



Schweizerische Kommission für Standardisierungen im Finanzbereich (SKSF)
Commission Suisse de Normalisation Financière (CSNF)
Swiss Commission for Financial Standardisation (SCFS)

Ein Gremium der Schweizerischen Bankiervereinigung (SwissBanking)

Status of ISO 20022 and related Standards Initiatives

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Topics

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Shareholder Rights Directive II

Status of development & maintenance of ISO 20022 messages for SRDII

- ◆ Proxy Voting ISO 20022 message set (PV)
 - Initially published by ISO in 2008
 - 8 MXs require maintenance in order to be fit-for-purpose for SRDII
 - Message set planned to be renamed from 'proxy voting' to 'general meeting'
- ◆ Shareholder Identity Disclosure message set (SI)
 - Business justification for 2 ISO 20022 messages approved by ISO in Apr 2019
 - To date, five messages have been designed:
 - seev.045.001.01 ShareholdersIdentificationDisclosureRequestV01
 - seev.046.001.01 ShareholdersIdentificationDisclosureRequestCancellationAdviceV01
 - seev.047.001.01 ShareholdersIdentificationDisclosureResponseV01
 - seev.048.001.01 ShareholderIdentificationDisclosureResponseCancellationAdviceV01
 - seev.049.001.01 ShareholderIdentificationDisclosureResponseStatusAdviceV01
- ◆ Status update and recent timeline re maintenance (PV MXs) and development (SI MXs)
 - 22 Aug 2019: review of all CRs for the GM messages and of the new SI messages structure completed by SMPG SRDII TF/PV ET
 - 05 Sep 2019: review of comments
 - 12 Sep 2019: final approval on deliverables
 - 30 September 2019: ISO Securities SEG meeting endorsing the ET recommendation
- ◆ Swiss participants (SCFS) in SMPG SRDII ISO 20022 message task force / ISO 20022 proxy voting evaluation team
 - Michael Blumer (Credit Suisse)
 - Srividhya Iyemperumal (SIX SIS)

Proxy Voting
(Recommended [Message Transport Mode: Active](#))

seev - Securities Events

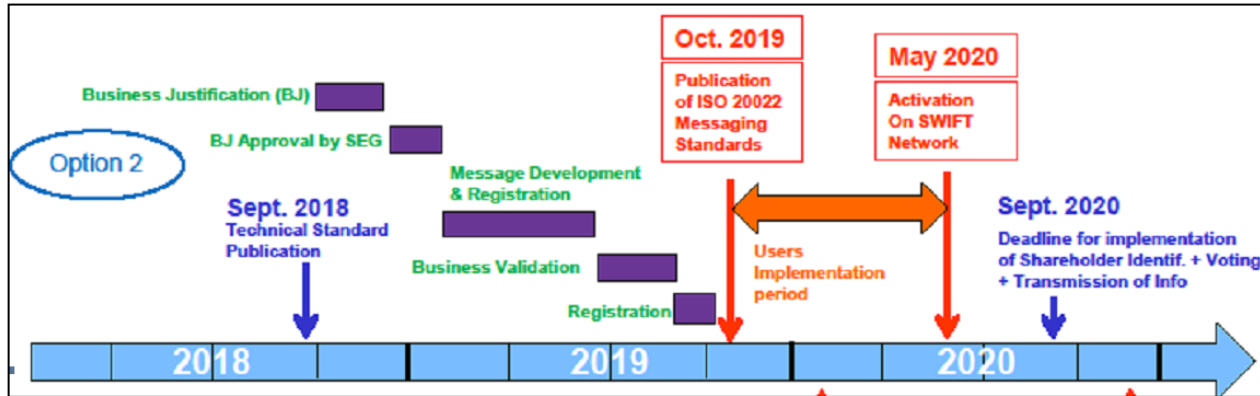
The message definitions below are intended for use with the

Message Name
MeetingNotificationV05
MeetingCancellationV05
MeetingEntitlementNotificationV05
MeetingInstructionV05
MeetingInstructionCancellationRequestV05
MeetingInstructionStatusV05
MeetingVoteExecutionConfirmationV05
MeetingResultDisseminationV05

Shareholder Rights Directive II

Availability of ISO 20022 messages for SRDII on SWIFTNet

- ◆ SMPG SRD II, 18 Dec 2018



- ◆ SWIFT Securities Committee, 20 Mar 2019

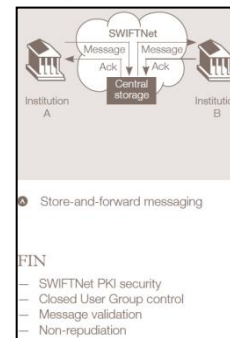
the SCC was briefed about the current state of the EU *Shareholders Right Directive* related changes to SWIFT's ISO 20022 standards and their **availability on the network (May 2020)** in time for the implementation of the EU directive (Sept. 2020).

