



Global cross-border payments migration to ISO 20022

Irina Stepanova

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Why ISO 20022?



- Paper-based
- Proprietary syntax
- Point-to-point
- One size fits all
- SWIFT only

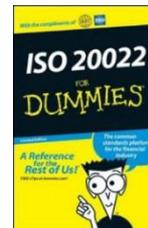
FIN MT:
Computer-processable
versions of telexes



- Reference standard
- Electronic
- Open, neutral syntax
- End-to-end transaction
- Market practice
- SWIFT + other organisations

What is ISO 20022?

single standardisation approach (methodology, process, repository)
to be used by all financial standards initiatives



Recipe to create financial standards

Business / Conceptual

- Defines **business meaning** of financial concepts, e.g., 'Credit Transfer'

Logical

- Defines e.g. credit transfer **messages**, to execute the business process

Physical

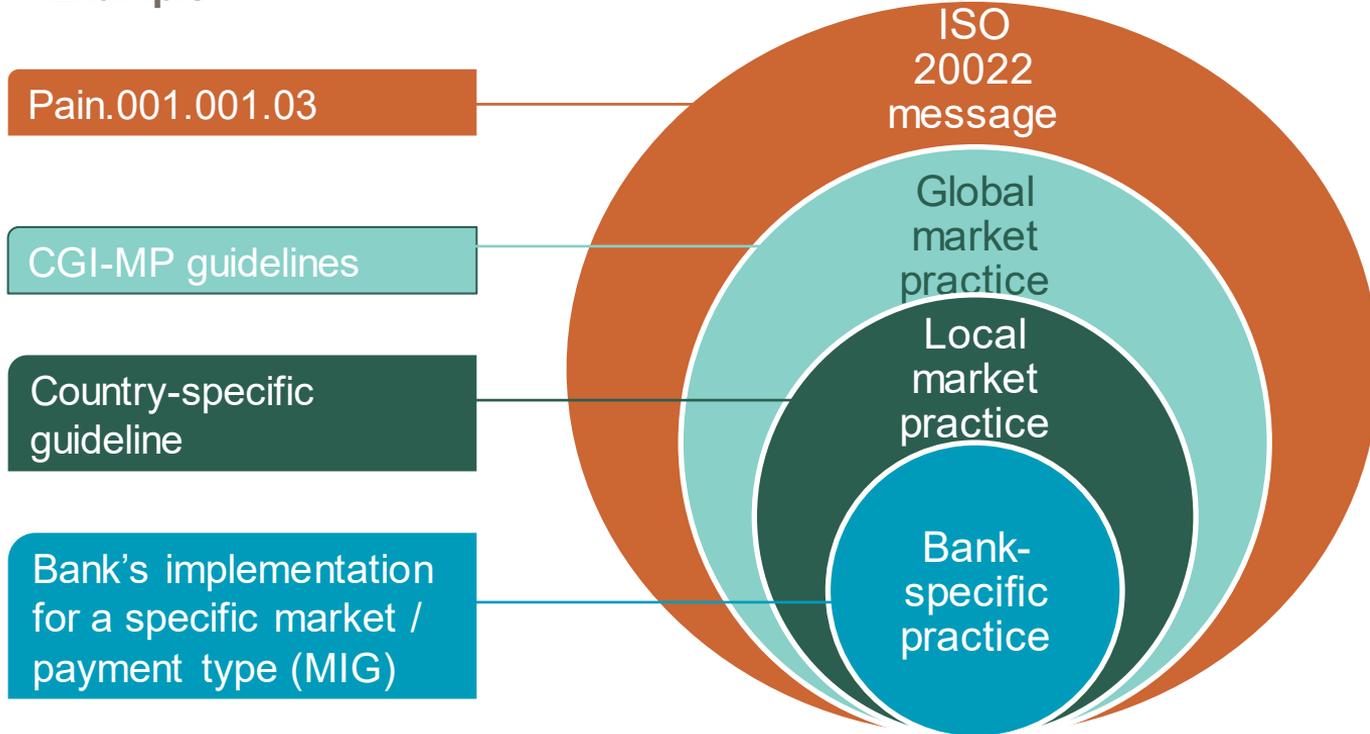
- Defines physical **syntax**, e.g. XML

Body of content

- **Business models**
- **Data dictionary**
- **Catalogue of messages**

ISO 2022 are created globally and used locally

Example



Problems

Fragmentation and **change** of message implementation guidelines

Cost of **onboarding** corporates

The same problem applies **across different channels**

ISO 2022 migration for cross-border payments and cash management

Drivers for migration:

