

PAYMENTS MATTER NOW

DATA-RICH EDITION

Countries around the world are moving to ISO 2022, a global payments message standard that supports larger amounts of data to be transmitted in a payment. Imagine the possibilities if payments carried more information with each transaction.

Payment processing is costing Canadian businesses between **\$3 to \$6.5 billion** a year.

WHY?

Labour-intensive matching of customer payments to invoices

Poor visibility into supply chain and collections

Limited predictability of cash inflows and outflows

WHAT IS ISO 2022?



ISO 2022 is a **payments message standard** that allows electronic payments to carry the **rich information** that Canada's future payments system needs.



30 countries have adopted, or are planning to adopt the ISO 2022 messaging standard, helping make cross border transactions **easier** and **more efficient**.



Together with its partners in the ecosystem, Payments Canada is leading the initiative to adopt ISO 2022 and **support** vendors and organizations adopting the standard with **resources** and **services**.

DATA RICHNESS WILL BENEFIT BUSINESSES

HOW?

More data traveling with electronic payments will give **clearer meaning to payments**. Benefits include:



Smoother cross-border exchanges



Innovation in products and services



Less reliance on manual processes and older technologies including cheques



Faster adaptability to changing technology



Opportunities for automation

As **more businesses and countries** adopt the standard, **benefits will compound**.

How? Globally-active businesses will be able to interact more efficiently with multiple banks and better capture and leverage cross-jurisdictional data to run their businesses.

HOW CAN BUSINESSES TAKE ADVANTAGE OF THESE CHANGES AND START PREPARING?

- 1** **Speak with your accounts payable and receivables** team members. What challenges and opportunities for automation and standardization, are they facing?
- 2** **Assess treasury processes**, as greater efficiencies could be achieved through automation, straight-through processing and streamlined file formats, with the help of ISO 2022.
- 3** **Explore the viewpoints** of Canadian corporations that are already fast-tracking their current payments capabilities and evaluating the potential benefits of ISO 2022 through our case studies.
- 4** **Become more informed** about the coming changes to national payments systems by connecting with Payments Canada.

Connect with **Payments Canada** to find out how you can stay involved and share your perspectives. Write to modernization@payments.ca for more information.