- ◆ SWIFT Standards Quarterly Review 20 Sep 2019:

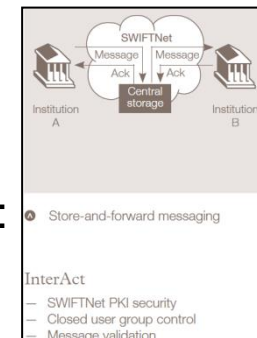
It is expected that the official ISO 20022 version of these messages will be available on www.iso20022.org in September 2019. Both message sets will also be **available on the SWIFT network by September 2020** when SRD II enters into force.

- ◆ Note: ISO 20022 messages over SWIFTNet are based on InterAct (as opposed to FIN), i.e. the messaging service for exchanging XML-based financial messages and data between users, including SWIFT MX and ISO 20022-based payments, settlement instructions, FX confirmations, statements and reports

ISO 15022:



ISO 20022:



ISO 20022 Messaging over SWIFTNet

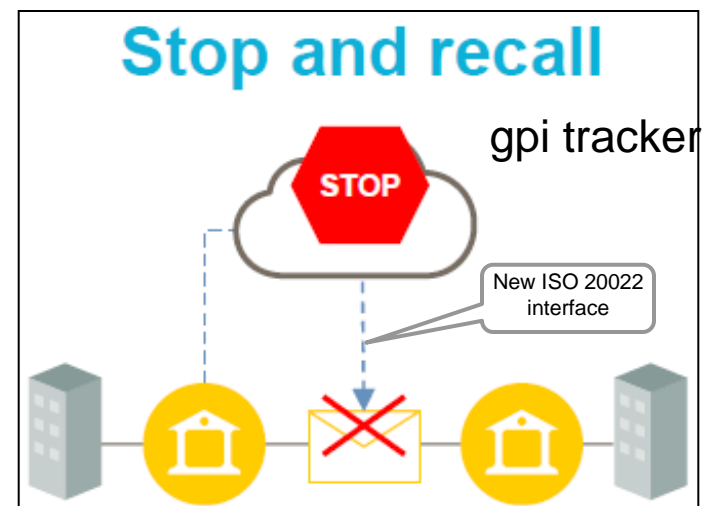
Related ISO 20022 aspects

- ◆ Mandatory cross-border payments migration from MT to ISO 20022 (2021-2025)



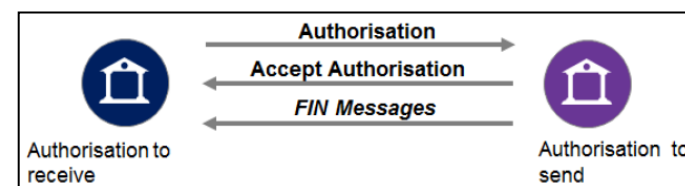
- ◆ New ISO 20022 business process 'Tracking Business Transactions'

- Aug 2019: SWIFT submitted to ISO an ISO 20022 business justification (BJ) entitled 'Tracking Business Transactions' to develop 6 new ISO 20022 messages
- Purpose:
 - enable tracking and transparency on an underlying business transaction and its messages. Allowing parties to the business transaction to exchange information with a Tracking facility (cf. SWIFT gpi service (global payments initiative)), and therefore allowing such information to be shared with other relevant parties involved in the business transaction via a Tracker
 - Further ISO 20022 alternative, in addition to SWIFT API, Tracker GUI and proprietary SWIFT FIN MT Tracker Messages
- Opportunity for securities players during the mandatory migration of cross-border payments messages from MT to ISO 20022 in the migration timeframe 2021-2025 to implement SWIFT gpi through the newly available ISO 20022 tracking messages (Note: gpi final payment confirmation mandatory from Nov 2020)



- ◆ RMA (Relationship Management Application)

