

Understanding ISO 20022:

A Resource Guide for Financial Institutions, Corporations, and the Public

Authored by the ISO 20022 Education and Promotion Work Group

of the Remittance Coalition's Vendor Forum¹

Many organizations currently use legacy X.12 Electronic Document Interchange (EDI) standards to enable automated, electronic exchange of key business information associated with payment processing – e.g., invoice and remittance information, deduction and adjustment codes, and more. EDI standards provide significant value to entities that have implemented them. However, these standards are based on dated technology and are expensive and difficult to implement – especially for smaller and newer businesses. Corporates can benefit from ISO 20022 as a means to simplify and standardize their treasury operations. Multinationals may benefit the most, especially those with operations in Europe given its pan-European SEPA payments system based on ISO 20022. Specific benefits cited by corporates that have adopted ISO 20022 include: lower information technology support costs; easier maintenance and troubleshooting; increased straight through processing and visibility into cash balances globally; and mobility of cash across banks and regions.

ISO 20022 is a standards framework for financial services based on XML and other contemporary technologies. The ISO 20022 repository holds many payment message standards and recently has approved remittance message standards that can replace legacy EDI standards for interested organizations. For example, in 2014, two new ISO 20022 messages were established to carry remittance information: 1.) REMT1 sends full remittance detail as a stand-alone message 2.) REMT2 sends a link or other method to find the full remittance detail, also as a stand-alone message.²

While ISO 20022 remittance formats hold promise for companies seeking to gain efficiencies in their payment processes, there is a distinct lack of understanding of the standard and its benefits. For this reason, the Remittance Coalition, through its Vendor Forum subgroup,

¹ Contributing Work Group members include: Katy Jacob, Federal Reserve Bank of Minneapolis (co-chair); Tammie Calys, Transformation Management Consulting (co-chair); Roger Bass, Traxiant; Bob Blair, X9; Janet Busch, X9; Roy DeCicco, JP Morgan Chase, Nell Campbell-Drake, Federal Reserve Bank of Atlanta; Malene McMahon, SWIFT; Patti Ritter, Republic Services; Sandra Roth, Johnson & Johnson; Steve Stevens, X9; Claudia Swendseid, Federal Reserve Bank of Minneapolis; Rob Unger, NACHA; Rich Urban, IFX Forum.

² The Remit Info segment that was enhanced with the development the REMT messages can be included with payments using the updated versions of pain, pacs, camt and other ISO 20022 messages. For more information on stand-alone remittance messages, visit

https://www.iso20022.org/display_news.page?dataitem=en/20140417_stand_alone_remittance_advice

has established a workgroup to collaborate with other industry groups to provide education about the ISO 20022 standard and encourage its adoption.

During the first quarter of 2016, the Vendor Forum's ISO 20022 Education and Promotion work group identified resources available to drive a broader understanding of the ISO 20022 standard and its applications in the market. The work group then categorized and compiled the resources into a single location for public use. This guide encapsulates those resources.

This guide is intended to be a living document that can be updated as new resources become available. If you have suggestions for additions to this guide, please contact Katy Jacob of the Federal Reserve Bank of Minneapolis at: remittance.coalition.smb@mpls.frb.org.

RESOURCE LOCATOR

To help readers find the resources that would be most beneficial for them within this guide, we have developed the following resource locator, which includes basic questions about what readers might be looking for, with links to corresponding page and resource item numbers.

[Text with this format will hyperlink to topic.](#)

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I am interested in understanding more about the basics of remittance information and I’m new to payments standards.

General Topic	Specific Reference(s)
GENERAL ISO 20022 RESOURCES:	<ul style="list-style-type: none"> • ISO 20022: The Official Site • Webinar - ISO 20022 Payment Messages in the U.S. • SWIFT MyStandards • Remittance Standards Inventory
RESOURCES FOR USING ISO 20022 IN THE ACH NETWORK:	<ul style="list-style-type: none"> • ISO 20022 – Messages Specifications
RESOURCES FOR USING ISO 20022 FOR WIRE TRANSFERS:	<ul style="list-style-type: none"> • ISO 20022 – Payment Messages Specifications

I am looking for general information on the ISO 20022 standard.

General Topic	Specific Reference(s)
GENERAL ISO 20022 RESOURCES:	<ul style="list-style-type: none"> • ISO 20022: The Official Site • ISO 20022 - Supporting Documentation • Webinar - ISO 20022 Made Simple • SWIFT MyStandards
RESOURCES FOR USING ISO 20022 IN THE ACH NETWORK:	<ul style="list-style-type: none"> • NACHA ISO 20022 Resource Center • Introduction to ISO 20022
RESOURCES FOR USING ISO 20022 FOR WIRE TRANSFERS:	<ul style="list-style-type: none"> • ISO 20022 Section of the SWIFT Website • ISO 20022 Support Section • Standards Document Center

I am looking for mapping tools to help move from legacy EDI standards to ISO 20022.

