

# Supercharge your payments business with ISO 20022

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Leading financial institutions  
share insights on the concrete  
benefits opened up by  
ISO 20022's rich, structured  
data capabilities.

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The transition  
to ISO 20022  
is underway  
in payments.

Standards coexistence of ISO 20022 and MT formats for cross-border payments and reporting messaging started successfully in March 2023, marking a major industry milestone on the journey to better data quality, and instant and frictionless payments.

By adopting the ISO 20022 data structure, financial institutions can ensure they meet their customers' evolving needs. They can also more easily meet regulators' requirements, gain operational benefits, and unlock opportunities to protect and grow their businesses with smarter insights and enhanced automation.

To reap the rewards though, you need to adopt ISO 20022 natively. So, what are the most promising use cases for ISO 20022? What tangible benefits should you be aiming for? And how can you build your internal business case?

# Learn from your peers

This ebook is intended for decision-makers at financial institutions who want to gain a clearer understanding of the ISO 20022 opportunity.

In the following pages, early adopters of ISO 20022 share their learnings and insights around the strategic, long-term opportunities that ISO 20022 provides for payments processing.

With their help, we've outlined six different use cases for ISO 20022. These illustrate some of the ways you can achieve two key goals:



## **Run your business**

Harness ISO 20022 to achieve quantifiable efficiency gains.



## **Grow your business**

Drive benefits for your customers while protecting or growing your market share.

# Join the collective effort

To maximise the ISO 20022 opportunity, financial institutions need rich, structured data in the messages they originate and receive.

You don't need to wait for full community adoption. By adopting ISO 20022 today, you can already start to tap into the benefits it offers.

Read on to find out how you can build your business case and the benefits you can expect from adopting an ISO 20022-native approach.



# Why ISO 20022?



In an increasingly complex and interconnected world, the richness of the data required for fast and secure processing of cross-border payments continues to grow as well.

That's why the financial industry is taking steps to significantly enhance end-to-end data quality with richer and more structured payments and reporting message data. This is being achieved by taking advantage of the opportunities presented by ISO 20022.

# No more need for workarounds

Many of the data fields available in MT messages today are size restricted or optional for use, leading to business data restrictions, omissions, or truncation. And for some information, dedicated fields simply aren't available when using existing messaging formats.

Financial institutions have adapted by finding workarounds and stretching the use of the available fields to the limit. But with different institutions and market infrastructures having adopted standards differently, or using different workarounds, this approach inevitably creates additional friction. And this can result in high levels of rejected messages, investigations, operational overheads and, ultimately, a poor customer experience.

For example, regulators are increasingly looking for more transparency on the parties involved in a payment and its purpose. However, today's MT formats typically define unstructured name and address fields for basic parties, and don't allocate fields for parties involved in more sophisticated use cases at all. Nor do they allocate fields for payment purpose codes. And with no specific data field available – or with character restrictions limiting the information that can

be included – institutions tend to add anti-money laundering (AML) information wherever they can fit it in.

This might involve combining a regulatory purpose and ultimate parties in a remittance information field, or adopting an unstructured format for name and address. Either way, this creates challenges.

Combining names and addresses in the same field can lead to friction in sanctions screening checks and when attempting to capture the context of the data. And the limits of existing formats mean that quality parsing of contextual elements is degraded. For instance, an unstructured element “CA” in the party field could mean either Canada’s country code, or California.

**The result:** manual effort, increased friction, high levels of investigations and false positives, and delayed customer payments.

# How can ISO 20022 help?

By adopting ISO 20022, financial institutions gain certainty on the purpose and definition of data.

This leads to:

- **Greater operational efficiency** – ISO 20022 messages support higher straight-through processing (STP) rates while reducing exceptions.
- **Better risk management** – richer data enables more effective screening, such as targeted data screening and faster deployment of software releases.
- **Improved customer service** – meet your customers' demands for transparency of payment fees, clear remittance information, and estimated settlement times, leading to more efficient reconciliation.
- **Innovation opportunities** – use ISO 20022 to better understand your customers' needs and innovate your products through data-driven insights and richer reporting.

