



Level One Project

L1P Principles & Practices
for Inclusive Instant Payment Systems

Principles & Practices Worksheet

This summary inventories each L1P Design Principle and its corresponding Practices.



A woman purchases a necklace using mobile money in Rwanda.

When taken together, these Principles sum to an Inclusive Instant Payment system, promoting useful, affordable payments for all.

As Implementors, we recognize you will be working toward these Principles at various paces and phases. This worksheet is intended to help you navigate the Practices and note which may have been more or less accomplished. We encourage you to annotate your progress against each to guide your next phases of design, development, and evaluation.

For additional guidance and tools, explore the L1P website here:

leveloneproject.org

Using the Summary:

Entries in this worksheet are organized by Principle.

Each Principle entry is followed by its associated Practices.

Icons indicate which lens or lenses apply to the practice. You can read more about lenses on the level one website.

A progress checklist is available to note your own progress on your Inclusive IPS implementation.

Principle		  
Principle Title	Principle definition and description	
☐ Accomplished		
☐ In Progress		
☐ Not Yet		

Practices		
Associated Principle		
Practice Title	Practice definition and description	
☐ Accomplished		
☐ In Progress		
☐ Not Yet		

Associated Principle		
Practice Title	Practice definition and description	
☐ Accomplished		
☐ In Progress		
☐ Not Yet		

L1P Principles & Practices

Women's Inclusion Lens



Cross-Border Lens



Fraud Prevention Lens



Principle



Instant Payment

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Credit push transfers of funds from the payer to the payee are completed in real-time, with funds immediately available for use by the receiver.

Scheme rules must ensure that credit transfer instructions are the payment type and that these messages should be completed in real-time, using good funds, and are irrevocable once initiated. Irrevocability, or requiring that the funds cannot be recalled or reversed, ensures that the payer is in control of the payment and the payee can confidently use funds once received. Interbank settlement should also occur quickly.

Key benefits of instant payments are immediate funds availability for both consumer and merchant end users and that they cannot be recalled, making them less costly overall for DFSPs.

Practices

Instant Payment



Irrevocable

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Scheme rules must require that a transfer cannot be recalled or cancelled once it has been initiated by the payer.

This provides the certainty on the ownership of the funds, specifically, that the funds are available to the payee at moment of irrevocability, allowing them to use the funds immediately.

Instant Payment



Near Real-Time Settlement

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Balances must be resolved between DFSPs as close to real-time as possible. This principle extends to cross-border transfers and to completing final and irrevocable foreign exchange (FX) settlement in multiple currencies for all cross-border transfers.

This lowers costs by improving liquidity balances and minimizing the need for intra-day credit. The potential for systemic risk and costly failures are also minimized when outstanding obligations between DFSPs are low.

Instant Payment



Good Funds

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The payment transaction is funded from the value stored in the payer's wallet or account, is irrevocable once initiated, and is immediately available in the payee's account for their use.

This ensures certainty by providing immediate access to the funds by the receiver while also minimizing the risk and cost of failed payments due to insufficient funds.

Principle



Interoperable

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The Scheme enables bank and non-bank DFSPs to seamlessly exchange payments.

All banks and non-banks licensed to hold accounts such as commercial banks, e-money issuers, and microfinance institutions must be eligible to participate in the Scheme, ensuring that any end user can pay or be paid by any other end user digitally, regardless of the DFSP they use.

This fosters competition -- which ultimately lowers cost to end users -- expands access, and ensures a seamless payment experience, making the IPS more inclusive, and useful for underserved communities.

Practices

Interoperable



Modern Technical Architecture

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

A platform -- as defined by Scheme rules -- must provide at least switching, settlement, fraud management services, and an alias lookup and mapping service that maps an end user alias to the DFSP holding their wallet(s) or account(s). The Platform is designed to connect to other appropriate domestic or cross-border systems, as needed. All use cases leverage the same underlying payment order and settlement protocols, as well as additional technical protocols that support use-case specific needs, such as Request to Pay and QR Code.

This ensures efficiency, interoperability, and security. Common design makes the platform less expensive to maintain and also facilitates educating staff and participants on how it works.

Interoperable



Data Readiness

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Data should be structured using ISO 20022 and designed to support all use case needs while also minimizing the passage into or retention of personally identifiable information by the platform. Governance mechanisms ensure secure and efficient exchange among DFSPs, as well as information-sharing guidelines, to lower the instance of fraud or failed transfers.

This makes onboarding and interoperability easier and less expensive, making the Inclusive IPS more useful and adaptable to changing regulatory or Scheme requirements.

Interoperable



Embraces Technical Providers

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Scheme rules should support sponsored, non-licensed aggregators, fintechs, processors, forex providers and similar third-party providers connecting to the system to perform functions for end users or DFSPs.

