

SOKIN

A new approach to cross-border payments for Australian industry



Foreword



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When we expanded our business into Australia we found a thriving, outward looking economy built on strong trade relationships across the Asia Pacific region. Yet, despite Australia having one of the most advanced domestic payments infrastructures in the world, its international payments ecosystem tells a very different story.

“Legacy payment systems cannot keep pace with the speed of innovation that today’s businesses demand. For a globally connected market like Australia, that gap has become a real barrier to growth.”

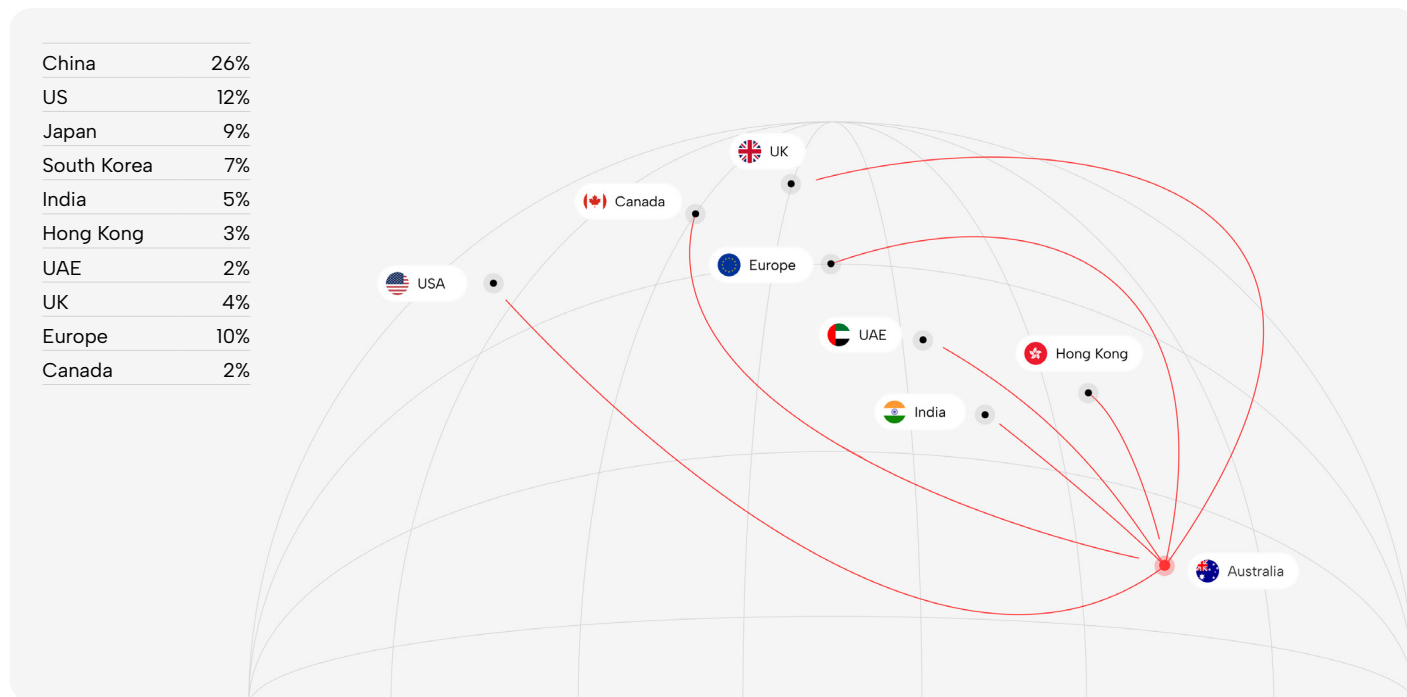
Australian businesses, large and small, continue to face high FX costs, slow settlement times, SWIFT based frictions and operational inefficiencies that delay growth and weaken global competitiveness. Fees remain unpredictable, FX margins are often among the highest charged by any channel and many businesses have limited access to the multi-currency capabilities they need to manage international cash flow effectively.

At Sokin, we believe cross-border payments should match the speed and simplicity of Australia’s modern domestic rails. This report outlines the structural pain points facing Australian businesses today and shows how modern, cost-efficient solutions can transform the way Australia trades with the world.

Vroon Modgill

Australia runs on global trade

Australia is one of the more trade exposed economies among developed markets. Trade in goods and services was about 47 percent of GDP in 2025, according to World Bank data¹. In the 2024–25 financial year, Australian businesses exported around AUD 646.6 billion and imported AUD 629.9 billion, taking total two-way trade to roughly AUD 1.28 trillion (ABS, 2025²).



↑ Source: DFAT Trade Statistics 2024–25. Percentages represent share of total Australian two-way trade in goods and services.

Data confirms that this intensity continued throughout 2025. The Australian Bureau of Statistics (ABS) reported that while the monthly goods trade surplus fluctuated due to global commodity volatility, it ended the year in a resilient position, recording a AUD 3.4 billion surplus in December 2025. This performance was underpinned by consistent demand for metal ores, minerals and rural goods which helped offset a slight rise in capital goods imports (ABS, 2026³).