- **More interoperability** – the unambiguous mapping of cross-border payments data elements spanning various networks, formats, and market practices (including corporate-to-bank and domestic payment systems) reduces data translation and truncation challenges.
- **Increased flexibility** – ISO 20022 is agile enough to accommodate different technical syntaxes (XML and JSON) and different integration styles (messaging and APIs).

ISO 20022 also addresses existing challenges in nostro reconciliation. Most unmatched nostro items result from a lack of underlying data in statements and reporting. By enabling all data associated with a transaction to be reported, ISO 20022 can help to minimise the number of unmatched items.

# The importance of an end-to-end approach

ISO 20022 provides a common, interoperable standard for all steps in the payments value chain, from payment initiation (corporate-to-bank) to correspondent banking and market infrastructure settlement processes, and ultimately cash reporting.

For the cross-border steps, Swift ensures that once rich and/or structured ISO 20022 data is present in the payment transaction, it's protected all the way to the end.

So, to benefit fully from ISO 20022, it's important that rich, structured, and correct transaction data is captured at source. Full details of the debtor (ordering customer) will typically be populated from the customer details held by the originating bank, and data remediation might be needed to ensure that this information is as clear and well-structured as it can be.

Much of the remaining data – creditor account and identification details, remittance information, and purpose codes – is provided by the debtor via the bank's channels. Best practices are to:

- Ensure that as much data as possible is pre-validated to minimise the risk of downstream automation breaks.
- Ensure your customer channels support ISO 20022 data structures, whether your channels are message-based (where ISO 20022 payment initiation messages can be used directly), APIs, eBanking GUIs or smartphone apps.



# Why adopt ISO 20022 now?



Payment volumes are steadily increasing, with rapid growth set to continue as different industries experience rising levels of activity, buoyed by the arrival of new entrants and the interconnectedness of economies.

At the same time, financial institutions face growing competition in the world of payments. And in this environment, you have to continue to evolve to capture business opportunities to set yourself – and your customers – up for long-term success.

# Rise to the challenge

To remain relevant and competitive, it's essential that financial institutions continue to embrace frictionless payments, evolve their services, and improve the efficiency of their payment processing.

In this high-stakes market, financial institutions also need to be cost efficient – but they also need to meet customers' evolving needs. And this means harnessing the data available with ISO 20022.



# Beware of the status quo

Friction in payment processes won't go away on its own, which is why the industry as a whole is taking action:

- Financial institutions around the world are adopting ISO 20022 across their business applications.
- The way transactions are being represented is changing, with market infrastructures increasingly adopting ISO 20022.
- Corporates are demanding richer, structured data to enhance their payments and reconciliation processes.
- The G20 is promoting the harmonised use of ISO 20022 for enhancing cross-border payments.

And as new payment models – such as Central Bank Digital Currencies (CBDCs) or instant payment systems – gain momentum, adopting ISO 20022 will put you in a position to capture new opportunities when they arrive. That's because ISO 20022 standards will enable interoperability with any interlinking solution and will allow financial institutions and markets to easily integrate their CBDC or instant payment flows with their cross-border payment systems.



### **Bottom line**

You should adopt ISO 20022 data structures directly in your application infrastructure, minimising the inefficiency and risk of translating data between different formats and standards. And you should do this as soon as possible to be able to adapt to these changes and meet your customer needs.



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“It’s the most exciting time in history for the payments industry, as technology allows for new processes and capabilities that were never possible before.

Electronic payments are about the secure sharing of data to trigger money movement, and we believe ISO 20022 is foundational to unlock some of these new capabilities. ISO 20022 creates a consistent, structured, scalable standard that all payment providers can build off to better leverage the data of payments.”

**John Hunter, Payment Executive, Wells Fargo**

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Don't get  
left behind.

Major reserve currencies and payment market infrastructures (PMIs) are adopting ISO 20022, recognising the benefit of the standard for cross-border and domestic payments. By November 2025, we estimate that about 80% of RTGS volumes will move on ISO 20022 rails.

Milestones in the adoption of ISO 20022 include:

- The UK's CHAPS system migrated to ISO 20022 in June 2023, with CHIPS in the US due to migrate in April 2024 and the Fedwire Funds Service set to follow on 10 March 2025.
- PMIs including EURO1 and T2 in Europe, South Africa's SAMOS system, and MEPS+ in Singapore, have already completed their migration to ISO 20022.
- Australia (RITS), Canada (Lynx), and New Zealand (ESAS) all began their migration on 20 March 2023 with the introduction of a coexistence period.
- Other upcoming migrations include Hong Kong's CHATS system in April 2024 and Singapore's SCRIPS system in Q2 2024.

