

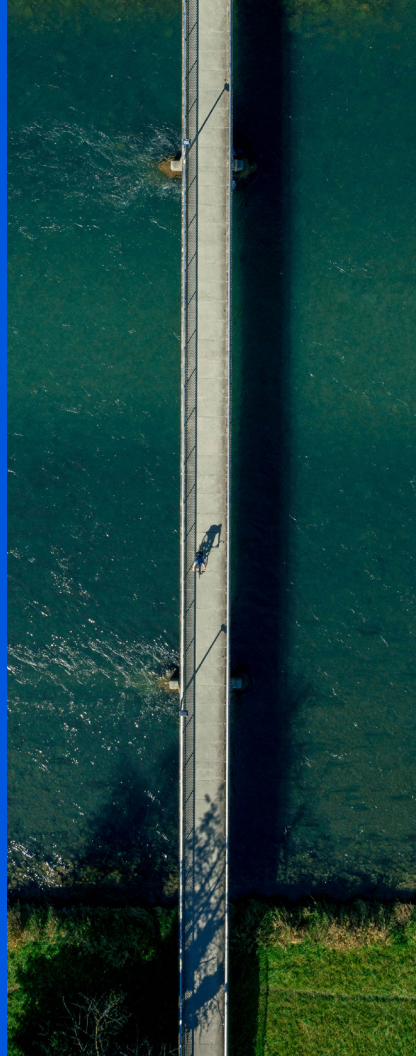


Modern money
movement: Make
everywhere easy



What's Inside

- 3 Foreword
- 5 Cross-border money movement at a crossroads
- 6 Customer experiences: requirements versus reality
- 9 Opportunities and constraints in the cross-border money movement market
- 13 Breaking down the barriers
- 16 Modern money movement in action
- 21 Opportunities ahead





Helping to put
the power of money
movement into
your hands



Foreword

We have seen enormous change in the payments space over the last few years. It is generally considered that a combination of technological innovation, the pandemic, and regulation have delivered the best part of 10 years of progress in our industry into a two-to-three-year period. Most of that progress has been made in domestic markets, and cross-border payments still lack the transparency, cost, and speed we have come to expect within our own borders.

Globalization isn't going anywhere—our interconnected world continues to grow and evolve, and with it too, must our cross-border money movement infrastructure.

At Visa, we put the power of money movement in our clients' hands, whether for consumers or businesses, domestic or cross-border. It's an exciting time for companies like Visa at the forefront of cross-border money movement.

We've created this guide that highlights the current state of global money movement to help you navigate the road ahead. We talk about what regulators, governments, institutions, and more are doing to deliver on customer expectations, and provide real-world examples of how Visa is helping our clients, partners, and customers to enable secure, rapid, and cost-efficient cross-border capabilities that drive growth.

We look forward to joining together to deliver on our goals.

Vera Platonova

Chief Revenue Officer, Money Movement Solutions, Visa

Introduction

Real-time payments have allowed consumers and businesses to experience how beneficial, fast, and easy payments can be. These innovations have also raised the bar when it comes to expectations of cross-border money movement experiences. Individuals and businesses want and need rapid access to funds, as well as transparency, regardless of where payments originate.

Real-time payments also change the dynamic of the relationship between buyers, sellers, and services by delivering more immediate access to value. And, they increasingly allow customers and businesses to gain greater control over their finances.

Banks, fintechs, remitters, and other entities in the payments ecosystem that can deliver on these evolving expectations stand to grow and thrive in an increasingly global economy.

Visa clients and other cross-border users need quick transactions and payments that are integrated into all relevant digital payment flows. Much of the existing, legacy technology used by many organizations, however, is increasingly challenged to support next-generation cross-border money movement expectations and keep pace with changing regulatory requirements. Adding to the challenges, modern technology is often not compatible with legacy infrastructure, requiring organizations to make huge investments in time and resources. Additionally, it is cost- and time-intensive to build, operate, and manage a modern money movement platform.



The power of Visa Direct

Backed by the reach of the Visa network-of-networks, Visa Direct empowers fintechs, banks, remitters, and other organizations to simplify cross-border payments and grow their businesses. Enabling a secure, single point of access to billions of endpoints, Visa Direct helps organizations deliver the simplicity, speed, transparency, cost-effectiveness, and confidence that today's consumers and businesses demand for their cross-border money movement needs.





\$200T

opportunity
for global money
movement

Cross-border money movement is at a crossroads

As cross-border money movement volume surges, there is tremendous opportunity ahead for remitters, banks, fintechs, and others in the ecosystem.

“We’ve reached a new era in cross-border money movement where all players in the global ecosystem have the opportunity to benefit from enabling faster, more secure and transparent, and less expensive transactions,” says Richard Meszaros, Vice President, North America Cross-Border Payments.

The global opportunity in money movement has reached \$200 trillion,² and a confluence of factors is fueling that growth. In addition to growth in international commerce, transformative changes in digital technology, advances in money movement, and flexible work have made it easier for individuals to move around the globe—for short-term stays or permanent migration.

Migrants, accounting for approximately 185 million people worldwide,³ are a significant part of the population in many countries. Most recently, we’ve seen the emergence of digital nomads or location-independent workers, individuals who combine working remotely and traveling. While the growth trajectory of digital nomads appeared to peak during the pandemic,⁴ this group—which may include up to 35 million people globally⁵—continues to expand and present opportunities for individuals and businesses alike.

As businesses seek access to a larger, cost-effective labor and resource pool, they increasingly leverage—and must compensate—remote workers often located in other countries.

Further, the growth of digital marketplaces has created a consumer to business to consumer (C2B2C) segment, including platforms in the tourism, goods, and technology spaces, where businesses serve as a connection between global communities of consumers buying and selling goods and services.

The reality of cross-border money movement is not meeting customer requirement

Real-time¹ payments have raised consumers' expectations for fast and easy cross-border payments experiences. Unfortunately, reality often falls short of expectations.

