Compliance Crisis Stalling US-Latin America Crypto Deals, BRACKT AI Data Reveals

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NEW YORK, May 18, 2026 /PRNewswire/ - BRACKT AI today shares compliance assessments indicating 60-70% of Latin America's top financial institutions cannot meet US digital asset regulations, a critical barrier now blocking billions in cross-border transactions. The company is addressing this gap through real-time compliance analysis that helps firms identify and resolve regulatory deficiencies before deals collapse or trigger enforcement actions.

The timing is urgent. With the Genius Act requiring foreign companies to uphold American standards before accessing US markets, BRACKT AI's data reveals a deepening mismatch: not a single Latin American country has enacted comprehensive crypto regulations that meet US standards. There is no regional framework either; each country operates under fragmented rules, many lacking adherence to international standards like the FATF Travel Rule. US regulators demand strict compliance from Latin American firms operating in markets with minimal oversight. Cross-border deals are grinding to a halt.

The Disconnect is Costing Real Money

Latin America has become the world's fastest-growing crypto market, with transaction volumes hitting $1.5 trillion through mid-2025, **according to Chainalysis.** Major banks and fintech platforms across the region handle enormous daily flows of digital assets. Yet without matching regulatory infrastructure, they're locked out of American partnerships, particularly in the rapidly expanding stablecoin economy that now underpins cross-border payments.

American businesses face the reverse problem. Companies exploring Latin American opportunities struggle to verify that partners meet US standards, so they're turning to European or Asian intermediaries instead. Latin American institutions find US capital markets effectively closed, with deals collapsing when compliance checks reveal regulatory gaps.

Recent enforcement actions underscore the stakes. Binance paid $4.3 billion in 2023 settlements for AML failures. TD Bank paid $3.09 billion. US firms can no longer take compliance risks on foreign partners.

"This isn't just a paperwork problem; it's an economic decoupling in real time," said Dr. Ravishankar Chamarajnagar, CEO of BRACKT AI. "American investors can't access Latin America's growth, and Latin American institutions can't access US capital. Both sides are losing."

BRACKT AI provides multi-jurisdictional compliance analysis, enabling firms to bridge regulatory gaps before they escalate into billion-dollar enforcement actions.

Dr. Ravishankar Chamarajnagar is the CEO of BRACKT AI, providing real-time compliance analysis across multiple jurisdictions. He formerly served as Chief Product Officer at AppViewX, as R&D/Internet of Things Senior Director at VMware, and as Senior Director of Product Management at AirWatch by VMware.

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