State Street Client Guide to ISO 20022

Last Update: May 23, 2025

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Background
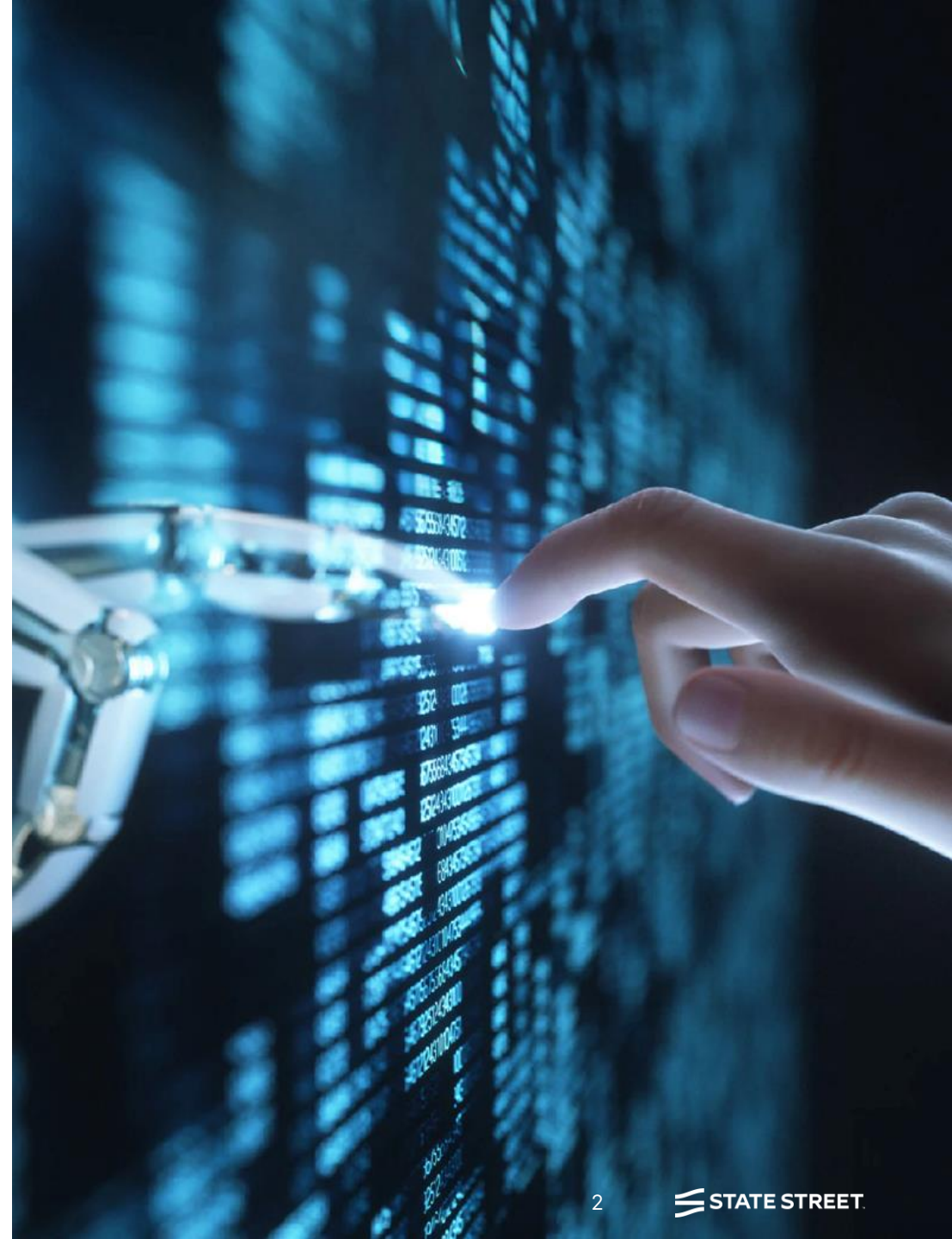
What is ISO 20022?
ISO 20022 is a global open standard for financial messaging, which allows for the exchange of rich and highly structured data (MX format) between financial institutions, their customers and counterparties.

Who is impacted?
ISO 20022 will impact all financial institutions and other users of the Swift network that initiate, process or settle cross-border payments along with the associated Payment Market Infrastructures (PMIs), though only the Cross-Border Payments and Reporting (CBPR+) messages are subject to the industry adoption timelines.

What are the benefits of transitioning to ISO 20022?
The benefits of this transition include:
- Improved transparency and identification of the parties involved in financial transactions
- Highly structured data allows for more efficient sanctions screening
- Reduced risk associated with local and proprietary standards
- Improved inter-operability across PMIs
- Enhanced capability to detect and manage fraud and money laundering risk

What is the timeline for implementation?
We are currently in a 'coexistence' phase, which Swift established in March 2023 and runs until November 2025. This coexistence phase allows financial institutions and their clients to adopt ISO 20022 at their own pace and allows the industry to interoperate with both message formats.

From November 2025, Swift will mandate the use of the new ISO 20022 (MX) formats for all payment clearing and settlement messages. Although Swift deferred the mandatory adoption of cash management messages until after November 2025 (details here), we strongly recommend that clients apply the ISO 20022 formats as part of the same effort (November 2025). Swift, Payment Initiation Systems, Standard Settlement Instructions / Repetitive Payment Templates, Remote Batch Payment files, MQ and SFTP.

