$7.5m raised) developing SpherePay, a b2b cross-border stablecoin payments API & SphereNet, a SVM* purpose-built L1 network for global, compliant, and private payments — a SWIFT for fintechs



The “Hyperliquid” Playbook:

- Use existing distribution of SpherePay to solve cold-start
- Drive adoption through a 10,000x product experience that implicitly uses a blockchain (SphereNet) under the hood
- Begin small and iterate — by launch the 100s of fintechs that use SpherePay will have close to a year of valuable data that they can leverage on SphereNet without directly integrating



SpherePay

b2b cross-border payments API that uses stablecoin middleware and low-level bank messaging optimization to offer customers the fastest settlement currently possible.



SphereNet

Target Release Q4 2025

A Solana-based L1 blockchain optimized for cross-border payments through stablecoins and on-chain foreign exchange — low cost, high throughput, private, & compliant payments for regulated money transmission and other financial activity.

[Read Whitepaper](#)



SpherePay



Money Movement 1.0 — Correspondent Banking



Capital Costs & Pre-Funding Requirements

With funds tied up across borders, treasurers face high capital costs, as these locked funds are unavailable for investments or other business uses.



Operational Complexity

Managing multiple pre-funded accounts requires treasurers to coordinate across jurisdictions, currencies, and banking partners. Monitoring these accounts for accuracy and availability often becomes a full-time responsibility and reduces capital efficiency — **companies like Wise lose 95% of their revenue to opex**.



Counter-Party Risk to FX Exposure in Emerging Markets.

Pre-funding often necessitates maintaining balances in multiple currencies, exposing companies to risks from FX fluctuations and conversion costs. This volatility introduces additional financial risks and unpredictability, complicating cash flow management and long-term planning.



Money Movement 2.0 — SpherePay



Payment Flexibility Without Pre-Funding

Using stablecoins, we enable real-time settlements, allowing treasurers to eliminate the need to pre-fund accounts in various currencies across regions. This reduces liquidity constraints and simplifies treasury ops.



A Single API For All Money Movements

We provide unified access to all major currencies, streamlining the process by allowing financial institutions to bypass the need for complex arrangements with multiple foreign banks and operate in real-time.



No Risk & No Exposure to FX in Emerging Markets

Money moves and payments occur in real time, allowing treasurers to avoid locking funds in foreign currencies across various correspondent banking systems.





Product Overview

The top section displays a desktop application window titled "Withdraw to bank" with a "Withdraw to bank" button. Below it is a mobile phone screen showing a payment confirmation for \$100,000.00 to IKEO online. To the left of the mobile screen is a code editor showing a Node.js script for creating a payout using the Sphere API.

```
const createPayout = async () => {
  const response = await fetch(`https://api.spherepay.co/v1/payout`, {
    method: 'POST',
    headers: {
      Authorization: `Bearer YOUR_API_TOKEN`,
      'Content-Type': 'application/json'
    },
    body: JSON.stringify({
      amount: '10.00',
      customer: 'partnerer_f0bd32a916594c75b739d8e2301f1488',
      recipient: {
        account: 'USDT',
        amount: '10.00',
        currency: 'USD'
      }
    })
  });
  return response.json();
};
```

The bottom section shows a desktop dashboard with a summary of gross revenue (\$187,011.57) and a line chart. To the right is a mobile phone displaying a payment confirmation for \$25.15 using Apple Pay. Below the dashboard is a screenshot of a mobile browser showing a "Shapeless API" payment page.

Core Offering

Stablecoin API

Sphere offers our B2B cross-border payments API via stablecoins and bank messaging optimization. Available in a variety of formats:

- Trading UI ("Order Desk") & API
- Payments UI ("RAMP") & API
- OTC

Differentiator: Speed & Cost

By explicitly defining correspondent routes, we support the fastest international payments possible (without pre-funding).

Median time to settlement for USD: 15-30min.

Secondary Offering

Payments Products

- The Sphere payments dashboard, a "Stripe for crypto," enables crypto payments on Solana.
- It is one of the few players on the chain besides Helio, which was acquired by MoonPay for \$175 million.
- While it has proven to be a valuable marketing tool for ecosystem alignment and brand awareness, it currently represents only a small portion of our total volume and hasn't been monetized.
- Checkout Pages / Payment Links
- Subscriptions
- Invoices

SphereNet

Target Release 2025

SphereNet allows non-bank financial institutions to seamlessly settle payments without needing to depend on traditional banking intermediaries. It bootstraps the network implicitly with the existing/new regulated clients and vendors acquired by SpherePay to solve the cold-start problem.

THE BIGGEST CHALLENGES FOR:

Private blockchains — remain credibly neutral to maximize and sustain adoption.

Public blockchains — disincentivize bad behavior (eg. crime) that hinders institutional adoption.

All networks — getting people to *really* use the network, when there's no one on it.

SPHERENET SOLVES ALL THREE:

Use **SpherePay as a trojan horse for SphereNet's adoption**, acting as a licensed US counterparty to the hungriest markets in the world (LATAM/APAC) and implicitly settle to SphereNet [COLD-START].

Ultimately give up the payments flows to others after escape velocity [CREDIBLE NEUTRALITY].

Use a **blockchain network designed for regulated fintech adoption**. API interfaces, not smart contracts. Compliance baked-in to accelerate web2 fintech adoption [MAXIMIZE ADOPTION].

