



Towards Greater Digital Public Good

Foreword

Esteemed Readers,

I am delighted to present the second edition of the NPCI International newsletter, our attempt at sharing snippets from India, **towards greater Digital Public Good**.

As you must be aware, the journey of NPCI International Payments Limited is driven by a commitment to unite the world through payment corridors and technologies that are sustainable, equitable, and inclusive.

In 2023, over nine million foreign tourists visited India, we expect healthy growth in these arrivals and to welcome these guests in India, **UPI One World** was launched. It is the ultimate solution for hassle-free and secure digital payments, using the proposition one can transact seamlessly with merchants and vendors across India that accept UPI Payments. UPI One World, being a prepaid instrument enables travelers (post necessary document verification) load Indian Rupees in denominations of their choice, for their subsequent cash-free travel in India, across 340+ Mn QR enabled merchant locations.

Further continuing our spirit of democratizing payments, including easy access to cash, we have introduced **UPI-ATM**. India is a country with great diversity and so are consumers with varied payment needs and preferences. To serve those who still prefer cash, we have enabled cash withdrawal from ATMs using

the capabilities of UPI. Consumers can now withdraw cash from multiple accounts, through any UPI powered app, without the need for a physical card.

Another initiative to build scale and adaption is **UPI LITE**. It is fast emerging as a solution for efficiently handling low-value transactions, thereby reducing the load on banking infrastructure, and making everyday transactions more convenient for consumers. Backed by best-in-class technology in area of instant payments, NPCI International, as a part of its global digital public good initiative is extending the UPI platform in a sovereign manner to Central Banks. Our partnership with the Bank of Namibia and Central Bank of Peru to deploy UPI like solution, marks a significant milestone towards modernising the financial ecosystem in both the nations.

I encourage you to delve into the pages that follow, as we continue to build a future where the power of digital payments transcends beyond borders, bringing us closer for a connected, secure, and financially inclusive world.



Ajay Kumar Choudhary
Non-Executive Chairman and Independent Director

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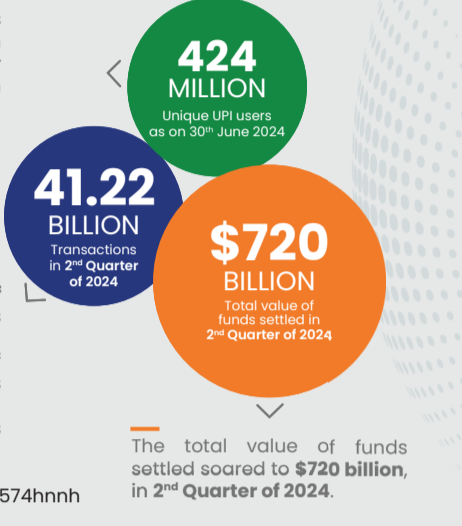
India's digital payments system is evolving rapidly, encouraged by the concept of "digital public good". This unique approach to democratizing technology is leading large-scale financial inclusion for the billion-plus population in the country.

Over 424 million individuals have made UPI an indispensable part of their lives, reaffirming its position as a universally accepted payments system.

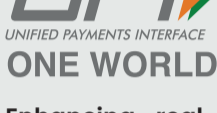
In the 2nd Quarter of 2024, UPI transactions in the country crossed a significant milestone of **41.22 billion**, solidifying its position as the preferred mode of digital payments in India.

Source: <https://tinyurl.com/4574hnhh>

Key Statistics



The total value of funds settled soared to **\$720 billion**, in 2nd Quarter of 2024.



Enhancing real-time digital payments experience for international visitors



UPI One World, a digital wallet designed specifically for inbound foreign nationals and NRIs, is aimed at transforming the way tourists experience India. It eliminates the need for carrying cash, while embracing the convenience of digital payments. With UPI One World, travellers not only gain a hassle-free payment method, but they can also effortlessly track their spends.