Customer expectations and requirements

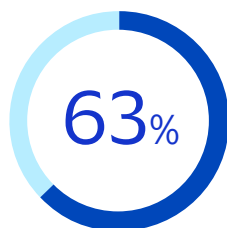
Both business and individual customers want cross-border experiences to mirror their domestic payment experiences.

They expect:

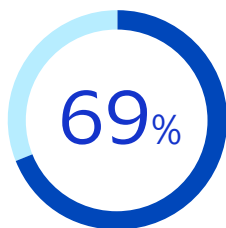
- Simplicity in sending and receiving funds
- Speed—increasingly, the ability to send and receive in real-time
- Choice in terms of options that meet the unique needs and priorities of a sender or recipient—speed versus cost or vice versa
- Security, including assurance before sending that a payment is valid
- Transparency in the cost to send funds and in the amount that will be received as well as confirmation of receipt on the send side



Consumers and businesses seek faster, easier cross-border payment experiences



of surveyed workers would switch employers for fast payouts⁶



of consumers are likely to switch to financial institutions who offer instant funds transfers⁷

Complexity for SMBs⁸

2.7%

of small-and medium-sized businesses (SMBs) see the complexity of cross-border payments as a hindrance to their ability to grow

Only

2.3%

of small businesses find their current cross-border payment solutions to be satisfactory



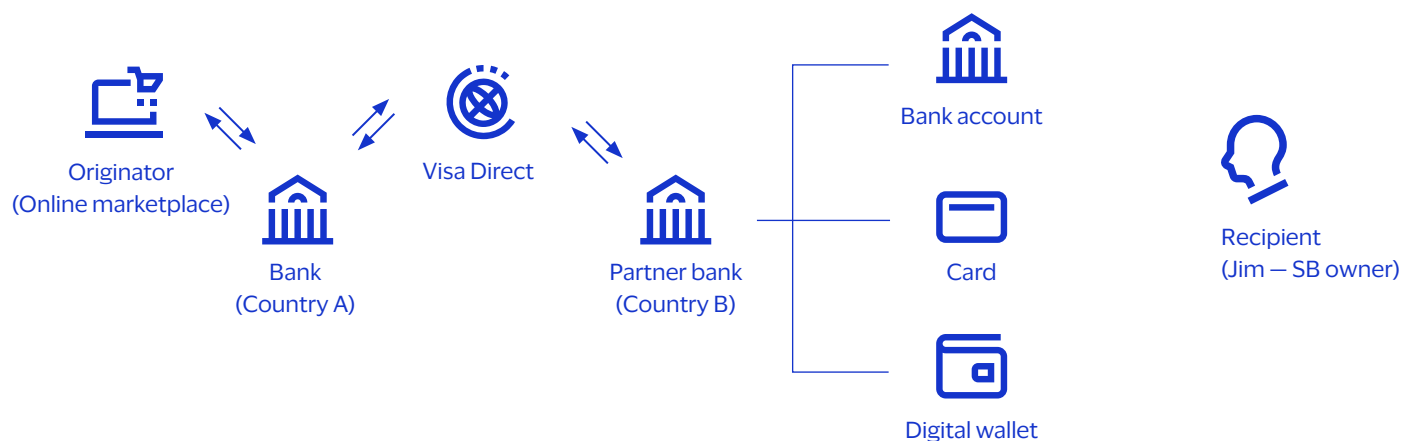
People want cross-border payments to be simple to send and receive, as fast as real-time¹ payments, and transparent in terms of cost and process. They also want assurance that a transaction is valid before they send it.



Cross-border payment example

Send funds to bank accounts or digital wallets

Jim sells goods on a global online marketplace. The marketplace “sends” funds to Jim’s bank account in his home country using their treasury bank, which has a direct connection to Visa Direct. The marketplace provides Jim options of receiving funds to his bank account or a digital wallet.



What customers actually get

Unfortunately, what customers actually experience with cross-border money movement can be markedly different from their expectations. This may apply to two-party transactions as well as “me-to-me” transfers, where an individual is moving funds from one of their accounts to another across borders—a global market estimated at \$23 trillion.⁹



40%

of 2022 cross-border disbursements
in Latin America took more than a week





67%

of global marketplace sellers said that waiting for payments affected their ability to do business

44%

respondent's lack of speed concern in receiving payments

The cross-border money movement experience today is characterized by:

Delivery delays

Businesses and individuals sending or receiving funds cross-border could wait days for funds to be transferred following a transaction.

These delays are often due, in part, to the number of participants—often correspondent banks—involved in traditional cross-border money movement. Many times, these participants span multiple time zones, so business hours may not align, and payments may be processed in batches. Processes designed to ensure the integrity of a transaction, including sanctions, entity and customer screening can also slow money movement.

Delays can have significant detrimental impacts, including causing financial hardship for individual recipients and liquidity concerns for businesses of all sizes. They can also have a negative impact on vendor, employee, and customer relationships.

The situation is clearly problematic. In a recent marketplace survey, lack of speed in receiving payments is a top concern for 44% of respondents.¹¹ Another study revealed that 67% of marketplace sellers that use global marketplaces with both domestic and cross-border sales said that waiting for payouts affected their ability to do business, while more than half of those surveyed said they would switch to a marketplace with a real-time payout option.¹²

Lack of transparency

Senders and recipients lack visibility of where the payment is and when it may be delivered adding to customers' frustration. When multiple banks are involved in one transaction, the reporting status to customers becomes more difficult as the funds move from bank to bank, resulting in calls to customer service and a degraded customer experience. In addition, costs for sending payments vary greatly and are not always clear.

Further, foreign exchange (FX) rates change constantly and multiple currencies might be involved in a transaction. These factors, combined with a lack of transparency in the transmittal costs, create uncertainty about the amount actually received, which can present liquidity risk and financial uncertainty for businesses.

