



B

BARO

A Utility Token for Cuban Remittances
& Micro-Payments on Stellar

Whitepaper v1.0 • February 2026

Contents

1. Abstract
2. The Problem: Remittances to Cuba
3. The Baro Solution
4. Why Stellar?
5. Tokenomics
6. Use Cases
7. Technical Architecture
8. Peer-to-Peer Onboarding
9. Roadmap
10. Community Governance
11. Risks & Disclaimers
12. Conclusion

SECTION 1

Abstract

Baro is a community-driven utility token built on the Stellar blockchain, designed to serve as a low-cost, high-speed medium of exchange for the Cuban diaspora. It addresses one of the most pressing financial challenges facing Cuban families: the prohibitive cost and inefficiency of sending money home.

The Cuban remittance corridor represents one of the most underserved markets in the world. Families sending money home face fees of 5–12%, multi-day settlement times, and severe access restrictions. Baro aims to reduce this cost to near zero, settle transactions in under 5 seconds, and operate without requiring traditional banking infrastructure — only a smartphone.

Beyond remittances, Baro enables micro-payments that are currently impossible through traditional channels: tipping Cuban content creators, supporting local artists, and facilitating peer-to-peer commerce in a growing private sector.

"Moving money should be as easy as sending a message."

SECTION 2

The Problem: Remittances to Cuba

A Broken Corridor

Cuba receives an estimated \$3.5 billion in remittances annually, making it one of the most remittance-dependent economies in the Western Hemisphere. Yet the infrastructure for sending money to Cuba is among the worst in the region. U.S. sanctions, limited banking relationships, and a fragmented financial system create a perfect storm of inefficiency.

The Cost of Sending Money

Traditional remittance providers charge between 5% and 12% per transaction to Cuba. For a family sending \$200 per month — a common amount — this translates to \$120–\$288 per year lost to fees alone. In a country where the average monthly salary is around \$25–\$40 USD, these fees represent a devastating tax on the most vulnerable.

Method	Typical Fee	Speed	Accessibility
Western Union	8–12%	1–3 days	Limited locations
Bank Wire	5–8% + flat fees	3–7 days	Requires US bank
Informal Channels (Mulas)	5–10%	1–14 days	Trust-dependent
Crypto (Current)	1–3%	Minutes	Requires tech literacy
Baro (Proposed)	<0.01%	~5 seconds	Mobile phone only

Table 1: Comparison of remittance methods to Cuba — cost, speed, and accessibility.

Beyond Fees: Access Barriers

The problem extends beyond cost. Many Cubans lack access to traditional banking entirely. Mobile phone penetration, however, has grown rapidly — over 7 million Cubans now have mobile

internet access. This creates an opportunity: a payment system that requires nothing more than a smartphone and an internet connection, even intermittently.

SECTION 3

The Baro Solution

Baro is a Stellar-native utility token (asset code: BARO) that serves as a lightweight, community-owned medium of exchange. It is not trying to replace the Cuban peso or the US dollar — it is a bridge between them, optimized for the specific needs of the Cuban remittance corridor.

Design Principles

- **Near-Zero Cost:** Leveraging Stellar's base fee of ~ 0.00001 XLM per transaction, sending Baros costs a fraction of a cent regardless of amount.
- **Instant Settlement:** Stellar's consensus mechanism settles transactions in 3–5 seconds, compared to days for traditional wire transfers.
- **Offline Resilience:** The Baro wallet supports queued transactions that broadcast automatically when connectivity is restored — essential in areas with unreliable internet.
- **No Backend, No Custodian:** The wallet is fully non-custodial and communicates directly with Stellar's public Horizon API. There is no server to maintain, no user data to protect, and no intermediary between sender and recipient.
- **Peer-to-Peer Onboarding:** New users are activated by existing users through Stellar's native sponsorship mechanism, eliminating the need for a centralized faucet or server.
- **Community Governance:** Major decisions about the Baro ecosystem are made through community proposals and on-chain voting, ensuring the token serves its users, not a corporation.