TRACTION:

50B+

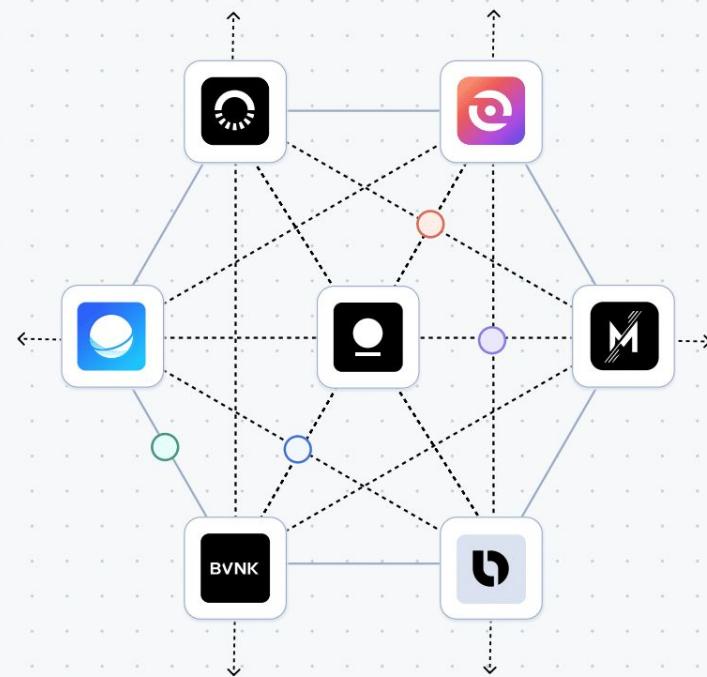
Yearly Payments Flow Committed

27

Regulated Entities

18

Jurisdictions, Emerging and Developed



An Alternative to SWIFT

At the moment, we have to turn away clients who want to send more flow because large correspondent banks enforce low limits, long settlement times, high variable fees, and restrictions on crypto. **The frustration with SWIFT is so high that some of our largest clients have already committed to moving their flow to a better set of rails. SphereNet.**



Our Customers

Businesses in Emerging Markets

Primarily from Latin America, these business customers often operate in traditional industries (e.g., raw materials and processed goods). They typically import raw materials from Asia, process them in Latin America, and then export the finished products to the US or European markets. They need to pay vendors in USD at a high-velocity to avoid taking on intraday currency risk on their balance sheets.



US Companies

U.S. businesses that need to engage with emerging market participants who face challenges accessing USD or banking services for payments.



Traditional SaaS Companies

International businesses seeking to on/off-ramp USD to facilitate treasury management, international payroll, and other financial operations.



Family Offices

Interested in portfolio rebalancing and diversifying asset exposure, these customers seek to use USD as a base unit currency and need rapid settlement between business accounts.



Unlocking the Globe

Becoming a Global FX Hub

Sphere to date has primarily operated with four currencies pairs across 60+ countries with optimized correspondent routing.



New Unlocks

We've recently unlocked new currencies pairs through partnerships and expect our volume to increase accordingly to meet latent demand.



Coming Soon

With pending integrations we're unlocking a whole new suite of pairs.



Fueling an Ecosystem

From Solana to South America

We have a proven track record of distribution — from pre-seed to Series D, from Solana to South America.

More than 100 merchant use Sphere today, with 2000+ on waitlist with unactivated accounts. Each month, tens of thousands of unique wallet addresses interact with Sphere across 10+ different major blockchains.

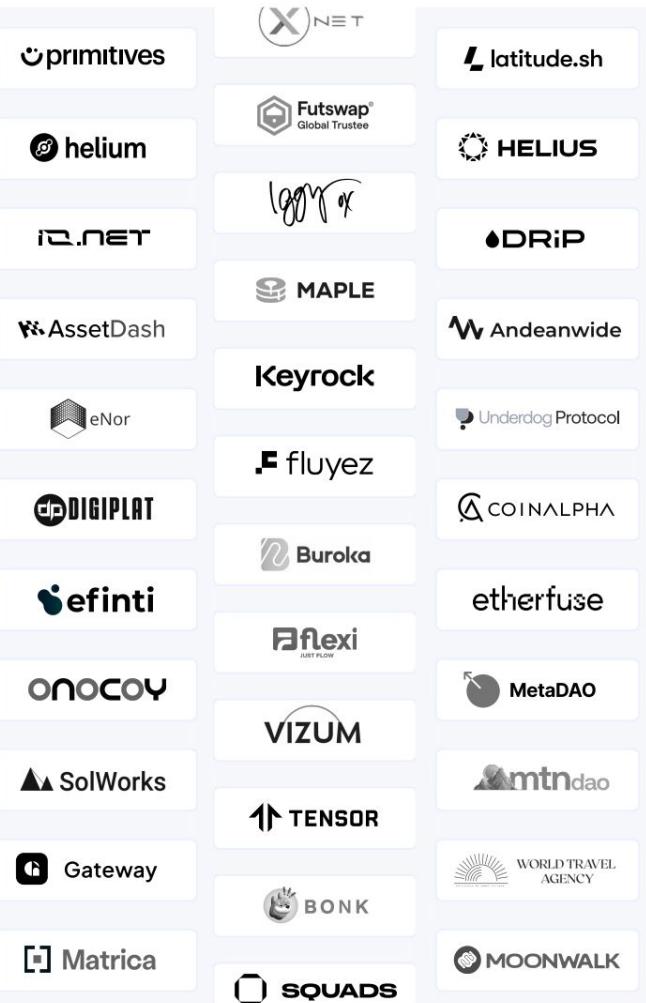
Our client base includes consumer to infrastructure, DePIN to AI, software-as-a-service to raw materials manufacturing. We service regulated money service businesses and money transmitters to some of the largest applications on blockchain.

