Q4 2023 - ISSUE 10

THE MIGRATION MONITOR

YOUR QUARTERLY ISO 20022 INDUSTRY MIGRATION PROGRAM NEWSLETTER

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WELCOME

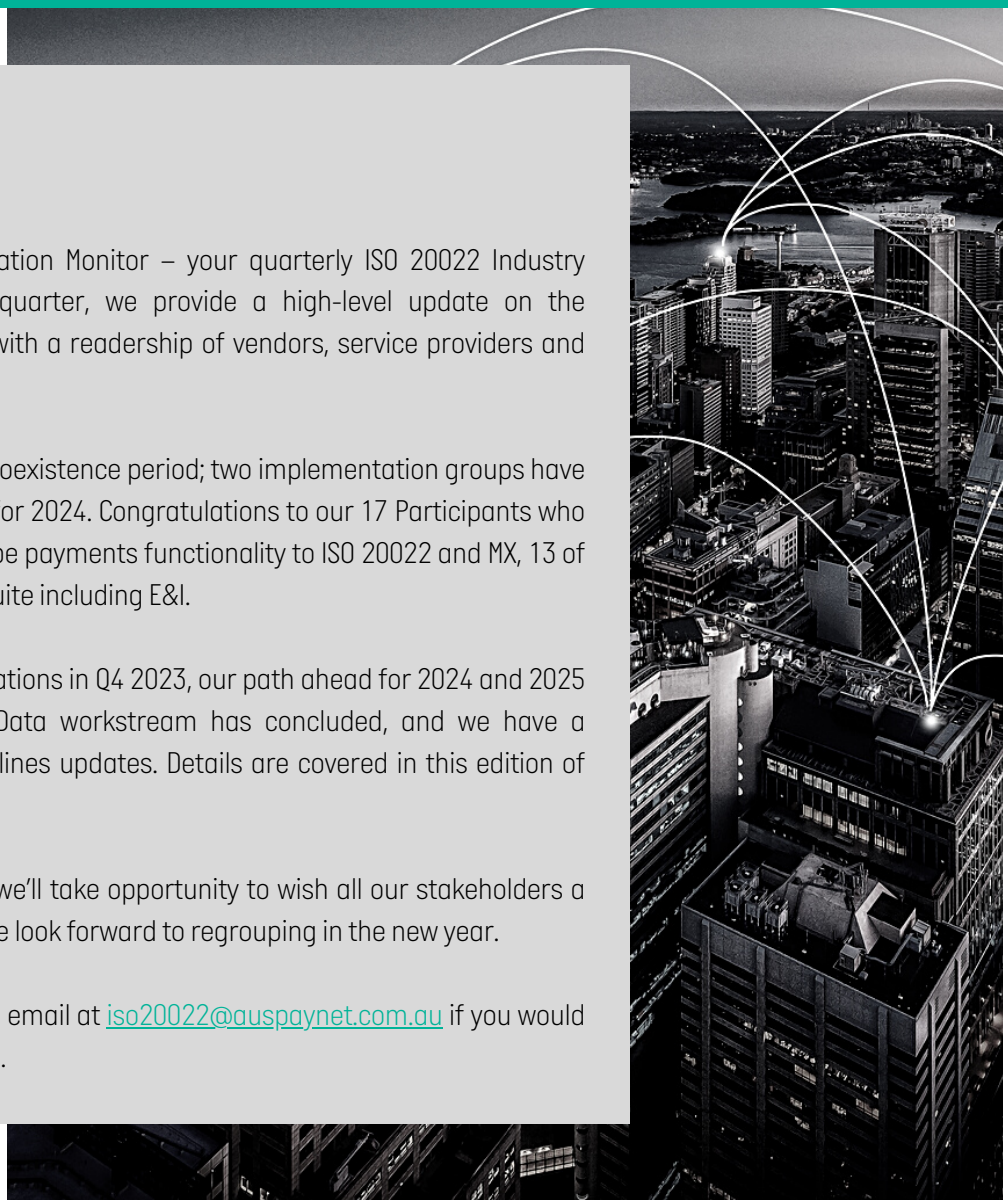
Welcome to the latest edition of Migration Monitor – your quarterly ISO 20022 Industry Migration Program newsletter. Each quarter, we provide a high-level update on the Program. The Newsletter is published with a readership of vendors, service providers and non-Participant stakeholders in mind.

