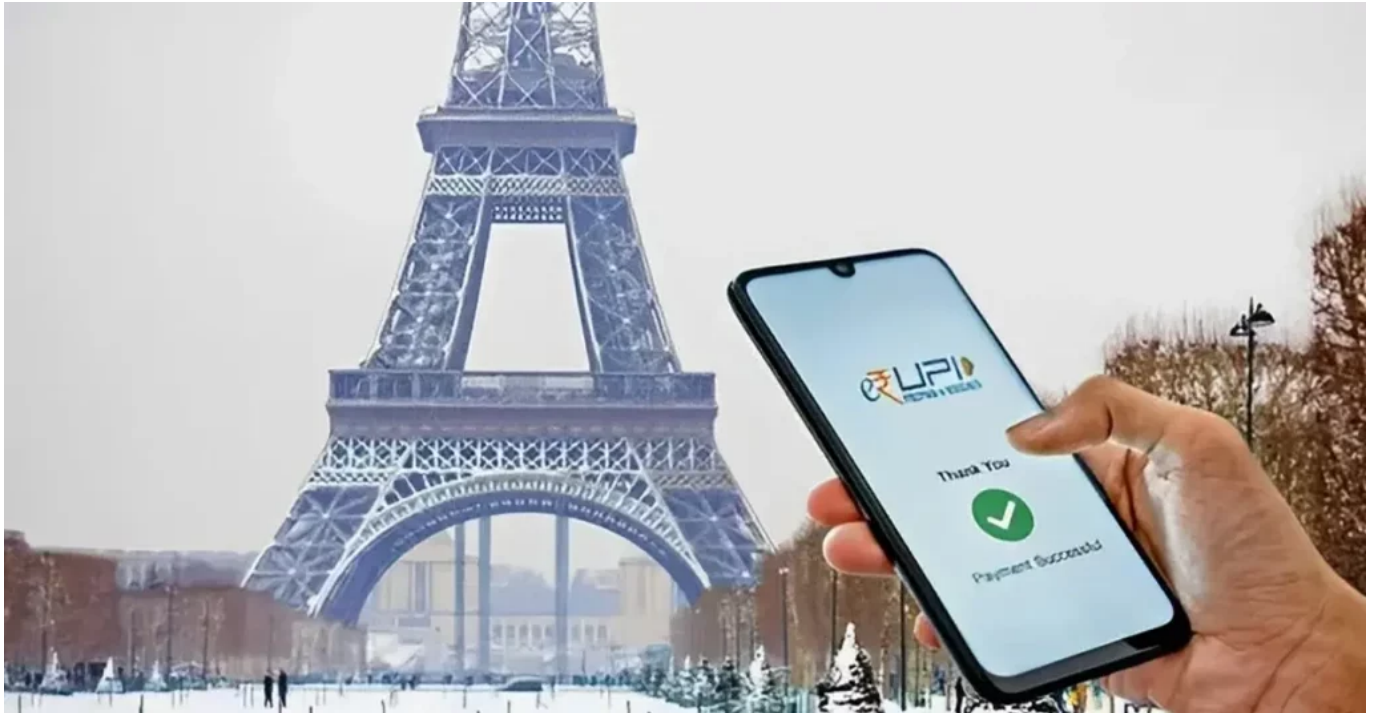


India launched UPI in France

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Context- India has recently launched UPI at the iconic Eiffel Tower in France.

About

- **NPCI International Payments (NIPL)**, a subsidiary of NPCI, partnered with French e-commerce and proximity payments company, Lyra to ensure the acceptance of the UPI charge mechanism in France, starting with the Eiffel Tower.

What is Unified Payments Interface (UPI)?

- UPI was designed and released by the National Payments Corporation of India (NPCI) in 2016.
- It is a system that powers more than one bank account into a single mobile application (of any participating bank), merging several banking features, seamless fund routing & merchant bills into one hood.
- It additionally caters to the “Peer to Peer” acquire request which can be scheduled and paid as per requirement and convenience.
- UPI has become the biggest among the National Payments Corporation of India (NPCI) operated systems including National Automated Clearing House (NACH), Immediate Payment Service (IMPS), Aadhaar enabled Payment System (AePS), Bharat Bill Payment System (BBPS), RuPay etc.
- The top UPI apps of the time include PhonePe, Paytm, Google Pay, Amazon Pay and BHIM, the latter being the Government offering.

Internationalization of UPI

- Countries like UAE, Singapore, Bhutan, and Nepal have adopted UPI in the past.

- In 2023, UPI and Singapore's PayNow signed an agreement, permitting customers in either country to make cross-border transactions.
- To allow pass-border transactions, the NIPL and Al Etihad Payments of UAE inked a Memorandum of Understanding in 2023.

Significance

- **Global Financial Inclusion:** The internationalization of UPI will provide admission to rapid, convenient, and low-cost charge services. This can help reduce the reliance on traditional banking infrastructure and facilitate economic participation for underserved populations.
- **Remittances:** It will streamline the system of sending and receiving remittances across borders, presenting a faster, less costly, and secure opportunity to traditional remittance channels.
- **Diplomatic and Strategic Relations:** It will foster closer monetary ties and cooperation between nations by promoting interoperability and collaboration within the realm of virtual payments.

National Payments Corporation of India

- It is an umbrella business enterprise for running retail payments and agreement structures in India, established by the Reserve Bank of India (RBI) and Indian Banks Association (IBA) in 2008 under the provisions of the Payment and Settlement Systems Act, 2007.
- It has been included as a "Not for Profit" Company below the provisions of Section 25 of Companies Act 1956 (now Section 8 of Companies Act 2013), with a goal to provide infrastructure to the whole Banking system in India for physical as well as digital price and settlement systems.

Source: Indian Express