

International Payments Framework

Globalization is driving a broader base of clients who demand a more cost-effective, less complex, and more certain payment service with a wider reach.

What is the International Payments Framework?

The International Payments Framework (IPF) provides rules, standards, operating procedures, and guidelines to improve cross-border payments through a multilateral service agreement binding members to the operating rules. These rules will enable interoperability between existing domestic or regional payments systems, the ability to exchange transactions in multiple currencies, and settlement leveraging existing practices.

In 3 to 5 years, this membership driven organization is expected to enable multi-currency, non-urgent payments to any other member organization – whether through a clearing and settlement mechanism or directly through member banks – utilizing the same standardized process and operating procedures. This will allow member organizations to implement new countries and/or currencies in a quick and efficient manner, lowering processing costs and eliminating the complexities in international non-urgent payments.

What are the Benefits of IPF Membership?

- **Business as usual – with a global reach.** Banks will be able to use standard formats to send payments to other banks around the globe.
- **Back Office Simplification.** Through a standardized set of operating rules, policies, technical requirements and procedures, both receiving and sending banks will experience simplified back office processing.
- **Streamlined ability to achieve global reach.** Member organizations will achieve easier implementation of new countries and currencies in IPF covered countries.
- **Certainty of service.** The standard operating procedures will outline maximum delivery times, specify full payment delivery to the beneficiary bank, and improve payment information.
- **Improved returns on investment** through increased scale by using the same XML credit message formats for domestic and global transactions for SEPA compliant members or SWIFT members for MX messages.
- **Risk mitigation** through enhanced certainty of payment processing and return procedures.
- **Improved client value** in the form of certainty of service delivery, established maximum delivery times, improved back office processing, standardized formatting for global delivery and improved remittance information.
- **Improved liquidity management.** The ability to process non-urgent payments between member organizations allows a bank to reduce the number of correspondent relationships needed for multi-currency settlement, and improves the liquidity management for their organization.

Who Needs to Participate?

Financial institutions • ACH Operators/CSMs • Associations

Want to know more? Contact Priscilla Holland, Senior Director, Network Development, NACHA – The Electronic Payments Association @ +1 703-561-3916 or via email at pholland@nacha.org.

Visit www.internationalpaymentsframework.org