



**ENTERPRISE PAYMENTS ARE  
EVOLVING**

---

**When will you?**

**International and High-value  
Domestic Payments**

On FIS' Open Payment Framework (OPF)

## International Payments –A Time for Change?

### Spotlight on Aging Silos

The international payments line of business has seen its IT infrastructure gradually mature and age. Often built on architectures and technologies that are now obsolete, these legacy systems have become increasingly costly to maintain; a slight transformation of existing business processes highlights a host of issues, not the least of which is cost. Moreover, as many banks launch enterprise-wide IT rationalization and centralization projects to make use of the latest technological innovations such as Service-Oriented Architecture (SOA), the longevity of the incumbent international payments processing systems often becomes the focus of attention. A recurring conclusion is that a replacement system that fits into the long-term strategic IT-planning of the bank, and easily integrates into the bank's global IT architecture is needed.

### Changing IT to Support Business Needs

Many banks with legacy infrastructures must also consider the challenges that come with large potential increases in processing volumes, as opportunities for processing third-party bank's payments multiply. As the volumes increase, so does the operational expenditure; more manual intervention is needed and hardware and software maintenance costs rise. Furthermore, with market pressure forcing prices down in both the retail/wholesale market as well as the bank-to-bank business (institutional correspondent banking), many are now struggling to maintain the long-term profitability of this potentially lucrative business line.

### A Solution for the Correspondent

Banking Chain International payments include foreign currency payments and domestic, sent to, or received from, outside that currency zone. The International Payments platform from FIS covers the entire correspondent banking chain. FIS' International Payments solution is fully multibank and multicurrency, making it an ideal solution for deployment within large multi-entity financial institutions. The multibank capabilities of the system can also be leveraged to provide white-label services. Parser/Formatters

## xCT – International and Domestic Credit Transfers



### Parser/Formatters

(SWIFT MT, MX)

### Foreign Exchange

Charges

Billing

### PDE/PDM Duplicate Check

Auto-enrichment

### Code Word Processing

### Exceptions and Investigations

PSSM (ACK/NAK Mngt.)

### On-US Credit Transfers

Serial-cover

Manual Entry

### Bank Check Requests

Y-Copy

### Settlement Day Determination

Request for Transfer

Manual Repair

SSI Enrichment

### Volume and Value Thresholds

Accounting Entries

Figure 1: xCT – International and Domestic Credit Transfers

## International Payments on Open Payment Framework (OPF) - Key Features

More automation and less intervention means a lower cost per transaction, resulting in higher operational margins and a more competitive price positioning. FIS' International Payments solution delivers superior straight-through processing (STP) due to capabilities like:

- BIC enrichment based on local bank codes and IBAN
- BIC enrichment based on name, address and other residence information
- Local bank code enriched from BIC

- Standard Settlement Instructions (SSI) enrichment: correspondent chain building from SSI information
- Enrichment of the direct participant from indirect participant
- Derive BIC from IBAN
- Remove duplicate banks
- Autocorrect message formatting issues (identify account info and national ID in unstructured tag content)

