



International
Payments
Framework
Association



IPFA Value Proposition

Introduction:

The lack of a universal framework for making payments globally and the increase in the global payments market has led to payments intermediation through proprietary clearing and settlement mechanisms, as well as other channels. This, combined with the increasing complexity in the cross-border payments market, results in a less than efficient end-to-end process. The IPFA has identified the requirement for a standardized payments framework to address these issues and improve the end-client value proposition.

Vision

Worldwide acceptance of a payments framework, which facilitates interoperability between counterparties that enables more efficient cross-border payments processing.





Mission

To promote the acceptance and use of the global operating framework for cross-border payments developed by the IPFA. This will be achieved by:

- > providing members with a framework, associated processing rules and technical documentation, which support a highly standardized exchange of electronic messaging using international standards;
- > providing supplementary documented business models including settlement methods, which can be adapted for use in bi-lateral business arrangements, in regional economic payment models and for different payment types;
- > providing the originating and receiving financial organizations with the tools to facilitate adherence to global as well as jurisdictional regulatory requirements;
- > and a governance structure that ensures inclusive member engagement for the continued enhancement of the framework to meet evolving market requirements.

Offering

The IPFA is an inclusive membership organization, comprised of all types of institutions in the payments value chain, that provides:

- > rules, standards, operating procedures and guidelines to improve cross-border payments through a multilateral member service agreement;
- > technical documentation and payment format mappings to various currencies;
- > supplementary materials covering operating models, settlement processes, generic contracts, etc.;
- > transparency regarding pricing methodology and delivery timeframes;
- > expertise to facilitate on-boarding and transacting;
- > and a networking platform for exchanging information regarding practices and business opportunities.

Member Benefits/Opportunities:

Primary Members

- > Simplification of back office processing for both receiving and sending banks through a standardized set of operating rules, policies, technical requirements and procedures for all IPF covered countries and currencies exchanges via member organizations. This will reduce the operating costs for participants through improved straight-through-processing among member organizations.
- > Streamline the ability to achieve global reach for member organizations to new currencies and countries through standardized processes, procedures and a standardized member agreement allowing for easier implementation of new countries and currencies in IPF covered countries.
- > Certainty of service. The standardized operating procedures would outline maximum delivery times, specify full payment amount delivery to the beneficiary bank and improved payment information content.
- > Improved returns on investment by using ISO Standards, as deployed in other payment mechanisms.
- > Risk mitigation through enhanced certainty of payment processing and return procedures.
- > Improved liquidity management. The ability to process cross-border payments between member organizations creates an opportunity for banks to reduce the number of accounts needed for multi-currency settlement and improve the liquidity management for their organization.
- > Facilitates international compliance requirements through supporting inclusion of necessary information for payment review and screening.

Affiliate Members

- > Opportunities to provide products and services to primary members to enable them to transact using the IPFA framework.
- > Engagement in strategic dialogue to influence the rules and shape the organization to meet the requirements of the addressable markets.
- > Improved regional payments infrastructure. Certain regional economic zones have implemented High Value Payment and settlement systems but have not mandated suitable Low Value systems for retail type payments. The IPF addresses this area specifically.
- > Allow application providers, IT innovators, and others to create a platform to collaborate on providing credit push payment services supporting cross-border e-commerce
- > Cooperate with interested associations/payment service providers to develop payment solutions that lead to increased financial inclusion in emerging markets

Contact

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