This ensures a wider range of services, enhances innovation, tends to lower costs and expand access, making Inclusive IPS more useful for both end users and DFSPs.

Principle



Pay Everywhere for Anything

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

End users can send and receive payments for all necessary purposes.

The Scheme should support key domestic and cross-border retail use-cases, including P2P, P2M, P2B, P2G, G2P, B2P and CICO, ensuring that users can pay and be paid by each other everywhere. The ability to pay everywhere includes merchants or businesses, schools, utilities, and government entities, for all necessary purposes domestically and cross border.

This ensures the Inclusive IPS can meet diverse financial needs, making it more useful for merchants, businesses, governments, and ultimately for underserved communities.

Practices

Pay Everywhere for Anything



All Use Cases

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The Scheme should support the processing of payments associated with all use cases and the tracking of use case type in the payment message.

Support for all use cases, domestic and international, ensures that all of end users' daily payment needs are met. From a Scheme perspective, identification of the use case supports better tracking of information and when combined with gender-disaggregated data tracking will enable a better understanding of different end users' preferences and usage patterns.

Pay Everywhere for Anything



Government Use

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Government agencies should use the Scheme for all types of retail disbursements (G2P) and collections (P2G).

This ensures greater scale for the Inclusive IPS, and signals trust in the system, making it more useful for all people, including underserved communities.

Pay Everywhere for Anything



Access Points

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Access points, a category ranging from agents, branches, and ATMS, should be readily available for users to open or upgrade an account, transact, deposit cash in, and withdraw cash out. Merchants are also a type of access point, but not all merchants facilitate usage of financial services beyond payment transactions.

Widespread access points ensure users can easily transact and carry out other needed financial services, making the Inclusive IPS more useful.

Pay Everywhere for Anything



Merchant Enablement

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The Inclusive IPS should optimize the merchant (i.e. merchant selling goods and services, as well as billers) experience for payers (consumer and business end users) as well as the merchant payees.

Merchant acceptance of digital payment is a critical element in scaling usage and encourages consumers to keep value in their wallet or account in order to make essential daily purchases.

Pay Everywhere for Anything



User Friendly Interface Design

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The user interface (UI) should be simple, intuitive, easy to locate and navigate to support usability. The UI is also designed to prevent user errors and fraud; this includes saving frequent recipients and language localization. UI should also provide the ability to enter a complaint and request assistance.

Effective UI makes the Inclusive IPS more useful, accessible, and trustworthy for all end users reducing transaction mistakes and increasing confidence, especially for underserved communities that are less familiar with digital tools or may not speak the dominant language.

Pay Everywhere for Anything



Network Service & Availability

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Network and service should be reliable and dependable for DFSPs as well as end users.

This ensures that users, especially those in rural and remote areas, can access the Inclusive IPS anytime they need, making digital payments useful and dependable for everyday transactions and financial needs.

Principle



Inclusive Governance

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Scheme offers equal ownership opportunities to DFSPs, and input mechanisms to all participants.

Scheme rules must provide participants equal ownership opportunities in Scheme governance and formal and informal mechanisms to provide input on the direction of the Scheme, including the Scheme rules.

This helps scale the Inclusive IPS by ensuring fair participation, competition, and innovation, which drives lower costs and creates a more useful, widely adopted payment system.

Practices

Inclusive Governance

Government Role

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Government must play an influential role in the Scheme regardless of whether it wholly or partially owns the Scheme. In particular, the central bank should leverage its authority toward an inclusive Scheme design. Many Government entities are also important end users.

A close relationship between Scheme and Government, most especially the central bank, ensures that the Inclusive IPS is a central part of financial inclusion and digitization efforts. Also, Governments are often important payers and payees in a country. Importantly, a key role for Government helps ensure that the policies and regulations that shape the Scheme are fully considered.

Inclusive Governance



Inclusive Scheme Rules

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The Scheme Rulebook must clearly articulate the roles and responsibilities of DFSPs and the Scheme itself, while also defining the guarantees for ensuring the Scheme remains inclusive and sustainable. In addition to operational aspects, the Scheme rules also include the requirements for the aspects of the Inclusive IPS that protect end users like disputes and complaints and fraud mitigation efforts by participants, as well as a positive end user experience, such as user-friendly interface design.

Thoughtful, unambiguous wording of the Scheme rules ensures clarity on requirements and also minimizes potential misunderstandings between the Scheme itself and participants, which can be detrimental to Scheme performance and reputation.

Inclusive Governance



Regulated & Supervised

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Regulation of the Scheme by a financial regulator(s) should establish a sound, regulatory environment for inclusive payments.

This makes the Inclusive IPS more competitive and also builds trust by making digital payments safer and more widely used.