## FIS Multibank Implementation For:

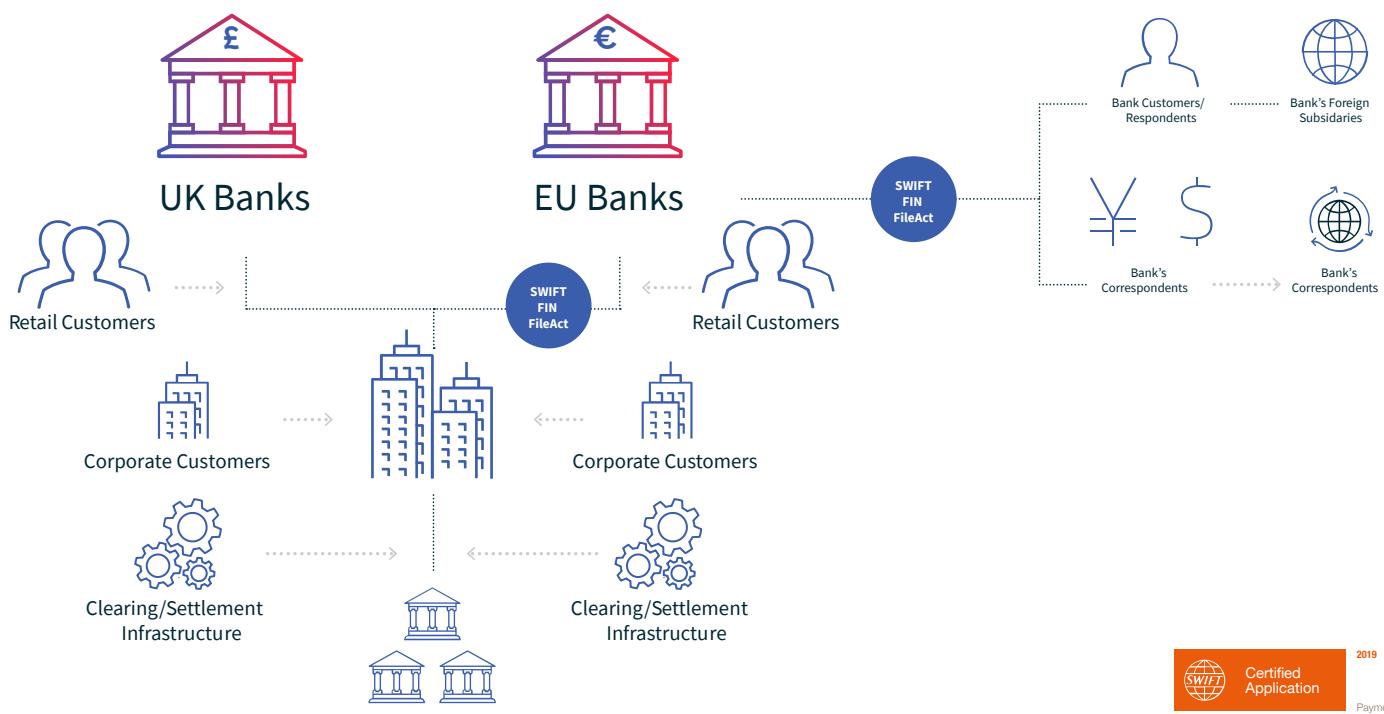


Figure 2: International Payments

## Sophisticated Rules-Based Routing

FIS' Cost Based Routing service uses highly configurable and fine-grained rules to allow each bank to fine-tune the system's automated routing to match its specific requirements. Payments can be routed "on-us" (within the bank or bank-group), routed to Interbank Clearing and Settlement Systems or to Correspondents. The routing rules criterion can be based on any payment characteristic, including payment type, currency, cut-off time, correspondent reciprocity agreements, participant directories and BIC/location of beneficiary bank.

## Access to Local Clearing and Settlement Infrastructures

FIS' International Payments platform offers routing of foreign currency payments to foreign correspondents and routing to local clearing and settlement systems, for the domestic leg of domestic currency international payments. The appropriate clearing/settlement system is identified by the Cost Based Routing service, and the system formats the output message/file to meet the clearing/settlement system's requirements.

### Market infrastructures for high-value payments migration to ISO 20022:

Financial market infrastructures for high-value payments are being reworked around the world. In less than five years most of the major market infrastructures will have been renewed. Market infrastructures in Switzerland, Japan, China and India are already operating on ISO 20022. Most other major markets including the U.S., Europe, the U.K., Hong Kong and Canada have plans to migrate in the next several years.

**Whereas the SWIFT MT standard prevailed earlier, the ISO 20022 standard is now almost exclusively being used to exchange payments. The FIS International Payments platform offers out-of-the-box support to make this migration seamless.**

## Accommodating SWIFT and MX

The Open Payment Framework's parser/submitter provides support for a wide range of SWIFT messages including MT1x, MT2x, MTn9x and MT9x, augmented by support for SWIFT MX (ISO 20022) payment messages. Online configuration allows you to instantly migrate the participants (i.e., correspondent banks) from SWIFT MT to the new MX standard. Messages are subsequently submitted according to the configured format.

### Cross-border payment migration to ISO 20022:

SWIFT will also migrate cross-border payments from SWIFT MT to ISO 20022. From November 2022, cross border payments can be exchanged using either SWIFT MT or ISO 20022 messages. With effect from 2025 it will no longer be possible to exchange cross border payments using SWIFT MT. The FIS International Payments platform offers out-of-the-box support for this migration, allowing you to maximize the value ISO 20022 brings to you and your customers.

## Interbank Charging

The International Payments solution offers full support for OUR, BEN and SHA charging-options, with user-configurable charging rules and amounts. The system also features automated generation and reconciliation of outbound and inbound advices, respectively.

## Advanced Currency Conversion

A full Forex service underpins any currency conversion required during payment processing. Features include rule-based rate retrieval (from the database, external systems or manual entry), support for periodically published rates and cross-currency conversions.