We have reached the mid-point of our Coexistence period; two implementation groups have gone live successfully and two remain for 2024. Congratulations to our 17 Participants who have finished migrating all their in-scope payments functionality to ISO 20022 and MX, 13 of which have also implemented the full suite including E&I.

Having completed two industry consultations in Q4 2023, our path ahead for 2024 and 2025 is becoming clearer, the Structured Data workstream has concluded, and we have a preliminary plan for 2025 Usage Guidelines updates. Details are covered in this edition of the Monitor.

As this is the last Monitor for the year, we'll take opportunity to wish all our stakeholders a safe and relaxing festive season, and we look forward to regrouping in the new year.

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:

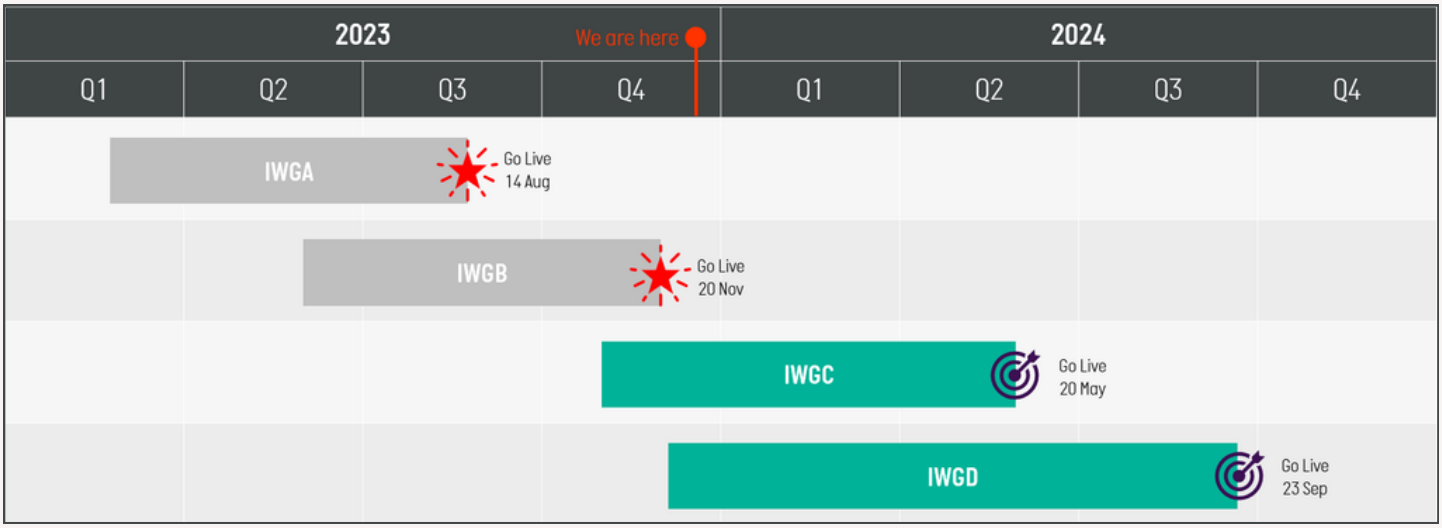
- General information on HVCS (here too), including AusPayNet's HVCS Regulations and Procedures.
- General information about the RBA's RITS (the Reserve Bank Information and Transfer System) and its framework and processes.
- Link to the RBA consultation (there's two!) and their conclusions paper – the 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.
- The Migration Services Marketplace contains summary and contact information for vendors and service providers related to the Industry Migration Program. We've just launched the latest version! Remember to let us know if you would like to be added or update your information.