It's not just traditional SMBs and large businesses that are impacted by a lack of transparency of FX rates. Gig workers, marketplace sellers, and content creators, who often rely on cross-border money movement for payment and compensation, can also face challenges when it comes to transactions where the FX issue comes into play. Due to fluctuating rates—especially with volatile currencies—and delayed payments, they may not know exactly how much of their requested payment they'll receive.



Fluctuating FX rates mean the sender may not know the FX rate that will be applied, impacting the true cost of the payment. It's like making a purchase without knowing the price, which brings a lot of uncertainty and the final amount received in the local currency may not cover the payment obligation.



Piers Marais

Global Head of Product,
Embedded Cross-Border
Solutions, Visa

High costs

In comparison to domestic payments, the costs associated with cross-border payments also tend to be higher due to tedious, manual processes, and multiple handoffs across correspondent banks. “Cross-border transactions have historically been more expensive because all parties partaking in the process incur costs and risk and, rightfully, expect to earn revenue from their role in processing the transaction,” says Butler. The high costs for transfers are especially burdensome for SMBs and individuals. In addition, the amount sent may not be the amount that arrives, which means that a supplier may be shorted.

Complex user experiences

Finally, when sending money, customers typically need to input account numbers and routing numbers—a tedious process prone to mistakes and elevated security risk. In other cases—even for me-to-me money movement—some banks continue to require an individual to appear in-person to transfer large amounts of money due to anti-money laundering (AML) and anti-fraud requirements.

“Consumers don’t want to have to remember account numbers, PAN numbers, and routing codes,” says Butler. “Increasingly, they want to be able to use a handle, email address, and mobile phone for cross-border money movement.”

Consumers don’t want to have to remember account numbers, PAN numbers, and routing codes. Increasingly, they want to be able to use a handle, email address, and mobile phone for cross-border money movement.

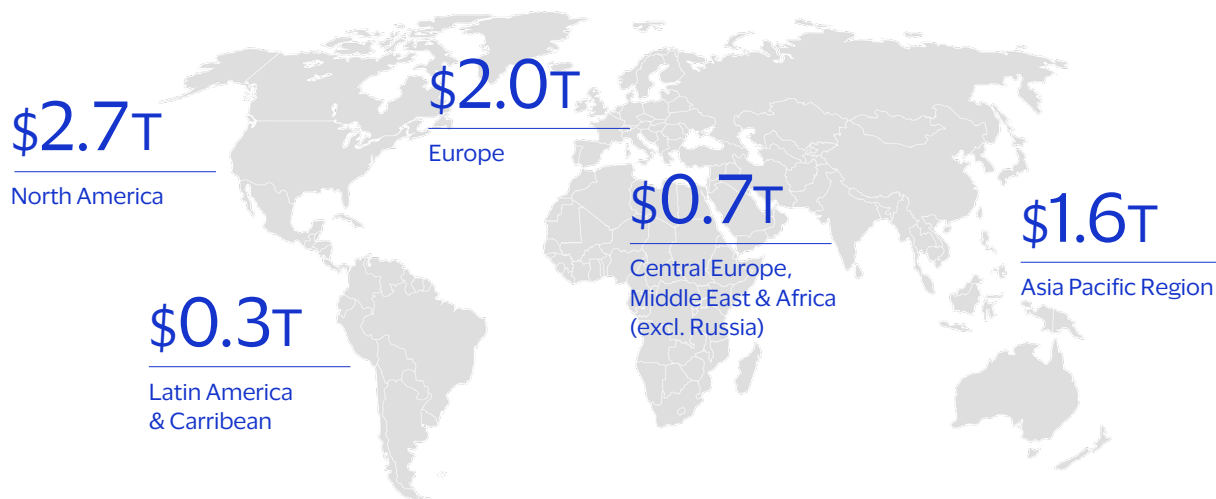


Opportunities and constraints in the cross-border money movement market

Remitters, banks, fintechs, and other payments organizations that can address the persistent challenges to consumers and businesses described in the previous section—and meet their needs for modern cross-border money movement—are poised to reap significant rewards.

However, challenges threaten to hinder both new and established market players as they seek to capitalize on opportunities in cross-border money movement.

Total market value of cross-border send transaction volumes by region.¹³



Inherent complexity for ecosystem players

Historically, the absence of a global banking system has necessitated reliance on a network of correspondent banks. This creates fragmentation and complexity that drives up costs, slows down settlement, presents compliance challenges, and prevents transparency.

“Beyond transactional processes, there are all of the relationships that need to be managed with different financial institutions, different banking and non-banking partners around the world. This adds another layer of complexity, and those relationships are invariably still managed by people, all of which adds a physical cost to any business,” says Marais.

Companies that adopt digital payment networks for cross-border transactions could:¹⁴

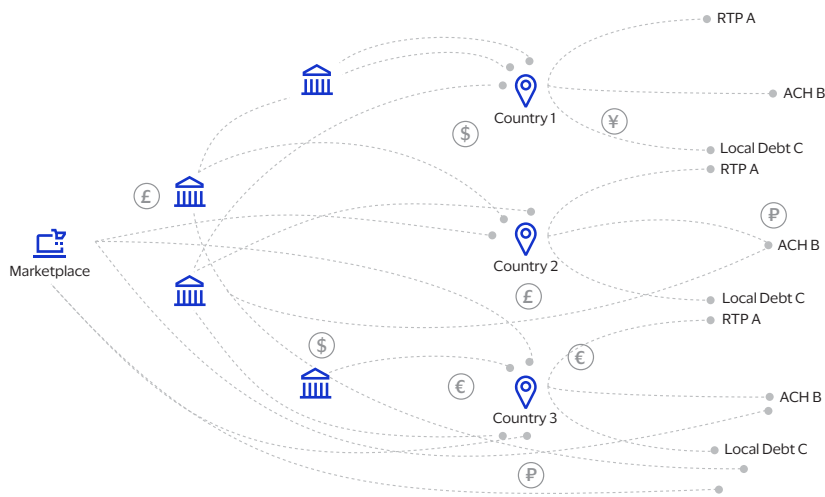
Drive
\$2.7T
in profit after
3 years

Increase the number
of transactions by
\$2.0T
annually with the addition
of each new country

From a traditional rail perspective, the emergence of more domestic players complicates the challenges of money movement and interoperability across borders.

