



Learning Guide: What you need to know about ISO 20022

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As a leading provider of USD-Clearing services, as well as EUR and GBP payments, BNY Mellon seeks to help our clients navigate the transition of cross-border payments to ISO 20022. Our series of 12 monthly courses covers a broad range of topics, from basic information about ISO 20022 to the latest news on the progress made by the major RTGS systems (e.g. T2, the Fed, TCH or CHAPS) and SWIFT.

Module 1: Demystifying ISO 20022

After an introduction on ISO 20022 maintenance and description of the ISO 20022 catalogue of messages available on <https://www.iso20022.org/>, the session focused on the upcoming SWIFT ISO 20022 migration, starting in November 2022 with a 3 years co-existence of SWIFT FIN MT messages and ISO 20022 messages. Sunset for FIN MT messages (Category 1, 2 and 9) will take place in November 2025.

The impacted messages are:

FIN MT	ISO 20022	ISO 20022 Message Name
MT 103/MT103 STP/MT 103 Remit	pacs.008.001.xx	FI to FI Customer Credit Transfer
MT 202 / 202 COV / MT 200/ MT 205/ MT 205 COV	pacs.009.001.xx	Financial Institution Credit Transfer
MT New 103 (Return) MT New 202 (Return)	pacs.004.001.xx	Payment Return
MT 103 REJECT / MT 202 REJECT	pacs.002.001.xx	FI to FI Payment Status Report (Negative)
No Equivalent	pacs.002.001.xx	FI to FI Payment Status Report (Positive)
MT 210	camt.057.001.xx	Notification to Receive
MT 900 / 910	camt.054.001.xx	Bank to Customer Debit Credit Notification

MT 920	camt.060.001.xx	Account Reporting Request
MT 941 / 942	camt.052.001.xx	Bank to Customer Account Report
MT 940 / 950	camt.053.001.xx	Bank to Customer Statement

FIN MT	ISO 20022	ISO 20022 Message Name
MT 192 / MT 292	camt.056.001.xx	FI to FI Payment Cancellation Request
MT 195/ MT 295	camt.026.001.xx	Unable to Apply
	camt.027.001.xx	Claim Non Receipt
	camt.087.001.xx	Request to Modify
MT 196/MT 296	camt.029.001.xx	Resolution of Investigation
MT 101	pain.001.001.xx	Customer Credit Transfer Initiation (Relay Scenario only for CBPR+)
No Equivalent	head.001.001.xx	Business Application Header

New messages for cheque processing and claim & settlement of fees are currently under development and will be available by November 2025.

ISO 20022 – Getting used to new terminology

The implementation of ISO 20022 standards will come together with a number of new terms that users will need to get familiar with:

Global ISO 20022 messages

Global standards for exchanging electronic messages exchanged between financial institutions as published on the ISO website: <https://www.iso20022.org/>. These are maintained internationally under the ISO governance.

Usage/Implementation Guidelines

Set of restrictions and rules applied to the global ISO 20022 messages which can be validated such as the removal of optional elements and multiplicity changes. Example of Usage Guideline: CBPR+ pacs.008.001.08

Like for Like Usage/Implementation Guidelines

Set of restrictions applied to the Global ISO 20022 Standard to align fully with FIN MT. This allows smooth translation MX>< MT with no data truncation.

Enriched Usage/Implementation Guidelines

Set of restrictions applied to the Global ISO 20022 Standard that go beyond the FIN MT. Examples include the CBPR+ and HVPS+ Usage Guidelines

ISO 2022 – Additional Actors

ISO 2022 offers the financial community a set of standards that allow amongst other benefits, more structured data (e.g. structured address), enriched data (e.g. Extended Remittance Information), extended character sets and most importantly, additional actors as shown in the below MT 103/pacs.008.001.xx example:

MT 103	Pacs.008
Field :50: Ordering Customer	Debtor
Field :52a: Ordering Institution	Debtor Agent
Field :53a: Sender's Correspondent	Instructing Reimbursement Agent
Field :54a: Receiver's Correspondent	Instructed Reimbursement Agent
Field :55a: Third Reimbursement Institution	Third Reimbursement Agent
Field :56a: Intermediary Institution	Intermediary Agent 1
Field :57a: Account With Institution	Creditor Agent
Field :59a: Beneficiary Customer	Creditor
Field :72: /INS/ (Repetitive)	Previous Instructing Agent 1 Previous Instructing Agent 2 Previous Instructing Agent 3
Additional Actors available in the pacs.008.001.XX	
Ultimate Debtor	Ultimate party that owes an amount of money to the (ultimate) creditor.
Ultimate Creditor	Ultimate party to which an amount of money is due.
Intermediary Agent 2	Whenever more than two intermediary agents are present, then Intermediary Agent 2 identifies the agent between the Intermediary Agent 1 and the Intermediary Agent 3.
Intermediary Agent 3	Whenever IntermediaryAgent3 is present, then it is the agent between the Intermediary Agent 2 and the Creditor Agent.
Instructing Agent	Agent that instructs the next party in the chain to carry out the instruction.
Instructed Agent	Agent that is instructed by the previous party in the chain to carry out the instruction.

ISO 20022 – Enriched Payment Identifications

The addition of Identification elements, compared to the FIN MT, is particularly important for reconciliation and tracking purposes:

Identification	PointToPoint EndToEnd	Definition	Occurrence
Instruction Identification (Max 35 Characters)	Point to Point	Unique identification, as assigned by an instructing party for an instructed party, to unambiguously identify the instruction.	Optional
Transaction Identification (Max 35 Characters)	End to End	Unique identification, as assigned by the first instructing agent, to unambiguously identify the transaction that is passed on, unchanged, throughout the entire interbank chain.	Conditional Transaction Identification or UETR must be present. Both may be present
UETR (Exact 36 Characters)	End to End	Universally unique identifier to provide an end-to-end reference of a payment transaction.	
End to End Identification (Max 35 Characters)	End to End	Unique identification, as assigned by the initiating party, to unambiguously identify the transaction. This identification is passed on, unchanged, throughout the entire end-to-end chain.	Mandatory
Clearing System Identification (Max 35 Characters)	From Market Infrastructure to its Direct Participant	Unique reference, as assigned by a clearing system, to unambiguously identify the instruction.	Optional

Point to Point: Each Agent in the payment chain can replace the existing reference with its own reference, e.g. Instruction ID

End to End: Once allocated in the Payment Transaction, the Identification must be transported unchanged throughout the whole payment chain, e.g. UETR

Save the date – Module 2 of ISO 20022 – What you need to know series

The next course is scheduled to take place on **Monday 26 October 2020**, 08:00 ET/14:00 CET. During this session, a status update will be given on the various RTGS ISO 20022 migration initiatives and message flows/orchestration for correspondent banks will be presented.

For more information on ISO 20022, please do not hesitate to contact your BNY Mellon Relationship Manager.

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