THE MIGRATION MONITOR

YOUR QUARTERLY ISO 20022 INDUSTRY MIGRATION PROGRAM NEWSLETTER

WELCOME

Welcome once again to the Migration Monitor – your quarterly ISO 20022 Industry Migration Program newsletter. Each quarter, we provide a high-level update on where the Program is up to and where we are headed. The Newsletter is published with a readership of vendors, service providers and non-Participant stakeholders in mind.

We are now live! On Monday, 20 March 2023, the Australian HVCS, like CBPR+, Payments Canada, New Zealand, and ECB's TARGET2, went live with ISO 20022 messaging. This huge milestone marks the end of Phase 1 activities. In this edition of the Monitor, we recap on what that means, wrap up Phase 1, and dive into Phase 2 activities.

Please feel free to contact our team via email at iso20022@auspaynet.com.au if you would like to suggest topics for future editions.

HANDY LINKS & RESOURCES

There is a whole library of resources available to vendors, service providers and non-Participant stakeholders:

- General information on HVCS (here too), including AusPayNet's HVCS Regulations and Procedures.
- General information about the RBA's RITS (the Reserve Bank Information and Transfer System) and its framework and processes.
- Link to the RBA consultation (there's two!) and their conclusions paper – the original consultations that kicked off the Migration Program in Australia and appointed AusPayNet as the central coordination authority.
- General information about the ISO 20022 standards, including external code lists.
- The HVCS Community on MyStandards provides access to the HVCS ISO 20022 MUGs (including relevant Release Notes) and key Program documentation.

FROM THE PROGRAM DIRECTOR...

Congratulations to our 50 HVCS Participants on reaching the amazing milestone on 20 March 2023, of Go Live for ISO 20022 in the MX HVCS Closed User Group.

In the first week of operation we saw around 26% of HVCS traffic volume processed as MX messages.

The beginning of our Migration Program certainly feels like a long time ago now, starting with the consultation by the RBA back in 2019. In February 2020, the RBA published its conclusions, setting the path for the industry's migration to ISO 20022 and appointing AusPayNet as the central coordination authority for the Migration Program.

Undoubtedly, this has been the largest and most complex program of work AusPayNet has ever undertaken in-house.

Even though we didn't get to go live last November, all 50 of our HVCS Participants were fully tested, certified and read to go on time. A rare feat, considering that this type of large-scale whole-of-industry initiative is notoriously difficult to deliver successfully.
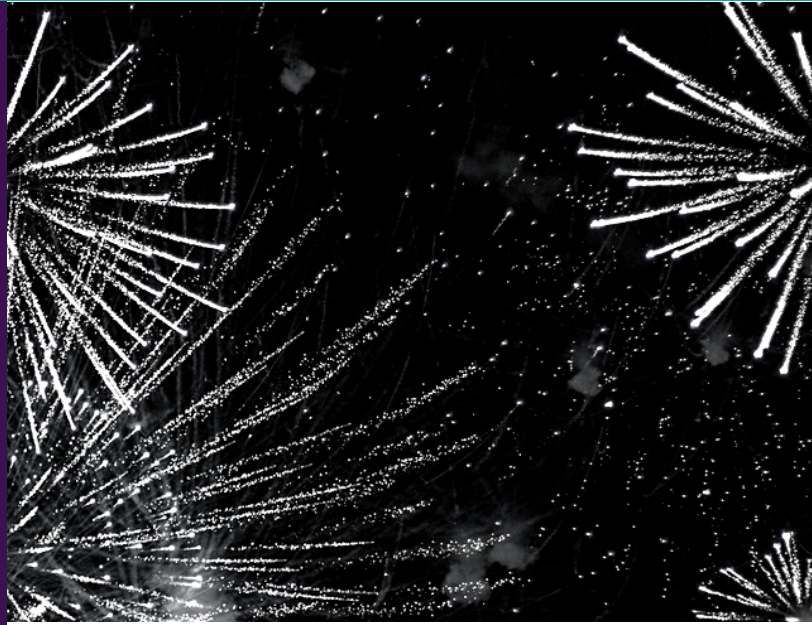
I commend all of our HVCS Participants on their dedication, spirit of mutual support and cooperation, in helping their fellow Participants. Collaboration has been crucial to our success.

