How fintech is reshaping our ties with the world

IMAGE: JOSUE ISAI RAMOS/ UNSPLASH

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Machine-learning models can analyse data in real time to flag anomalies, identify fraud patterns, and support compliance with anti-money laundering (AML) and counter-terrorism financing (CTF) requirements. They also adapt to new risks by learning from historical data across millions of transactions.

Blockchain can add a second layer. It functions as a shared, secure digital ledger in which every transaction is recorded permanently and cannot be altered. By reducing reliance on long banking chains, blockchain can shorten settlement cycles and shrink the distance between sender and receiver. Transfers that once took days can reach recipients' mobile wallets far more quickly.

For instance, Surgepay in the Philippines is often cited as part of this shift. Users acquire stablecoins (USDC, BUSD, and USDT) from an authorised cryptocurrency exchange, send them to their Surgepay wallet, and from there can make transfers with minimal transaction fees.

At the same time, fintech is changing the financial behaviour that surrounds remittances. In many countries, it is creating easier pathways to save, invest and build financial resilience, reducing how dependent households are on remittance income alone. Fintech is beginning to shift the picture in Bangladesh as well. Mobile financial services (MFS) are now widely used for domestic transactions, while a growing range of international transfer applications have become reliable channels for remittances. Digital wallets and banking technologies have also made it easier for ordinary citizens to save and invest small amounts without relying on informal channels or physical bank branches. Government services now offer digital payment options for utility bills and other fees, helping suburban and rural populations gradually adopt cashless transactions.

In Bangladesh, the combination of AI and blockchain could push these developments further by strengthening fairness, resilience and efficiency. AI can act as a smart guide for transfers routed over blockchain networks, reading congestion and cost to find quicker, cheaper routes, saving time and money for senders. Smart contracts, essentially automated rules written into software, can add efficiency too. They can verify whether a transaction meets defined conditions and then execute transfers instantly when requirements are satisfied, reducing paperwork and delays.

This blend of technologies does more than speed up remittances. It creates new ways to use money, and new routes for diaspora capital to support development. For Bangladesh to benefit fully, it will need a supportive environment. That includes clear, flexible rules, including tools such as regulatory sandboxes where new ideas can be tested safely. Data privacy must be taken seriously. Digital literacy programmes are also essential so people can use these tools confidently and safely. If these pieces come together, remittance inflows can evolve from short-term household support into a longer-term development tool.

REMITTANCE 3.0 AS A TOOL OF GLOBAL INFLUENCE

Remittance 3.0 is not only about sending money faster or cheaper. It represents a shift that can strengthen Bangladesh's position in the world and reshape society from within. When remittances move through digital, formal channels, they become more transparent, traceable and reliable. This can help strengthen foreign exchange reserves and improve macroeconomic visibility. With clearer data and stronger buffers, Bangladesh may be better placed to engage with international institutions and partners, including in trade and development discussions, with greater confidence.

At the global level, this transformation can also improve Bangladesh's reputation. Successful local platforms and fintech companies demonstrate that the country can build world-class financial technology. Instead of only importing solutions, Bangladesh can increasingly share ideas, products and operational lessons. That shift can raise its soft power and position the country as a leader in digital finance within the Global South.

IMAGE: JOSH OLALDE/ UNSPLASH

Remittance 3.0 also has the potential to strengthen ties between the diaspora and the homeland. Fintech platforms can go beyond transfers, allowing overseas Bangladeshis to invest directly in local businesses, community projects, or climate-resilience initiatives.

CHALLENGES AND SETBACKS

Challenges remain. Cybersecurity threats, digital fraud and data privacy risks persist. Digital literacy gaps also remain, despite efforts to address them, limiting how fully migrants and their families can benefit from digital tools. Policymakers and fintech players therefore need to work together through a rigorous, coordinated push that protects users without stifling innovation, and builds an ecosystem of trust among both senders and receivers.

Today, remittances are more than a financial flow. They can be a tool for diplomacy, social progress and shared nation-building. Digital channels have made transfers faster, safer and more traceable, but access is still uneven. To sustain diaspora engagement, Bangladesh must offer secure, trusted and user-friendly digital services. By combining smart technology with smart policy, the country can help its young population move from simply receiving money to building wealth, supporting local business growth, and creating a more self-sufficient economy.

The future of remittances in Bangladesh depends on how well technology, policy and people are aligned. Remittance 3.0 offers a chance to formalise flows, deepen trust and unlock productive use of diaspora capital. If guided by smart regulation and user-first design, fintech can transform remittances into a strategic tool for sustainable growth.