How Baro Differs from Other Crypto Solutions

Several cryptocurrency projects have attempted to address the Cuban remittance problem. Most have failed due to complexity, lack of community engagement, or misalignment with user needs. Baro differentiates itself in three critical ways: it requires zero infrastructure to operate (no backend servers, no databases, no hosting costs); it is built on Stellar rather than congested, expensive chains like Ethereum; and it includes first-class support for micro-payments and tipping — use cases that existing solutions ignore entirely.

SECTION 4

Why Stellar?

The choice of blockchain is not merely technical — it is strategic. Stellar was selected for Baro after evaluating Ethereum, Solana, BNB Chain, and Tron against the specific requirements of the Cuban remittance use case.

Stellar's Advantages for Baro

- **Purpose-Built for Payments:** Unlike general-purpose blockchains, Stellar was designed specifically for cross-border value transfer. Its architecture reflects this focus.
- **Built-in Decentralized Exchange (SDEX):** Stellar includes a native order book DEX, allowing Baro holders to swap between BARO, XLM, USDC, and other assets without third-party protocols or additional smart contract risk.
- **Anchor Infrastructure:** Stellar's anchor system provides a framework for on/off-ramps — the critical bridge between crypto and local fiat currency.
- **Sponsored Reserves:** Stellar's native sponsorship mechanism allows existing users to cover the account creation costs for new users, enabling fully peer-to-peer onboarding without a centralized faucet or backend server.
- **Regulatory Alignment:** The Stellar Development Foundation has actively pursued regulatory clarity and compliance partnerships, reducing legal risk for projects built on the network.
- **Energy Efficiency:** Stellar's consensus protocol (SCP) consumes minimal energy compared to proof-of-work chains, aligning with sustainability goals.

Blockchain Comparison

	Stellar	Solana	Ethereum	Tron
Tx Fee	~\$0.000001	~\$0.00025	\$1–\$50+	~\$0.001
Finality	3–5s	~0.4s	~12min	~3s
Native DEX	Yes	No	No	No

Sponsorship	Native	No	No	No
Payment Focus	Core	DeFi/NFTs	General	Mixed

SECTION 5

Tokenomics

Token Overview

Property	Value
Asset Name	Baro
Asset Code	BARO
Network	Stellar (Mainnet)
Total Supply	10,000,000,000 (10 Billion)
Decimals	7 (Stellar standard)
Minting	Fixed supply — no additional minting possible
Type	Utility token — medium of exchange

Distribution

Allocation	Percentage	Amount	Purpose
Community & Airdrops	50%	5,000,000,000	Free distribution, rewards, adoption incentives
Liquidity Pool	20%	2,000,000,000	Locked SDEX liquidity for stable trading
Development Fund	15%	1,500,000,000	Wallet dev, partnerships, infra (2-yr vest)
Community Treasury	15%	1,500,000,000	DAO-governed grants, aid, ecosystem growth

Anti-Dump Mechanisms

To protect the community from large-scale dumps: the Development Fund is vested linearly over 24 months with a 6-month cliff; the Liquidity Pool allocation is locked in the SDEX and cannot be withdrawn for 12 months; and Community Treasury disbursements require a community vote with a 72-hour deliberation period.

SECTION 6

Use Cases

Remittances

The primary use case. A Cuban-American in Miami can send Baros to a family member in Havana in under 5 seconds for virtually zero cost. The recipient can then convert Baros to local currency through a peer-to-peer network of community agents, similar to how informal 'mula' networks operate today — but faster, cheaper, and more transparent.

Micro-Tipping & Creator Support

Cuban artists, musicians, writers, and content creators currently have no practical way to receive small payments from supporters worldwide. Baro enables tipping as small as 1 BARO — a fraction of a cent — making it feasible to support creators at scale. Imagine tipping a Cuban musician on YouTube, or supporting a local journalist covering community stories.

