

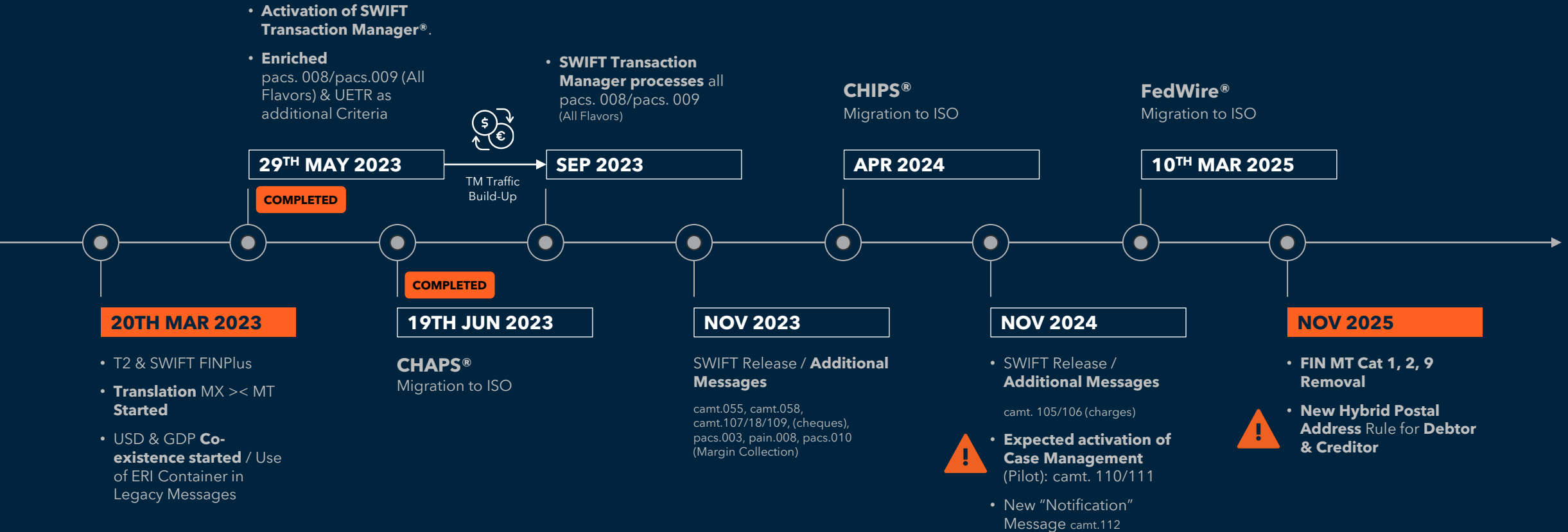
SWIFT ISO 20022 MIGRATION

Update and Next Milestones

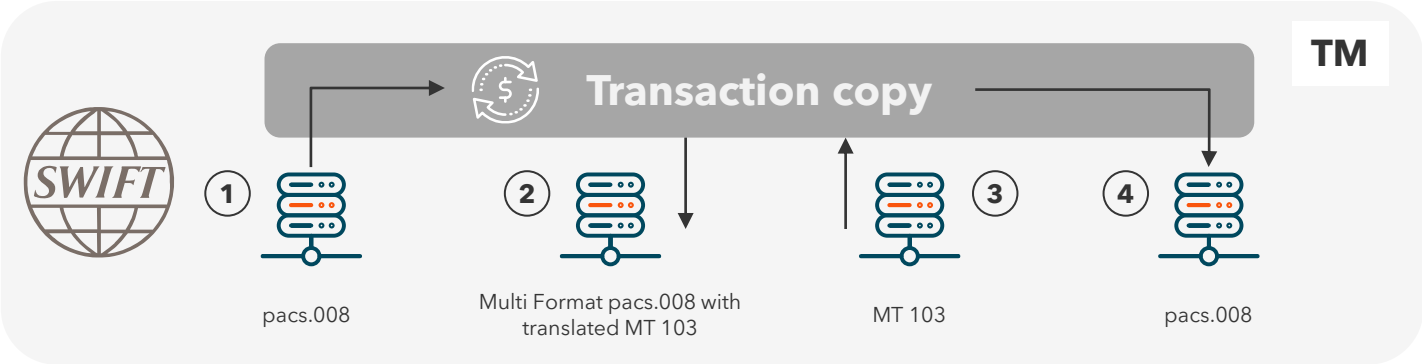
ISO 20022 Migration: Key Learnings and Best Practices