1847

Active Accounts

476k+

Transactions

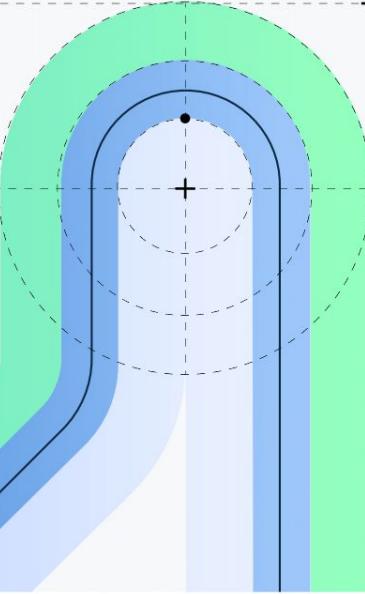


Competitive Landscape

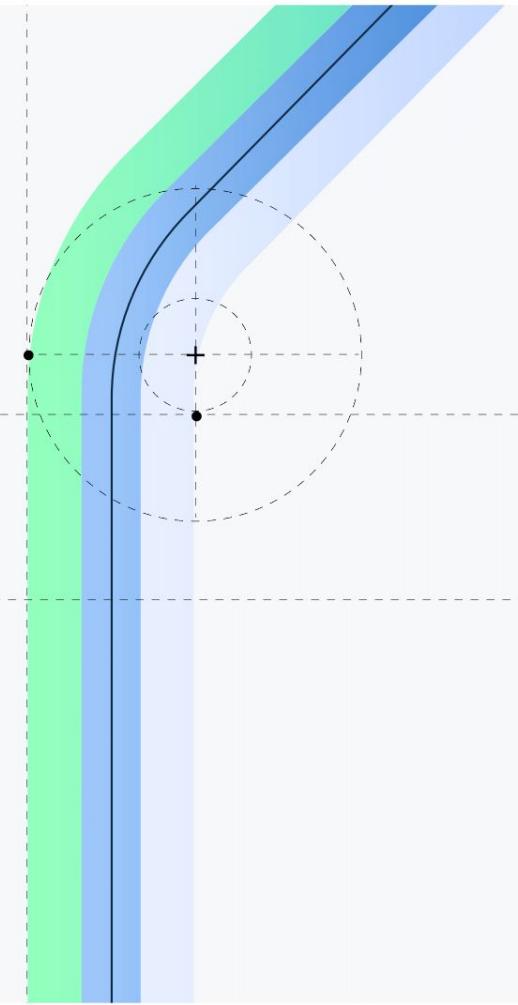
Relative to peers, Sphere is uniquely positioned to leverage SpherePay clients' demand to seamlessly globally transact into SphereNet's ability to reduce banking intermediaries to eventually offer the cheapest, fastest, and most direct form of cross-border settlement.

	 SphereNet	 Ripple	 Stellar	 SWIFT	 Moneygram	 Wise	 1money	 Codex
Native Compliance	Yes	No	No	Yes	Yes	Yes	Yes	No
Credibly Neutral	Yes	No	No	No	No	No	No	Yes
Target clients	Fintechs	Banks	Retail	Banks	Retail	Retail	Exchanges and FIIs	???
Defi	Yes	No	No	No	No	No	No	Yes

	 SpherePay	 Bridge	 Conduit	 BVNK	 Airwallex	 Wise
Customer	B2B	B2B	B2B	B2B	B2B	B2C
Avg. Transaction Costs	5-50 bps	10-50 bps	10-20 bps	5-50 bps	12+ bps	60 bps
Avg. Processing Times	Same Day	0-1 days	0-1 days	0-1 days	1-5 days	2-5 Days
Form Factor	API + No-Code	API	No-Code	API + No-Code	API + No-Code	No-Code
Target Market	LATAM, APAC	US, Global	US, Global	Europe, Global	Asia, Global	Global



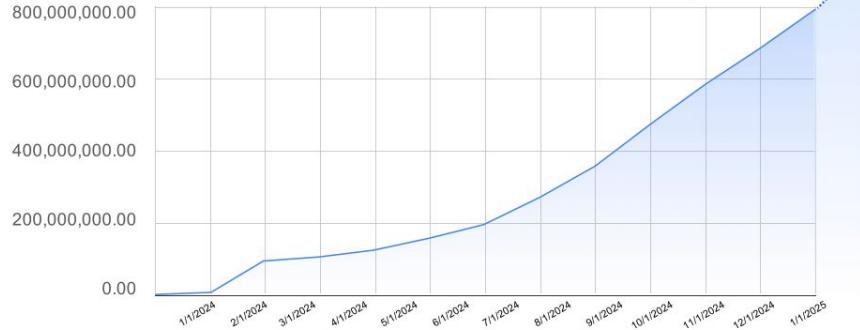
Performance



Performance

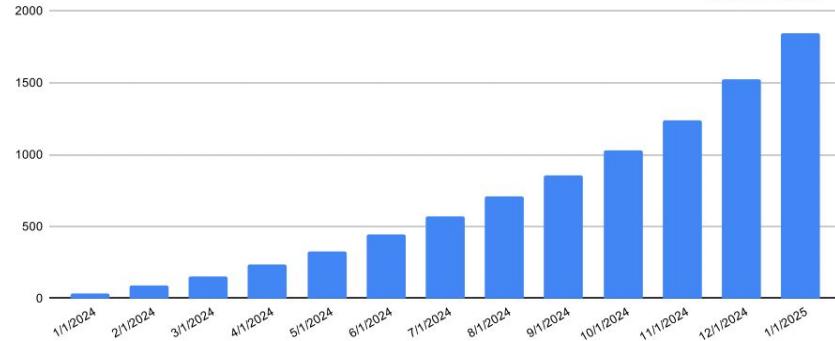
[As of Feb 2025]

Payments Volume (Cumulative)