Cross-border money movement also means dealing in multiple currencies, and those funds need to be sourced, handled, and stored securely. Dealing exclusively in major, highly traded global currencies like US dollars or euros is more straightforward and individually accessible to smaller players. However, if an organization aims to expand into a broader range of markets and deal with exotic or infrequently traded currency pairs, it needs a partner capable of supporting more complex transactions.

Significant complexity managing multiple payments networks and connections



One of the challenges as you enter into cross-border payments is that you have to start thinking about the incremental risks that you need to manage as a bank, for example, to be able to help facilitate the transactions, especially if you're looking at it from a real-time payments perspective. Things like compliance screening come up quickly. Some organizations may not have that capability in-house, so they would need to either procure that through a partner or build that capability themselves. You also must think about transaction monitoring from an anti-money laundering perspective, and how that needs to be modified based on cross-border transactions as it relates to all the other customer transactions.

Richard Meszaros
Vice President, North America Cross Border Payments



Increased regulatory and compliance requirements and risk

When fintechs, financial services institutions, and other payments services providers consider expanding their money movement capabilities, there's no shortage of legal and regulatory steps to take and problems to solve. The first of many is securing a money transfer license. If already licensed for domestic money transfers, an organization could apply to regulatory authorities to extend its license to cross-border money transfers. Alternatively, in markets where applying for licenses is a lengthy and expensive process, an organization may want to seek a licensed sponsor.



One of the challenges as you enter into cross-border payments is that you have to start thinking about the incremental risks that you need to manage as a bank.

Further, different countries and their governments have their own sets of laws, standards, and regulations when it comes to participating in their financial markets, which are not fixed and continue to evolve. Data capture and storage means understanding and complying with data and privacy laws in different countries. For example, the European Union has robust data privacy regulations to protect its consumers.

Organizations also need to adhere to a complex set of regulations designed to prevent and fight financial and related crimes.

Countries and international regulatory bodies around the world have created rules governing how money can move across borders. For example, the United States' Anti-Money Laundering Act of 2020 holds both financial institutions and nonbank financial institutions like neobanks to strict Know Your Customer (KYC) standards.¹⁵ The Financial Action Task Force (FATF)—a group of 39 countries representing many of the globe's major financial centers—developed a set of wire transfer guidelines that requires that money transmitters include information from the payer and payee so that transactions can be more easily traced.¹⁶ This recommendation has been adopted by many countries, including the European Union and the United States.

Regulations related to financial crime continue to change, which puts additional pressure on fintechs, financial services institutions, and other payments services providers as they work to stay and remain in compliance. In addition, the constant evolution of technology and subsequent changes to regulations governing use of that technology can create a back-and-forth that can put companies and financial institutions in a difficult position, increasing their technical burden and creating a persistent and expensive game of regulatory catchup.

In an increasingly globalized economy, cross-border users need quick transactions and payments that are integrated into all relevant digital payment flows. However, legacy technology is not always equipped to support next-generation cross-border expectations and keep pace with changing regulatory requirements. In addition, systems should be optimized for the high-volume, low-value payments that often characterize today's cross-border payments.

Technology constraints

While the payments organizations can choose to build a modern money movement network on their own, there are several considerations that can hinder or derail their efforts:

- Unique requirements for each market
- The ability to ensure that transactions are funded
- Complexity and cost in building out network endpoints
- Operational risk
- High cost of managing and operating infrastructure

"For many existing banks, issuers, and other organizations that want to modernize and enable cross-border payments, the process is just too complex and cost-prohibitive," says Butler.



Cross-border
users need quick
transactions and
payments



Breaking down the barriers

Despite the obstacles, a convergence of global initiatives and technology innovation is opening the door to a new era of real-time money movement.

Policy initiatives around the globe

Domestic real-time payment systems continue to gain momentum throughout the world. The global real-time payment market is expected to grow at a compound annual growth rate of 35.5% from 2023 to 2030.¹⁷ And today, more than 80 countries have at least one real-time payments scheme live.¹⁸ Most of these schemes remain domestic and lack interconnectivity, which underscores the need for partners to connect them to a larger network.

We continue to see evolution in countries that have already adopted real-time payments. For example, the European Council recently introduced a new rule that, when implemented, will require instant credit transfers to arrive in recipients' accounts within 10 seconds, regardless of the date or time of day.¹⁹ Further, all payments must arrive in euros irrespective of the currency posted by the sender, although the permitted transfer time will be extended to allow for currency conversion.²⁰

The G20 has announced a roadmap for enhancing cross-border payments and expanding access, setting targets to address the following core challenges in cross-border payments by the end of 2027.²¹



Costs

For retail payments of between 1% and 3% of total (with the exception of remittance costs, for which the target is set for 2030)



Transparency

All payment service providers are to provide a defined list of information concerning cross-border payments to payers and payees, including total transaction cost, time to deliver funds, funds tracking, and service terms



Speed

75% of payments to provide availability of funds for the recipient within one hour from time that payment is initiated



Access

All users should have at least one option for sending and receiving payments

Technology innovation

Advancements in technology are also driving this new era of global money movement, defined by interoperability and transparency and characterized by a fully digital ecosystem.

What does this new era look like?