Inclusive Governance



Representative Leadership

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The leadership of the Inclusive IPS should meaningfully reflect the diversity of the populations it serves by ensuring women—especially from marginalized backgrounds—are intentionally included, represented, and empowered in decision-making roles and encouraging participants to do the same.

Representative leadership results in improved system and ecosystem outcomes: improved commercial and social returns, greater innovation, improved risk management, governance, and crisis resilience.

Inclusive Governance



Embedded Voice of the User

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The Inclusive IPS governance structure should include a formal channel for consumer organizations that serve broader needs of women and end users (individuals and business owners) to inform deliberations about the Scheme's rules and their evolution.

A genuine role for consumer groups can drive adoption. When institutions who represent end-users play a role, co-owning system design, they are more likely to champion the platform, encourage and support onboarding of end users, and facilitate adoption—driving deeper system growth and sustainability.

Inclusive Governance



Common Scheme Branding

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

All DFSPs and access points should adopt and use a common trade name and logo for the Inclusive IPS payment services.

This makes digital payments more recognizable, trusted, accessible, widely adopted, and ultimately, more useful. This creates a level of equity in branding among DFSPs.

Principle



Low Fees for End Users

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The Scheme ensures transaction fees are affordable for end users.

Fees to end users (individuals, merchants, billers, etc.) must be very low, possibly zero, and may vary by use case. DFSPs should realize most revenue from adjacent, value-added services, rather than from payment fees. The Inclusive IPS ensures that the original value of the amount transferred is not diminished by unnecessary fees or costs when it reaches the payee.

This reduces cost barriers, encourages adoption, and ensures that digital payments remain accessible and affordable, especially for underserved populations.

Practices

Low Fees for End Users



Not for Loss Business Model

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The Scheme must adopt a business model focused on sustainability of activities, not on profit generation. The Scheme seeks to recover its operating costs (business and platform related) through fees charged to DFSPs. A not-for-loss basis model views the Scheme needs like a utility where costs are shared and paid for over a multi-year time horizon, often defined as ten years.

This allows use of the platform to be ultra low-cost for the participating DFSPs, which, in turn, reduces operational expenses, keeps transaction costs low, and allows DFSPs to offer affordable or zero-cost transactions to end users.

Low Fees for End Users



Low Fees for DFSPs

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Fees charged to cover Scheme costs (e.g., platform development, connections to DFSPs or other entities, developing rules and ensuring compliance, general operations, settlement, etc.) must also be ultra-low, averaging no more than a few USD cents. This ensures that the fees are affordable to all types of participants and helps ensure that DFSPs are not driven to pass them on to end users. Profit and value generation should be driven at the participant level.

Low fees for DFSPs encourages financial services providers to participate in the Inclusive IPS and to use the Scheme for as many types of transactions as possible while allowing them to provide affordable payments to their end users.

Low Fees for End Users



Design Accommodates Basic User Devices

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

All primary functions must be accessible to users with inexpensive basic/feature phones through USSD or SDK interfaces.

This makes Inclusive IPS more accessible by eliminating the need for expensive smartphones, data plans or specialized devices, making digital payments more affordable and inclusive.

Principle



Safe Payments

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

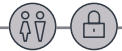
Scheme ensures that users can conduct their transactions safely.

End users must have information they need to safely conduct transactions, ensuring that they are confident in paying the right receiver, are clear on the amount of the payment prior to commitment, and are protected by the system from fraud.

The experience of fraud, loss of funds, or other mistakes in or misuse of transaction data can have a severe negative impacts on end user safety and perceived security, especially on low-income women end users, and may lead to a loss of trust in the Inclusive IPS.

Practices

Safe Payments



Fraud Rules

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Scheme rules must guide DFSPs in managing fraud risk and establish fraud data and information sharing guidelines.

This provides a set of standards to keep the Inclusive IPS safe and sound by preventing fraud from occurring in the first place, and if it does, to minimize its impact.

Safe Payments



Fraud Liability

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Scheme rules must ensure that end users are not liable for confirmed fraudulent payments. This includes fraudulent payments resulting from Authorized Push Payment Fraud (initiated by the legitimate account owner, who has been manipulated or scammed to send the payment that she believed was legitimate) or Unauthorized Push Payment Fraud (initiated by an unauthorized end user who may have taken over the account of a legitimate end user or otherwise obtained and used the legitimate account owner's information to send a fraudulent payment).

This ensures that DFSPs motivations and incentives to mitigate fraud risk are aligned.

Safe Payments



Transparent Terms

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The Scheme must ensure that all costs and terms are disclosed to the payer before payment is made. Transparency also extends to FX rates in cross-border transfers. All terms must be accepted by the payer prior to execution.