The strategic significance of this migration must be acknowledged. We are creating a platform ready to meet the future needs of Australia's payments system and the global payments community.

I also need to give a huge thank you to our small, dedicated, and highly skilled PMO team: Mel Gauci, Anne-Katrin Schwarz, Jess Szakacs, James Tizzard, Landy Randall, Mel Hams and Claudia Lucas. As well as Kat Katsoulis, Liane Thompson and Alida Macalister who have each moved onto other things. None of this could have happened without their tireless efforts.

Of course, there remains a great deal of work to do for the industry to complete its migration and start to leverage the potential benefits. The PMO and Migration Program will be here to help on that journey throughout Coexistence and beyond.

Rob Magee

Q1 2020
RBA publish Conclusions paper appointing AusPayNet as central coordination authority for the Industry Migration Program

Q2 2020
Program Governance structured established. AusPayNet selected to run the PMO in house

Q3 2020
Design & Requirements, and Back Office Requirements & Support Workstreams mobilised

Q3 2021
Version 1 Back Office Requirements (BORS) Document and Message Usage Guidelines (MUGS) published

Q1 2022
Final version BORS and MUGS published

Q2/Q3 2022
Pre-Prod and Prod CUGs provisioned, Industry Testing is completed

Q4 2022
Plans to go live in November 2022 are postponed to March 2023

March 2023
Transition to Live and Go Live

GO

Q1 2023
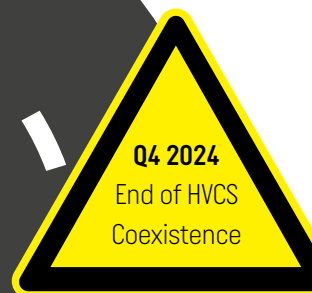Mobilise Structured Data and Implementers Workstreams

Q4 2023
Structured Data Market Practice and Adoption Plans agreed

Q4 2023
Structured Data Market Practice and Adoption Plans agreed
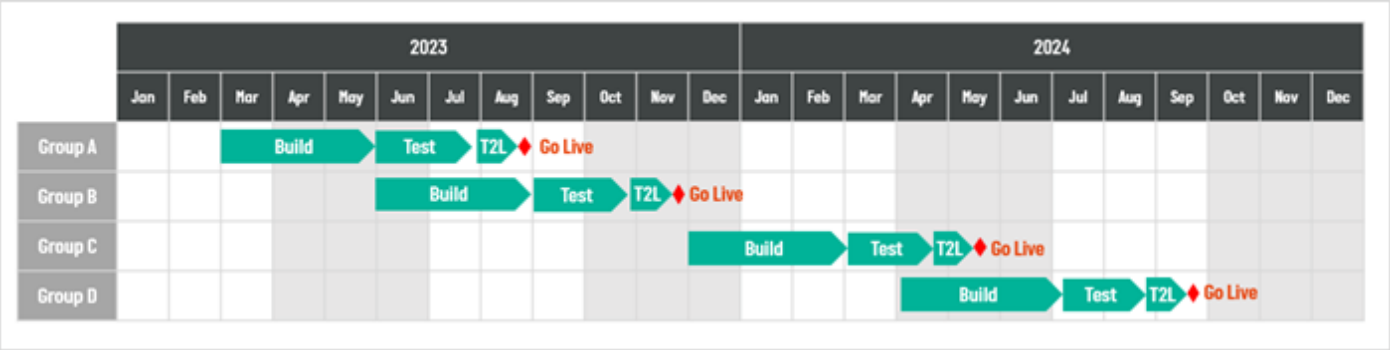
Q4 2024
End of HVCS Coexistence

2024 onwards
Structured Data adoption

Q4 2025
2025 Standards Release marking first major version change for MX

AND WHERE WE ARE GOING...