- Receiver and sender flexibility: Receivers and senders both have options in terms of how they send and receive funds to best meet their needs in terms of convenience, speed, and cost
- Real-time delivery:¹ Eliminating days of waiting for cross-border payments
- Interoperability between networks and scalability to meet rising volume, supported by adoption of ISO 20022
- Transparency into where payments are in the process, the cost of sending/receiving funds, as well as FX clarity
- Convenience without sacrificing security, including the use of aliases to promote privacy and easier consumer experiences
- Seamless experiences with cross-border money movement integrated into existing payment experiences, such as banking apps, wallets, existing P2P apps, and business enterprise resource planning/accounting systems
- Greater inclusivity for unbanked and underbanked individuals, with the use of digital wallets for cross-border payments



Multi-currency digital wallets in the new era of global money movement

Multi-currency wallets—which allow users to transact and hold multiple local and foreign currencies in a single digital wallet—play a growing role in cross-border money movement. Multi-currency wallets offer several important benefits, especially to businesses looking to expand across borders. For example, they eliminate the need to open an individual account for each currency and can help to avoid currency conversion fees and transaction delays.

Eras of money movement

Pre 1960–1990s

Wire Era

- Bank or transfer service initiated
- Expensive
- Required in-person funding and receiving

1990–2010s

Account Era

- Account routing numbers
- Multi-hop international routing
- Bilateral agreements
- Batching

2020+

Interoperability and Transparency Era

- Receiver flexibility—fully digital
- Real-time delivery
- Interoperability between networks
- Transparency of transactions

How Visa is powering the next generation of global money movement

As the network of networks, providing global connection through innovative technologies, Visa is a driving force behind the transformation of cross-border money movement. From banks to issuers to fintechs, clients can connect to Visa Direct through a single point of access to build cross-border customer tools, giving consumers and businesses quick, secure and reliable access to money movement nearly everywhere in the world.

The opportunities and advantages are compelling. Companies that adopt global real-time payment networks for cross-border transactions could increase their transaction volume by 15% annually²³ and increase their profits as they expand into new markets. In addition, companies can expect decreased customer churn rates—as much as 60%—and increased reliability and security of payments.²⁴

“There are two major types of cross-border payments: consumer money movement, where people move money between their own accounts (account-to-account or A2A) or to others’ (P2P), and business transfers, where businesses move money to other businesses (B2B) or disburse money to individuals (B2C) such as customers or employees. The differences between the two should not be underestimated, as each comes with varying client and regulatory requirements and expectations. Visa has solutions to enable all at scale.”

Richard Mezaros

Vice president, North America, Cross-Border Payments



15%

increase in cross-border transaction volume annually

A powerful platform for consumers, businesses, and clients

Visa is committed to empowering consumers, businesses, and clients to move money globally while providing them with more choices about endpoints and ways to pay. Here are some of the many advantages to working with Visa Direct.

7.5B

Global transactions processed in 2023⁵

28K+

Live client programs enabled around the world⁶

190+

Markets reached through a network of 15+ card, 70+ automated clearing house (ACH), and 10+ real-time¹ payment (RTP) schemes²⁷

Global reach, seamless transactions

Providing a single point of access to more than 8.5 billion endpoints, Visa Direct's real-time¹ cross-border payment solutions allow users to connect once and get access to billions of card and network endpoints, accounts, and wallets.

Streamlined compliance

Visa Direct can help users to navigate and facilitate compliance through its partner ecosystem, as well as the Visa Network, which increasingly makes transactions point-to-point when using the card network. The originating organization is often a bank where the customer has a relationship, minimizing the number of participants in the chain, while the receiver has a relationship with bank on the other end. With digital wallets, there are even fewer hops in the chain.

"When you minimize the participants involved in the chain, and the participants have existing relationships with the customer, the participants' compliance overhead is also reduced," says Butler.

"When you minimize the participants involved on the chain, and the participants' compliance overhead is also reduced."



Case study

Modern money movement in action

Transforming international money transfers

As a leading digital financial services provider, Remitly helps immigrants send money home. Remitly aims to reduce the anxious time between when a sender submits their remittance and when the recipient receives it. To expand their global footprint, Remitly partnered with Visa Direct through its enabler to provide customers access to a trusted payment network to facilitate remittances to their loved ones across borders to any endpoint (card, wallet, or account) and reach new customers in different parts of the world.

Through Visa Direct, Remitly's customers simply provide a name and an eligible 16-digit Visa debit card number, making it more convenient to send funds to loved ones back home. Remittance transactions are incredibly fast, reducing the anxious time between when a customer submits their remittance and when their recipient receives it.²² Speed is a top source of friction in payments, and the vast majority of Visa Direct transactions are delivered in real-time¹. Security is key to trust and peace of mind so the ability to offer payments that are backed by the security and scale of Visa's global payment network is valuable to Remitly customers.



Remitly enhanced its business with Visa Direct

5x

increase in customer acquisition

130x

in Visa Direct volume

65+

countries reached with Visa Direct

Case study

Modern money movement in action

Helping to deliver, reliable, and lower cost real-time¹ payments for fintech innovators

For fintechs, it can be difficult to find the right bank partner to support all of the use cases where real-time¹ payments can be applied to ensure payments go through as intended. In an “instant” world, consumers are not willing to wait three to five days for the funds to be deposited from an ACH transfer into their account. With TabaPay’s solution integrated with Visa Direct via banking partners, fintechs have the opportunity to move funds quickly, reliably, and securely to any eligible debit or prepaid card, in over 170 countries.



Growth since launching Visa Direct in 2018

111%

compound annual transaction growth rate

153%

compound annual growth rate in dollar volume

>1M

transactions processed a day

“

Through the TabaPay solution with Visa Direct, clients have seen tremendous growth, reported improved customer experiences with debit account funding, and are reaching underserved populations.

Manoj Verma | CRO/CFO, TabaPay

”

Innovation

Based on more than 60 years of industry experience, Visa Direct is built for the future with innovative features and capabilities.