Cross-border payments over Swift are moving to ISO 20022 as well – a clear reflection of the industry's appetite for better data quality.

- In the first three months following the start of migration to ISO 20022 for cross-border payments and reporting (CBPR+), which began on 20 March 2023, we saw a daily average of over **600,000** CBPR+ messages – representing **15%** of the total cross-border payments traffic on the Swift network.
- CBPR+ exchanges already involve over **1,000 sending** institutions, and over **5,500 receiving** institutions.
- Significantly, **25%** of the received traffic is in ISO 20022 format, without intervention from the Swift In-flow Translation service – a network service that translates ISO 20022 into the MT format.

It's clear that the time to adopt ISO 20022 is now. The financial community has been ready to receive ISO 20022 traffic since March. You can now make the move at your own pace, without having to consider the readiness of your counterparties.

**So how can your firm set out a successful ISO 20022 strategy?**



# Meet the use cases

This ebook explores use cases already being used by leading financial institutions.

- Some of these can help you **run your business** by helping you generate efficiency gains.
- Others can help you **grow your business** by delivering benefits for your customers, while protecting or growing your market share.

Details of these use cases have been sourced from ISO 20022 early adopters: Banco de Credito e Inversiones, Barclays, Central 1, Citi, Commonwealth Bank, Deutsche Bank, EQ Bank, Lloyds Banking Group, MUFG Bank, Scotiabank, Standard Chartered Bank and Wells Fargo, with insights also provided by EY.

Read on to find out more about how you can supercharge your business with ISO 20022 and gain insights to help you develop your internal business case.

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“Adopting ISO20022 worldwide will be a game-changer. ISO 20022 is a key enabler in making payments quicker, more efficient, and more transparent.

It’s critical that the payments industry continues to invest in unlocking the full benefits that will come with richer and more structured data in payments. The greatest benefits for cross-border payments will be delivered if we develop interoperability between market infrastructures such as CHAPS.”

**Victoria Cleland, Executive Director of Payments,  
Bank of England**

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# Run your business use cases

Find out how you can harness ISO 20022 to reduce false positive alerts, generate quantifiable efficiency gains, improve SLAs, and reduce costs.



**Use case 1:**

Streamline financial crime compliance

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**Use case 2:**

Improve payments exceptions and investigations

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**Use case 3:**

Simplify regulatory reporting

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# Use case 1:

## Streamline financial crime compliance

### The situation today

Friction arising from sanctions screening is a constant challenge for financial institutions. Unstructured data regularly results in exception handling, with payments delayed by slow filtering.

Straight-through processing can be interrupted for two main reasons:

- Unstructured data leading to ambiguous processing. For example, the word 'Cuba' might appear in the final beneficiary field combining the name of the beneficiary customer with address details including the street and town where the payment is going.
- Incomplete or missing data. This may lead to requests for additional information to discount false positives, or to address situations where information is missing according to payment transparency standards.

In practice, 5-10% of payments generate an alert, according to industry figures – and of those alerts, 99% are false positives.

**The result:** expensive and time-consuming manual activities, high operational costs, dissatisfied customers, and the risk of financial loss and reputational damage if cut-off times are missed.



# The opportunity with ISO 20022

ISO 20022 addresses the challenge by providing distinct, well-defined data elements in clear structures, as well as including more elements and more space than existing standards.

With a more targeted approach to screening, it's estimated that financial institutions could reduce false positives by 25-30%.

The shift to ISO 20022 creates clear opportunities for efficiency in the sanctions screening process. Using rich and structured data, you can tune and model your existing sanctions screening rules and scenarios.

ISO 20022 messages (pacs.008) provide an opportunity for greater data quality with:

- Name and structured address fields.
- Clear, simple, and human-intelligible tags for each data element, reducing confusion between names, street names, towns, and countries.
- Dedicated fields for ultimate parties.
- Greater field length, which reduces the risk of data truncation.
- Financial institution (BIC) and legal entity (LEI) identifiers, improving transparency and the unambiguous identification of legal persons.