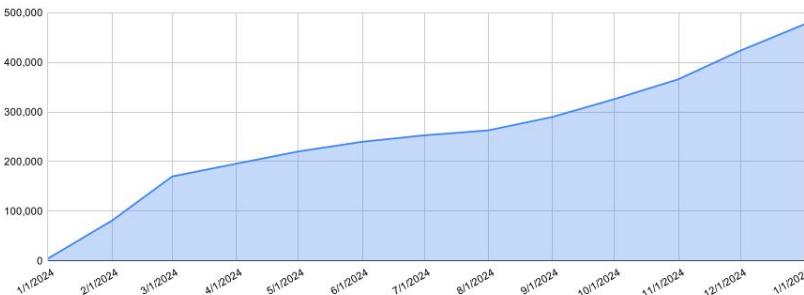
\$1B+

Active Accounts



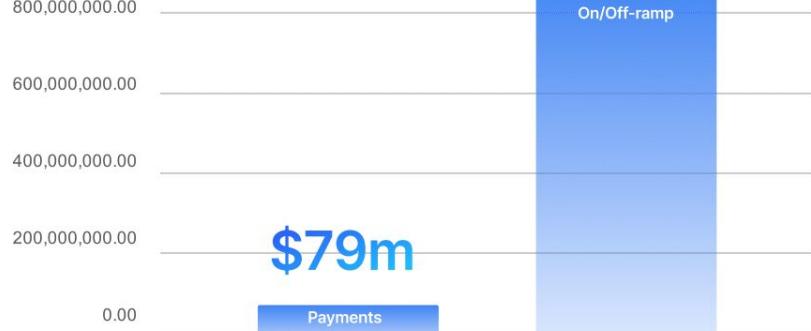
1847

Transactions (Cumulative)



476k+

Volume Breakdown



\$924m

On/Off-ramp

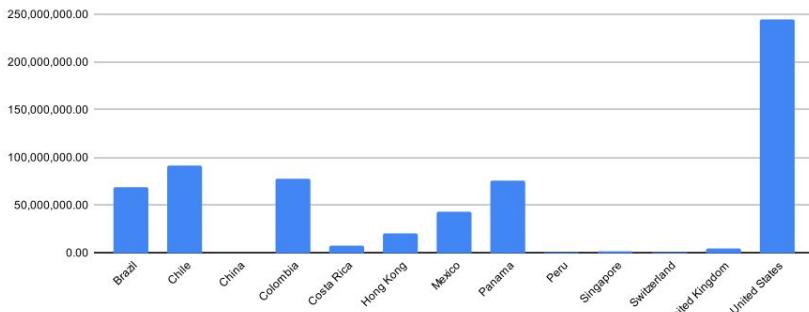
\$79m

Payments

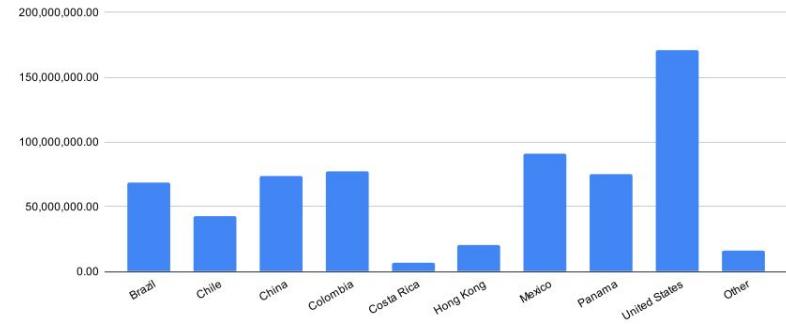
Geography

[As of Feb 2025]