Peer-to-Peer Commerce

Cuba's growing private sector ('cuentapropistas') includes restaurants, taxi drivers, home rental operators, and artisans. Baro provides a payment option that avoids the high fees and restrictions of traditional payment processing, enabling merchants to accept payments from international customers directly.

Community Fundraising & Mutual Aid

The Community Treasury enables collective action: funding disaster relief, supporting local infrastructure projects, or sponsoring educational initiatives. Proposals are submitted and voted on by BARO holders, creating a decentralized mutual aid network.

Remote Payments via Shareable Links

Recipients generate payment request links directly in the app and share them through WhatsApp, Telegram, SMS, or email. The sender taps the link, the Baro wallet opens with the payment pre-filled (recipient, amount, memo), and they confirm with biometrics. No backend processes the payment — the link is simply a structured URI containing the recipient's public key, and the

transaction goes directly to Stellar's network.

SECTION 7

Technical Architecture

Zero-Backend Architecture

Baro's most distinctive technical characteristic is its complete absence of backend infrastructure. The wallet application communicates directly with Stellar's public Horizon API servers. There is no proprietary server, no database, no user authentication system, and no API keys. This design eliminates hosting costs, removes single points of failure, and ensures that no entity — including the Baro development team — can access, freeze, or control user funds.

Token Issuance

BARO is issued as a Stellar asset by a designated issuing account. After the full supply of 10 billion tokens is minted and distributed to the allocation accounts, the issuing account's authorization is permanently locked using Stellar's master weight mechanism, ensuring no additional tokens can ever be created. This is verifiable by anyone on-chain.

Wallet Architecture

The Baro wallet is a mobile-first application built with React Native for cross-platform compatibility (iOS and Android). Key architectural decisions include: local key storage using device-native secure enclaves (Keychain on iOS, Keystore on Android) with biometric protection; an offline transaction queue that signs transactions locally and submits them when connectivity is restored; and real-time payment notifications via Stellar's Server-Sent Events stream.

Security Model

All private keys are generated on-device from a BIP39 mnemonic using the standard Stellar derivation path ($m/44'/148'/0'$). Keys are stored in the device's hardware-backed secure enclave and never transmitted over the network. Transaction signing requires biometric authentication (Face ID, fingerprint, or device PIN). The Baro team never has access to user keys or funds at any point.

Offline Transaction Queue

In areas with unreliable internet — common in Cuba — users can compose and sign transactions locally. The signed transaction envelope is stored on the device. A background service monitors

connectivity and submits queued transactions as soon as a connection is available. Stale transactions (expired sequence numbers) are automatically rebuilt and re-signed.

P2P Exchange Protocol

The built-in peer-to-peer exchange connects Baro holders with local agents who exchange BARO for fiat currency. The protocol uses a reputation system based on completed trades, with optional escrow through Stellar's native multi-signature capabilities. Agents set their own exchange rates, and the system surfaces the best available rates to users.

SECTION 8

Peer-to-Peer Onboarding

One of the biggest barriers to cryptocurrency adoption is the initial setup: users need native currency (in this case XLM) before they can do anything. Traditional solutions involve centralized faucets or backend servers. Baro eliminates this entirely through Stellar's native account sponsorship mechanism.

How Peer Activation Works

Any existing Baro user can activate a new user's wallet through a simple two-scan process. The new user shows a QR code containing their public key. The sponsor scans it, and their app builds a single atomic transaction that creates the new account, adds the BARO trustline, and sponsors the reserve requirements — all in one operation.

The sponsor's cost is approximately 2 XLM: 1.5 XLM in sponsored reserves (which are fully reclaimable if the new user abandons their wallet) and 0.5 XLM sent to the new user for future transaction fees. Sponsors are rewarded with BARO from the community allocation as an incentive to grow the network organically.

Why This Matters

This peer-to-peer onboarding model means Baro can grow virally without any centralized infrastructure. A single user in Miami can activate their entire family in Cuba during a visit. Each activated user can then activate others, creating an organic growth loop. No server is needed to coordinate this — Stellar's protocol handles everything.