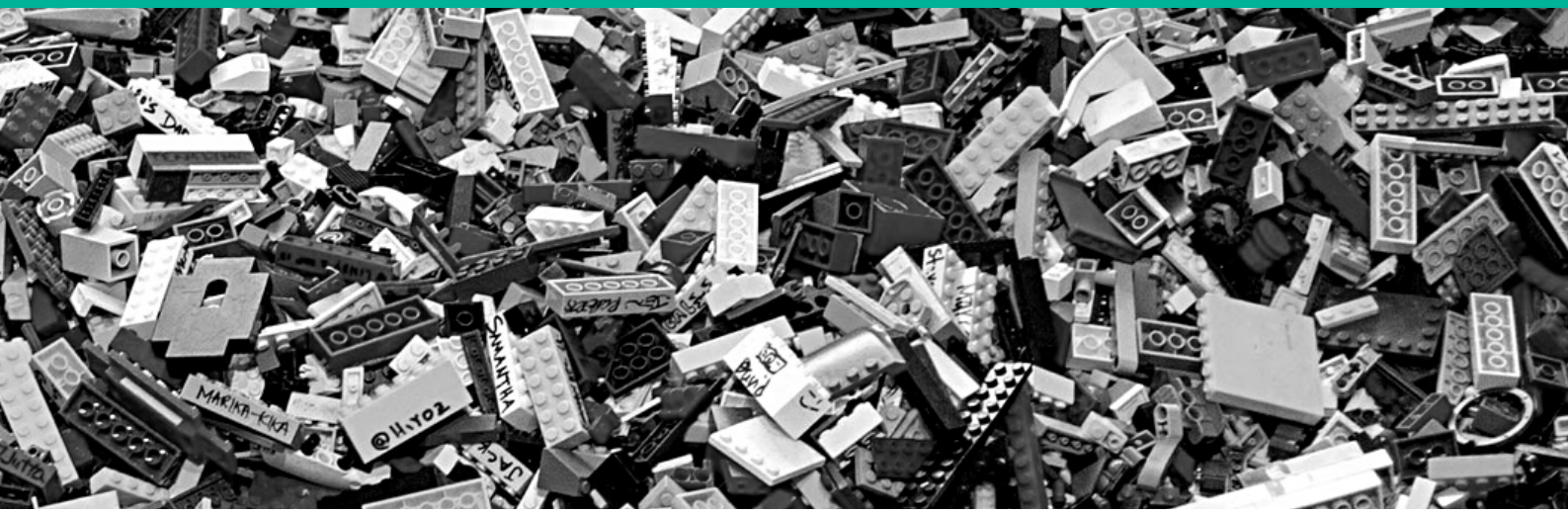
IMPLEMENTATION WORKSTREAM

Our implementation workstream continues to progress to plan:

IWGB successfully went live on Monday, 20 November 2023. The last two implementation groups' (IWGC and IWGD) kick off meetings have taken place, ahead of their Go Lives in May and September 2024

Timelines have been agreed and locked in. IWGC and IWGD have both been issued with their respective Implementation Plans. IWGC has passed its Readiness for Build QA Checkpoint and is scheduled to begin testing at the end of February 2024. IWGD will commence testing in June 2024. Approximate timing of stages for Groups C and D are shown below.