July 6, 2023

NEXT KEY MILESTONES



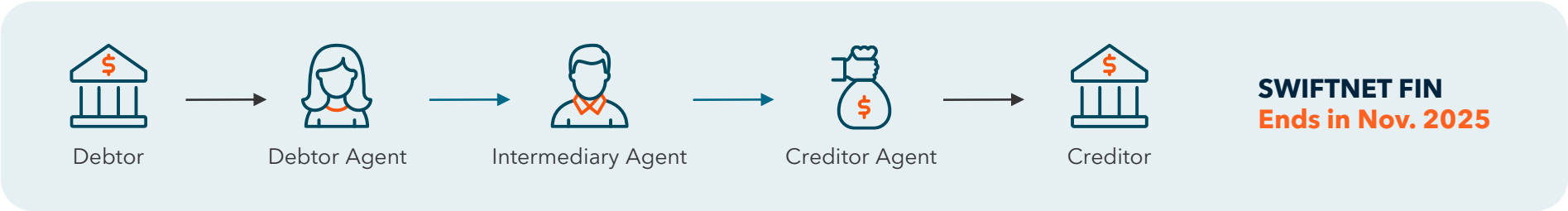
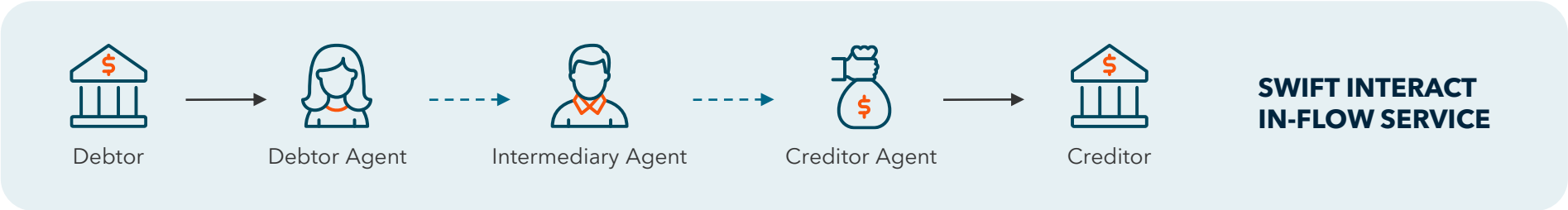
Swift Model since 29th May 2023



Transaction Manager: pacs.008 and pacs.009 (Enriched)

**TRANSACTION MANAGER
PROCESSING STATUS:**

- Successfully Processed
- By-Passed
- Abort (xsys.012)



Transaction Manager Comes with a set of Element Integrity Rules

LOCKED

Changes to the data element are discarded, and the original data is kept

When a locked data element is present in the first payment leg, Transaction Manager discards any attempt to amend or omit that data element (even when optional) by an intermediary agent and maintains the original data element in the Transaction Copy. It also means that, if data is not provided in a locked data element for the first message processed by Transaction Manager, it cannot be added based on data provided in messages from any subsequent agents.

SYNCHRONISED

Transaction Manager ensures the synchronisation of specific data elements in the advice and cover messages

Cover message - Transaction Manager validates the underlying Customer Credit Transfer details in a pacs.009 COV with the Transaction Copy. If there is any difference, Transaction Manager keeps the original data element of the advice flow in the Transaction Copy and synchronises it with the related data element in all cover legs.