To avail UPI One World, one can simply follow under-mentioned steps:

- Visit an authorized Issuer's touch point
- Complete a simple KYC process with passport and visa
- Load the wallet with Indian Rupees
- Use the UPI One World app to scan and pay at any UPI-enabled merchant location
- Encash any remaining balance before departure



Source: <https://tinyurl.com/yeyn4khe>

Benefits of UPI One World wallet

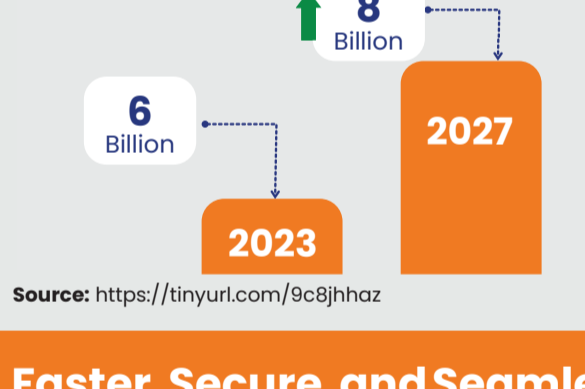
- Eliminates the hassle of carrying cash
- No need to handle multiple foreign exchange transactions
- Easy, safe and instant digital payments
- Tracks spends in real-time
- Ensures compliance with foreign exchange regulations

UPI-ATM: Democratizing Payments

Enabling cash withdrawals from ATMs using UPI



In financial year 2023, there were over **six billion** ATM transactions worth about \$393.26 billion across India. The transaction volume is estimated to rise up to **eight billion** in financial year 2027 in the country.



Source: <https://tinyurl.com/9c8jhhaz>

UPI-ATM is an **interoperable cardless cash withdrawal (ICCW) service** that allows customers to withdraw cash from any **UPI-enabled ATM** without the need of a physical card. Harnessing the power of UPI, this technologically advanced service provides a seamless and secure method of accessing cash.

By reducing the reliance on physical cards, this innovation offers a flexible alternative for managing funds, making them accessible through multiple accounts via the UPI app and enhancing the convenience and security of cash withdrawals. With UPI-ATM, accessing cash is as simple as scanning a single-use dynamic QR code via any UPI powered app at the ATM and authorising a transaction from a registered mobile device. This innovation is solidifying cardless transactions as the future of banking with UPI-ATM, where technology meets convenience, ensuring a hassle-free and efficient cash withdrawal experience.

Faster, Secure, and Seamless Transactions with UPI Lite

Improving efficiency in handling low-value transactions

UPI LITE is the latest innovation in digital payments, designed to handle low-value transactions efficiently and securely. Leveraging UPI's cryptographic Common Library (CL), this payment solution processes transactions below INR 500 (equivalent to \$6), offering a streamlined and user-friendly experience without burdening the remitter bank's core banking systems (CBS) in real-time. This ensures enhanced compliance, system acceptance, and risk mitigation within the existing UPI ecosystem.

UPI LITE offers a faster, secure, and seamless solution for handling small transactions, enhancing the convenience and efficiency of digital payments.



Benefits of UPI LITE

- Improved success rate for UPI transactions
- Less infrastructure load on Remitter Bank CBS
- Uncluttered Passbook for users
- One click single factor authentication for UPI transactions of value less than INR 500

Collaborations & Partnerships

NPCI International has collaborated with partners to advance digital public goods across the globe



Bolstering Namibia's Payments Ecosystem



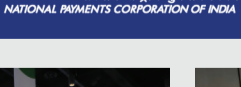
To help Namibia strengthen and modernize its financial ecosystem, NPCI International partnered with the Bank of Namibia (BoN), to support them in developing an instant payments system like the Unified Payments Interface (UPI).

Once live, the platform will facilitate access to affordable digital transactions in Namibia, driving financial inclusion and reducing cash dependency by catering to underserved populations.

Taking UPI to South America

In June 2024, NPCI International and the Central Reserve Bank of Peru (BCRP) announced a partnership, to enable the deployment of a UPI-like real-time payments system in Peru.

UPI's collaborative and open banking ethos will enable greater connectivity and interoperability with both domestic and international payment networks, fostering innovation in the Peruvian payment ecosystem.



Global Fintech Fest 2024

Where the Fintech World Converges



The Global Fintech Fest (GFF) is an annual fintech conference organised by the National Payments Corporation of India (NPCI), the Fintech Council of India (PCI), and the Fintech Convergence Council (FCC).

Designed around the theme **'Blueprint for the next decade of finance: Responsible AI | Inclusive | Resilient'** for the fifth edition, GFF drives meaningful dialogues and actions in the fintech space, while fostering collaboration, innovation, and knowledge exchange.



Block your dates to join the world's largest fintech event

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For more details on our products and partnerships visit <https://www.npci.org.in/>