- in preparation for ISO 20022 adoption, SWIFT is implementing a new step in the evolution of RMA
- SKSF CSNF SCFS SWIFT will convert central MT RMA authorisations to their ISO 20022 equivalents and make a distribution file available through the RMA portal for download and integration in the customer's messaging interface



Natural Person Identifier

New reference data standard under development

- ◆ Earlier in 2019, ISO/TC 68/SC 8/SG 4 (study group 4) under convenorship of Standards Council of Canada submitted to ISO a working draft to propose a standard for natural persons identification

The Natural Persons Identifier consists of 15 characters decomposed as follows:

- characters (13!c) without separators or “special” characters;
- the 14th and 15th characters (2!n) shall be the check digit or digits, as calculated from the scheme defined in this document.

- ◆ In May 2019, ISO TC 68 SC 8 issued a ballot to the ISO community for a new work item proposal for a ‘natural persons identifier’ standard (deadline 09 Aug 2019)
- ◆ The proposed standard foresees a unique natural persons identifier with a data record which includes amongst others physical addresses, phone numbers, e-mail addresses and biometrics (like retinal scan data, fingerprint data, genomic) (cf. LEI data record, BIC data record, etc)
- ◆ Switzerland cast a disapproval vote as the proposed standard is not compatible with Swiss data protection law (‘gläserner Bürger’)
- ◆ Only Japan and Switzerland disapproved the ballot. 16 ISO members voted in favour (AUS, BE, BR, CA, China, FR, DE, India, Korea, LU, NL, NO, Slovenia, ES, GB, US) and 9 ISO members abstained.
- ◆ Currently, a ballot is out for voting to establish the working group for the natural person identifier (NPI) and issue a call for convenor (deadline: 12 Sep 2019); Switzerland (SCFS/SNV) has approved the ballot but does not provide a candidate for the convenor role
- ◆ Once the convenor has been selected, the experts to join the working group can be nominated
- ◆ Note: The NPI was proposed by the ISO 20022 securities standards evaluation group (Securities SEG) to be used in SRDII MXs

I.1 Comment from the Securities SEG:

The **Natural Person Identifier (NPI)** should be taken into account - when the standard becomes available - for the design of the party identification in the new messages.

[Submitting Organisations Answer:](#)

ISO 20022 has an annual maintenance process to cater for updates to the Standard. As soon as a final NPI Standards is published, a change request can be submitted to add a dedicated **NPI identification to the new SRD2 messages.**

SCFS and SWIFT CH NMUG own internal business

SCFS und SWIFT CH NMUG in eigener Sache

◆ SCFS Securities Commission re-structuring

- It is being considered to re-structure the current SCFS securities commission (on agenda of SWIFT CH NMUG Vorstand/SKSF-GL on 11 Sep 2019)
- The current securities commission with its sub-commissions for settlement and reconciliation, corporate events, financial information, investment funds and securities trading (dormant) is to be discontinued
- Instead, the sub-commissions are proposed to be promoted to SCFS commissions in their own right
- Current offices of head of securities commission to be re-allocated
 - Swiss rep in TC 68 / SC 9 (i.e. sub-committee for ‚information exchange‘ standards)
 - convener of Swiss National Market Practice Group (NMPG), i.e. Swiss NMPG as member of global SMPG (Securities Market Practice Group)
 - Representative of SCFS to swissSPTC
 - Swiss representative in Securities Standards Evaluation Group (Securities SEG)

◆ Proposal for new SCFS commission for regulatory reporting

- Proposal submitted by Julius Bär (on agenda of SWIFT CH NMUG-Vorsand/SKSF-GL on 11 Sep 2019)
- Coverage of regulatory reporting standards for, amongst others, the following regulations
 - CRS (common reporting standard) (AIA) reporting
 - FATCA reporting
 - MiFID II reporting
 - Finfrag ‚Meldefile‘ reporting
 - EMIR reporting
 - Finfrag reporting
 - Money Market Funds Regulation
- Next, members of SWIFT CH NMUG-Vorstand/SKSF-GL to express interest in nominating experts

◆ SWIFT CH NMUG and SCFS-GL merger

- Since Q3 2018, SWIFT CH NMUG and SCFS-GL hold joint meetings and have identical membership
- It is planned to merge SCFS-GL into Swiss association (Verein) of SWIFT CH NMUG
- new statutes to be approved at GV (AGM) of Verein in Mar 2020

<thank you> For your attention! </thank you>

<enjoy>Standards</enjoy>



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