IPFA Concept

- Defining rules, standards and operating framework
- Simplifying non-urgent cross-border credit transfers
- Leveraging existing payment networks and international standards e.g. ISO 20022
- Enabling interoperability between domestic and regional non-urgent payments systems and banks
Globalization is continuing to drive a broader base of clients who demand cost-effective, less complex payment services with a wider reach.

The IPFA approach is to enable locally originated non-urgent credit transfers to reach markets around the world.

Leverage existing “railways”, existing “rules” and existing “standards”
Example of Overlay Structure Model

There can be one or more entry points into or out of any country. The domestic ACH Rules & Formats are not impacted by IPFA Rules and Procedures.
IPFA Bridge Format
- Eliminates the need to map to each domestic format
- Does not change the domestic payment rules
- Members exchange payments based on a common set of rules and procedures

IPFA Participant Members:
- Clearing & Settlement Mechanisms (CSMs) and Financial Institutions (FIs)
- Entry points into countries may be CSMs or FIs or both

There can be one or more entry points into or out of any country.
New IPF Association

- IPF Association was established as a U.S. not-for-profit association in February 2010
- Two membership categories
  - Primary Member – financial institution or a clearing & settlement mechanism
  - Affiliate Member – an association that represents one or more FIs (but is not a FI) a standard-setting body, an industry vendor or a user of payment services.
- Has a 9 member board of directors
  - 5 directors who are directors, officers or employees of a Primary Member Financial Institution
  - 2 directors who are directors, officers or employees of a Primary Member Clearing and Settlement mechanisms
  - 2 directors who are directors, officers or employees of a Primary Member organization (either a CSM or FI)
IPFA Board of Directors

- Arthur Cousins, Standard Bank of South Africa is Chairman of the Board of Directors,
- Michael Steinbach, Equens is Vice Chair
- Board Members:
  - Peter Mack, Fifth-Third
  - Colin Peachment - JPMorgan
  - Kevin Brown - Royal Bank of Scotland
  - Rodney Gardner - Standard Chartered Bank
  - Korlin Scott - PNC
  - Joaquim Kavakama, CIP
Status

- IPFA Credit Transfer Rule Book - Completed
- Technical
  - Mapping from IAT to/from ISO IPF formats completed
  - Mapping from SCT to/from ISO IPF formats completed
  - Mapping from the IPF to/from SWIFT MT 103+ formats completed
  - Technical Implementation guide has been completed
Federal Reserve/Equens Program

- Europe/U.S. transactions between the Federal Reserve and Equens will begin processing in 2010.
- Service supports bi-directional credit transactions in USD/EUR/GBP
- Transactions from Europe have access to accounts at all U.S. banks.
- Transactions from the U.S. to Europe have access to accounts at all banks in 22 European countries
Primary Member Benefits

- Influence the rules and shape the organization
- Business as usual with Global Reach
- Back-Office simplification
- Certainty of service
- Improved ROI
- Risk mitigation
- Deeper client relationships
Affiliate Member Benefits

- Influence the rules and shape the organization
- Provide a local geography perspective to help support seamless global commerce by primary members in your geography
Benefits for Corporate Originators

- Ease of executing payments around the world
- Cost-effective service
- Standard formats
- Payment reference / remittance information delivery
- Integration into accounts payable and receivable
IPFA Current Members

- BCSIS
- Canadian Payments Association
- Camara Interbancaria de Pagamentos
- CBI Consortium
- Clear2Pay
- Equens
- Eurogiro
- Federal Reserve Bank of Atlanta
- Fifth Third Bank
- J.P. Morgan
- NACHA
- PayPal

- PNC
- Royal Bank of Canada
- Royal Bank of Scotland
- Standard Bank of South Africa
- Standard Chartered Bank
- SWIFT
- The Clearing House
- U.S. Bank
- VocaLink
- Wells Fargo
- World Savings Banks Institute
Additional Information

- Website: internationalpaymentsframework.org
- Email: cousinsa@mweb.co.za