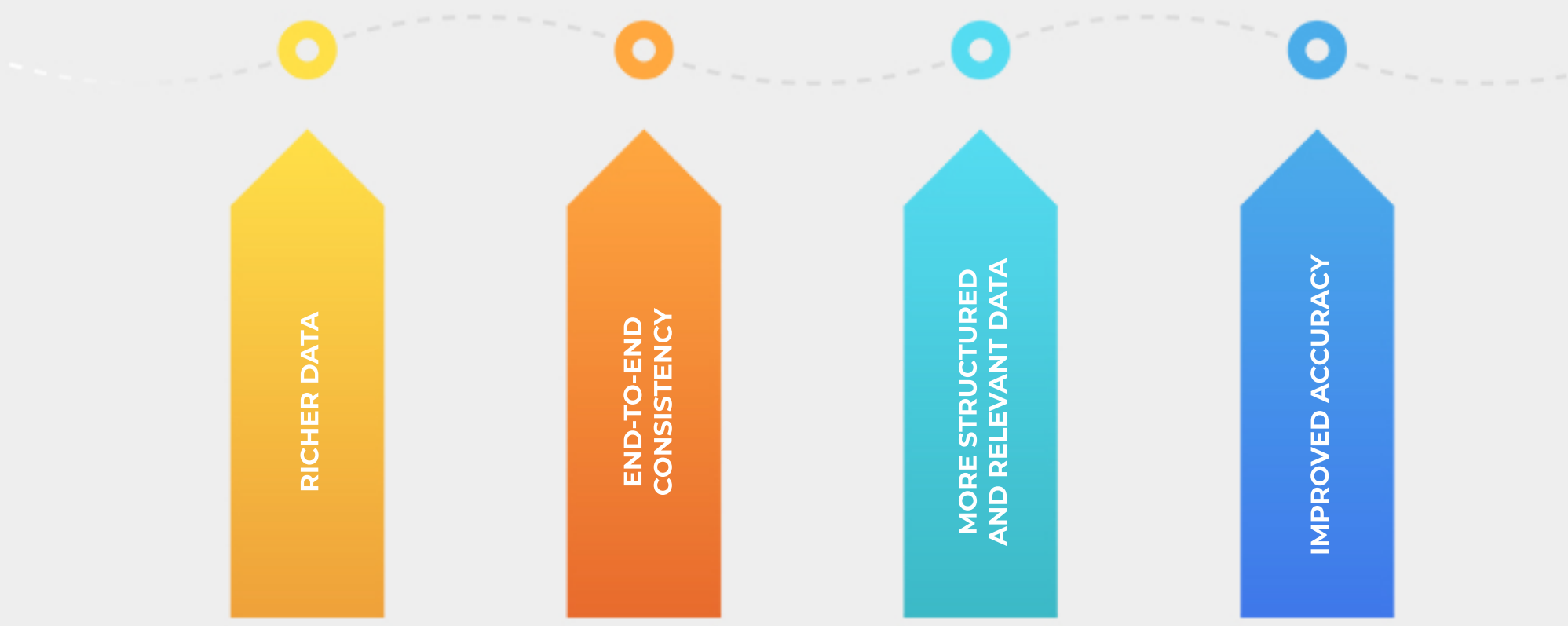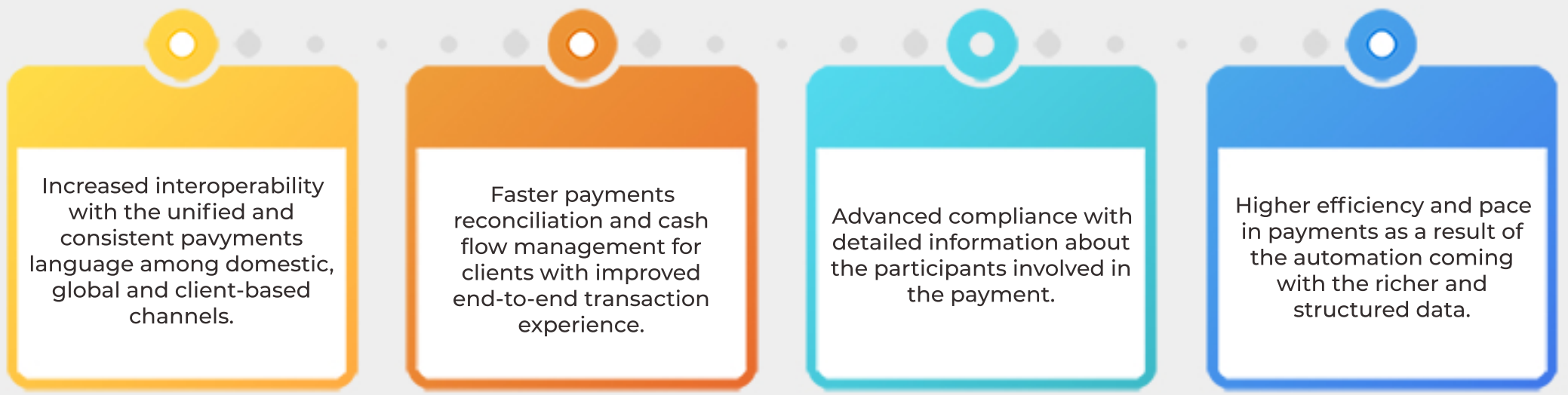# ISO 20022 ROADMAP