# Examples

By using structured data in the ISO 20022 format, you can avoid alerts and reduce the number of false positives generated during sanctions screening. Take these two examples:

**Example 1:** Qanawat is the name of a media company based in Dubai. When a payment is made to the company, an alert may be generated due to the similarity of the company name to Qanavat, an embargoed city in Iran. But when the MX format is used, the name and city are unambiguously identified in the ISO 20022 message – meaning that the alert can be avoided, and the payment completed while saving time, effort, and costs.

**Example 2:** A payment is made to ACME company, Valencia. Not only does the party information lack important information such as the country, but the information supplied may lead to an alert against Valencia, the third largest city in Venezuela and a country that is sanctioned by many jurisdictions. However, with the MX format, it's possible to check for the presence of all required fields (Name, Town, Country). Rules can also be written to discard alerts that relate to Valencia in Spain, rather than Valencia in Venezuela.





### **Bottom line**

Reduce false positives by using the structured data in the ISO 20022 format, thereby improving efficiency, and freeing up operational teams to focus on real risks.

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“As the rate of ISO 20022 adoption and the quality of data across the industry continues to increase, we see significant potential for a reduction of false positives based on the granularity of data and the clear identification and description of information in each message.”

**Jan-Gerrit Iken, MD, Global Head of Anti Financial Crime Transaction Monitoring & Screening Regulations, Deutsche Bank**

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## Use case 2:

# Improve payments exceptions and investigations

### The situation today

On any given day, around 2-5% of all payments result in enquiries, with operations teams spending an average of 3-4 minutes on each payment instruction investigation.

As well as being costly, managing investigations and exceptions takes more than its fair share of time and resources. What's more, enquiries from sending institutions are on the rise as financial institutions lack the payment details needed to address ever-growing regulatory and screening requirements.

Specific challenges include:

- MT formats are not able to contain all the data needed to process payments, resulting in more exceptions and investigations to handle.
- Resolving exceptions and investigations is also more difficult when using MT formats because the data is not structured and takes longer to interpret.
- A lack of automated processes for investigations can also lead to delays in exception handling due to the absence of industry standards.

Despite these roadblocks, financial institutions increasingly need to provide competitive levels of customer service by providing fast and efficient resolutions – which places additional pressure on payment operations teams.

# The opportunity with ISO 20022

ISO 20022 messages provide higher quality payment information and incorporate advanced validation mechanisms. As such, the new category of messages for enquiries and investigations, which is currently planned for 2024, is expected to help achieve operational efficiencies.

By harnessing these opportunities, you can streamline the exception and investigations process, reducing the time it takes to resolve investigations and improving SLAs such as Mean Time to Resolve (MTTR). In particular, you can:

- **Reduce enquiries** – With the granular identification of parties and structured remittance information, fewer enquiries may be needed to gather missing information or minimise duplicates. According to one global bank, once ISO 20022 is fully adopted, up to 84% of messages could be automatically sorted by investigation types. This would significantly decrease the time spent prioritising and resolving investigations.

- **Eliminate unnecessary investigations**
  - Message validations can be used to identify and flag duplicate or erroneous messages automatically, reducing the number of unnecessary investigations.
- **Reduce resolution times** – With structured requests and a common set of usage guidelines, financial institutions can accelerate exceptions and investigations handling for the most common exceptions.
- **Resolve discrepancies** – The ISO 20022 enquiry message can also help resolve pre-reconciliation discrepancies, such as status mismatch resolution and repairs.
- **Reduce costs** – By streamlining the exception and investigations processes, you can reduce the cost of handling enquiries and servicing investigations.



### **Bottom line**

Increase operational efficiency, reduce costs, and improve SLAs.

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“The structured data available under ISO 20022 will allow for rules to be put in place to automatically sort and prioritise messages by investigation type, which will improve processing times and customer experience.

It will also be easier to analyse the richer investigation data in order to identify the reasons for the failures so that they can be addressed and improved in the future.”

**Balwinder (Balli) Saini, Director, Payments and Receivables (ISO 20022 Product), Citi**

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# Use case 3:

## Simplify regulatory reporting

### The situation today

Regulatory reporting requirements are continuing to ramp up, which places additional pressures on financial institutions – particularly as identifying the necessary regulatory data can be challenging.