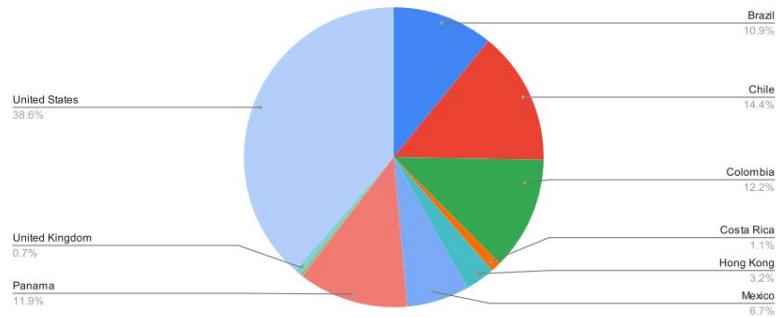
Sending Countries By Volume



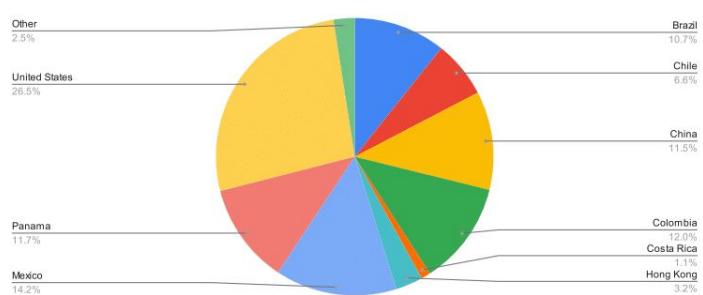
Receiving Countries By Volume

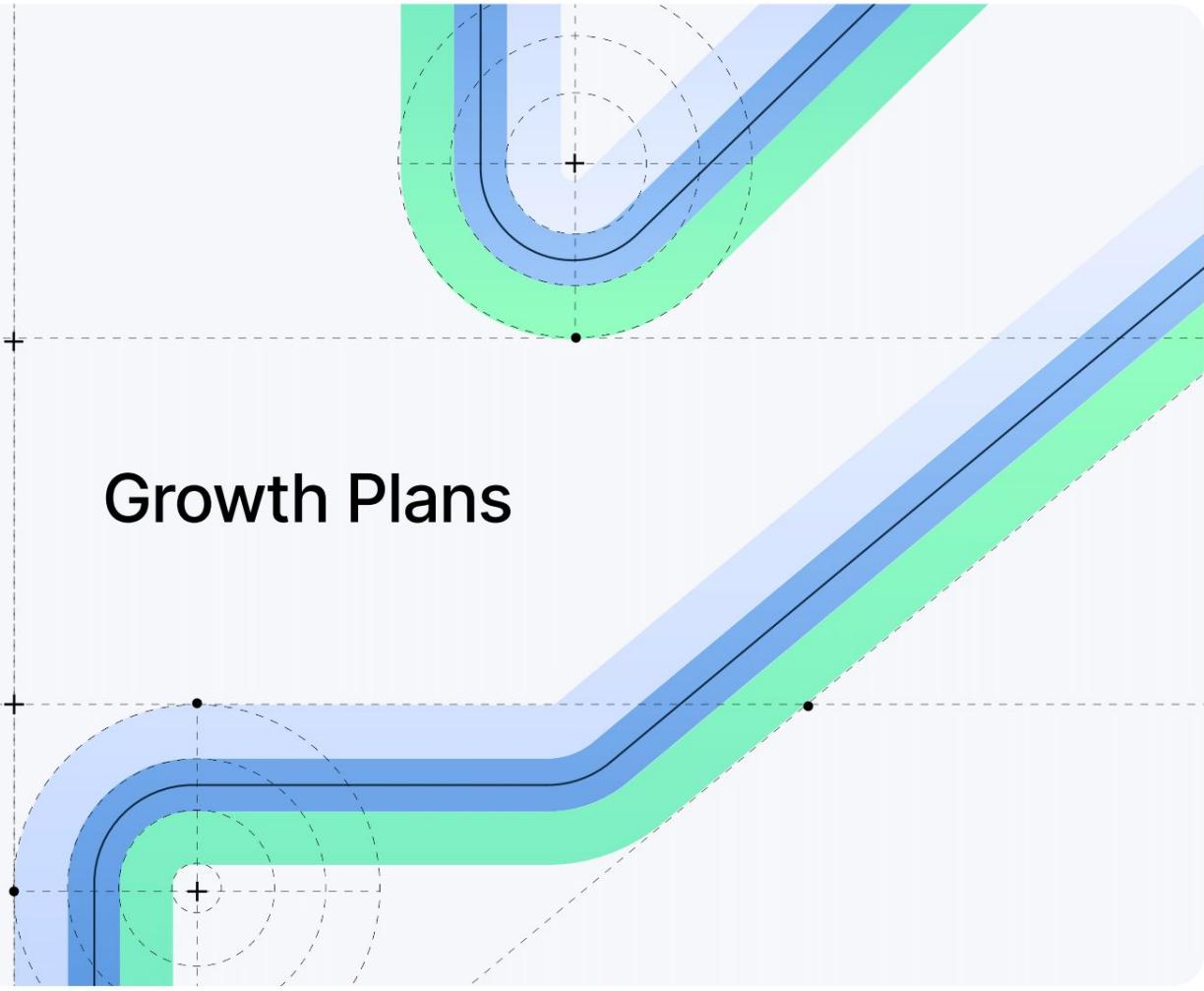


Sending Countries By Percent



Receiving Countries By Percent





Growth Plans

Product Roadmap



SpherePay

Going into 2025 our plan for the SpherePay products are to get licenses, generate revenue. Re-create a less expensive Wyre/Moonpay and double down on bare metal banking-as-a-service.

2024



SpherePay



SphereNet



SphereNet

Rolling Out 2025

2025



SpherePay



SphereNet

Find PMF and Prove Distribution

- Frontends, API/SDKs, OTC for 150+ businesses
- Money transmission aggregation (20+ currencies)
- >70,000% YOY growth in capture volume, 0 → >\$1B in annualized volume, and 0 → >\$200K in monthly revenue

MVP

- Ideate, Design, and Implement SphereNet v0
- Confidential + Anonymous Transfers
- Transferable zkSNARKs of Identity (KYC/B)
- Integrate M^0 for initial stablecoin in/out
- Initial Account Classification (US/LATAM)
- Initial API/RPC Design & Documentation

Scale and Revenue

- Debit/ Credit Card processing (on-ramp)
- FX expansion of new currencies and market growth
- Optimized correspondent routing (T+0), everywhere
- SOC2/ISO27001, licenses across US, Europe, LATAM, and APAC

Mainnet

- Deploy, Test, & Launch SphereNet v1
- Multi-Party Extraction (zkSNARK, MOOM Proofs)
- Expand supported stablecoins (USDG, USDC/T, etc.)
- Subclusters for custom AML rules & policies
- Implement RFQ/LO Auctions & AMM
- Begin Marketing & Partnerships (WH, Pyth, GDN, etc.)

Continuing Momentum



Licensing (\$20M)

Seeking multiple MTL, VASP, and other licenses across US, LatAM, and Asia.

Licenses ⇒ Bank Accounts

Allows us to directly access local rails and automatically apply our proprietary messaging optimizations, **everywhere**.



Team (\$20M)

- Product — there are 0 product people currently at Sphere.
- Marketing & Communications — there are 0 marketing/comms people at Sphere and \$0 in marketing spend.
- Trading (FX) Operations — solving the first/last mile will require brokerages, banks, and trading personnel.
- Policy, Risk & Compliance — we'll need compliance analysts & investigators to scale globally the right way.



Spherenet (\$20M)

- Research (Cryptography)
- Servers + Bandwidth
- Distributed System Engineers
- Marketing & Partnerships

Spherenet v0 has been achieved internally. Now, we need the resources to iterate, deploy v1, and show every fintech in the world that there is a finally a blockchain that their banks, regulators, auditors, and partners can fully approve.