General Topic	Specific Reference(s)
GENERAL ISO 20022 RESOURCES:	<ul style="list-style-type: none"> Understanding the ISO 20022 Stand-alone Remittance Messages
RESOURCES FOR USING ISO 20022 IN THE ACH NETWORK:	<ul style="list-style-type: none"> ACH-ISO 20022 Mapping Guide XML-ACH Remittance
RESOURCES FOR USING ISO 20022 FOR WIRE TRANSFERS:	<ul style="list-style-type: none"> Mapping Table – Fedwire

I am looking for more information on the U.S.’s plans for implementing the ISO 20022 standard.

General Topic	Specific Reference(s)
GENERAL ISO 20022 RESOURCES:	<ul style="list-style-type: none"> ISO 20022 Assessment Report Research Results Summary Webinar - ISO 20022 Payment Messages in the U.S.
RESOURCES FOR USING ISO 20022 IN THE ACH NETWORK:	<ul style="list-style-type: none"> NACHA ISO 20022 Resource Center Introduction to ISO 20022 NACHA ISO 20022 Strategy
RESOURCES FOR USING ISO 20022 FOR WIRE TRANSFERS:	<ul style="list-style-type: none"> Adoption of ISO 20022 for Wire Transfer Considerations for U.S. Wire Transfer Systems

I am interested in ISO 20022 implementation around the world for my multi-national business.

General Topic	Specific Reference(s)
RESOURCES FOCUSED ON GLOBAL IMPLEMENTATION OF ISO 20022:	<p>This entire section is devoted to these questions</p> <ul style="list-style-type: none"> ISO 20022 - Implementation Best Practices Related to Payments Common Global Implementation-Market Practice International Payments Framework Association ISO 20022 Adoption mApp

GENERAL ISO 20022 RESOURCES:

These resources provide an overview of the ISO 20022 standard, its history, challenges and opportunities. Any organization seeking to more thoroughly understand ISO 20022 and its applicability to their respective environment should benefit from review of the content provided.

1. **ISO 20022: The Official Site for the ISO 20022 Standard.** 2016.
<https://www.iso20022.org/>

The ISO 20022 website contains various resources (technical and business) related to all financial domains covered by ISO 20022, including payments.

2. **ISO 20022 - Supporting Documentation, “101 booklet”, Adoption Reporting, Presentations and Newsletter,** 2016: https://www.iso20022.org/about_iso20022.page

This area of the ISO 20022 site contains general resources about ISO 20022, including: ISO 20022 for Dummies: A primer on ISO 20022 (this resource is an online book, not a pdf document); overview presentations on ISO 20022 organization and process; Adoption Reporting – A catalog of communities (primarily market infrastructures) that have implemented or have plans to implement ISO 20022. Details, where provided by the market infrastructure, are included. The newsletter includes articles (business and technical) from schema submitters, implementers and others on various payment system implementations of ISO 20022.

3. **ISO 20022 Assessment Report: Extract and Discussion Document,** 2013:
https://www2.nacha.org/system/files/Resource_with_terms/jp--ISO_Assessment_Discussion%20Document_FINAL4.pdf

In 2013, a stakeholder group consisting of The Federal Reserve Bank of New York, The Clearing House Payments Company LLC, NACHA – The Electronic Payments Association, and the Accredited Standards Committee X9, Inc. engaged KPMG LLP (KPMG) to objectively evaluate the business case for or against adoption of ISO 20022 payment messages by U.S.-based financial institutions, payment clearing and settlement infrastructures, and corporate customers. This document outlined KPMG’s findings.

4. **Research Results Summary: ISO 20022 Business Case Assessment, 2015:**

https://fedpaymentsimprovement.org/wp-content/uploads/iso_20022_business_case.pdf

This report includes a summary with updates of a study jointly commissioned by the Federal Reserve, The ClearingHouse, NACHA, and X9 assessing the business case for use of ISO 20022 in the U.S. payment infrastructures. Information focuses on utilizing ISO 20022 to improve the efficiency of cross-border payments, with some focus on domestic payments.

5. **Webinar - ISO 20022 Payment Messages in the U.S., 2015:**

<https://www.youtube.com/watch?v=SGdUu2K1kIA>

This 90 minute webinar documents the case for the implementation of ISO 20022 standards in U.S. payment systems.

