

17 April 2023

Dear High Value Payment System Operator,

The Payments Market Practice Group (PMPG) provides a global forum to drive better market practices which, together with correct use of standards, will help in achieving full straight-through processing and improved customer service. As part of this effort, the PMPG recognizes the global efforts of the major RTGS system operators to renew their Market Infrastructures and use this opportunity to move to ISO 20022 as the future format for payments. The structured fields and greater data size of the format will allow the banking industry to automate processing, improve sanctions and financial crime screening and develop better products for our customers. We appreciate the effort that Market Infrastructures are putting into this complex and important migration including efforts to align to international standards and timelines.

As the industry enters its third year of this migration, the PMPG is proposing the following high level best practices for Market Infrastructures considering a migration to ISO 20022. These best practices have been developed from the perspective of direct participants of Market Infrastructure payment schemes. Given the experience gained over the last few years, we believe these considerations are important to take into account when designing an ISO 20022 migration program given the complexity of the migration along with broader industry considerations and timelines.

Below are 6 key areas for RTGS systems operators to consider in migration to ISO 20022:

1. Follow most recent HVPS+ standards when developing ISO 20022 messages for your community.
 - a. The HVPS+ task force has worked with the industry to define and refine global implementation standards and to ensure that the industry realizes quantifiable benefits in terms of automation, increased transparency and richer payments data. Additional information can be found [here](#)
2. Give sufficient time for your community members to adopt ISO 20022 including publishing guidelines and requirements at least 18 months prior to implementation to allow for sufficient lead time for implementation
 - a. As a best practice please consider publishing guidelines publicly on industry standard sites like MyStandards
3. Provide opportunity for consultation broadly across all participants in your community
4. Monitoring and ensuring Vendor readiness within your community will support ease of broader adoption
5. Sufficient time and ability for industry testing across community members will be important in ensuring community readiness. A centralized test plan and approach will also support readiness.
6. Network readiness and stability will be core to success of the implementation

The PMPG is ready to share our experiences and lessons learned. Members in the region would be happy to discuss these best practices further and answer any questions RTGS operators may have in designing and implementing their ISO 20022 migration program. Additional detailed best practices can be found in the PMPG ISO 20022 Best Practices guide here: [pmpg_iso20022_best_practice_guide_v1_dec21.pdf](#)