In some situations, specific to particular countries or currencies, financial institutions need to apply different purpose codes in order to meet local regulatory requirements. For example:

- A cross-border payment of over €50,000 from France to a non-Eurozone country requires the use of a payment purpose code for balance of payments statistics.
- A payment from Japan to China requires a declaration that the payment is not related to North Korea or Iran, with payment purpose codes needed for Japanese and Chinese regulators.

- When importers send cross-border payments to Indonesia, they're required to provide regulatory reporting data in the MT field reserved for remittance information, including purpose code, invoice number and amount.

In practice, the relevant regulatory information is often found in remittance information fields and rarely makes use of the relevant code word, /PURP/. As a result, extraction and reporting can become an operational overhead.

Missing regulatory data can also result in either rejects or further requests for information, meaning that the beneficiary has to wait longer for funds to become available.

This can lead to significant challenges for payment originators and beneficiaries. In the case of Indonesia, analysis of Swift traffic shows that over the course of 2022, **more than 5%** of MT 103 rejected flows were due to invalid regulatory information. Importers that fail to meet regulatory data requirements are not only negatively impacting their Indonesian suppliers, they also need to manage additional enquiries from their banks to provide the missing code and purpose data.



# The opportunity with ISO 20022

ISO 20022 includes structured elements that make it easy for you to identify the nature and purpose of a transaction, and thereby fulfil regulatory reporting requirements.

With regulatory data readily available, you can reduce your operational and processing costs, and even make this a self-service function for regulators. Eliminating the need for further enquiries also leads to an improved customer experience.



## **Bottom line**

Improve customer experience, reduce operational and processing costs.

# Grow your business use cases

Discover how you can use ISO 20022 to deliver benefits for your customers, while creating new value propositions and protecting or growing your market share.



**Use case 4:**

Enhance customer insights

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**Use case 5:**

Build vertical value propositions

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**Use case 6:**

Strengthen corporate treasury activities

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# Use case 4:

## Enhance customer insights

### The situation today

Financial institutions have a lot to gain by capturing more customer information and seeking broader insights into their customers so they can provide timely and new services. But first, you need a clearer understanding of your customers' payment activity and the purpose of different payments.

One important step is to identify all the unstructured data that you hold in your data warehouses. In addition, purpose codes are often included in remittance fields in an unstructured format, meaning that data cannot readily be used.

For example, an analysis of 2.7 million incoming MT messages by Commonwealth Bank of Australia identified over 16,000 keywords potentially related to purpose codes. Focusing on the top 50 keywords, the bank found that more than 430,000 incoming MT messages with keywords related to students, pensions, or salary payments.

With student-related purpose codes including multiple keywords like ‘university’, ‘school’, ‘studies’, ‘tuition’, ‘education’, ‘college’, etc, it’s clear that capturing and utilising purpose information is a considerable challenge.



# The opportunity with ISO 20022

By taking advantage of enhanced, structured data, you can not only access more information on your customers, but also collate information across different payment systems and channels into a single data warehouse. This, in turn, enables you to capture more data and tap into broader insights about your customers.

With ISO 20022, you can use enhanced message data to improve your customer insights efforts in a number of ways:

- **Gain more insights into customer behaviour –**  
By using purpose codes and business service codes in the dedicated data elements, you can better identify trends in your customers' payment activity. With more information about who customers are transacting with and why, you can suggest additional products or services, and identify areas of improvement. For example, by identifying tuition fee payments, you could run a campaign to guide students towards accessing unclaimed benefits, student loans or non-financial services such as job search support.

- **Provide cash position information** – With enhanced message data, you can use your corporate customers' account balances to provide information on their cash positions across banks, products, and geographies.
- **Link transactions to customers** – Using structured reference data, such as invoice number, order number or customer ID, you can link transactions to specific customers.
- **Prioritise critical payments** – By identifying high-importance payments quickly, you can ensure priority processing in the event of system failure or network cut-offs – for example, by prioritising vulnerable customers, welfare, or insurance payments.

In order to make the most of this opportunity, you could start by identifying a pilot customer for each segment, and analysing the relevant ISO 20022 message data in order to profile and identify patterns within each client's transaction history.