6. **Webinar - ISO 20022 Made Simple, 2014:**

<https://www.youtube.com/watch?v=p0UJfeAfdm0>

The webinar provides a simple overview of the ISO 20022 standards family.

7. **SWIFT MyStandards, 2016:**

https://www2.swift.com/mystandards/baseStandards/mxStandards.xhtml#mx/ba/_sPQOvmtdEeCY4-KZ9JEyUQ_-735475843

The MyStandards web platform provides registered users downloadable pdf documentation related to all of the current (and previous) versions of all ISO 20022 message suites. There is no cost to register.

8. **Remittance Standards Inventory - A Publication of the Remittance Coalition (X9 TR-44-2013)** <https://x9.org/wp-content/uploads/2014/02/X9-TR-44-2013-Final.pdf>

This technical report published by ASC X9 is an inventory of payment and remittance information standards and includes information about ISO 20022 prepared by ASC X9 for the Remittance Coalition.

9. **Understanding the ISO 20022 Stand-alone Remittance Messages, 2014:**

http://www.ifxforum.org/docs/Understanding_the_ISO_20022_Stand-Alone_Remittance_Messages.pdf

This white paper, available from IFX Forum, Inc. provides in-depth background about the ISO 20022 Stand-alone Remittance messages; why they were developed, how they were developed, the use cases they address, and the case for adoption of the messages by industry and financial service providers. Many examples are included in order to familiarize the reader with the structure and capabilities of the messages. IFX Forum developed the ISO 20022 remittance messages and the enhanced versions of the Remit Info segments that carry the same data directly in ISO 20022 payment messages. An associated PowerPoint presentation summarizes the white paper:

http://www.ifxforum.org/docs/ISO20022_REMT_messages_summary.pdf

RESOURCES FOR USING ISO 20022 IN THE ACH NETWORK:

The resources below are targeted to those seeking to understand the applicability and utilization potential of ISO 20022 within the ACH Network. Financial Institutions in particular should find these resources to be valuable. Corporations may benefit from understanding how those organizations supporting their ACH payment processes could capitalize on leveraging the standard.

1. **NACHA ISO 20022 Resource Center**, 2015: <https://www.nacha.org/ISOresources>

This is the main page for NACHA resources and information on ISO 20022.

2. **Introduction to ISO 20022 for U.S. Financial Institutions**, 2015:
<https://www2.nacha.org/webform/introduction-iso-20022-US-financial-institutions>

The focus of this report is to shed light on the ISO 20022 practices and opportunities in the U.S. and global payments landscape, and to dispel myths surrounding what use of this standard can and cannot support.

3. **ACH-ISO 20022 Mapping Guide & Tool** (link has accompanying webinar recording and fact sheet), 2015: <https://www.nacha.org/iso-20022-mapping>

NACHA's ISO 20022 Mapping Guide & Tool enables financial institutions to support businesses that leverage the ISO 20022 standard by providing standardized guidance to facilitate translation of ISO 20022 pain.001 credit transfer payment messages into ACH transactions.

4. **XML-ACH Remittance Information** (XML-ACH) (link has accompanying fact sheet), 2015:
<https://www.nacha.org/programs/xml-ach-remittance-xml-ach>

NACHA's XML-ACH Remittance Opt-in (XML-ACH) Program allows participants to safely and securely transmit ISO 20022 approved payment remittance (remt.01/02) information for B2B transactions in a standardized XML format via the ACH Network.

5. **NACHA ISO 20022 Strategy for the ACH Network, 2015:**
<https://www.nacha.org/system/files/resources/NACHA%20ISO%2020022%20Strategy.pdf>

This resource provides an overview of NACHA's support for integration of ISO 20022 in the U.S. ACH Network, and considerations for conversion of ACH formats to ISO 20022.

6. **The Federal Reserve System's Resource Center for Adoption of ISO 20022 for Wire Transfers and ACH Payments, 2016:**
<https://fedpaymentsimprovement.org/payments-efficiency/iso-20022/>

This webpage includes documentation addressing U.S. wire payment systems' potential use of ISO 20022 for payments and remittance information.

7. **ISO 20022 – Messages Specifications (schema) and Official Documentation, 2016:**
https://www.iso20022.org/payments_messages.page

This site includes a repository of all base payment message specifications (schema). It includes pacs (interbank and MI) as well as pain (corporate to bank) schema. The site also contains information about mandatory documentation – Schema, Message Definition (technical description of the schema), as well as sample messages, message usage Guides, variants, etc. where provided by the submitter.