ISO 20022 aims to enhance the payments processes by making data more consistent, structured and richer to be in line with the demands and trends of the digitalization. Migration to ISO 20022 for the payments messaging standards is due for the end of 2022 and it is estimated that 80% of all currency settlement will be using ISO 20022 by 2025.
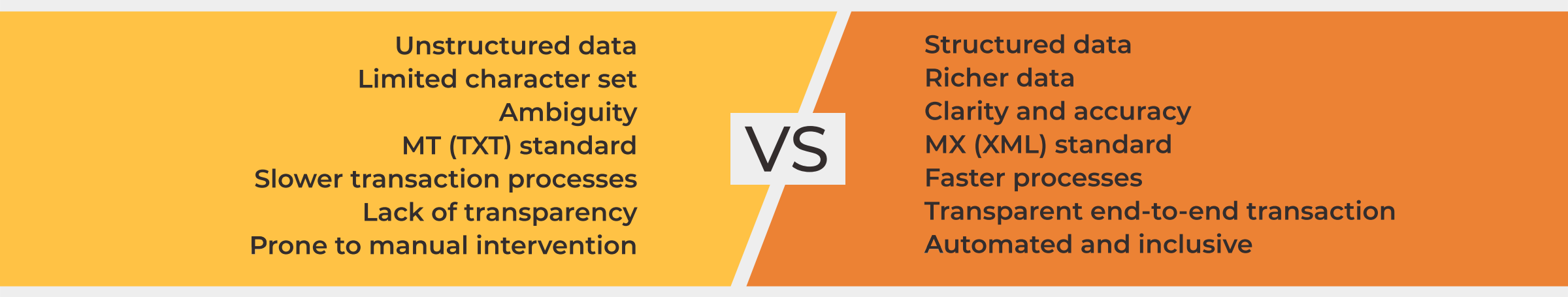
▶ Benefits of ISO 20022 for the payments landscape

- RICHER DATA
- END-TO-END CONSISTENCY
- MORE STRUCTURED AND RELEVANT DATA
- IMPROVED ACCURACY

▶ Benefits of ISO 20022 for better customer experience

Increased interoperability with the unified and consistent payments language among domestic, global and client-based channels.	Faster payments reconciliation and cash flow management for clients with improved end-to-end transaction experience.	Advanced compliance with detailed information about the participants involved in the payment.	Higher efficiency and pace in payments as a result of the automation coming with the richer and structured data.

▶ ISO 15022 vs. ISO 20022: Comparison

	VS	
Unstructured data Limited character set Ambiguity MT (TXT) standard Slower transaction processes Lack of transparency Prone to manual intervention		Structured data Richer data Clarity and accuracy MX (XML) standard Faster processes Transparent end-to-end transaction Automated and inclusive

▶ Structured data vs. unstructured data

```
MT (TXT) standard:
:59:/1234567890
Cuba Libre Bar and Grill
1234 Ocean Drive
90099 LA
```

```
MX (XML) standard:
<Cdtr>
<Nm>Cuba Libre Bar and Grill</Nm>
<PstlAdr>
<StrtNm>Ocean Drive</StrtNm>
<BldgNb>1234</BldgNb>
<PstCd>90099</PstCd>
                        <TwnNm>Los
Angeles</TwnNm>
<CtrySubDvsn>CA</CtrySubDvsn>
<Ctry>US</Ctry>
</PstlAdr>
:
etc.
:
</Cdtr>
```

Source: SWIFT, ISO 20022: Better data means better payments, September 2019

The structured data organization of MX standard enables more accurate data reading, preventing complexities and manual intervention. In the MT version, the name of the bar, "Cuba" might be confused with the country "Cuba" and may cause unwanted issues, require extra time and effort. In the labelled data structure of MX, it is clearly stated that "Cuba" belongs to the name of the institution, while country is indicated within <Ctry> tags as US.