Aliases

Visa Alias Directory Service allows the use, storage, and maintenance of aliases such as mobile numbers or email addresses to facilitate real-time¹ payments, help reduce transaction friction, and enhance the customer experience while ensuring security.

“Through our Alias Directory Solution, we can link up with other participating directories, so someone can root a transaction with us by giving us their phone number, and we can connect through aliasing infrastructure to decode that alias and get that money into an account,” says, Serge Elkiner, Head of Product at Visa Money Movement Solutions.

Many of today’s alias directories are proprietary, local, and not interoperable. These closed-loop systems can slow or halt new payment flows. Visa Alias Directory can help bring innovation, flexibility, and scale to financial institutions and payment providers. With Visa’s help, organizations can benefit from global interoperability between participating alias directories. YellowPepper partnered with banks in Peru to launch PLIN, a mobile P2P transfer service that enables customers to transfer funds in real-time¹, free-of-charge, using a recipient’s phone number with Visa Alias Directory technology.

“Rather than being limited to a single directory, Visa Alias Directory clients around the world have access to an ever-evolving ecosystem of secure networks that help make an improved payments experience—for both financial institutions and people—possible,” says Elkiner.

Digital wallets

Visa Direct is also working to connect more networks and endpoints through its commitment to supporting digital wallet transactions. By connecting regional- and country-specific digital wallet customers to a worldwide network, it helps those wallets become players in everything from international remittances to funding sources to the destination for payouts. Today, Visa Direct digital wallet capabilities enable users to hold and pay with more than 30 currencies.

“Visa Direct’s wallet journey started with payments to card, and then, based on demand, we extended that to accounts,” says Pankaj Sharma, Global Lead Visa Direct Wallets, Product and Commercialization. “About two years ago, we saw how wallets were becoming very important financial instruments for consumers and small businesses, and we wanted give users the option to receive money into that instrument. Send to wallet makes our overall Visa Direct platform and capability that much more relevant.”

B2B payments at scale

Visa B2B Connect's multilateral network delivers B2B cross-border payments that are predictable, secure, and cost-effective for financial institutions and their corporate clients.

Visa B2B Connect seeks to remove friction and time spent on cross-border corporate transactions by facilitating transactions from the bank of origin directly to the beneficiary bank. The network's unique digital identity feature tokenizes an organization's sensitive business information, such as banking details and account numbers, giving it a unique identifier that can be used to facilitate transactions on the network.

"Visa B2B Connect enables a multilateral way of moving funds. And, it's a one-to-many connection, and that's a big difference. We use the real-time¹ gross settlement (RTGS) network to move money and we have our own settlement providers, and this provides our customers with options," says Vidya Hanabe, Senior Director, Money Movement Solutions, Visa B2B Connect.

Transparency

Visa Direct is helping financial institutions and other payments providers to improve transparency around FX rates. Visa has the ability to generate FX rates using several established market indicators, including leading market data providers, direct access to FX market maker pricing and liquidity and central bank pricing indicators. Costs associated with managing FX risk, market volatility, and settlement of FX transactions are built into the FX rate provided by Visa. Visa produces a fixed rate held for approximately 24 hours, which gives clients the ability to review fixed FX rates upfront and perform commercial and/or processing activities before committing to the FX rate by booking an FX deal.

Visa Cross-Border Solutions help to bring new levels of FX transparency to cross-border money movement. They combine the best of Visa's cross-border and cash management capabilities with solutions enabled by the acquisition of Currencycloud. The solutions operate on a 'B2B4X' model: the business serves other businesses, but with a strong focus on improving end-user experience.

The suite of modular building blocks, which can be easily integrated with a company's existing technology infrastructure via an API, enables a range of capabilities including receiving payments in multiple currencies, foreign exchange (FX) with persistent and real-time rates, multi-currency wallets that hold more than 30 currencies, and the ability to spend in and send payments to more than 180 countries and territories.

With the solution, clients can collect, convert, pay, and manage multiple currencies simultaneously, anywhere in the world, to expand into more corridors and enable new use cases and payment flows.

Case study

Modern money movement in action

Money movement made smarter

Revolut is a global neobank and financial technology company with a mission to “simplify all things money.” Its app and services seek to help its 30 million customers to send, spend, and save smarter. Since 2015, Currencycloud—now Visa’s Cross Border Services—helped Revolut establish quick bank account set ups in multiple countries and offer real-time rates and instant conversions so customers can avoid surprise fees.

Revolut has been able to extend its offerings through a single connection to Visa Direct, enabling customers to send money to family and friends in more than 80 countries through Visa Direct’s instant card transfer capabilities. Customers can send funds to Revolut and non-Revolut users, and Revolut offers transfers in multiple currencies, allowing users to choose which currency to send in to match the recipient’s account and avoid additional fees that they may incur from the recipient bank.



“

We love that Visa Direct enables us to roll out to a huge number of different corridors and currencies, and we can do this with just one integration one contract, one set of policies and procedures. It allows us to open up to some corridors we never would have gotten around to if we needed to go one by one to integrate with new partners. We can significantly reduce our cost to support the product, which we can pass on to customers, and can move faster as we roll out to more places around the globe.