You can then assess which opportunities are the easiest – or most valuable – to roll out to a broader set of customers within that segment.



### **Bottom line**

Tailor products and services to specific customer groups.

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“We are looking forward to seeing more structured data as we move through the adoption of ISO 20022. One particular improvement we see is the adoption of category and purpose codes to help better identify customer groups and tailor services to them.”

**Susan Yang, General Manager – High Value and International Payments Crew Lead – Commonwealth Bank**

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“As banks move through the MX/MT format co-existence period we can expect big improvements in the reduction of friction due to banks being able to better identify information in transactions.

One example includes the use of the Payment Purpose Code field, which will help banks to prioritise payments. This is even more important during a system or scheme outage where there is increased pressure to be able to process critical payments, whether these be treasury related or for those beneficiaries who need the funds the most.”

**Ross Jones, Head of Payments,  
Barclays Global Transaction Banking**

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# Use case 5:

## Build vertical value propositions

### The situation today

Financial institutions are looking for ways to protect their existing market share, while creating new value propositions and gaining new customers. But to do this, they need to introduce new products and capabilities, and reimagine the ways in which payment data can be used.



# The opportunity with ISO 20022

By taking advantage of ISO 20022 messages – together with high levels of straight-through processing – you have an opportunity to improve the payments customer experience, increase end-to-end efficiency, and reimagine the uses for payments data.

As a result, you may be able to introduce new products and capabilities, not only for your existing client base, but potentially for other industries. The possibilities range from automated reconciliation reporting and end-of-day settlements to real-time cash flow forecasting.

For example, you could use ISO 20022 to:

- **Automate reconciliation** – Companies with high payment volumes, such as insurance companies, can use the enriched data in ISO 20022 messages to minimise matching errors for returned direct debits, and thereby automate reconciliation. Once structured remittance information is widely supported, payment beneficiaries will be able to reconcile their payment entries more easily.

- **Improve straight-through processing** – The improved data provided by ISO 20022 gives you data analytics that you can use to help your customers better adhere with standards market practices. For example, you may be able to analyse the error information included in ISO 20022 payment status reports, and use the findings to help your customers correct initiation data and avoid recurring payment rejects.
- **Support new payment instruments** – The variety of ISO 20022 message types available also provides an opportunity to support new payment instruments – such as Request To Pay, which can be used for cross-border collections.
- **Offer broader services** – The combination of financial data (e.g. utility bills) and economic data (e.g. energy prices) could lead to a broader product offering.
- **Access better data analytics** – You can enhance and expand your services with data-driven insights from richer payments and reporting message data.



### **Bottom line**

By tapping into these opportunities, you are better placed to protect your existing business, while gaining access to new customer bases and new revenue streams.

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“The energy, health and mobility industry will benefit from broader banking services by aggregating financial and economic data with the richness and interoperability of ISO 20022.”

**MUFG Bank**

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## Use case 6:

# Strengthen corporate treasury activities

### The situation today

Tens of millions of international corporate payments are already sent via the Swift network. With ISO 20022, financial institutions have an opportunity to help their corporate clients achieve their cash and treasury management goals by reducing friction and streamlining reconciliation.

But although ISO 20022 is available for corporate use – such as the payment initiation message pain.001 – the deployment of ISO 20022 messages for corporates is currently inconsistent. As a result, resources are needed to adapt to different providers' specifications.

Other challenges include:

- **Delays due to investigations** – According to a world-leading food company, up to 1% of initiated payments are subject to investigations by the bank due to financial crime compliance or beneficiary account checks. The resulting investigations can take up to two weeks to resolve, which can damage suppliers' production lifecycle.
- **Manual reconciliation** – Remittance information in payment messages is often truncated when relayed by financial institutions. As a result, a South Korean conglomerate reports that as many as 10-15% of payments must be reconciled manually.



# The opportunity with ISO 20022

ISO 20022 offers several tangible benefits for corporates:

- **Improved reconciliation** – By using structured remittance information, corporate finance and treasury teams can accelerate the reconciliation of payments and release goods earlier.
- **Working capital improvements** – Corporate finance and treasury teams can use richer and structured data to forecast their future inbound and outbound payment flows. This, in turn, enables companies to make better use of the funds available to them.
- **Support On Behalf Of (OBO) payments** – The current MT structure is not designed to efficiently support OBO payments, which have become very common in recent years. ISO 20022 messages have dedicated, structured fields to support the identification of parties, including ultimate debtor/creditor and initiating party. Corporates can take advantage of these fields to set up virtual account services.





