Introduction

ISO20022 industry adoption how and it is impacting 'Wire Processing'
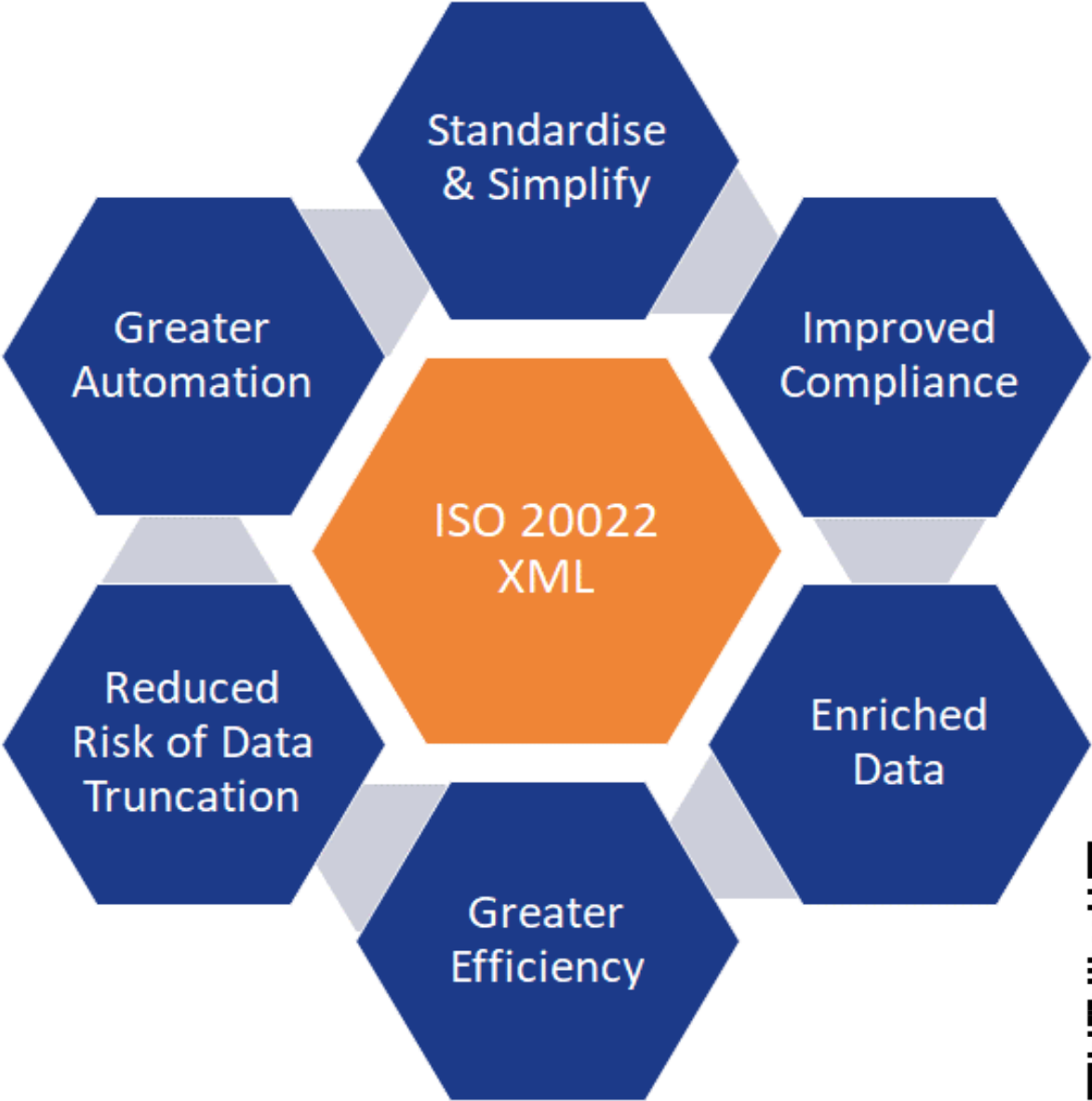
Scan to read Citi's ISO Whitepaper:
ISO20022:The New Language of Global Payments

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SWIFT Industry Update

ISO 20022 migration update

November 2023

Additional CBPR+ messages live

direct debits and **cheques**

November 2025

End of CBPR+ coexistence

Retirement of MT for cross-border payments

ISO 20022 coexistence for CBPR+ started in Mar 2023, due to complete Nov 2025.