Advice message - It is possible to change the routing of the cover messages to include different correspondents when compared to the originally anticipated correspondents. In an unusual sequence scenario where Transaction Manager processes the cover messages first and then processes the advice message (pacs.008 or pacs.009 ADV), the reimbursement agents are updated in the advice based on the path of the related cover message(s).

CONDITIONALLY EDITABLE

The data element can be changed under specific circumstances

When a conditionally editable data element is present, Transaction Manager can only allow the data element to be changed under specific circumstances (for example, if the data element has a higher quality because it uses a structured option while the original data element was free text). If the sender has made changes to a conditionally editable data element, then Transaction Manager either accepts or discards the updates and re-instates the original transaction data dependent on the data integrity rules applicable to the scenario.

EDITABLE

The data element can be changed

Transaction Manager Comes with 3 processing Statuses (Release 1)

PROCESSED	ABORTED	BY-PASSED
<p>Status available in the specific descriptor element <Sw:TRD> in the <SwInt: Request Descriptor>.</p> <p>Example:<Sw:TRD>TDOK</Sw:TRD></p> <p>If the<Sw:TRD>is not available, then the message was not processed by Transaction Manager.</p>	<p>Unexpected Message Type (Same sender):</p> <p>Advice and Cover pacs.009 Scenario only (other unexpected message scenarios will trigger a By-Pass, e.g a pacs.008 to instruct a Return).</p>	<p>(*) Invalid Cover References:</p> <p>Instruction ID of Advice does not match End to End ID of Cover, i.e. NOTPROVIDED/ NONREF or mismatching references</p>
	<p>Missing/UDLC/ code in pacs.009</p> <p>Corecoveringpacs.009 ADV in the Instruction for Creditor Agent/Instruction Information</p>	<p>(*) UETR Recycling based on Business rules</p> <p>Possibly by the SWIFT Network directly towards the end of the year (Nov 2023)</p>
	<p>Mismatch between key data elements:</p> <p>E.g. Content mis-match between pacs.008 Advice and pacs.009 COV underlying transaction block</p>	<p>Unexpected Message Type (Same Sender or Not):</p> <p>E.g. pacs.008 to instruct a Return</p>
		<p>References mis-match</p>

(*) From 2025, this rule will trigger an Abort message

Heads-up on Postal Address (TBC)

Structured Address (Recommended)

Mandatory Country, Town Name and recommended Postal Code + any other structured address éléments Address Line not allowed