Joanna Antisell | Product Owner, Revolut

”

Security, compliance, and flexibility

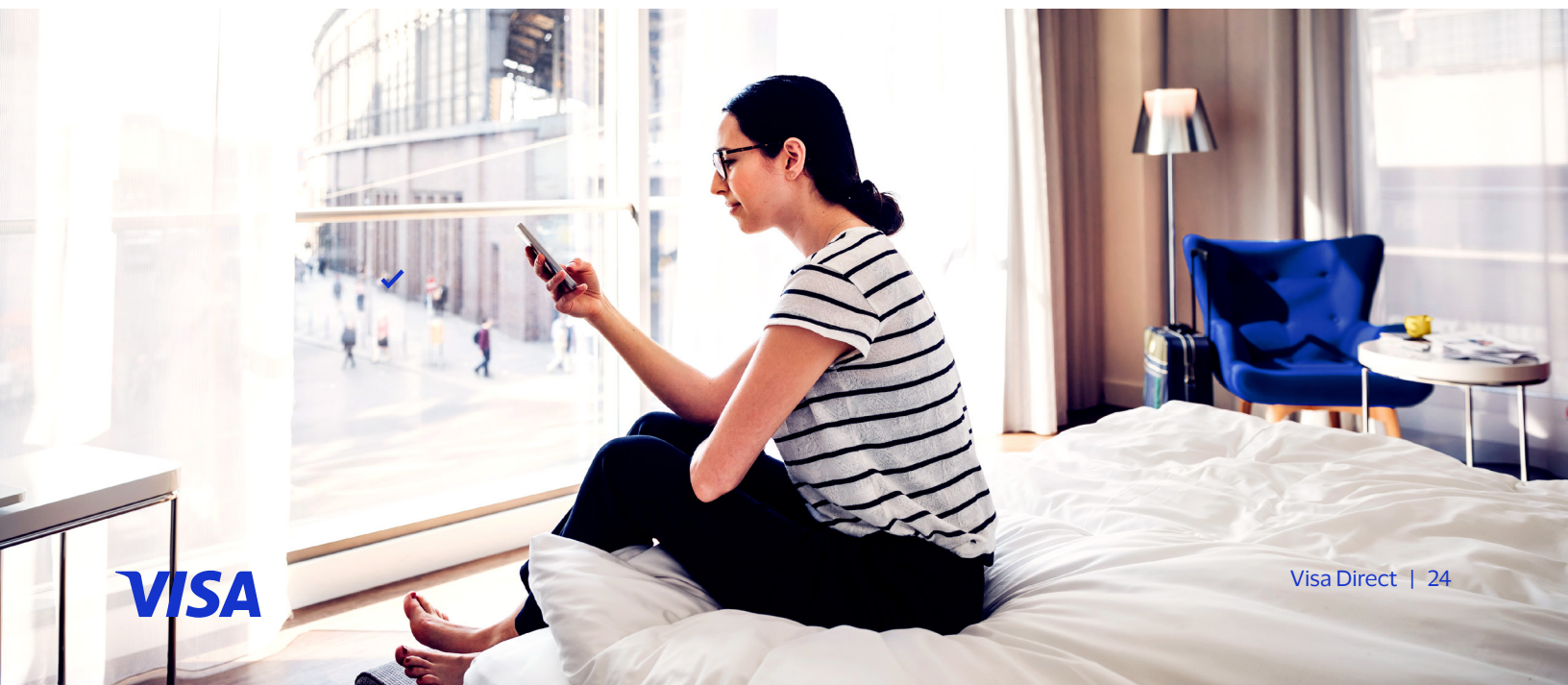
Further supporting end users, businesses, and clients, Visa Direct provides one cross-border payment solution that is proven at scale for many use cases, including C2C, B2C, and business B2B. And, with every transaction, all parties can be confident that their funds are secure, as Visa Direct transactions are protected through measures like EMV 3-D Secure authentication, tokenization, and real-time¹ fraud monitoring. In addition, Visa's expanding network of VisaNet members, regulated entities, and specialized partners can help clients and partners stay ahead of threats and confidently manage risk.

Visa's global network means that we're evolving at the pace of the regulatory environment in every market we operate in. We understand what it takes to adhere to a constantly shifting set of rules in more than 190 countries. Few financial companies engage with as many countries, payment networks, and regulatory structures as Visa.

"If someone wants to send a transaction from one rail or one endpoint versus the other and they want to choose that because of economics, that choice is available to them with Visa Direct," says Poornima Narayanan, Vice President, Strategy and Operations, Money Movement Solutions, Visa. "Whatever choice a client makes—card, account, or wallet—they have the peace of mind knowing it's Visa and is backed by world-class security."

Cost efficiency

Finally, Visa Direct is helping businesses modernize their cross-border payment capabilities without incurring technical debt by leveraging Visa's industry-leading infrastructure, avoiding costly investments in their own infrastructure overhaul.



Opportunities ahead

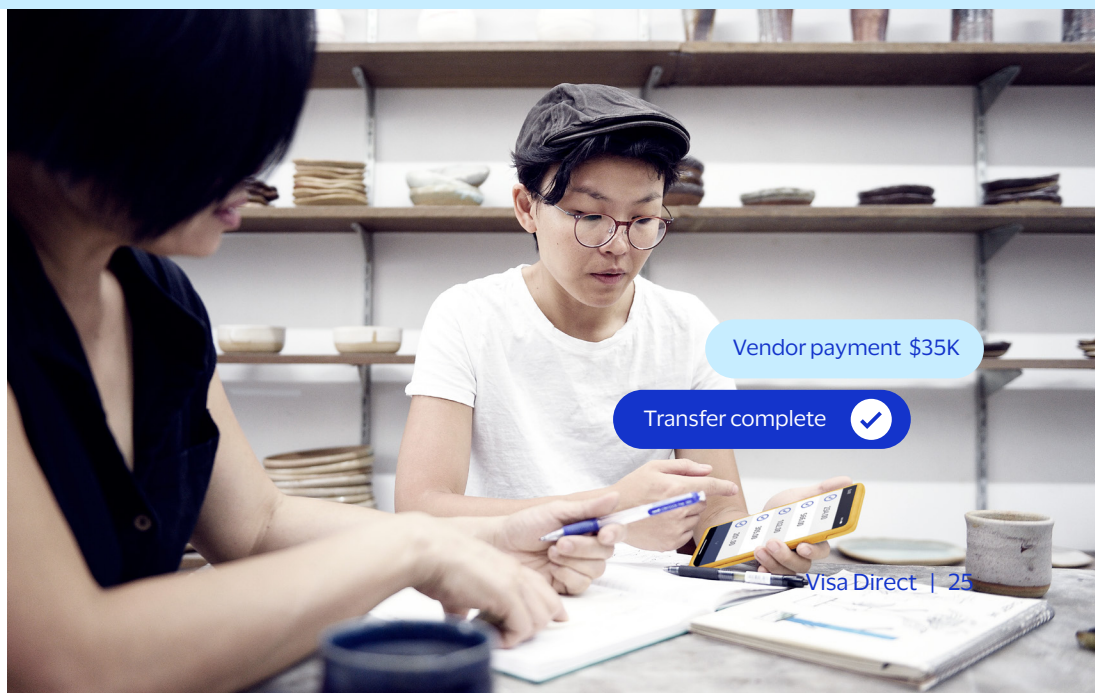
Ultimately, the trillions of dollars going across borders represents an opportunity to reshape the speed and ease at which money moves around the world. Visa Direct's global money movement network provides a single connection on a global scale with billions of payment endpoints, all of which can help facilitate a smoother, faster cross-border disbursement system that can benefit businesses, consumers, and workers.