Series A Raise



The Opportunity



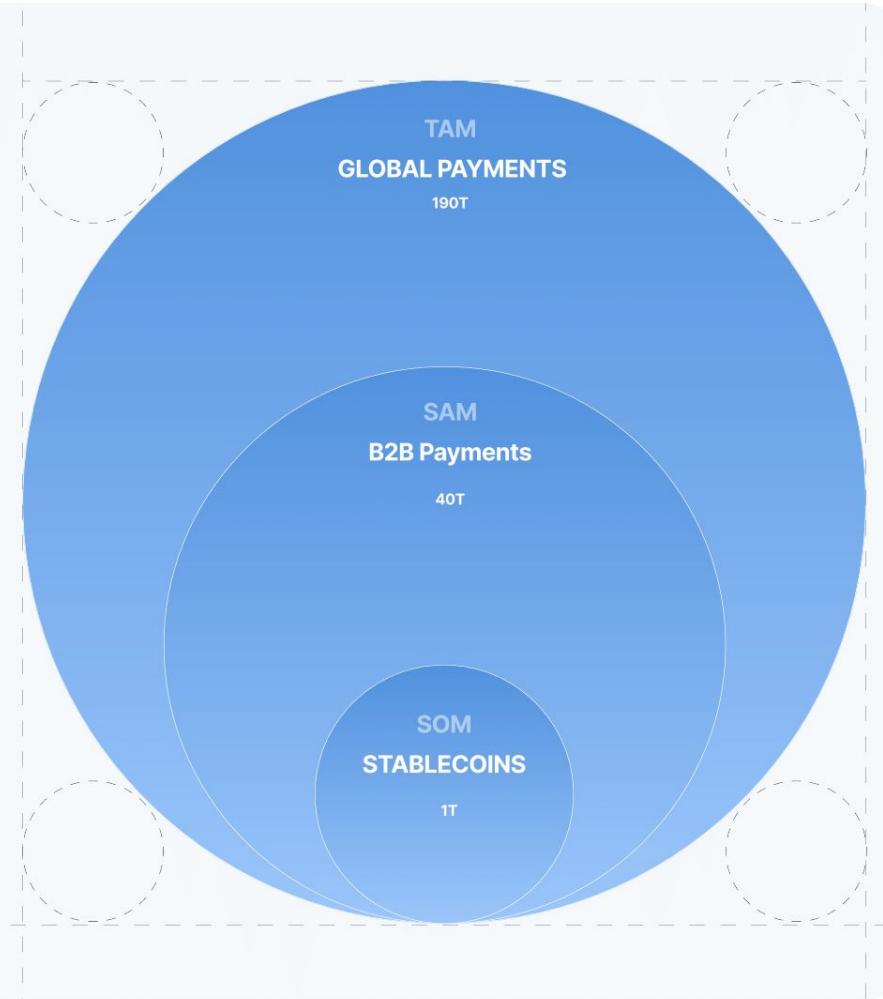
Sphere Pay

Target the B2B cross-border payments in emerging markets like LATAM and APAC in order to build a robust initial flow on Spherenet.



Sphere Net

Distribute the flow that Sphere Pay has acquired to other market players to preserve credible neutrality, transitioning into providing software to help the Sphere Network to disrupt correspondent banking and tackle the world's payment flows.



The Ask

The Goal of this fundraise is to help aid in the accomplishment of a few specific goals:

1 Secure

- local licenses and dominate EM stablecoin adoption in LATAM/APAC
- banking rails across six jurisdictions

2 Expedite

the development and deployment of **SphereNet's public mainnet**.

- web3 growth and devrel hires
- cryptographers and distributed system engineers

3 Fuel

the fire by making our first:

- **marketing** hires & budget
- **compliance analysts & data scientists** to speed up onboarding
- **regional compliance officers** to take our licensing expansion to the next level — enabling direct bank access for **faster settlement and FX**

Pre-Seed/Seed (Spring 2023):

\$2.5M

jump-

tcg
THE CAGGIO GROUP

HRT
Hudson River Trading

SOLANA VENTURES

BIG BRAIN HOLDINGS

Strategic Round (Summer 2024):

\$5M

coinbase VENTURES

kraken VENTURES

anza

A N A G R A M

PYTH

Temporal

Series A (2025)

\$60M

Key Team Members

**Arnold Lee****CEO**

Co-founded Sphere, taking it from two college friends in a NYC apartment to ~\$1B payments volume processed, a team of 50 with executives from American Express, Meta, Goldman Sachs, JP Morgan, and Google. Previously a firmware engineer and number theory researcher.

**Scott Butler****Chief Compliance Officer (CCO)**

20+ year career in risk and compliance, and was previously Chief Compliance Officer (CCO) of Facebook/Meta. Most recently served as CEO/CCO of Fiant, helping acquire all 50 MTLs including the New York BitLicense. Started his career in banking compliance at Deutsche Bank and Credit Suisse.

**Luciana Miranda****Head of Institutional Growth**

30+ year career in traditional finance, including serving as Global Head of Foreign Exchange (FX) and Prime Brokerage (PB) at Bank of America and Deutsche Bank. Started her career in Sales & Trading (S&T) at Goldman Sachs, including helping to create institutional S&T in Latin America during the 1990s-2000s.

**Head of Global Business Development**

15+ year career in traditional finance, previously lead Strategic Partnerships at BitGo, bringing experience from Fireblocks and Deutsche Bank to bridge traditional finance with digital assets. Received his MBA from Yale.