Create visibility on planned adoption for the next 2 years:
- Develop confidence that the Nov 2025 deadline can be achieved
- Monitor progress against adoption baseline
- Assist Financial Institutions to anticipate growth in adoption from correspondents

March 2023

Start of CBPR+ coexistence

Start of the coexistence period for cross-border payments and cash reporting messages

November 2024

Additional messages live

charges, **exceptions** and **investigations**

Swift

Highlights on CBPR+

January 1st, 2024 – January 31st, 2024

Last Month

Q1 2024
ISO 20022
Customer Adoption
Plan
Confidentiality:
Restricted

Average Daily ISO:

Daily Average of 766,550+ ISO 20022 message are sent and received on FINplus service globally

Sender BIC8s:

980+ BIC8s sending domestic or international ISO 20022 messages on FINplus service globally

Receiver BIC8s:

5410+ BIC8s receiving domestic or international ISO 20022 messages on FINplus service globally

Sending Countries:

120+ countries sending ISO 20022 messages on FINplus service

Receiving Countries:

200+ countries receiving ISO 20022 messages on FINplus service

Adoption Rate:

19.5% of payments *instructions* traffic has shifted from FIN to ISO 20022 (pacs.008, pacs.009, pacs.002 & pacs.004)

766,550+

980+

5410+

120+

200+

19.5%

Swift

Source - Swift Watch Analytics

Bilateral engagement with key payments players

Q4 2023 **2024** **Nov 2025**

Initial round to create visibility on planned adoption for next 2 years

Key takeaways

- Majority of larger banks have a well-defined project, with significant ramp-up of pacs messages expected in 2024

- Mid-sized banks expected to migrate mostly into 2025

- Most working towards native adoption, translation solutions more as contingency measures

- Capturing of new rich data and structuring existing data usually at the analysis stage

- Adoption of camt messages expected to be more complex due to bilateral dependencies

Continue regular bilateral engagement throughout coexistence to

- Monitor progress against adoption forecast for payment origination flows
- Capture adoption plans for other dimensions like statements, rich data, …
- Assist banks to anticipate growth in adoption from correspondents
- Gather feedback and suggestions on any aspect of the migration

Priority topics for Q1 round

- Review and refine adoption forecast for payments

- Discuss adoption planning for rich and structured data

- Discuss implementation planning for camt messages

- Create a view on business application status and dependencies

- Further agenda to be defined bank-by-bank

Other topics

- Discuss intentions for charges messages (SR 2024)

- Discuss priorities in terms of key correspondent adoption and where Swift can help unlock value

- Discuss approach towards ISO 20022 adoption for small correspondents

- Discuss approach towards corporates

- Develop use cases and success stories to be used as incentives for the remainder of the community

Swift

RTGS FMI Migration

RTGS FMI Migration Approaches

Big Bang Approach

Complete Switchover to MX Messages on Day 1

All RTGS Pay and non-Pay messages in scope

Considerations:

- One-time effort

- Complex development with longer implementation timeline

- Need a strong fallback plan to mitigate migration risk

Coexistence

Simultaneous usage of MT and MX

Create a central translator for MT / MX (as required)

Considerations:

- Multi-phased migration of the banks

- MT works as a fallback option

- Longer and continuous engagement till the last bank migrates

Options to be Considered Based on Industry Appetite	
Full Enriched Data	Like-for-Like (Only Infra Upgrade, No ISO Extended Data)

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Program design – Critical Success Factors

Technical Specifications – Clear and Comprehensive

- Message specifications to be clearly defined.
- Define the message schema.
- Include a sample for each of message types.
- Field mapping between MT and MX including field length and field conventions.
- Clear guidelines on data truncation.

Knowledge Center

- Common repository to store all technical documentations and artifacts.
- Validation portal – similar to a sandbox for participants to test their messages.

Fail-safe Planning

- Strong continuity plan to mitigate disruption risk; specifically, on the day of migration.
- Progress tracking, ongoing engagement, roll-back strategies etc. helps.

System Testing – Best Practices

Test Scenario
- Prescribe test scenarios.
- Define minimum mandatory pass requirements.

V / Y Copy
Workflows defining V copy or Y copy route

SWIFT Portal
Leverage MySwift portal to validate xml messages.