SECTION 9

Roadmap

Phase	Timeline	Milestones
Phase 1 Foundation	Q1–Q2 2026	Token creation on Stellar mainnet Landing page and whitepaper launch Community Telegram and social channels Initial airdrop to early supporters
Phase 2 Wallet & Liquidity	Q3 2026	Baro wallet beta (React Native) SDEX liquidity pool launch Offline transaction queue implementation P2P activation system live First community agents onboarded
Phase 3 Growth	Q4 2026	Wallet public launch (iOS + Android) Micro-tipping integrations Community treasury governance launch Partnership with Cuban diaspora organizations Payment request links and remote transfers
Phase 4 Scale	2027+	Merchant payment integrations Fiat on/off ramp partnerships Cross-border corridor expansion DAO governance maturation NFC tap-to-pay support

SECTION 10

Community Governance

Baro is designed to evolve from a founder-led project to a fully community-governed ecosystem. Governance is implemented progressively: in Phase 1, core decisions are made by the founding team with community input via Telegram polls. In Phase 3, formal on-chain governance launches,

allowing any BARO holder to submit proposals and vote. Voting power is proportional to BARO holdings, with a minimum threshold to prevent spam.

The Community Treasury — representing 15% of the total supply — is the primary governed asset. Proposals for treasury disbursement must include a clear description, budget, timeline, and expected impact. All proposals undergo a 72-hour deliberation period before voting opens, and require a simple majority with a minimum quorum of 5% of circulating supply to pass.

SECTION 11

Risks & Disclaimers

Regulatory Risk

The regulatory landscape for cryptocurrency in both the United States and Cuba is evolving and uncertain. U.S. sanctions regulations (OFAC) impose restrictions on financial transactions involving Cuba. While peer-to-peer cryptocurrency transfers may fall outside the scope of certain sanctions, this is not guaranteed. Users should consult legal counsel regarding compliance in their jurisdiction.

Market Risk

BARO is a utility token and its market value may fluctuate. The token's value is determined by supply and demand on the Stellar DEX. BARO is designed primarily as a medium of exchange, not as an investment or store of value. Users should understand that the token's value may decrease and should only acquire BARO for its intended utility purposes.

Technology Risk

While Stellar is a mature and battle-tested blockchain, all software carries inherent risks including bugs, vulnerabilities, and network disruptions. The Baro wallet is new software and will undergo security audits, but no software can be guaranteed to be free of vulnerabilities.

Connectivity Risk

Internet access in Cuba remains limited and unreliable. While Baro's offline queue mitigates this, transactions ultimately require internet connectivity to settle. Extended outages could result in delayed transactions or stale exchange rates.

Adoption Risk

Baro's utility depends on network effects — the token becomes more useful as more people adopt it. If adoption is slower than anticipated, the peer-to-peer exchange and merchant network may be limited, reducing the token's practical utility as a medium of exchange.

BARO IS NOT A SECURITY, INVESTMENT CONTRACT, OR FINANCIAL INSTRUMENT. IT IS A COMMUNITY-DRIVEN UTILITY TOKEN DESIGNED AS A MEDIUM OF EXCHANGE. THIS WHITEPAPER IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE FINANCIAL, LEGAL, OR INVESTMENT ADVICE.

SECTION 12

Conclusion

Baro is an experiment in community-driven financial infrastructure for one of the world's most underserved remittance corridors. By combining Stellar's payment-optimized blockchain with a zero-backend architecture and genuine focus on utility, Baro demonstrates that crypto can serve real people with real needs — without requiring servers, databases, or corporate intermediaries.

The Cuban diaspora is one of the most connected and passionate communities in the world. What it lacks is not will or talent, but accessible financial infrastructure. Baro is a step toward building that infrastructure — one transaction at a time, one Baro at a time.

"Pa'lante, siempre pa'lante."

For more information, visit baros.xyz or join our Telegram community.