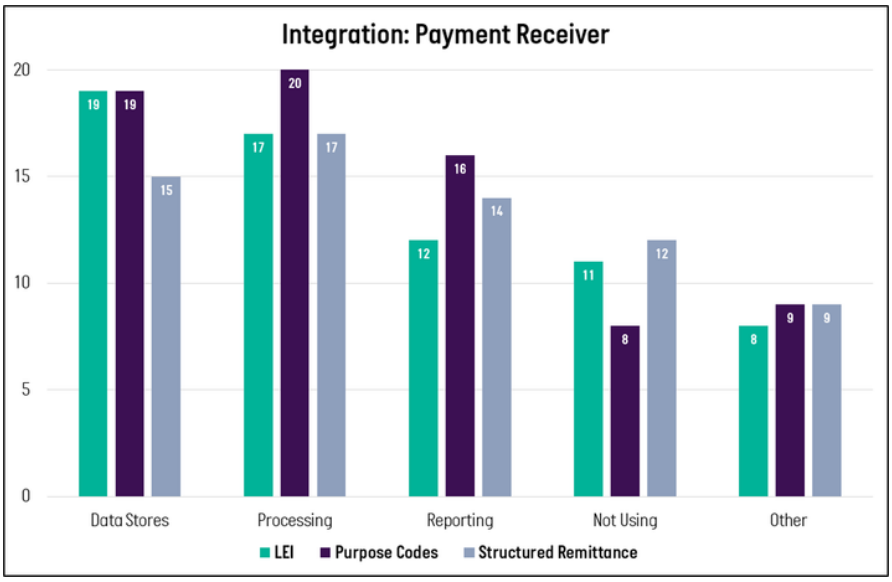


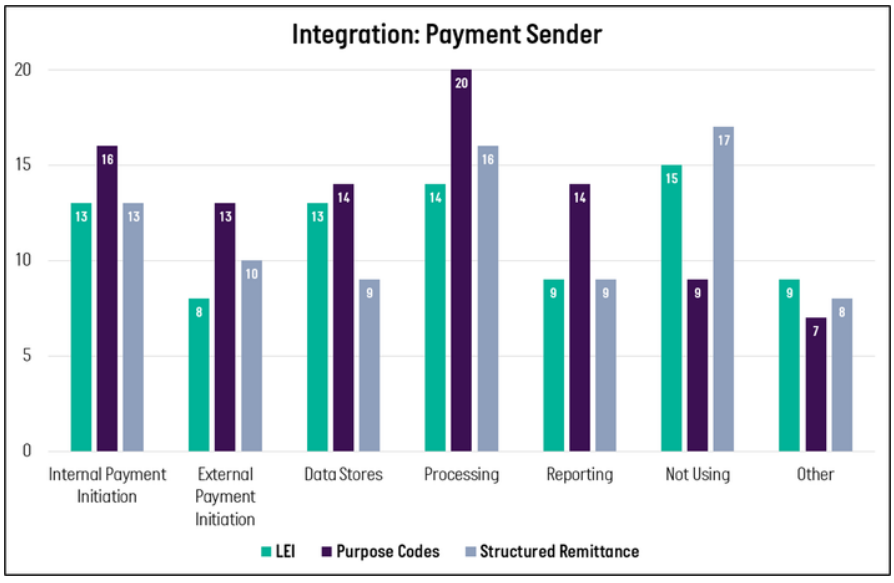
STRUCTURED DATA WORKSTREAM

Through our industry consultation on the first three sets of draft Structured Data Market Practice (for LEIs, Purpose Codes, and Structured Remittance) we have confirmed whole-of-industry support for the published HVCS Market Practice. The Migration Program Steering Committee has formally approved each set of guidance.

Related updates to the HVCS Procedures will be drafted in 2024 for approval by the HVCS Management Committee (MC4). The consultation also provided the inputs needed for us to develop a Structured Data Adoption Forecast. A significant number of Participants (accounting for up to 93% market share) are considering adoption. However, only a smaller number are considering adoption by the end of 2026.

The following diagrams show where Participants intend to integrate Structured Data, both as sender and receiver of a payment message.





UG2025 PRELIMINARY PLAN

UG2025 is the name given to the development, testing and transition to live of updates to HVCS Message Usage Guidelines in November 2025. This includes implementation of a back log of message specification changes for improved alignment with global standards, to correct errors and to improve clarity.

It also includes the introduction of 'hybrid Postal Address', the revised Postal Address market practice being adopted globally to permit the use of a combination of structured and unstructured elements. This is an important and significant change for financial institutions and their corporate customers. Identical to CBPR+, the headline changes are:

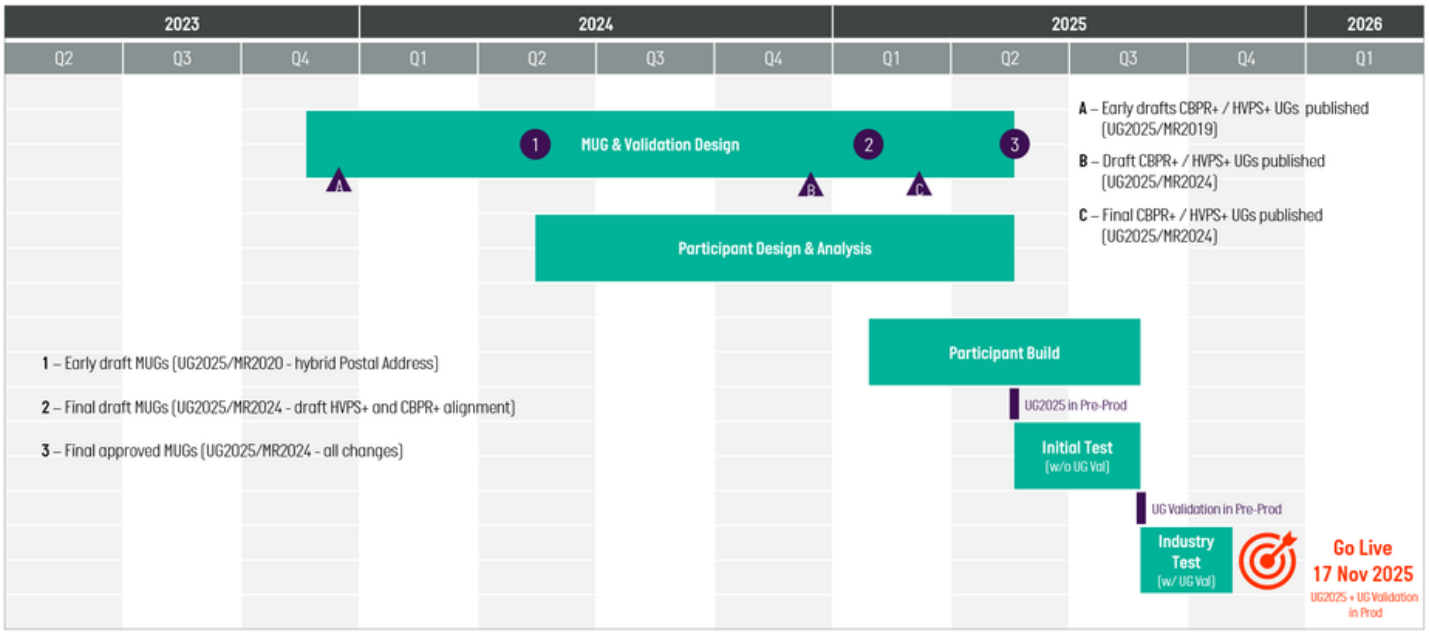
- From November 2025, hybrid Postal Address can be used (along with fully structured and fully unstructured Postal Address)
- From November 2026 fully unstructured Postal Address can no longer be used.

Another significant change coming as part of UG2025 is the introduction of a higher level of message validation (Usage Guideline validation, or UG validation) to carried out within our local Swift network. This will prevent HVCS Participants from sending messages that breach any of the formal rules within the AusPayNet Message Usage Guidelines.

We have established industry support for adoption of Usage Guideline validation as part of the UG2025 workstream. To ensure Participants are aligned to the MUGs, UG validation will be deployed in the test environment (Pre- Production) which will highlight non-compliance issues and allow Participants time to resolve them prior to the November 2025 Go Live.

All HVCS Participants were also consulted on the timing and scope of UG2025 (on Postal Address and Usage Guidelines validation), and feedback has been factored into the development of the UG2025 Preliminary Plan. The Plan, including the introduction of UG validation in 2025, was approved by the Steering Committee on Wednesday, 22 November 2023, and has since been shared with all Participants. Participants are welcome to share this information with suppliers and vendors where needed.

We also used that consultation to draw out any concerns or challenges and determine how the Migration Program can best support the HVCS community. As with earlier phases of the Program, the PMO will continue to provide information and education sessions for Participants and vendors, track and report progress during build and test phases, coordinate industry testing and manage transition to live.