Buddy Bank
- Create cluster or designate buddy banks.
- Plan for "1–fail shouldn't impact other"

CBPR+ Test Scenario
Test scenarios to include a scenario where 1 leg is domestic and other cross–border.
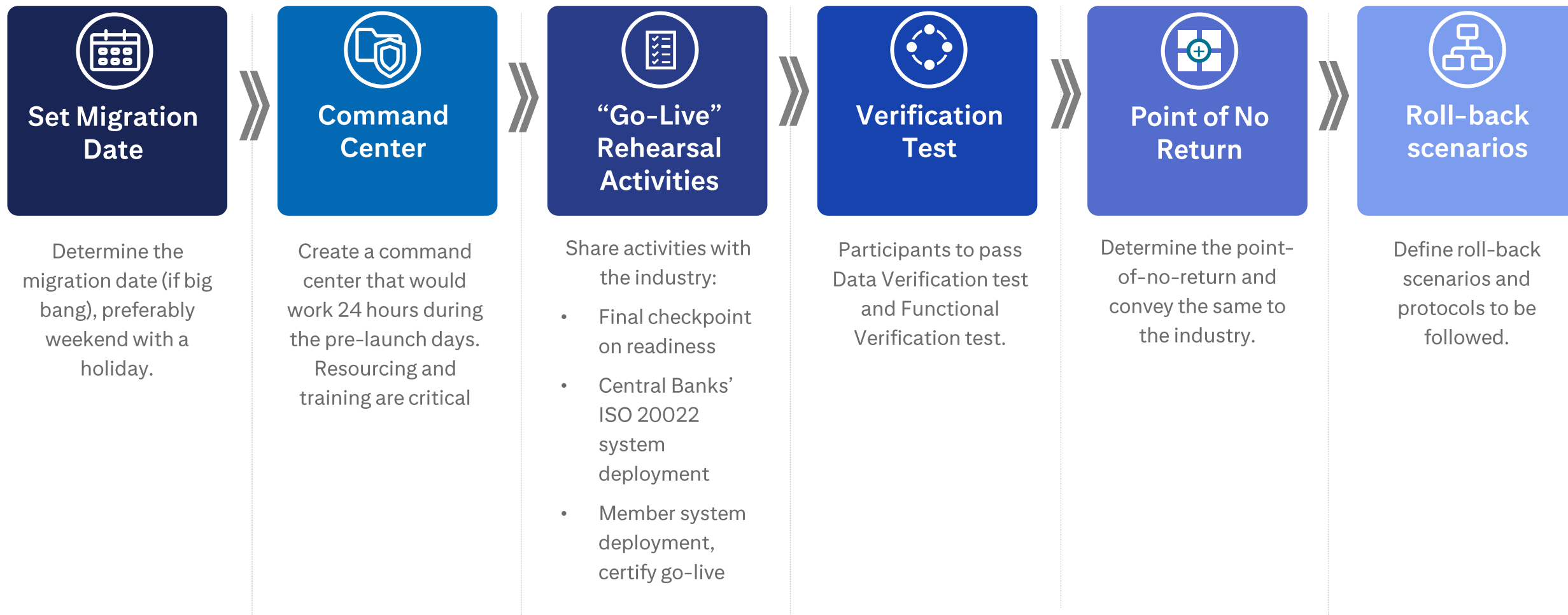
BIC Type
Define BIC type to be used by participants

(Test or Production BIC)

- Banks using translator services need to ensure that their testing covers sanction screening, client statement impact, transaction monitoring, data storage etc.
- Monitoring of Industry readiness through periodic reports requested from participants on progress of their respective ISO migration project.

Pre-Launch / Dress-rehearsal

Set Migration Date

Determine the migration date (if big bang), preferably weekend with a holiday.

Command Center

Create a command center that would work 24 hours during the pre-launch days. Resourcing and training are critical

"Go-Live" Rehearsal Activities

Share activities with the industry:

- Final checkpoint on readiness
- Central Banks' ISO 20022 system deployment
- Member system deployment, certify go-live

Verification Test

Participants to pass Data Verification test and Functional Verification test.

Point of No Return

Determine the point-of-no-return and convey the same to the industry.

Roll-back scenarios

Define roll-back scenarios and protocols to be followed.

Launch day

Building Business Continuity Plan (BCP)

Participants to be able to manage large volume transactions through BCP in an event of technical issues.

Post-Migration Activities

Participants to train operations and client service teams to handle post-migration activities.

Make Sure on Portal Functionality

Portal to check transaction processing to be fully functional.

Establish Reconciliation Process

Operations team to design transaction reconciliation process, preferably hourly.

Scan QR Code to identify more:

Q&A