	2023												2024											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Group A			Build →			Test →		T2L ◆ Go Live																
Group B					Build →			Test →		T2L ◆ Go Live														
Group C										Build →			Test →		T2L ◆ Go Live									
Group D													Build →				Test →		T2L ◆ Go Live					

IMPLEMENTATION WORKSTREAM

An Implementation Framework has been agreed that forms a repeatable cycle to be used for each implementation group. Each cycle will cover planning, build, test and transition to live over a six month cycle.

The schedules for each instance of the framework are shown in the graphic above.

All Participants will nominate which group or groups they will join to implement their remaining ISO 20022 send-functionality, including exception and investigation messages.

This means all HVCS Participants will complete their migration to ISO 20022 for all HVCS messaging before the end of Coexistence.

Group A has already been formed and locked in its schedule.

STRUCTURED DATA WORKSTREAM

Market Practice will be developed for each of the following topics through a series of Participant workshops.

- LEI (Legal Entity Identifers)
- Purpose Codes
- Structured Remittance
- Structured Address
- Other Topics
- Adoption Planning

The first topic was Legal Entity Identifiers (LEIs). LEIs support faster and more accurate identification of parties involved in a payment chain which will bring efficiencies when processing cross border payments. This aligns with the G20 objectives to provide faster, cheaper and more transparent cross border payments.

Adoption planning, which will include consideration of timelines, lead times, adoption tracking and solutions to adoption challenges, will also be covered off for each topic.

The draft LEI market practice, at a high level, proposes a mandatory use of LEI (where it is available) in some parts of the message, recommended use of LEI (where it is available) in other parts of the message, and some considerations regarding message translation and managing inconsistent or conflicting information.

The draft market practice also encourages promotion of the adoption of LEIs by corporates.

After each set of market practice goes through the required approval steps, it will be presented to all Participants to ensure they remain fully informed. Some information will also be made publicly available, and Participants will be free to brief their vendors and customers on requirements and plans for adoption.

KEY PROGRAM DOCUMENTATION

Key Document	Description	Location
HVCS Message Usage Guidelines (MUGs)	ISO 20022 message specification, hosted on MyStandards Collection: APN_HVCS_2020 // Current Technical Version 9	Available via the HVCS Community in MyStandards
FAQ Register V8	Bringing together all of the available information related to the Industry Migration Program, along with answers to dozens of frequently asked questions. These questions have been compiled from a range of sources including Participant meetings, working group meetings, ISO Bites sessions, the PMO mailbox and Participant support requests.	
Industry Test Workbook V3.1	Articulation of Industry Test requirements, cases and scenarios, forming the foundation for Participant progress reporting and certification.	
Emulator Information Pack V2	A compilation of how-to guides, demo videos and security information relating to the Unifits HVCS ISO 20022 Emulator.	
MUG Comparisons – HVCS to CBPR+	Line by line comparisons between HVCS and CBPR+ message specifications. (current as of January 2022)	
MUG Release Notes	Release notes, updated as we progress through different versions of the MUGs. (current as of January 2022)	
Migration Monitor	Public/vendor facing newsletter providing a program overview/update.	Available via ISO 20022 page on the AusPayNet website
Migration Services Marketplace	Summary and contact information for vendors and service providers related to the Industry Migration Program.	

WHAT'S NEXT?

In the coming quarter we will progress through the development of market practice and adoption plans for LEIs, Purpose Codes and Structured Remittance. Implementation Group A will be nearing the end of testing, and Group B will be mid-way through their build phase.

Look out for the July edition of the Migration Monitor for updates on those topics and more.

In the meantime, if you have any questions, or would like any further information, please feel free to contact the PMO via email to iso20022@auspaynet.com.au.

The PMO welcomes all feedback from Participants and Program Stakeholders to support our commitment to continuous improvement. We are particularly interested in what is working well, and what else you would like to see from the Program. Please use this form to submit your feedback.

Australian Payments Network

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