## Automated Cover Settlement

The choice between the serial and the cover settlement method is fully automated. International Payments also offers auto reconciliation upon receipt of payment messages along with extensive exception handling.

## SWIFT GPI

SWIFT's global payments innovation (gpi) initiative delivers enhanced international payments services to corporates. This comes in response to changing customer expectations where traditional international payment mechanisms are perceived as too slow with unpredictable fees.

Gpi offers same-day funds availability with fully transparent fees and FX rates. Transactions are tracked end to end, and remittance information is transferred unaltered. Moreover, gpi allows stopping and recalling a payment wherever it is in the payment chain.

FIS' xCT product, accredited by SWIFT as SWIFT gpi Ready Payments Application, supports gpi natively and can be used by all banks in the gpi payment chain (debtor, creditor or intermediary agent) with full support for the SWIFT gpi tracker and gpi directory. All SWIFT gpi modules (gCCT – gpi Customer Credit Transfer, gCOV – gpi Cover and gSRP – gpi Stop and Recall Payment) are supported. Moreover, FIS embraces the SWIFT gpi road map by extending the product with new SWIFT gpi services and closely following updates to existing gpi services.

## Visa B2B Connect

Visa B2B Connect is a platform that Visa developed to give financial institutions a simple, fast and secure way to process business-to-business payments globally. The FIS xCT product offers seamless integration with the Visa B2B Connect solution.

## RippleNet

San Francisco-based company Ripple offers RippleNet, connecting banks, payment providers and corporates. RippleNet uses blockchain-based technology to enable low-cost real-time messaging and settlement of transactions with upfront transparency of end-to-end fees and execution time. RippleNet can be accessed via the on-premise installed Ripple software, called xCurrent. FIS' integration with Ripple's blockchain-based solution is being used at our clients' businesses for making cross-border remittance payments; the integration covers transaction creation, ingestion into the network and upfront, transparent disclosure of fees and forexrates before the customer confirms the transfer.

## Open Payment Framework Support

FIS' International Payments solution is based on our Open Payment Framework (OPF). The OPF is a library of component building blocks from which payments solutions can be derived. OPF is built entirely on an SOA delivering common, reusable services consisting of a comprehensive data model, choreographed payment business processes and configurable services, including parsing, validation, cost-based routing, warehousing security, auditing and more. From OPF, FIS has created predefined solutions around the Bank Payment Hub to process faster payments (NPP, SCT Inst, UK Faster Payments, MYRPP, HK Fast, G3, etc.), high-value domestic payments (Fedwire, CHIPS, TARGET2, EBA EURO1/STEP1, CHAPS, etc.), international payments and ACH payments (SEPA, NACHA, EFT, BACS, etc.).

## Move Towards a Centralized Payment Infrastructure

The International Payments solution can be combined with other OPF-based solutions to provide a centralized payment processing hub capable of handling a multitude of different types of payment (including domestic retail, high value/high care, SCT, SDD, Remittance). The implementation of additional modules can be accomplished at any stage, for a phased migration plan.

## Learn How You Can Unlock the Potential of ISO 2022

With more than 10 years' experience running ISO 2022 schemes and over 60 clients using the ISO 2022 native FIS Open Payment Framework (OPF) platform, FIS is the perfect partner to ensure you meet compliance deadlines and reap benefits like frictionless straight-through processing and enhanced data capabilities. In 2008 our first client went live on the ISO 2022-based SEPA scheme. Today FIS has 25+ real-time payments clients across 10+ different ISO 2022-based schemes. And now, FIS' OPF is ready for RTGS and correspondent banking with SWIFT MX.

[Click here](#) or contact us at [getinfo@fisglobal.com](mailto:getinfo@fisglobal.com) for more information.



## About FIS

FIS is a leading provider of technology solutions for merchants, banks and capital markets firms globally. Our more than 55,000 people are dedicated to advancing the way the world pays, banks and invests by applying our scale, deep expertise and data-driven insights. We help our clients use technology in innovative ways to solve business-critical challenges and deliver superior experiences for their customers. Headquartered in Jacksonville, Florida, FIS is a Fortune 500® company and is a member of Standard & Poor's 500® Index.



[www.fisglobal.com](http://www.fisglobal.com)



[getinfo@fisglobal.com](mailto:getinfo@fisglobal.com)



[twitter.com/fisglobal](https://twitter.com/fisglobal)



[linkedin.com/company/fis](https://linkedin.com/company/fis)

© 2020 FIS

FIS and the FIS logo are trademarks or registered trademarks of FIS or its subsidiaries in the U.S. and/or other countries. Other parties' marks are the property of their respective owners. 1005959