This builds trust and empowers users to make informed financial decisions, ensuring that the Inclusive IPS remains both affordable (by preventing hidden costs) and useful (by providing clarity and confidence in every transaction).

Safe Payments



Alias Addressing

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The Scheme must support payment addressing using multiple alias types and provides alias lookup and mapping services that maps an alias to a digital financial service provider. Alias addressing provides an alternative to addressing using an account number, and may include, but not be limited to a phone number, national ID number, email address, a randomly generated code, or another identifier.

Aliases ensure privacy and ease for end users, and a choice between them allows an end user to choose the best option for their needs. Non-phone number identifiers may be especially important for ensuring privacy and should always be made available.

Safe Payments



Certainty of Payee

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The Scheme must provide a confirmation of payee notification service that requires an authenticated payer to confirm the payee prior to initiation of a payment that relies on a standardized approach to account naming that makes it easy for the payer to identify whether the payee is the correct recipient.

Certainty of Payee makes Inclusive IPS more trusted and reliable by supporting end users in ensuring that they send funds to the correct recipient. This prevents errors due to mistyping, which may be especially important for low literacy and newly digital users. Standardized naming conventions minimize usefulness for fraudsters.

Safe Payments



Data Protection

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Ensure that collection of end user data by DFSPs is limited to purposes for which the data was collected and that benefit or reduce harm to end users. Any data collected by DFSPs and required by regulations to be transmitted to the Scheme is kept secure. The Scheme aligns with data privacy and security regulations, inclusive of (but not limited to) those related to collection, storage, and usage of end user data, including personally identifiable information.

This ensures that end users' data collection is done responsibly and that the data is protected by DFSPs and the Scheme. Data protection efforts build trust with end users, ultimately encouraging adoption of the Inclusive IPS.

Safe Payments



Simplified Customer Due Diligence

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Regulatory support for DFSP implementation of a risk-based approach (RBA) and simplified Customer Due Diligence (CDD), including at the initial KYC verification process, allows for a consumer with very limited or no formal proof of identification to open a basic transaction account with controlled limits, which may vary by use case. Regulations also support digital or remote account opening methods that allow a customer to easily self-issue a basic transaction account. CDD approaches enable customers with more identification and established transaction history to gain higher transaction limits and expanded services.

This makes the Inclusive IPS more accessible and useful for underserved communities while supporting ongoing management of risk as transaction activity grows.

Safe Payments



Notifications

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The Scheme must ensure that DFSPs provide notifications of account activities immediately. Notifications are controllable by the end user for privacy.

This enhances security, privacy, and transparency, making Inclusive IPS more trustworthy and useful for end users.

Safe Payments



User Awareness & Capability Building

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Promotional and educational efforts (campaigns, programs, initiatives) to drive adoption and usage of the payment system and essential financial services should be provided by DFSPs, Government, and the Scheme itself. Efforts may address use-case specific needs such as increasing merchant digital payment acceptance or access by women and low-income users.

This empowers women, low-income users, and others who lack access to financial services to confidently adopt and use Inclusive IPS, increasing accessibility, trust, and the overall utility of digital financial services.

Principle



Shared Capabilities

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Scheme and DFSPs jointly invest in shared capabilities.

The Scheme and DFSPs must invest together in capabilities that they all benefit from, such as fraud management, alias directory, sanctions and AML screening of cross-border transfers, offering value to DFSPs, trust to end users, while reducing costs.

Working together and sharing costs allows the Inclusive IPS to achieve more than the Scheme or a single DFSP could accomplish on its own. Doing so enables broad improvements that promote a safer and more robust payment system, allowing it to grow and scale more quickly.

Practices

Shared Capabilities



Gender-Disaggregated Data

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

The Scheme ecosystem should ensure that data on account holders and usage can be disaggregated by gender to support measurement of gender gaps and inform better designed products and services.

The collection of gender-disaggregated data (GDD) at the Scheme level may reveal patterns in gendered account ownership and use, which will equip DFSPs to tailor products and policymakers to tailor targets and strategies which better meet the needs of all users.

Shared Capabilities



Shared Services

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Shared services should include fraud management, directories, sanctions screening, and cross-border transfers.

This takes advantage of economies of scale to reduce payment system costs, enhance security, maintain consistent quality across participants, and ensure a seamless user experience, making the Inclusive IPS more affordable and efficient.

Shared Capabilities

Merchant Directory

- ☐ Accomplished
- ☐ In Progress
- ☐ Not Yet

Merchants should be assigned a unique identifier which is usable for both smart- and feature phones. A directory also facilitates businesses to accept multiple payment Schemes and in deploying QR codes.

Paying a business is a common need and should be ultra easy for end users to carry out and for businesses to be identified.