**Head of Finance**

Built the finance department from scratch at TRM (top 2 compliance software provider, backed by Goldman, Tiger Global, Citi, and Bessemer) as Head of Finance. Helped sell Looker to Google for \$2.6B as Head of Revenue. CPA with 20+ year career in finance including Big 4.

**Mike Young****VP of Engineering**

Lead ACH, FedWire, and core banking integrations at Synapse after getting acquired by them in 2016, leading technical reconciliation efforts with Evolve Bank now.

**Mohit Bhalodkar****VP, Global Strategy & Expansion**

Previously led global business operations at Fanatics. Former Engagement Manager at McKinsey & Company, focused on financial services and technology, and investment banking at J.P. Morgan and Capital One.

**Theo White****VP of Operations**

Previously led Operations at Polymarket, where he scaled the platform through its explosive 2016 election cycle to a now-\$9B valuation following ICE's \$2B investment. Previously worked in operations for MrBeast and started his career in corporate development and venture capital at Circle (NYSE: CIRC).

**Tom Newton****Head of Operations**

Previously VP of Payments & Blockchain Strategy at JPMorgan Chase, where he led CBs blockchain and digital asset strategy, authored the firm's consumer banking digital asset framework, and drove cross-line initiatives with CIB and Business Banking. Before that, he was Director of Operations at eFuse, steering a pivot to a B2B SaaS model that grew revenue 100x and led three acquisitions. Attended West Point before receiving his BA & MBA at Ohio State.

**Bruno Lopes****Brazil Expansion**

Led digital asset growth from zero at BTG Pactual, the largest investment bank in Latin America, before joining the PayPal Crypto co-founders at Versal, a stablecoin payments company, to spearhead its LATAM expansion.



Key Advisors

**Nick Passarelli**

Prev. CCO of Brex

**Rebecca Rettig**

Prev. GC Polygon, Partner Skadden

**World-Class Legal & Regulatory Partners****Implemented Infosec Program (obtained ISO 27001 and SOC2)**

Building a scalable compliance and risk stack using AI and other data intelligence and technology innovations



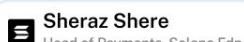
Investor Map

Sphere is backed by a strategic network of industry leaders—from the world's top high-frequency trading firms and the creators of Solana to leading exchanges and fintech innovators. This support empowers us to accelerate our momentum and drive sustained growth.

The leading US regulated centralized exchanges



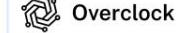
Ecosystem Leaders



We ran out of space but many more!

Sphere is backed by a strategic network of industry leaders—from the world's top high-frequency trading firms and the creators of Solana to leading exchanges and fintech innovators. This support empowers us to accelerate our momentum and drive sustained growth.

The core developers and maintainers of Solana



Key Investors

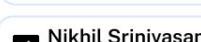
A N A G R A M



Original creators of the Solana blockchain



Top builders from leading stablecoin protocols & companies



Our industry's leading legal minds



Joining Existing Investors:





Thank You

Contact:

Arnold Lee

Email: arnold@spherepay.co

Telegram: [@sphere_dirichlet](https://t.me/sphere_dirichlet)

Phone/WA: (+1) 781-402-9988

spherepay.co

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Appendix

Why Now

Market

15 year since the invention of Bitcoin, the world seems poised to seriously consider adopting blockchain technology.



Fundraising

- Stripe Aquires Bridge for \$1.1B.
- BVNK raises \$50M at \$750M.
- YC publicly calls for stablecoin company apps as Crunchbase sees record high funding for new stablecoin companies.



Institutional

- BBVA plans Visa-backed stablecoin launch in 2025.
- CoinShares reports record high crypto ETF inflow in 2024, 4x the interest seen in 2021.
- JPM Kinexys, announces pilot partnership with Nium (2024)
- SWIFT announces pilots of bank tokenization pilots in 2025



Retail

- 1 in 14 people in the world own cryptocurrency, representing more than 560m people (2024).
- Solana produces >10K new tokens per day, Pump.fun reports >\$300m in revenue in under 12 months since launch (2024).
- TripleA reports that growth rate for cryptocurrency ownership surpasses American Express (23).



Stablecoin Usage

- Stablecoins surpass Visa in annual transfer volume (2024).
- USDT surpasses \$100B in market cap, total stablecoin market approaches \$200B (2024).
- Tether reports higher (\$12.71B) in net profit since Q4 2022 than Blackrock (\$9.83B) with 100x fewer employees.



Market Growth

- Bitcoin surpasses 100K per coin for the first time in history, and nearly 7 years after it passed 10K.
- Crypto market cap surpasses \$3T for the first time in history, Bitcoin at \$2T and worth more than all but 5 companies (2024).
- Historical CAGR for crypto estimated between 80-100%.

Political

The first set of crypto-friendly political administrations are being elected around the world, indicating a desire away from fiscal instability.



USA

- Trump is elected (2024), with key hires pointing to first crypto-friendly admin in US history.
- Trump indicates interest in a Bitcoin Strategic Reserve.
- Pro-crypto H. Lutnick appointed Secretary of Commerce, P. Atkins as SEC Chair, B. Hines as head of the newly created Council of Advisers for Digital Assets.



LATAM

- Milei is elected President of Argentina (2023), spearheading crypto adoption in LATAM.
- Bukele elected in El Salvador (2019) and sets Bitcoin as legal tender (2021).
- Long-time Bitcoin supporter Gustavo Petro (2022) is elected to President of Colombia.



MENA

- Sheikh Mohammed bin Rashid Al Maktoum, Prime Minister of UAE, establishes ADGM (2018) and VARA (2022) to encourage crypto growth in the region.
- MBS pushes Vision 2030 in Saudi to invest into blockchain, SAMA collaborates UAE to launch joint digital currency between the two countries (2020).



