

IBM Canada and Prairie Credit Unions Team Up for Digital Transformation and Payments Modernization on IBM Public Cloud

Alberta Central, SaskCentral and Credit Union Central of Manitoba create joint venture and partner with IBM to develop a modernized payments platform; 8-year agreement that is the largest of its kind in Canada for the credit union system.

Calgary, AB – A new Prairie Payments Joint Venture (PPJV) and IBM (NYSE:IBM) have signed an 8-year, multi-million dollar agreement to digitally transform and modernize credit union payment services in Canada. This marks the largest agreement of its kind in Canada for the credit union system. The new joint venture between the Credit Union Centrals of Alberta, Saskatchewan and Manitoba collectively represent more than 75 credit unions across the three prairie provinces.

Increasingly, people are choosing digital payments over cash and governing bodies are continually updating regulations to keep pace with those demands. According to Payments Canada's annual Canadian Payments Methods and Trends [Report](#) released in December, electronic payments account for 73 percent of all transaction volume versus cash at 21 percent. This new Payments-as-a-Service platform will be developed and managed by IBM Services and hosted in a dedicated, private cloud environment on IBM public cloud.

The credit unions in Alberta, Saskatchewan and Manitoba will leverage the platform to drive innovation and new product offerings, ensuring they are competitive within the industry and providing their members with access to the most efficient, cost-effective modernized payments processing infrastructure. This platform will also help maintain the readiness of credit unions to comply with evolving regulatory requirements at a much lower investment.

Delivered by IBM Services through [IBM Payments Centre Canada](#), this modernized Payments-as-a-Service platform is deployed in a private cloud that is hosted on IBM public cloud. The high-availability solution is designed to meet strict regulatory requirements for financial data transmission, security and privacy, including a cognitive, real time fraud detection capability. The platform will also enable the integration of key third party fintech partners to help the credit unions drive rapid innovation for their members.

“The dramatic movement we are seeing with payment modernization is in response to the demand from Canadians for frictionless interactions, but also better privacy, security and speed,” said Dave McCann, Managing Partner, Global Business Services, IBM Canada. “By hosting its payments platform in the cloud, we will ultimately enable onboarded credit unions the flexibility to rapidly innovate new digital member experiences for businesses and members across all payment types in a more efficient, safe and resilient manner.”

“Credit unions have always been innovators. From being the first to offer debit card services, ATM banking, to mobile pay and mobile banking, we know how critical it is to move faster with our payments products and digital experience offerings,” said Michael Devlin, CEO, PPJV. “Changes are happening across the payments industry, such as open banking, and companies outside the financial sector entering the market with new credit cards and cryptocurrencies. All these changes promise a new era of transparency, but also increased privacy and security challenges. To keep pace, the need for payments modernization for credit unions has never been greater. We are happy to be working with IBM Canada on this initiative.”

The IBM Payments-as-a-Service platform for the prairie credit unions is expected to begin onboarding participating credit unions by fall 2020. It will start with a Single-Zone Region (SZR) deployment model and will be expanded to support Multi-Zone Region (MZR) in the future.

About the Prairie Payments Joint Venture (PPJV)

The PPJV is a joint venture formed between the Credit Union Centrals of Alberta, Saskatchewan and Manitoba to administer and manage the IBM contract. It collectively represents more than 75 credit unions across the three prairie provinces.

About IBM Canada

For more information about IBM Canada's Payment Centre, visit: www.ibm.com/ca-en/marketplace/ibm-payments-centres-canada

For more information about IBM Canada, visit: www.ibm.com/ca-en

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