Australia's trade is deeply tied to the Asia Pacific region. Department of Foreign Affairs and Trade (DFAT) statistics for 2024–25 confirm that China, the United States, Japan, South Korea and India remain Australia's top trading partners. Notably, China accounts for over 25 percent of Australia's total two-way trade, while the United States has solidified its position as the second largest partner, driven by increased investment and services trade (DFAT, 2026⁴).

Across resources, agriculture, education, tourism and high value services, Australian businesses rely on the ability to move money quickly, securely and at a predictable cost across borders. Efficient cross-border payments are not simply convenient; they are fundamental to operating and competing in this environment.

In this report, we explore the current state of cross-border business payments in Australia, with a focus on the Asia Pacific corridors that Australian businesses rely on most. We identify key friction points, compare major payment pathways used by Australian businesses and outline how modern financial infrastructure is reshaping the efficiency, cost and speed of global transactions. Our objective is simple: to help Australian businesses of all sizes discover faster, more transparent and increasingly cost-effective ways to manage international payments.

Why international payments need to evolve

Australia is a global leader in domestic payments infrastructure, driven by the New Payments Platform (NPP), PayID and instant bank-to-bank transfers. However, international payments still rely heavily on:

- The SWIFT network
- Chains of correspondent and intermediary banks
- Legacy batch processing windows
- Manual compliance checks and reconciliation

This architecture introduces both direct cost and operational friction. Payments can take days to arrive, FX costs are difficult to forecast and finance teams often lack real-time visibility of where funds are in the chain.

How Australian businesses move money today

Most Australian businesses use one of the big four banks or a tier two bank as their primary provider for international payments. These banks typically route cross-border transfers over SWIFT. That often means:

- Settlement times of one to five business days, depending on the corridor
- Explicit transfer fees at both the sending and receiving ends
- FX spreads of two to four percent above wholesale rates in many common corridors
- Limited multi-currency account availability for SMEs and mid-market firms
- Manual approvals and compliance checks for higher value payments

Fintech platforms and specialist payment providers have emerged as an alternative to traditional banks. They usually offer:

- More transparent pricing and tighter FX spreads
- Faster settlement in popular corridors
- Better digital experiences

Fintech's might come with some perceived drawbacks such as limitations in scalability when handling large transaction volumes, and concerns around credibility or reliability compared to established banking institutions.

However, they provide an opportunity for Australian businesses to combine bank grade reliability, local access to key markets and modern technology that helps reduce friction from everyday operations.

Key challenges for Australian businesses

Australian companies that trade internationally report a consistent set of challenges across sectors and sizes.



High FX costs and fees

FX pricing is a major pain point. Australian banks typically apply FX markups of around 3–4% above wholesale rates on international payments and charge upfront transfer fees of AUD 10–30+ per transaction. Additional deductions may also be taken by intermediary banks, and these costs add up quickly for businesses making frequent or high-value cross-border payments.

The ACCC's 2025 update on international money transfer services confirms that while transparency has improved, price dispersion remains high. Major banks continue to charge significantly higher margins than specialist providers. This lack of effective competition means Australian customers are missing out on an estimated AUD 250 million in potential savings annually (ACCC, 2025⁵).

Together, FX spreads and transaction fees erode margins and make the true cost of paying overseas suppliers harder to predict.



Slow settlement times and cash flow uncertainty

Although domestic payments in Australia can settle in seconds, cross-border transfers often take much longer.

SWIFT transfers to key partners in Asia, North America and Europe still commonly take one to three business days, and sometimes longer for more complex corridors. Payments may be held for additional manual reviews as they pass between intermediary banks, particularly when amounts are large or counterparties are newly onboarded.

These delays create cash flow gaps, strain supplier relationships and increase the operational buffer that businesses need to hold in working capital.



Limited access to multi-currency accounts

Many SMEs and mid-market businesses still have limited or expensive access to multi-currency accounts.

Foreign currency banking accounts are frequently offered only to larger corporates or as part of premium business banking tiers. Minimum balance requirements and monthly account fees can discourage smaller exporters or importers from holding balances in the currencies they use most.

Without the ability to hold and manage foreign currency balances efficiently, businesses are forced to convert at the time of every transaction, often at unfavourable rates.



Manual and fragmented processes

Finance and operations teams often face a patchwork of systems and manual steps when handling cross-border payments.

Common issues include no real-time tracking for SWIFT payments, manual batch file uploads into banking portals, limited automation for approvals and reconciliation, and multiple systems for domestic and international payments.

This manual burden consumes time that could otherwise be spent on higher-value financial analysis and planning.



Corridor complexity in the Asia Pacific region

Australia trades heavily with the Asia Pacific region, where regulatory and banking practices vary widely across markets.

