



International payments – ISO 2022 migration

ISO 2022 migration

In the next five years the central market infrastructures for payments and therefore the basis of the global financial system are going to change fundamentally. As part of this comprehensive transformation the most important market participants will renew their large-value payment systems and rely on a universal standard. The foundation for this will be the ISO standard 2022 which in the payments sector is widely recognised as the future norm.

TARGET2 and the “Vision 2020”

The consolidation of TARGET2 and TARGET2-Securities is one of three sub-projects of the Eurosystem’s “Vision 2020”. The aim of these projects is to make the market infrastructure for payment transactions viable for the future.

As part of the consolidation process, the SWIFTNet FIN messages (MT) which are currently used for payment transactions in TARGET2 need to be replaced by ISO 2022-compliant MX messages. This is one step on the path to creating a global, standard infrastructure for payment transactions.

SWIFT migration

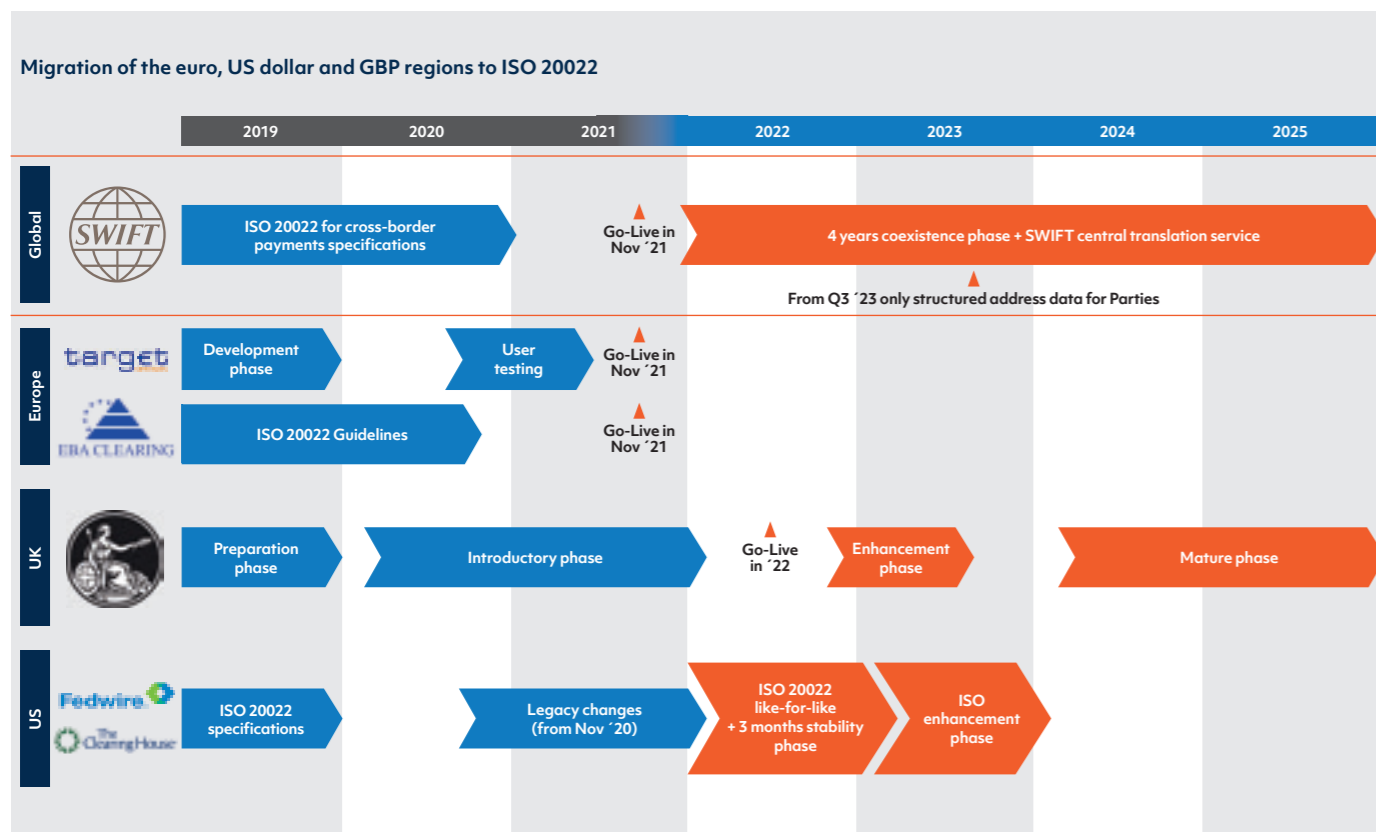
Starting in November 2021 the MT format by SWIFT will be migrated to the ISO 2022 format. The migration is to be completed by 2025.

To facilitate the migration from MT to ISO 2022 there will be a four-year-long phase of coexistence. Possibilities for testing and a conversion service are to aid you during this parallel phase.



International Payments – ISO-20022-Migration

Interdisciplinary and cross-system view of payment transactions



Many questions – not much time

The change of the Eurosystem will be realised as a “big bang” on the 21st of November 2021. Therefore, it is imperative to act quickly.

Since the migration from MT to MX affects all payment transactions of a financial institution, the topic must be viewed across various business- and system-related areas.

The following questions give an initial impression of the things that need to be clarified for the migration:

- Which systems are affected?
- Which formats need to be changed?
- Should a converter be used, or should the format adjustment be carried out in the financial institution's own systems?
- Do alternative systems still need to be supported and, if so, which ones?
- How much time and money will the switchover require?

We support you

We at PPI will help you to identify the need to adapt your systems, formats and interfaces. We will work with you to clarify the time frame in which the adaptations should take place.

We will also help you to determine how much time and money this will cost. We will also be more than happy to help you look for suppliers.

Together, we will draw up a timetable which is tailored to your institution and ensures that payments in your institution continue to run smoothly. For this, PPI offers a T2 catalogue of requirements, a T2 checklist and a T2 mapping table. These tools can help you shorten the project schedule.

Our offer

We offer you the following services:

- Workshops
- Preliminary studies:
 - PPI T2 catalogue of requirements[®]
 - PPI T2 checklist[®]
 - PPI T2 mapping table[®]
- Feasibility studies
- Project management
- Requirements management
- System integration
- Migration
- Test management
- Innovation workshops

Our experience

PPI has an international team of over 50 consultants with experience in all areas of payments, for example:

- Mobile and e-payments
- Clearing and interbank business
- SWIFT and SWIFT gpi
- Implementation of regulatory requirements
- Strategic orientation in payments and card business
- Anti-money laundering
- Risk management
- Innovation management

Your benefits

- A timetable tailored to your company for implementing the ISO 20022 standard
- Information on the affected systems and the expected time and effort required
- Guaranteed stability of the liquidity system
- Ensured smooth run of all operational areas
- If applicable, higher STP rate thanks to elimination of the free-text formats
- Improved integration into the back-office systems and thus easier options for adaptation

For questions and further information:

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