RESOURCES FOR USING ISO 20022 FOR WIRE TRANSFERS

The information included here is useful for those organizations supporting both domestic (U.S.) and international payments; it is geared toward those entities that utilize wire transfer systems for large value payments.

1. **The Federal Reserve System’s Resource Center for Adoption of ISO 20022 for Wire Transfers and ACH Payments**, 2016: <https://fedpaymentsimprovement.org/payments-efficiency/iso-20022/>

This webpage includes documentation addressing U.S. wire payment systems’ potential use of ISO 20022 for payments and remittance information.

2. **ISO 20022 Adoption Considerations for U.S. Wire Transfer Systems Presentation**, 2015: https://fedpaymentsimprovement.org/wp-content/uploads/iso20022_adoption_considerations_presentation.pdf

This presentation provides an overview of requirements of the U.S. wire payment systems (Fedwire and CHIPS) addressed by the ISO 20022 standard.

3. **ISO 20022 Section of the SWIFT Website**, 2016: <https://www.swift.com/standards/about-iso-20022>

This section of SWIFT’s website provides an overview of ISO 20022 (including a small video) related to using ISO 20022 as a methodology, or recipe, for creating financial messaging standards.

4. **ISO 20022 Support Section of the SWIFT Website**, 2016: <https://www.swift.com/standards/about-iso-20022/supporting-iso-20022#topic-tabs-menu>

This section of SWIFT’s website provides information about SWIFT’s role in standards, ISO 20022 and related market practices.

5. **Standards Document Center on SWIFT’s Website** (ISO 20022 documents), 2016: <https://www.swift.com/standards/standards-resources>

SWIFT’s site contains several documents related to ISO 20022’s role in payments, including articles that focus on best practices, case studies, and research.

6. **Mapping Table – Fedwire Business Remittance Information Mapped to ISO 20022 and STP 820, 2012:**

<https://www.frbservices.org/campaigns/remittance/index.html?id=58&loc=3>

This document cross references message specifications for remittance information: Fedwire ERI and CHIPS STP to ISO 20022.

7. **ISO 20022 – Payment Messages Specifications (schema) and Official Documentation, 2016:** https://www.iso20022.org/payments_messages.page

This site includes a repository of all base payment message specifications (schema). It includes pacs (interbank and MI) as well as pain (corporate to bank) schema. The site also contains information about mandatory documentation – Schema, Message Definition (technical description of the schema), as well as sample messages, message usage guides, variants, etc. where provided by the submitter.

RESOURCES FOCUSED ON GLOBAL IMPLEMENTATION OF ISO 20022

The resources contained in this section are intended for audiences with an interest in the global implementation of the ISO 20022 standard, including international best practices and interoperability issues.

1. ISO 20022 - Implementation Best Practices, 2014

<https://www2.nacha.org/webform/iso-20022-implementation-best-practices>

The International Council of Payment Association Chief Executives (ICPACE) asked Lipis Advisors to investigate the best practices for implementing ISO 20022 in early 2014. This document details lessons learned from communities that have completed adoption or are in the process of migrating to ISO 20022. No-cost registration is required to access this resource.

2. Implementation-Specific Information on ISO 20022 Related to Payments, 2016:

https://www.cdnpay.ca/imis15/eng/Our_Strategy/eng/strategy/ISO_20022.aspx
and <http://www.europeanpaymentscouncil.eu/index.cfm/sepa-credit-transfer/iso-20022-message-standards/>

The above links provide information on ISO 20022 implementation in Canada and Europe.

3. Common Global Implementation-Market Practice (CGI-MP), 2016:

<https://corporates.swift.com/en/cgi-mission-and-scope>

This site outlines the work products of a market practice group working to harmonize use of the corporate-to-bank payment-related-standards across banks, countries and payment systems to increase the level of standardization. Resources include: CGI-MP specified schema, FAQ, mission statements (context), support statements from SAP, SunGard, others.

4. International Payments Framework Association (IPFA) Website, 2016:

<https://www.ipf-a.org>

This site provides an overview of the IPFA, along with its mission and member base, and highlights the use of its IPFA ISO 20022 message standard framework that facilitates interoperability between counterparties for cross-border payment processing.

5. **ISO 20022 Adoption mApp** (for iPads in the Apple App store), 2016

The ISO 20022 Adoption mApp is a mobile application that provides an easy to use overview of 81 initiatives around the globe where ISO 20022 is being adopted as the standard. All 81 of these initiatives have given permission (and provided the details) for their information to be published.