- Payments to China can be subject to strict documentation and regulatory checks.
- Transfers to markets such as Vietnam, Indonesia or the Philippines may involve longer or less predictable settlement times.
- Local cut off times, holidays and time zone differences add further complexity.

Businesses often must over communicate and build in longer lead times for payments to key suppliers, which can reduce agility and negotiating power.



Lack of automation and API driven payments

While Australia continues to iterate on its Consumer Data Right (CDR⁶), the regime has struggled to gain commercial traction. By late 2025, the Australian Banking Association (ABA) and the Treasury's Strategic Review confirmed that active participation remained below 1 percent of the total banking population. With a high rate of discontinued data-sharing arrangements, the Federal Government announced a reset of the CDR in 2025, shifting focus toward high-value business use cases and 'action initiation' to address the lack of tangible benefits for SMEs (ABA, 2025⁷).

A new payment experience with Sokin

International business payments often come with hurdles that impact revenue, increase operational costs, and slow down critical business processes. With Sokin, global businesses can operate smarter, unlocking faster, simpler, and more cost-effective ways to send and receive payments across borders. Sokin is designed to address these pain points directly and give Australian businesses a modern alternative to legacy cross-border payments.

Consider a mid-sized Australian importer paying a supplier in China AUD 40,000.

	Traditional Banks	SOKIN
Convenience	Payment sent via SWIFT through one or more intermediary banks	Payment sent through a single digital platform
Cost	FX spreads typically ~3–4% (AUD 1,200–1,600 on a AUD 40,000 transfer, excluding additional deductions.)	FX fee as low as 0.5% (~200 AUD on 40k)
	International transfer fees of AUD 10–30+ and potential intermediary deductions.	Transfer fee (from 10 AUD)
Speed & control	Settlement typically 1–3 business days, sometimes longer due to APAC regulatory checks, time-zone cut-offs or intermediary reviews.	Faster and more predictable settlement by using more efficient payment routes where available.
	Limited tracking once funds leave the sending bank.	Improved transparency and payment status visibility end-to-end.

Products we can offer your Australian business

✔ Multi-currency accounts and FX payments

Open accounts in foreign currencies and access our best wholesale rates for payments in up to 70 currencies.

[Learn more](#)

✔ Balance boost

Earn up to 3.74% AER on GBP, USD, and EUR balances effortlessly, without tedious paperwork or complicated application processes. [Learn more](#)

✔ Embedded finance

Seamlessly integrate tailored financial services directly into your business through our robust APIs. [Learn more](#)

✔ Treasury management

Simplify reconciliation and financial management with seamless integrations to leading accounting packages and automate bulk payments. [Learn more](#)

How Sokin helps Australian businesses

Sokin helps Australian businesses manage global payments more efficiently by providing multi-currency accounts, transparent wholesale-style FX pricing and access to key local payment rails for faster, lower-cost transfers. Businesses can move funds instantly between Sokin accounts using Sokin Direct and automate payment workflow by integrating payments directly with their existing financial systems. All of this is supported by strong regulatory and compliance standards to help companies scale cross-border operations with confidence. You can learn more at sokin.com/legal/regulation.

Unlocking Australia's global potential with faster cross-border payments

Australia is already a successful export nation, with trade accounting for nearly half of GDP and more than a trillion dollars in goods and services flowing across its borders every year. The country has world class domestic payments infrastructure, vibrant trade relationships across the Asia Pacific region and businesses that are eager to reach new markets.

Yet the financial systems that support international payments has not kept pace. High FX costs, slow settlement, opaque fees and manual processes create unnecessary friction for Australian businesses that need to move quickly and operate with precision.

Sokin's mission in Australia is simple. We strive to create a cross-border payment experience that is efficient, transparent and integrated, supporting the evolving needs of Australian businesses as they grow internationally. By combining multi-currency accounts, access to local rails, transparent FX pricing and modern automation, we aim to give Australian businesses the financial infrastructure they need to compete and grow globally.

Cross-border payments can be fast, simple and efficient. With the right partners and technology, Australian businesses can focus less on managing payment friction and more on building the next chapter of their international success story.

Sources used in this report:

1 <https://data.worldbank.org/indicator/NE.TRD.GNFS.ZS?locations=AU>

2 <https://www.abs.gov.au/statistics/economy/international-trade/international-trade-supplementary-information-financial-year/latest-release>

3 <https://www.abs.gov.au/statistics/economy/international-trade/international-trade-goods/latest-release>

4 <https://www.dfat.gov.au/trade/trade-and-investment-data/information-and-publications/trade-statistics/trade-in-goods-and-services>

5 <https://www.accc.gov.au/about-us/publications/transparency-and-competition-in-international-money-transfer-services>

6 <https://www.cdr.gov.au>

7 <https://www.ausbanking.org.au/policy/consumer-data-rightstrategic-review-final-report/>

Ready to transform your cross-border payments?

Get started with a multi-currency business account in 24 hours, or reach out directly to **our sales team** to learn how Sokin can fuel your business growth.