



Jordan makes smooth start to ISO 20022 journey



Customised SWIFT training helps Jordanian banking community adopt new messaging standards to facilitate the transition to a new RTGS system.

“Participants showed a remarkable improvement in their understanding of the new ISO standard and the requirements of the main associated projects.”

Nibal Al Rashdan,
Senior Officer, Central Bank of Jordan

About the bank

The Central Bank of Jordan (CBJ) is responsible for maintaining monetary stability in the Kingdom of Jordan. The CBJ is responsible for the safety and soundness of Jordan's financial system, it also oversees the national payments system (RTGS-JO). As part of its long-term strategy, The CBJ recently undertook Jordan's migration to the ISO 20022 messaging standard.

The challenge

The adoption of ISO 20022 messaging by financial market infrastructures (FMI)s worldwide has grown exponentially in recent years. Many local and regional initiatives involving both payments and securities have used ISO 20022 to improve interoperability between financial institutions, thus reducing costs, streamlining processes, and supporting innovation.

A recent success story is Jordan. With SWIFT's support, the Central Bank of Jordan (CBJ) and its community have implemented ISO 20022 standard in conjunction with the launch of Jordan's new real-time gross settlement (RTGS) system (RTGS-JO). The transition to ISO 20022 has been facilitated and eased by a tailored training programme provided by SWIFT on behalf of the CBJ.

In keeping with global adoption trends, the Jordanian banking community was keen to implement the ISO 20022 standard to leverage its benefits as a unified language for domestic and international message traffic. As part of its ongoing efforts to improve the

efficiency of Jordan's FMIs, the CBJ decided to adopt ISO 20022 for its new RTGS and automated clearing house. This decision required the adoption of new practices and processes, as well as implementation of new technologies, both within Jordan's FMIs and in the core systems of Jordan's banking community.

SWIFT played a major role in supporting Jordan's migration to ISO 20022,” explains Nibal Al Rashdan, Senior Officer, Central Bank of Jordan. SWIFT's role as the registration authority for ISO 20022 made it a natural partner in this transition, as did its position as the provider of the global financial messaging platform. “We adopted SWIFT's Alliance Access Integration Platform (IPLA) convertor in on our RTGS as part of the move to the new ISO standard,” Al Rashdan explains. “Initial tests were very successful, and the results were very obvious to the whole community, which encouraged most Jordanian banks to also adopt IPLA as a convertor. These banks (under the CBJ's supervision), reviewed, then drafted a comprehensive plan to address the risks of this ISO 20022 implementation and manage the challenges it posed. The readiness assessment revealed several key issues, including an overall lack of knowledge and experience around ISO 20022, as well as potential difficulties in upgrading complex banking systems within CBJ deadline. Some banks and customers were resistant to change, and there was a lack of clarity about the ability of application vendors to support ISO 20022 implementation. Successful adoption of ISO 20022 would require increased awareness about the short-term operational changes as well as the longer-term benefits for the community.



Solution

Ahead of the roll-out of ISO 20022, there was a clear requirement for a major training programme for Jordan's banking community. "We knew that SWIFT was well placed to help us meet this requirement not only through its standards expertise, but also through the skills and capabilities of its training department in delivering tailored programmes," says Al Rashdan. SWIFT worked closely with the CBJ to develop a customised training programme to explain the concept of the universal messaging framework and its future role in Jordan's financial market infrastructures.

As specified by the CBJ, SWIFT designed the course – ISO 20022 for High Value Payments in Jordan – to address the needs of the entire Jordanian financial community. The programme needed to accommodate both a large number of institutions and differing levels of understanding about the new messaging framework across Jordan's banking system.

SWIFT took a three-phase approach to creating the customised training course. First, SWIFT assessed the client's needs and drew up an agreement detailing the aims and the target audience. Second, the content and the structure of the courses were mapped out in line with the CBJ's ISO adoption project, via a series of conference calls which also confirmed the training logistics. The content included an introduction to ISO 20022 and XML, presentation of the CBJ project for RTGS renewal, an introduction to various sources of documentation, a message formats study and message entry demo. SWIFT managed registrations, invoicing, and pre- and post-delivery administration to maximise participation and minimise the burden on the CBJ. SWIFT also provided the central bank with a registration URL, which it circulated to the community to facilitate registration via swift.com.

Benefits

"The Jordanian banking community is the first in the region to adopt the ISO 20022 standard," says the CBJ's Al Rashdan. "The training programme was perfectly tailored to our needs and has played an important role in overcoming the prior lack of ISO 20022-related knowledge. The course also supports the Central Bank's objectives by enabling greater awareness about our strategic projects, as well as the new messaging service and standards being deployed."

More than 120 participants took part in the training sessions, in small groups of 25 each. "The feedback received from course attendees was excellent," Al Rashdan concludes. "Participants showed a remarkable improvement in their understanding of the new ISO standard and the requirements of the main associated projects. Furthermore, their confidence and willingness to embrace the new projects are now much better with less resistance to the new changes."

The adoption of ISO 20022 in Jordan's financial markets infrastructures, banks and other financial institutions now continues apace – offering improved service and efficiency benefits to providers and users of banking services – thanks in part to the higher level of understanding achieved via this customised SWIFT training programme.

About SWIFT tailored training

With over 30 years of expertise in SWIFT and industry-related training, we provide a wide range of on-demand, fully customised training programmes. Our courses can even incorporate your institution's processes and best practices to ensure it is tailored to your needs.

Our certified experts adapt each course to match your training objectives and ensure the class corresponds to the level of knowledge of your team – from basic induction for newcomers to advanced insights for specialists. All of our course content is customised to suit your needs, with topics including SWIFT standards for payments, trade, treasury and securities, as well as technical infrastructure and security.

To learn more about how we can deliver a tailor-made programme for your needs, please visit www.swift.com/training