

ISSA – Standardization Subgroup of the subgroup ISO20022

Minutes of Call 7 November 2023

Participants:

Alex Dockx JPMorgan

Colin Parry ISSA

Giles Elliott TCS

Robin Leary Citi

Stuart Warner HSBC

Excused:

Juliette Kennel SWIFT

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Agenda

- Update on ECB and Ami-Seco taskforce
- SMPG approach
- Decision on sourcing the use cases for the paper

Draft paper review

- Next Steps

Update on ECB and Ami-Seco taskforce

As yet the taskforce has not kicked off. ECB acknowledged the suggested changes to the taskforces ToR but as yet have neither issued a revised ToR nor have the issued the invitation to participate to Ami-Seco members or ISSA. ECMS and Score appear to have been delayed by 6 months so some of the heat may have gone out of the drivers.

SMPG approach

SMPG have a plenary session on the Wednesday afternoon and at the November meeting this will be expanded to the Thursday morning. The intent is to devote a substantial amount of time to the discussion. It was agreed that the topics that we would like feedback on are:

- Opinions on co-existence / co-maintenance approaches (mindful that newer ISO 20022 messages can't always be co-maintained). And special focus on the period leading up to a mandatory change (and freeze periods).
- Feedback on views on stopping co-existence since this is overseen by SMPG (rather than any local decision control)
- Views on timing of any changes relative to annual release

- Views on whether industry should concentrate on process harmonisation and standard translation/mapping tools, instead of trying to change standards
- Views on whether the SMPG would / could take oversight of any programme of standardised mapping
- Is there a possibility for the industry to move to a single version of ISO 20022? A number of the versions are caused by such things as having “Code lists” embedded in the messages. If these code lists are referenced in tables outside the message does that simplify maintenance of ISO 20022 and mean that versions are needed less frequently.

Juliette had previously volunteered to create a slide but Robin and Juliette will co-ordinate to agree the exact questions based on the above.

Update Decision on sourcing the use cases for the paper

The group decided that Colin would engage with the ISSA Member Reps to get feedback from those closest to the projects rather than our view of the projects as we would still need to engage with them for approval if we wrote it for them.

Draft mail kindly provided by Giles:

ISSA’s ISO 20022 WG is currently researching different models that regulators, countries or market infrastructures has adopted when promoting introduction of Securities ISO 20022 messaging into their communities. We would appreciate your help in responding to a short questionnaire that we would use when sharing our conclusions, with a goal of comparing and contrasting the different approaches and models used in active examples of ISO 20022 adoption.

Scope and Programme Details:

- What was the scope of activities that your ISO 20022 adoption programme covered (e.g. proxy voting, trade settlements, etc)
- What was the nature of the existing messaging / standard that the new ISO 20022 messages covered. Where these replacements or new messages?
- Was the adoption of ISO 20022 Voluntary or Mandatory? Why did you make the choice that you made?
- If Mandatory, how was this mandated (e.g. through regulation), and what population of entities did this mandate impact. And how was this enforced – in terms of consequences for non-compliance?
- If Voluntary, how did you incentivise its adoption relative to the current/previous messaging / standard?
- What were the programme outcomes, or if still in progress the status versus your original plan?

Motivations and Business Case:

- What were your principle motivations for adopting ISO 20022, and how did you position the success outcomes were you looking to achieve?
- What influence did global / other market actions have on your decision to pursue an ISO 20022 agenda?

Programme Features and Timeline:

- Did you consult with market players before locking down your programme? How extensive was this and how long did the phase take?
- Was there a strong market buy-in, or was it quite mixed?
- Once announced, what timeline for market adoption did you agree? Did you change this timeline at any point in the programme?
- Where a mandatory programme of adoption, what approach did you take for co-maintenance and co-existence during the migration period

- How did you decide on the scheduled dates for final adoption and how important was the synchronisation with annual ISO messaging releases?

Programme Outcomes:

- To what extent has the ISO 20022 Programme achieved its pre-stated goals? Where did it meet or exceed expectation / where did it fall short?
- With hindsight, what learnings did you gain from your programme, and how would you have modified it based on these learnings?

Thank you for your input and if you have any questions please reach out to me.

Kind regards

Colin

Giles will reach out to Clive at ASX for his email address.

Colin will send to Benjamin for T2S.

Draft Paper Review

The paper was thought to be very good and certainly a good basis for debate with the wider group once Stuart's pyramid is added. The group felt that a concluding recommendation should be added to the paper.

Next steps

1. Next meetings
 - Full WG call on 21 November 13.00 UK time
 - Colin to add additional names from Alex
2. Stuart to provide his pyramid
3. Giles to get Clive's ASX address
4. Colin to reach out to
 - a. Mexico
 - b. DTCC
 - c. T2S
 - d. SGX
 - e. NASDAQ Norway
 - f. JASDEC
 - g. ASX (Helen/Clive – ASX)
5. WG to provide view on *SRD II 20022 messages impact // Replacement versus new messages*