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— CHALLENGES —
TO CONSIDER
FOR ISO 20022
MIGRATION

Fiorano[®]



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Technology for Next Generation
Banking



EBOOK

The Payments World is Moving to ISO 20022

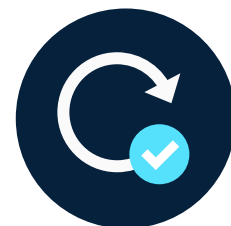
By 2025, more than 90% of the world's domestic and cross border payments will have moved to ISO 20022, and Financial Institutions will start leveraging rich, MX data for competitive advantage.

In this eBook, we highlight some of the common and often overlooked challenges to consider when migrating to, and adopting ISO 20022.

How do you limit risks and impact on your organization?

Meeting fast-approaching deadlines

The initial SWIFT CBPR+ deadline is November 2022, at which point SWIFT's co-existence period for cross-border MX payments begins. The majority of banks will additionally have to comply with regional ISO 20022 scheme requirements such as the ECBs TARGET2, CHAPS in the UK or the Fedwire Funds Service in the USA. There are 3 main approaches to ISO 20022 adoption:



Core upgrade /
modifications



Move to a
Payments Hub



Using an ISO 20022
Translator

At this point however, for any bank looking to meet the November 2022 deadline, a translator is the most viable option. A ready-to-plugin translator provides a pragmatic and low risk adoption approach to comply with deadlines.

ISO 20022 Testing

Testing takes time and there's no way around it. To minimize time spent on migrations, Financial Institutions can take concrete and clear actions:

1

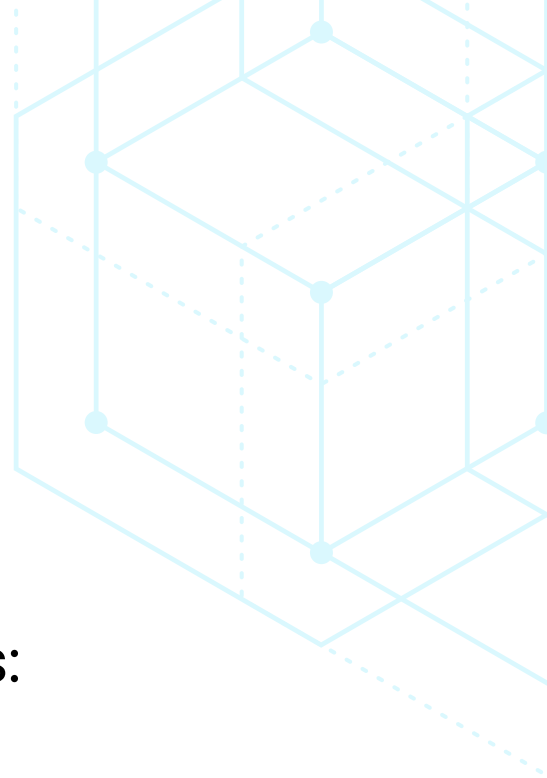
Implement an ISO 20022 translator that offers a non-disruptive migration path using ready-made translations, limiting impact on systems, in-turn reducing the scope of testing.

2

Ensure migration and related integrations are completed by August 2022, to allow 3 months for testing inbound translations and their impact on adopting systems before the November 2022 deadline.

3

Leverage tools that support crucial aspects including ISO 20022 test data generation and end-to-end-testing in-line with SWIFT ISO 20022 testing guidelines.



Minimizing Adoption Disruption & Impact

The majority of current bank systems, built for MT, are not ready for ISO 20022. As a result, adopting ISO 20022 into existing environments can become incredibly complex and disruptive, without the correct tools.

An ISO 20022 translator provides a clear path to adoption, leveraging pre-built translations that just need plugging into existing back-office systems.

Fiorano's powerful and no-code integration studio offers a drag-drop-connect, no-code way to integrate ISO 20022 translations into existing payment environments, delivering multiple benefits.

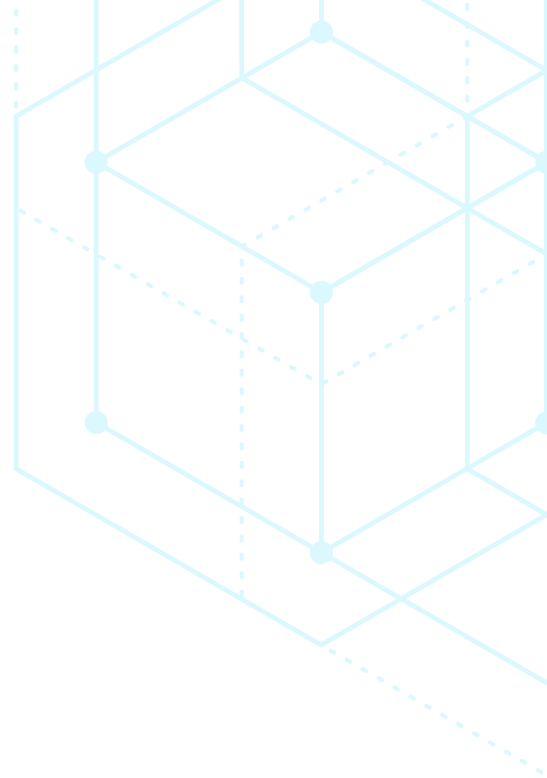
03

Planning for domestic and cross-border requirements

The majority of banks globally will have to plan compliance with a minimum of one cross border (SWIFT) and domestic scheme each.

A common solution environment that meets multiple scheme ISO 20022 translation requirements delivers significant advantages to adopting FIs.

Once a translator is connected to a bank's back-office systems, adding new ISO 20022 scheme maps as incremental add-ons is very straight forward.



Truncated Data & Enhanced MX Data

A common issue with the majority of MX to MT translation options is data truncation when MX content gets channeled to MT systems.

An effective migration solution must provide a way to manage MX to MT data truncation, including a pathway to re-attaching truncated incoming data to outbound messages in real-time.

It must also provide a clear route to manage enhanced data available in MX messages, offering adopting organizations a well defined operating model to manage this, significantly improved over the currently in-practice '+' and '.' model.

05

FIORANO ISO 20022 ACCELERATOR

1

**Non-disruptive,
low-risk
compliance**

FIA provides a unique, low-risk approach to ISO 20022 adoption, delivering fast compliance with minimal disruption to existing systems.

2

**Data truncation
and Enhanced
data
management**

FIA provides a model to manage Truncated MX data and Enhanced data, critical for regulatory reporting and other aspects.

3

**Canonical ISO
20022 data model
at its core**

With the canonical ISO 20022 data model built into its core, FIA provides a common solution for multi-scheme ISO 20022 compliance, and is not restricted to CBPR+.

ABOUT FIORANO

Connecting People Through Technology

Fiorano is a leading API management, microservices, and hybrid integration software provider. Our products and solutions connect applications, devices, and data to streamline business processes, helping companies scale, adopt emerging technologies, and improve customer experiences.

Fiorano operates worldwide through its offices in 9 countries and network of partners across the globe.

Fiorano ISO 20022 Accelerator is a SWIFT ISO 20022 programme listed translation product.

For more details visit: www.fiorano.com/iso20022

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