### **Bottom line**

Reduce payments friction, streamline reconciliation, increase the accuracy of cash flow forecasting, and improve working capital.

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“We believe that structured remittance data elements such as purpose codes will shorten the treasurer’s metrics for accounting, DSO (Days Sales Outstanding), for our corporate clients by accelerating their accounts receivable processing activities.”

**Dougal Middleton, Vice President,  
Enterprise Payments Scotiabank, Canada**

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Conclusion:  
The time to act  
is now.

Standards coexistence is now a reality. But before the full benefits of ISO 20022 can be realised, financial institutions need to adopt it natively and at scale.

**The time to act is now.** Major reserve currencies are already in the process of adopting ISO 20022, so it's essential that you are ready to receive, relay, acquire and initiate payments using the new standard. Only by engaging in this collective effort can the industry achieve a general uplift in data quality.

As the use cases in this ebook demonstrate, there are many ways that you can use ISO 20022 to improve the efficiency of your operations, reduce costs, improve customer experience, create new value propositions, and gain market share. And forward-thinking financial institutions are already taking advantage of these opportunities.

# Where should you start?

Different institutions have different objectives. The use cases outlined in this ebook illustrate some of the many benefits that you can expect from harnessing ISO 20022 – so prioritise your business case based on the examples that can offer the greatest benefits for your organisation.

There's no need to tackle everything at once. We recommend that you start working with your partners and corporate customers to plan their adoption journey. In parallel, start enhancing your origination channels to capture, structure, validate and include rich data elements.

We also recommend that you consult with your internal colleagues: for example, if your focus is on reducing false positives in sanctions screening, you could approach your compliance and operations team to discuss the opportunities presented by ISO 20022.

Whatever your business goals, start making ISO 20022 part of your strategy today to reap the rewards of rich and structured data and supercharge your business.





## Enabling the next generation of payments

The migration to ISO 20022 for cross-border payments and reporting is a cornerstone of Swift's strategy to make payments instant and frictionless from account to account anywhere in the world. ISO 20022's rich data also supports the G20's objectives to enhance the speed, transparency, cost, and access of cross-border payments.

The migration successfully began on 20 March 2023. Both MT and ISO 20022 messages will continue to be supported during a coexistence period running until November 2025.

We continue to support the community every step of the way and have a number of initiatives aimed at ensuring the full value of ISO 20022 is realised across the industry. These include developing best practices for ISO 20022 users; analytics to help institutions identify areas for data quality improvements in the transactions they originate; and standards, products, and services to help institutions capture the best data at source from their customers and relay it to where it brings the most value.

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“The move to ISO 20002 is a positive step for the payments industry as the structured and rich data will help financial institutions improve payments processing times and reduce the volume of manual processes such as reconciliations. However, in order for end customers to start to see the real benefits it will require global industry collaboration and adoption.”

**Steve Everett, MD Cash Management & Payments,  
Lloyds Banking Group**

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## More information

To discuss how you can harness the business value of ISO 20022 to supercharge your business, contact your Swift account manager, or contact the EY Payments team at [ey.com](https://ey.com).

For more information about the ISO 20022 adoption programme for cross-border payments and reporting, visit [swift.com/iso20022](https://swift.com/iso20022).

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Citi	Standard Chartered Bank
Commonwealth Bank	Wells Fargo

We would also like to thank EY for the insights it contributed.





## About EY

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets. Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate. Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today. EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://ey.com).

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## About Swift

We're the global specialist in financial transactions – the way the world moves value across borders, through cities and over seas. We keep funds flowing, supply chains moving and the world's economies turning. No other organisation can address the scale, precision and trust that this demands.

We're unique too: a neutral cooperative established to provide a safe, secure and reliable way for the financial community to send transactions across borders. We're always striving to be better and are constantly evolving in an ever-changing landscape. We innovate tirelessly, test exhaustively, then implement fast. In a connected and challenging era, our mission has never been more relevant.