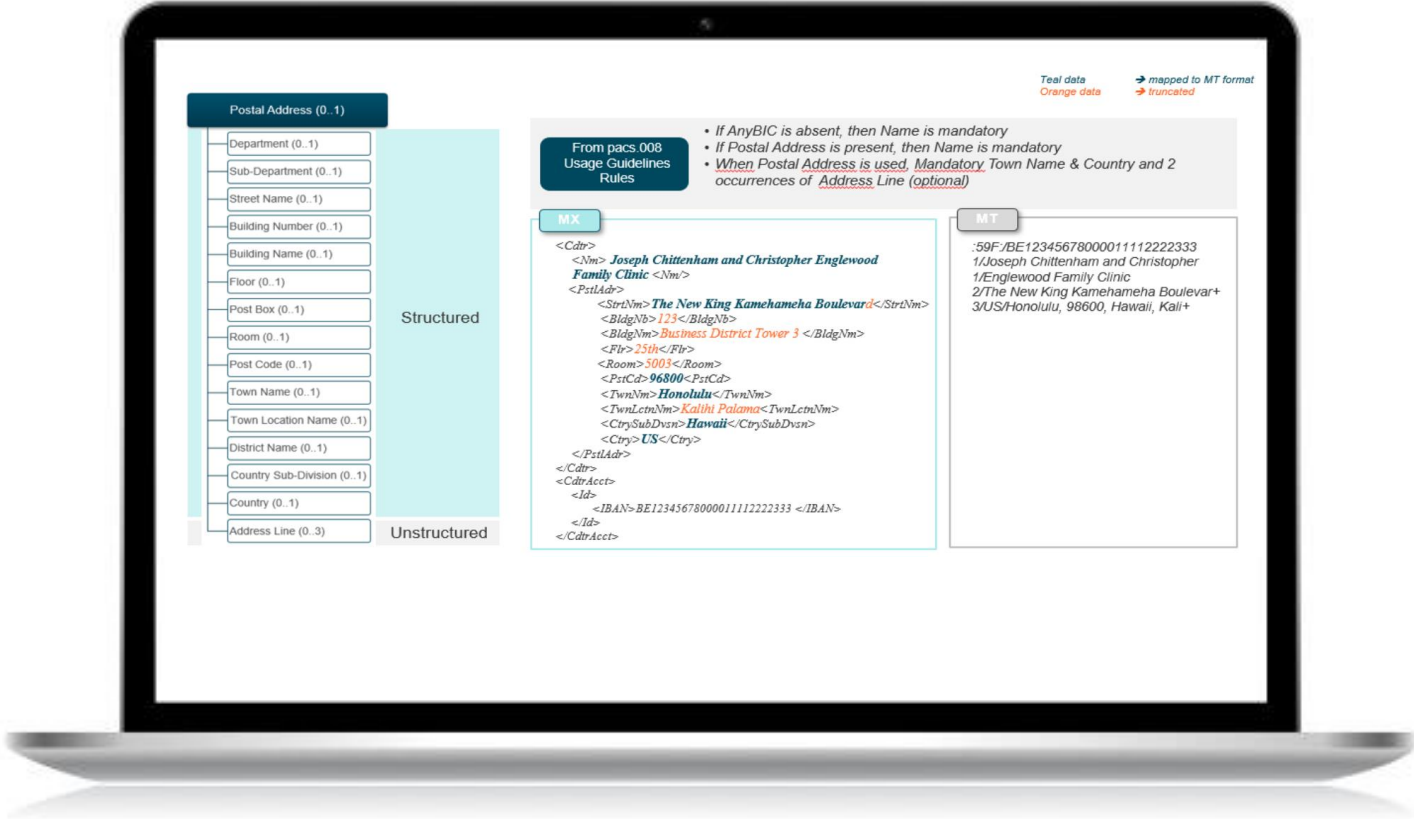
Hybrid Address

Mandatory Country, Town name and recommended Postal Code + any other structured address elements. But also 2 lines of max 70 characters (Address Line)

Unstructured Address

3 lines of max. 35 characters (Address Line)
No structured Address elements allowed

2023	2025 (ALL ACTORS)	2026 (ALL ACTORS)
Structured	Structured	Structured
Unstructured	Unstructured	Hybrid
	Hybrid	



Pain.001 in a Relay Scenario – Rulebook Adherence

- The Rulebook adherence (e-Form) is replacement of SLMA/Customer Credit Transfer SLA **and is required between Forwarding Agent and Debtor Agent** - This will be complemented by RMA.
- The published rulebook is final and would need to go through a formal change request process in case of amendments
- There might be cases where RMA only are put in place and banks do not adhere to the Rulebook - There will be no SWIFT validation that the Rulebook has been adhered to...

[Available on swift.com](https://www.swift.com)

New Rulebook Overview

Inclusion of the common areas of the existing Service Level Master Agreement, MT 101 'Request for Transfer' Service Level Agreement and bilateral agreements to the new **Rulebook for Payment Initiation Relay**

- 1 Introduction
- 2 Definitions
- 3 Business Rules
 - 3.1 Introduction
 - 3.2 Guiding Principles
 - 3.3 Roles and Responsibilities of the Agents
 - 3.4 Indemnification
 - 3.5 Termination of Relationships between the Participating Agents
 - 3.6 Governing Law
- 4 Accession to this Rulebook
- 5 Rulebook Development and Maintenance