APAC

- Pro-crypto Shigeru Ishiba elected Prime Minister of Japan (2024), announces pro-blockchain and start-up policy initiatives.
- Julia Leung announced CEO of SFC (2023), Hong Kong launches new VASP regime (2023) and stablecoin sandbox (2024).
- Lawrence Wong elected new Prime Minister of Singapore (2024), Singapore MAS amends PSA to account for DA (2024).



UK & EU

- Rishi Sunak serves as PM (2022-24), announces support for UK as a crypto hub; Keir Starmer takes over (2024), indicates the release of long-awaited crypto & stablecoin rules in 2025.
- Christian Lindner becomes FMF in Germany (2021), Stefan Berger elected and instrumental in crafting MiCA (2019), Jean-Noël Barrot takes office (2022) under Macron and loosens restrictions.

Why Now Cont.

Tech

Blockchains have reached an inflection point in stability, throughput, and overall scalability to support an institutional-grade payments network. **They are finally fast enough, and the cryptography, tooling, and abstraction are finally approaching parity with traditional software.**



Performance

- Solana records first consistently above 1,000 TPS (non-vote) chain, ever (2021).
- Firedancer is announced (2022), performs >1M TPS on a MacBook live (2023), live testnet (2024), set to be adopted (2025).
- Starknet records first ever EVM network to surpass 100 TPS (2024), with Base recording the highest of ~150 TPS (2025).



Cryptography

- Bullet-MPC and MooM proofs (2020-1) make compliant anonymity possible in prod.
- Twisted ElGamal introduced (2019), makes it possible to compute/verify non-interactive ZK proofs in under 100ms.
- Bulletproofs (2018), Groth16 (2016, widely used 2018-19), STARKs (2019), PLONK (2019), Halo / Halo 2 (2020-22), and PLONKY2 (2022) make zkSNARKs and on-chain privacy efficient enough for prod.



Blockchain Abstraction

- Solana goes live with native account abstraction to improve UX (2021).
- ERC-4337 (2023) introduces the possibility of web2-like experiences on EVM.
- Squads Protocol introduces smart accounts (2024) for a fully abstracted blockchain experience for non-native users; Coinbase releases upgraded Smart Wallet (2024).
- Wave of startups to ease onboarding friction funded like Privy (2022), Turnkey (2023), Capsule (2023), Tiplink (2023).



Application/Tooling

- Blockchain achieves >10K monthly active developers (2018), peaking at 30K (2022), and stabilizing >20K (2024); surpasses 100M commits and 100K total repositories.
- Modern blockchain tooling released, such as Steel (2024), Foundry (2022), points to a new maturation of blockchain tooling — with web3.js as the most popular library downloaded more than 25m times in 2024.

Regulatory

For the first time in history, initial regulatory clarity on blockchain technology is coming around the world.



Global

- G20 (FSB) sets expected date in 2025 for global crypto & stablecoin standards.
- CPMI and IOSCO guidance on PMFI applications for stablecoins (2022-23).
- FATF "Travel Rule" crypto guidelines (2019).



USA

- House passes bi-partisan support for FIT21, the first comprehensive digital assets bill.
- Haggerty (Senate - TN) introduces first ever stablecoin issuance bill.
- Lummis-Gillibrand introduce first bi-partisan Payment Stablecoin Act (2023).



LATAM

- Brazil passes comprehensive VASP framework [Law No. 14,478/22] (2022)
- Colombia's Congress has seen several draft bills (2021-22) and a regulatory sandbox allowing banks to partner with exchanges.
- Proposed crypto laws in Panama (2021-22), Costa Rica [PLC] (2022), Peru (FCCA), and a new VASP framework in Argentina .



Europe

- MiCA approved by European Parliament (2023) and goes in effect across 27 states (2025).

Why Now Cont.

Demographics

Stablecoin usage has crossed the chasm, particularly in emerging markets where stable currencies are needed the most. The confluence of the below factors has led to unprecedented (40% YoY) growth in stablecoin adoption in key emerging markets like LATAM and Africa.

Digital Adoption Post-COVID19



Gig economy rises globally

- COVID19 accelerated already rapid growth of the gig economy, with more than half of US adults estimated to work gigs (2024) and more than 1 in 10 people globally.
- EPI survey of 280 industry leaders predicts that millions of global gig workers will be paid in stablecoins in 2025.



Spurred transition to digital money makes stablecoins attractive for remittances

- World Bank reports that during COVID, remittance flows remained strong due to a heightened transition from traditional cash to digital money during shutdowns.
- Individuals sending cross-border remittances are adopting stablecoins due to potential fee reductions of up to 60% compared to traditional fiat options.



Accelerated internet adoption increases global e-commerce and fintech activity in EMs

- IMF reported a 23-82% increase in emerging market internet user growth and ~200% increase in connectivity speed post-COVID due to an increased reliance on internet usage during in-person shutdowns.
- Estimates place 50-65% of emerging markets as having crossed 50% internet penetration in the last decade.

Economic Instability:



Liquidity Shortages & FX

- Approximately 70% of African countries face foreign exchange shortages, leading businesses to turn to stablecoins — similar trends in Argentina, Venezuela, Turkey, China, and Bangladesh.



Unbanked Populations

- In regions where traditional banking is limited, stablecoins provide financial inclusion. Some Latin American countries have unbanked populations of nearly 40%, up to 60% in APAC countries like Pakistan and Bangladesh, and more than 70% in Sub-Saharan African countries.



Currency Devaluation & Hyperinflation

- Nations experiencing currency devaluation or high inflation, such as Nigeria, Ethiopia, Turkey, and Argentina, are seeing significant stablecoin adoption — some estimates place stablecoins frequenting 30-50% of local crypto trading volume in these areas, representing billions of dollars.