"Visa Direct is a single partner for banks, fintechs, governments, and other financial institutions around the world that allows them to connect their customers to a colossal number of endpoints. And, we allow transactions to travel through the most efficient routes, depending on the end customer requirements, while reducing the number of intermediaries and cutting the time and cost associated with global money movement. Ultimately, we are helping clients to expand their addressable markets in the global digital economy and making it easier for consumers and businesses to transact anywhere in the world."

Poornima Narayanan

Vice president, Strategy and Operations,
Money Movement Solutions, Visa



Vendor payment \$35K

Transfer complete



Sources

1. Actual fund availability varies by receiving financial institution and region, this distinction applies to all references to "real-time" in this document.
2. Data collected as part of the Visa Direct Global Market Sizing research project conducted by EY and Visa Inc., 2022.
3. World Development Report 2023, World Bank. The World Development Report is an annual report published since 1978 by the World Bank. Each report provides in-depth analysis of a specific aspect of economic development. <https://openknowledge.worldbank.org/server/api/core/bitstreams/95ff039b-394f-4dc6-9ad9-b85da5a0b0d3/content>.
4. State of Independence - Nomadism Enters the Mainstream, MBO Partners, August 2023. https://info.mbppartners.com/rs/mbo/images/2023_Digital_Nomads_Report.pdf.
5. New Horizons IV, A Global Study of the Youth and Student Traveler, WYSE Travel Confederation. <https://www.wysetc.org/2023/01/growth-and-developments-in-the-digital-nomad-market-since-covid-19/>.
6. Maru study commissioned by Visa. Visa Direct payments behaviors. research study across 9 countries, March 2023. Surveyed n=2286.
7. Ibid
8. Source: <https://www.pymnts.com/smb/2022/75-percent-of-small-businesses-dissatisfied-with-cross-border-payment-solutions/>.
9. Data collected as part of the Visa Direct Global Market Sizing research project conducted by Ernst & Young and Visa Inc., 2022.
10. Americas Market Intelligence commissioned by Visa. "Faster Money Transfers in Latin America: Insights for success in the digital era." Surveyed 2,700 consumers and 1,000 SMBs in 7A countries. March 2022.
11. Visa Direct Cross-Border Consumer Insights, Q3 2023.
12. Visa commissioned Reshaping Online Marketplaces with Real-Time4 Seller Payouts survey (August 2020). Conducted by Raconteur. 750 marketplace sellers. – Used in April 2023 Visa Cross-Border Payments report.
13. Source: 2022 Visa commissioned Global Market Sizing Analysis that analyzed 26 use cases across 60 markets globally.
14. Forrester study commissioned by Visa. "The Total Economic Impact of Visa Direct." 254 business decision makers surveyed whose organizations use real-time payment solutions across Europe and Latin America. November 2022. Based on the interviews and survey, Forrester constructed a composite company to present the aggregate financial analysis in the case study. The composite organization is in the financial technology/financial services industry, has 200 employees, and provides services in its home market (LATAM or Europe).
15. US Anti-Money Laundering Act of 2020, <https://crsreports.congress.gov/product/pdf/R/R47255>.
16. Financial Action Task Force (FATF) Guidelines on Wire Transfers, <https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Fatf-recommendations.html>.
17. Grand View Research, "Real-Time Payments Market Size, Share and Trends Analysis Report by Enterprise Size (Large, SME), by Payment Type (P2B, P2P), by End-Use Industry, by Component, by Deployment, and Segment Forecasts, 2023–2030," <https://www.grandviewresearch.com/industry-analysis/real-timepayments-market>.

Sources

continued

18. Real-time Payments World Map, PYMNTS, <https://www.pymnts.com/tracker/real-time-payments-world-map-global-transactions/#:~:text=New%20Map%20Shows%20Real%2DTime,launch%20new%20schemes%20in%202023>.

19. European Union Instant Payment Regulation, <https://www.europarl.europa.eu/news/en/press-room/20240202IPR17318/ensuring-euro-money-transfers-arrive-within-ten-seconds>

20. Ibid.

21. G20 Roadmap for Enhancing Cross-Border Payments, <https://www.fsb.org/2023/10/g20-roadmap-for-enhancing-cross-border-payments-consolidated-progress-report-for-2023/>.

22. Push-to-Card: Actual fund availability depends on receiving financial institution and region.

23. Forrester study commissioned by Visa. The Total Economic Impact of Visa Direct. 254 business decision makers surveyed whose organizations use real-time payment solutions across European and Latin America.

24. Ibid.

25. Twelve months 1 October – 30 September 2023. Visa Inc, Quarterly Results, Q4 2023 Transcript.

26. Ibid.

27. Ibid.

Visa Direct.

Move money your way.