Appendix A Guidelines for Designated Account Sheet

Liabilities

Governing Law

Accession & Termination

Signatories

Formatting Rules

Rulebook Accession

New eForm to accede to the Rulebook (Draft)

- The eOrder user select BIC8 for accession
- Requested date of accession
- Selection of BIC8/11 for publication

BICs to publish on or to remove from the ISO20022 Payment Relay Directory

Add or remove BICs to/from the Payment Initiation Relay Directory

BICs not published on the Directory

SWHOEBB	XXXX (disabled)
SWHOEBB039	XXXX (disabled)
SWHOEBB222	XXXX (disabled)

BICs published or to publish on the Directory

SWHOEBB	XXXX (disabled)
SWHOEBB039	XXXX (disabled)
SWHOEBB222	XXXX (disabled)

BICs added for new publication

SWHOEBB123

BICs removed from publication

SWHOEBB123

Registered customer information

Entity full legal name	SWIFT HEADQUARTERS	1.01
BIC	SWHOEBB	1.02
This field displays your name as registered on swift.com	John Smith	1.03
Registered e-mail	john.smith@swift.com	1.04
Registered telephone	+32 2655 3111	1.05
	LOCKING LABEL: 00000	1.06

Institution accessing the ISO20022 Payment Initiation Relay Rulebook

BIC: SWIFT

Published / to be published BICs

Select the Role(s) of Agent for ISO20022 Initiation Relay for the BICs. At least one Role has to be selected

BIC	Institution Name	City	Country	Forwarding Agent	Debtor Agent	Action
SWHOEBB	SWIFT	LA HULPE	BELGIUM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Add
SWHOEBB039	SWIFT	LA HULPE	BELGIUM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Add
SWHOEBB222	SWIFT	LA HULPE	BELGIUM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Add
				<input type="checkbox"/>	<input checked="" type="checkbox"/>	Remove

Terms and Conditions

You acknowledge and agree:

- by submitting the present accession form, the institution mentioned above wishes to accede to the Rulebook for an undefined term, and acknowledges and agrees that:
 - (1) the Rules contained in the Rulebook are binding and enforceable as set forth therein, and that it will comply with and be bound by the Rules set out in the Rulebook;
 - (2) by submitting the present accession form, the undersigned grants a power of attorney to SWIFT for the purposes of:
 - (i) registering the undersigned's accession to the Rulebook; and
 - (ii) notifying other Participating Agents of the undersigned's accession form by adding the Participating Agent to the published list of Participating Agents;
- the use of this e-ordering service is governed by the [Swift Ordering Service - Terms and Conditions](#);
- Swift will process any personal data it provides when using this e-ordering service in accordance with the [Swift Privacy Statement](#).

Save on draft **Continue**

Message Portfolio: Future Releases (2023 & 2024)

Usage Guidelines available on www.swift.com/mystandards

PLANNED FOR NOVEMBER 2023

FIN MT	ISO 20022
n/a (cancellation of MT210)	camt.058.001.xx
MT104, MT107	pain.008.001.xx, pacs.003.001.xx
MT110, MT111, MT112 (Cheques)	camt.107.001.xx, camt.108.001.xx, camt.109.001.xx
n/a (cancellation of pain.001)	camt.055.001.xx
MT204	pacs.010.001.xx – Margin Collection

PLANNED FOR NOVEMBER 2024

FIN MT	ISO 20022
MT190, MT191 (Charges)	camt.105.001.xx, camt.106.001.xx
Investigations	Camt.110.001.xx, camt.111.001.xx
MT n99	Camt.112.xx



AUTOMATIC RMA BOOTSTRAP FOR
CHEQUE MESSAGES IN SEPTEMBER 2023

Available soon: Usage guidance document for camt.053 for Notro/Vostro Usage

New Case Management: Messages in Scope

New ISO 0022 messages:

Camt.110

Investigation Request

Camt.111

Investigation Response

Expected Pilot date: **November 2024**

Scenarios:

