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In a world of instant payments and digital onboarding, it’s tempting to believe that global banking is finally seamless. But beneath the surface of APIs and fintech dashboards lies a different reality, one where fragmented regulatory regimes, legacy infrastructure and cultural mismatches still slow down cross-border transaction banking.

Despite advancements in global payment rails, cross-border banking remains far from integrated. According to SWIFT, nearly 40% of cross-border payments still require manual intervention or experience unexpected delays. And the World Bank’s latest data shows that the average cost of remittance to sub-Saharan Africa is over 8%, more than double the global target of 3% under the UN SDGs.

Technology has improved access, but not alignment. While fintechs excel at front-end experience and speed, global banks remain accountable for compliance, onboarding, settlement, and risk. These functions don’t easily scale across borders, especially when moving into unfamiliar jurisdictions with local nuances in tax law, capital controls, and client verification.

Let’s take a closer look at the gaps few talk about:

1. Regulatory complexity isn't shrinking, it's multiplying

Each country maintains its own definition of what constitutes "sufficient due diligence." While one regulator prioritises beneficial ownership transparency, another enforces strict documentary requirements on the source of funds. For banks expanding into new regions, this creates a compliance bottleneck, especially when standardising onboarding for clients operating across multiple geographies.

These inconsistencies make it difficult to apply a "one-size-fits-all" digital onboarding approach, even within a shared platform or cloud environment. The result? Slower time-to-market, resource-intensive KYC cycles, and potential friction with local supervisors.

2. Domestic networks don't guarantee international capability

A common misconception is that a strong domestic presence translates into international readiness. But without correspondent relationships or local clearing arrangements, banks struggle to support clients with real-world needs, such as opening accounts in multiple countries, managing local liquidity, or navigating cultural business practices.

This is particularly relevant for banks in Africa or Southeast Asia, where clients are rapidly expanding into Europe or the Americas. Without trusted partner banks on the ground, even the best-intentioned global expansion strategy can stall.

3. Cross-border collaboration creates shared accountability

This is where networks like IBOS Association offer a crucial advantage. By connecting established local banks with deep regional expertise, IBOS helps members bypass many of the challenges associated with new market entry.

Rather than building costly infrastructure from scratch, member banks can refer clients to trusted peers, offering them access to domestic accounts, compliance insight and onboarding support that reflects local expectations. For the client, this means faster activation and fewer compliance delays. For the bank, it means lower risk and higher client satisfaction.

Take, for example, a West African bank with a multinational corporate client expanding into Spain and Germany. Instead of navigating these markets alone, the bank can work with IBOS member institutions that already understand the local language, regulations, and expectations, creating a bridge between client ambition and local execution.

4. Data without relationships lacks context

Open banking and data sharing initiatives are advancing, but data alone doesn't drive trust. Relationships are still central to resolving real-time issues: from delayed document submissions to unexpected regulatory clarifications. Without human-to-human channels across borders, transaction friction increases.

By building structured relationships with vetted peers, banks can ensure not only data integrity but contextual understanding that supports resilient client service.

Final Thoughts

The promise of seamless global transaction banking isn't delivered through technology alone. It requires collaboration, trust and structured partnership, especially when banks are moving into regions with unfamiliar risks and fast-changing regulations.

This is why IBOS Association focuses on connecting local strength to global need. By creating a framework for collaboration, not just competition, IBOS helps banks across Africa, Asia and beyond deliver better outcomes for clients, faster.

Cross-border doesn't have to mean complex. With the right partners, it can mean efficient, agile and client-ready.

About the Author

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Manoj Mistry is the Managing Director of IBOS Association. With over 35 years of work experience in financial services across Europe, North America and APAC, he has developed strategic business models for Regional Financial Institution Coverage, Global Custody Product Development and Strategic Relationship Management.

Manoj has created holistic commercial strategies shaped by effective risk management, together with a deep understanding of income, cost control and governance imperatives – thereby enabling growth while overcoming potential regulatory roadblocks.

He builds and retains strong, collaborative business relationships; is a trusted partner to highly demanding global C-level leadership, and enjoys an extensive network with a broad spectrum of financial services industry professionals.

Leading from the front, Manoj has developed high-performing teams; putting colleagues and customers first to drive long-term strategic business goals while displaying integrity, creativity, and actively up-skilling and mentoring of junior colleagues.