▶ MT-MX Conversion

MT - MX conversion will have a huge impact on operational services in banking industry through migration process of ISO 20022 which will be on the agenda for quite a while in the upcoming years.
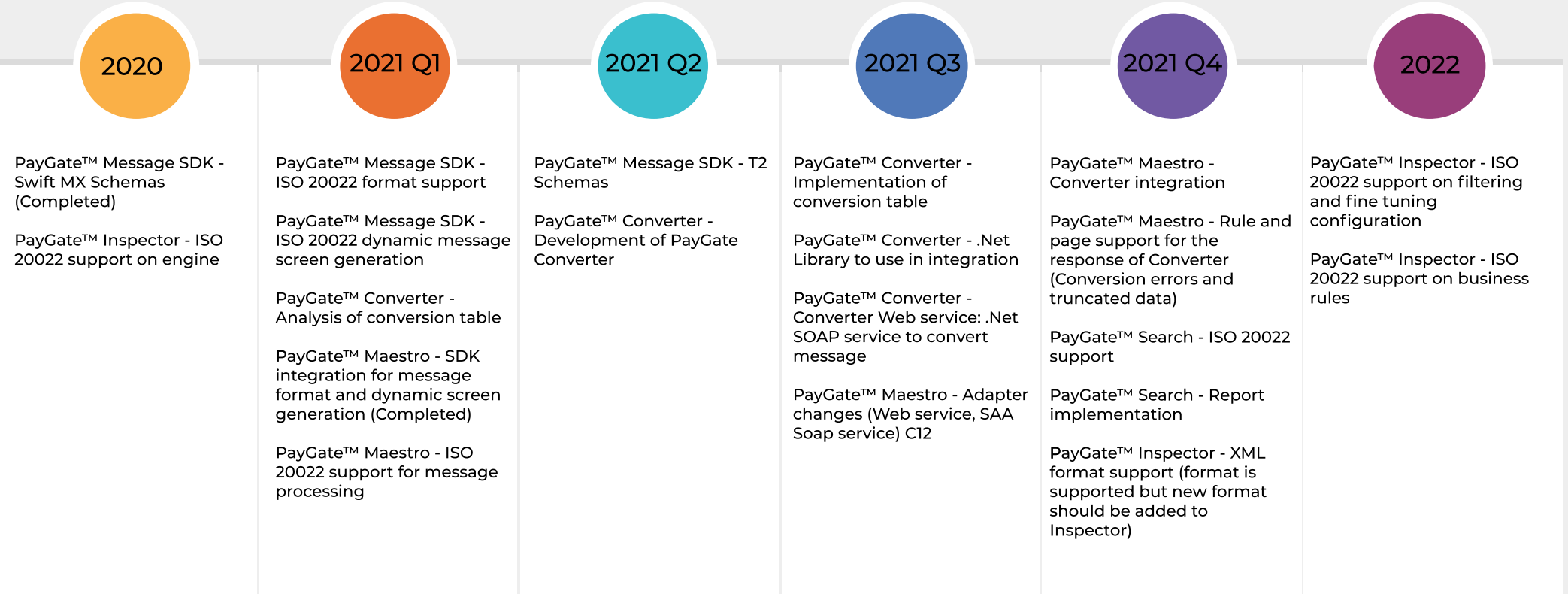
PayGate™ Converter helps build resilience for ISO 20022 compliance with user friendly UX design and corresponding map layouts, assuring immediate translation for your financial messaging needs. It will function as a translation application in the ISO 20022 migration process that will be able to convert messages in MT .txt messages to MX .xml messages depending on the request.

Converter is accessible as a stand-alone and a web integration module which makes the technology simpler to implement in the existing systems.

Converter offers pre-defined translation rules so that the conversion process can be easier and smoother for the customers who are not fully accustomed to the conversion system.

PayGate ™ Converter Offers

- User friendly MT-MX conversion
- Mapping Rule and Schema validation
- Message enrichment prevents loss of data in the conversion process
- Network or interface independent integration

▶ Timeline of Financial Messaging Suite for ISO 20022 Migration

2020	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022
PayGate™ Message SDK - Swift MX Schemas (Completed) PayGate™ Inspector - ISO 20022 support on engine	PayGate™ Message SDK - ISO 20022 format support PayGate™ Message SDK - ISO 20022 dynamic message screen generation PayGate™ Converter - Analysis of conversion table PayGate™ Maestro - SDK integration for message format and dynamic screen generation (Completed) PayGate™ Maestro - ISO 20022 support for message processing	PayGate™ Message SDK - T2 Schemas PayGate™ Converter - Development of PayGate Converter	PayGate™ Converter - Implementation of conversion table PayGate™ Converter - .Net Library to use in integration PayGate™ Converter - Converter Web service: .Net SOAP service to convert message PayGate™ Maestro - Adapter changes (Web service, SAA Soap service) CT2	PayGate™ Maestro - Converter integration PayGate™ Maestro - Rule and page support for the response of Converter (Conversion errors and truncated data) PayGate™ Search - ISO 20022 support PayGate™ Search - Report implementation PayGate™ Inspector - XML format support (format is supported but new format should be added to Inspector)	PayGate™ Inspector - ISO 20022 support on filtering and fine tuning configuration PayGate™ Inspector - ISO 20022 support on business rules

References

- SWIFT. (November 2020). Better data for better payments: The case for investment in ISO 20022. Third party toolkit, 2nd Edition.
- SWIFT. (September 2019). Better data means better payments: Why correspondent banking needs ISO 20022 now.

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