- Creditor Claim (Cover) Non Receipt
- Unable to Apply
- Request Value Date Adjustment
- Request Use of Funds
- Request Debit Authority
- Request for Information
- Account Related Investigation
- Request on Charges
- Other

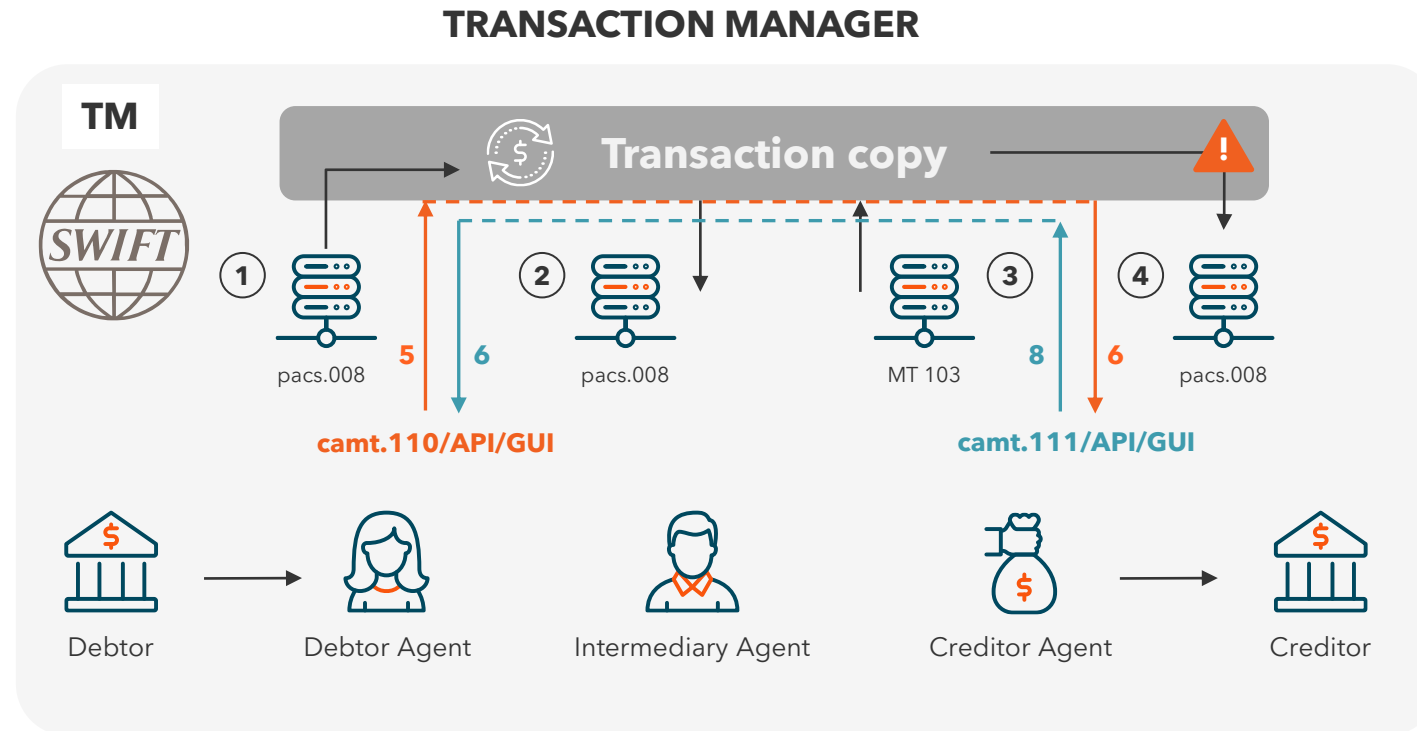
Note: camt.056/camt.029 will continue to be used and will be included in the TM Orchestration

From Traditional Investigations to « Orchestrated Investigations » (Based on Business Rules)

Example:

Creditor Claims Non-Receipt (**camt.110 Query**)

Creditor Claims Non-Receipt (**camt.111 Response**)



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