Why

- **Market infrastructures** adopting ISO 2022: **interoperability** with cross-border payments
- **Compliance**: concerns regarding completeness and **structure of data**
- **Corporates**: end-to-end processing and possibility of **new services**

Migration strategy and scope:

What

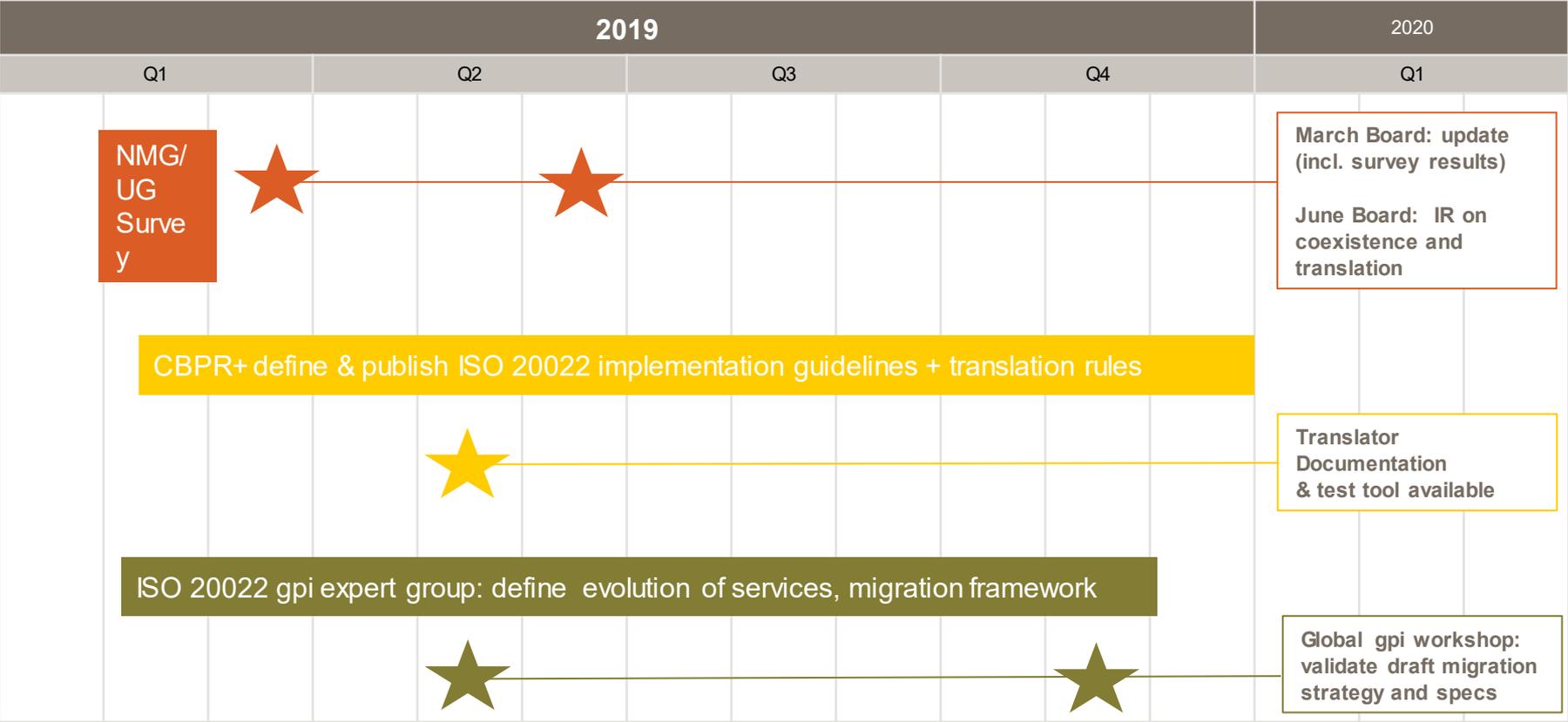
- All users of **MT categories 1,2,9** are impacted
- SWIFT will provide **shared translation service**
- Use of ISO 2022 for cross-border payments on SWIFT will be governed by **market practice**: Cross Border Payments and Reporting Plus (CBPR+)

Migration timeline:

When



ISO 2022 programme: what's next





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