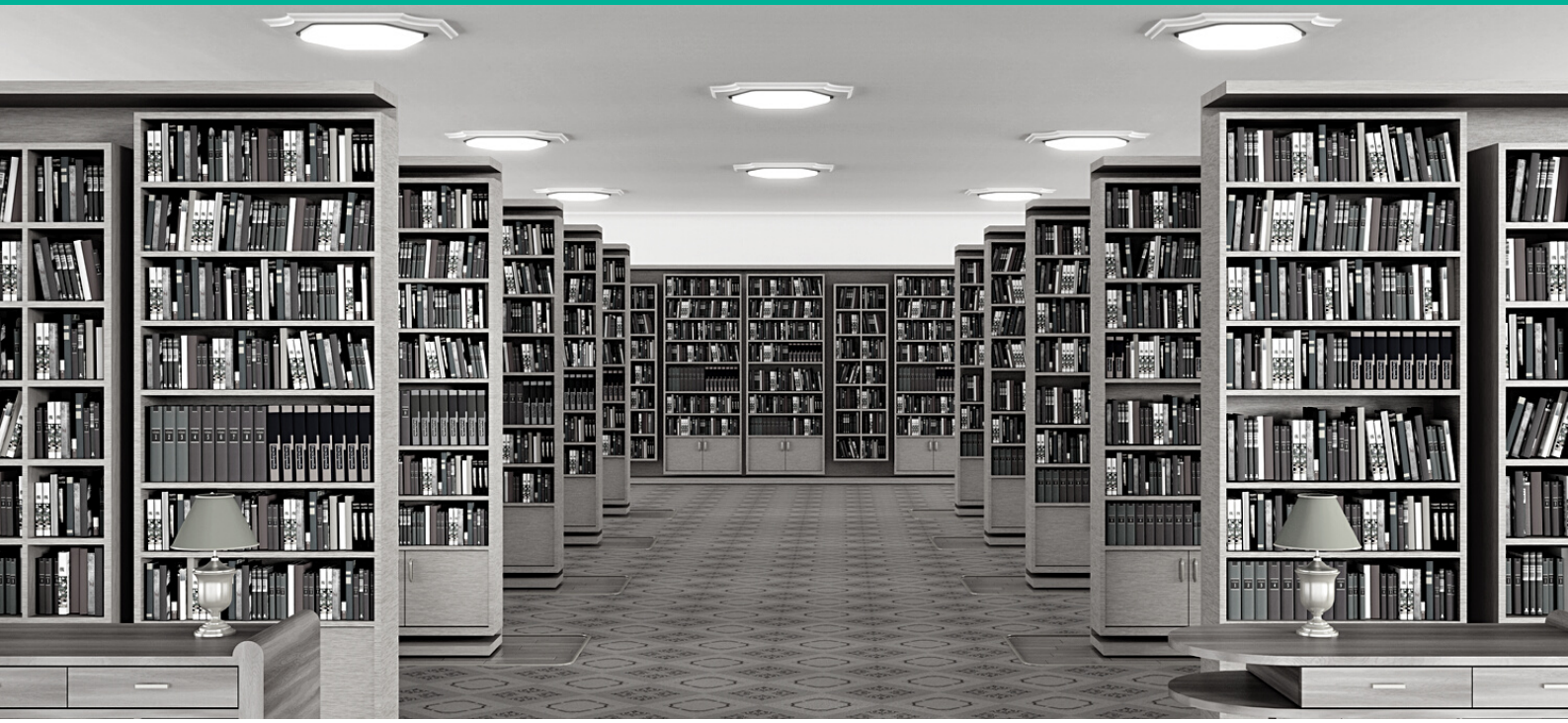
HARMONISATION & INTEROPERABILITY

Harmonised ISO 20022 data requirements for cross-border payments were published in October by the Bank for International Settlements' Committee on Payment and Market Infrastructures ("CPMI ISO 20022 data requirements").

Many Market Infrastructures, including AusPayNet, have welcomed these requirements and committed to their alignment with them, by 2027 or sooner in some cases.

In the meantime, work has continued in HVPS+ Task Forces to progress the development of the ISO 20022 Payments Interoperability Charter and Change Management Framework for HVPS+ (aligning change cycles across CBPR+ and HVPS+).

The goal remains to take these artefacts to the next HVPS+ meeting late in December 2023 for approval.



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 V4.1	Articulation of Industry Test requirements, cases and scenarios, forming the foundation for Participant progress reporting and certification.	
Emulator Information Pack V3	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?

While work will continue deep into December and start early in January, the PMO will be closed from Friday, 22 December 2023 and will reopen with a skeleton staff on Monday, 8 January 2024. The full team will return on Monday, 15 January 2024.

The next edition of the Monitor, Q1 2024, will be published in March 2024. It will include some more detail of the developing plans for UG2025.

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.

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