



ISO20022 Migration – Drivers and Barriers

Drivers	Barriers
<ul style="list-style-type: none">• Depository and Market Infrastructure mandates such as DTCC CA Re-engineering, JASDEC, T2S, European TA Investment Funds migration	<ul style="list-style-type: none">• Full suite of MT equivalents not modelled preventing a full migration by Inv. Managers and Global Custodians
<ul style="list-style-type: none">• Security Finance business process aligns to MX breakout of Repo Contract and Collateral/Cash as separate messages	<ul style="list-style-type: none">• Global Custodian to Sub/CSD driven mandates providing little disincentive for IM's to put together migration plans
<ul style="list-style-type: none">• Bulk/Net Payment allocations for accounting purposes leveraging MX extension	<ul style="list-style-type: none">• Concern of risk if supporting multiple standards within individual client relationship. Product type, message suite, inbound vs outbound

MX Business Justifications ISITC is considering:

- MT3xx series message suites MX equivalents
- Notification to Delegated Trade Repository Reporting servicer for securities trades – additional data elements needed to report to regulator
- Instruction messages for accounting purposes:
 - MT54x MX equivalent sese.023 is meant only for custody settlement instructions. Open to determine new message development for accounting instruction purposes



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- Completion of remaining MT message suites remains a key obstacle that must be addressed by industry
 - Third Party Foreign Exchange Matching (MT300), Custodian Notification (MT304) and Response (MT396)
 - FX Options Matching Confirmation (MT305/306)
 - Non-Deliverable Forwards Matching Confirmation (MT300) and Custodian Notification (MT304)
 - Time Deposit Matching Confirmation (MT320) and Custodian Notification (MT321)
 - FX order Instruction (MT380) and Confirmation (MT381)
- ISO expects the industry to drive the business justification to model the MX equivalent messages