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Client Considerations

What steps should clients take to prepare for ISO 20022?

Begin by reviewing the adoption timeline. Clients that send payment instructions to State Street via the Swift network will be expected to adopt the payment clearing and settlement message updates by November 2025.

Irrespective of instruction method (Swift or non-Swift channels), develop and implement capabilities to store and process the enriched and more structured data available with the ISO 20022 messaging standard.

Provide a full postal address for all bank party fields of the payment when expressed with the name option. Further guidance and timeline will be forthcoming on expanding the address requirement to include all parties, including originator (debtor) and beneficiary (creditor) of customer credit transfers when the name option is used, in addition to requirements for structured address.

Include a valid purpose code on payment instructions and legal entity identifiers (LEIs) for all parties when known.

Ensure all jurisdictional requirements (such as the use of LEIs and purpose codes) are met and that all standing instructions and payment templates are updated to adhere to those requirements in advance of November 2025.

Familiarize yourself with the key field and party name changes as part of the transition to ISO 20022.

Review the documentation and message verification functionality available within the Swift MyStandards portal (Swift account and login credentials required) and leverage the industry testing tools available to support readiness. This is strongly encouraged.

Refer to the **International Securities Association for Institutional Trade Communication** (ISITC) Securities Related Payments guide, which provides market practice recommendations for the use of messaging in support of payments related processing and includes detailed recommendations for message formatting.

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ISO 20022 Message Adoption Timelines

Swift refocused the November 2025 adoption deadline on payment clearing and settlement messages. Retirement dates for the MT payment initiation and cash management and reporting messages are deferred to November 2026 and beyond.

Exception, investigation and statement messages are not subject to the November 2025 implementation mandate. State Street will have the ability to receive and process MX instructions from clients for the instruction messages (camt.055, camt.056 and camt.058 cancellations and camt.057 Notice to Receive), however we will not send client statements and confirmations in MX format until a future date TBD.

MT message not supported after November 2025

ISO 20022 Format	MT Equivalent	Description
Payment Clearing and Settlement		
pacs.008	MT103	Customer Credit Transfer
pacs.009	MT202/202 COV	FI Credit Transfer
*pacs.004	MT103/202 RETN	Payment Return

*Note
pacs.004 is used for interbank payment returns; it is not a client payment initiation message.

MT message supported until November 2027

ISO 20022 Format	MT Equivalent	Description
Cash Management - Exceptions and Investigations		
camt.055	MT192/292 (for payment)	Request for Cancellation of Customer Transfer
camt.056	MT192/292 (for payment)	Request for Cancellation of Bank Transfer
camt.058	MT192/292 (for an MT210)	Request for Cancellation of Notice to Receive
camt.029	MT196/296	Resolution of Investigation
camt.110	MTn99	Request for Investigation
camt.111	MTn99/n96	Response to Investigation

MT message supported after November 2025 (end date TBC)

ISO 20022 Format	MT Equivalent	Description
Cash Management		
camt.052	MT941/942	Account Report
camt.053	MT940/950	Account Statement
camt.054	MT900/910	Debit / Credit Notification
camt.057	MT210	Notice to Receive
Payment Initiation		
pain.001	MT101	Customer Credit Transfer Initiation

The above tables have been compiled based on Swift communications. All information is available on the Swift MyStandards site.

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Pain.001 Customer Credit Transfer Initiation

There has been a lack of consistency across the industry regarding the message type used for payment initiation.

Pain.001 vs pacs.008

- Pain.001 (MT101 equivalent) is the proper message to be sent from an initiating party or debtor to their payment service provider to request a transfer of funds from the debtor to a creditor account.

- Pacs.008 (MT103 equivalent) is used in the interbank payment clearing and settlement space to transfer funds between the debtor agent and the creditor agent, directly or through intermediaries, to settle a customer credit transfer.

- Swift acknowledges it has been common market practice for debtors to instruct a customer credit transfer via MT103 but has highlighted this as improper usage and is strongly advocating for the industry to adopt the correct usage as defined by the ISO 20022 standard.

- Swift has pushed the mandatory adoption of pain.001 and the retirement of the MT101 from November 2025 to a date yet to be confirmed.

Considerations for pain.001 payment initiation

- CBPR+ usage guidelines mandate only a single customer credit transfer instruction with the pain.001 message. From a general ISO 20022 perspective, the pain.001 allows the option of multiple credit transfers in a single message but this is not supported in the CBPR+ scheme.

- The pain.001 introduces several new optional party fields, including, Initiating Party, Ultimate Debtor and Ultimate Creditor. If any of these fields are used and expressed with the name option, then postal address is mandatory and must be in fully structured format.

Will State Street accept either message format for the November 2025 implementation?

Yes. State Street will accept both pain.001 and pacs.008 messages in accordance with the ISO 20022 beginning in November 2025. However, adoption will take time across the industry and we will continue to accept pacs.008 usage for the time being. Longer term, Swift has noted that proper pain.001 usage is fundamental and we anticipate mandatory action in the future.

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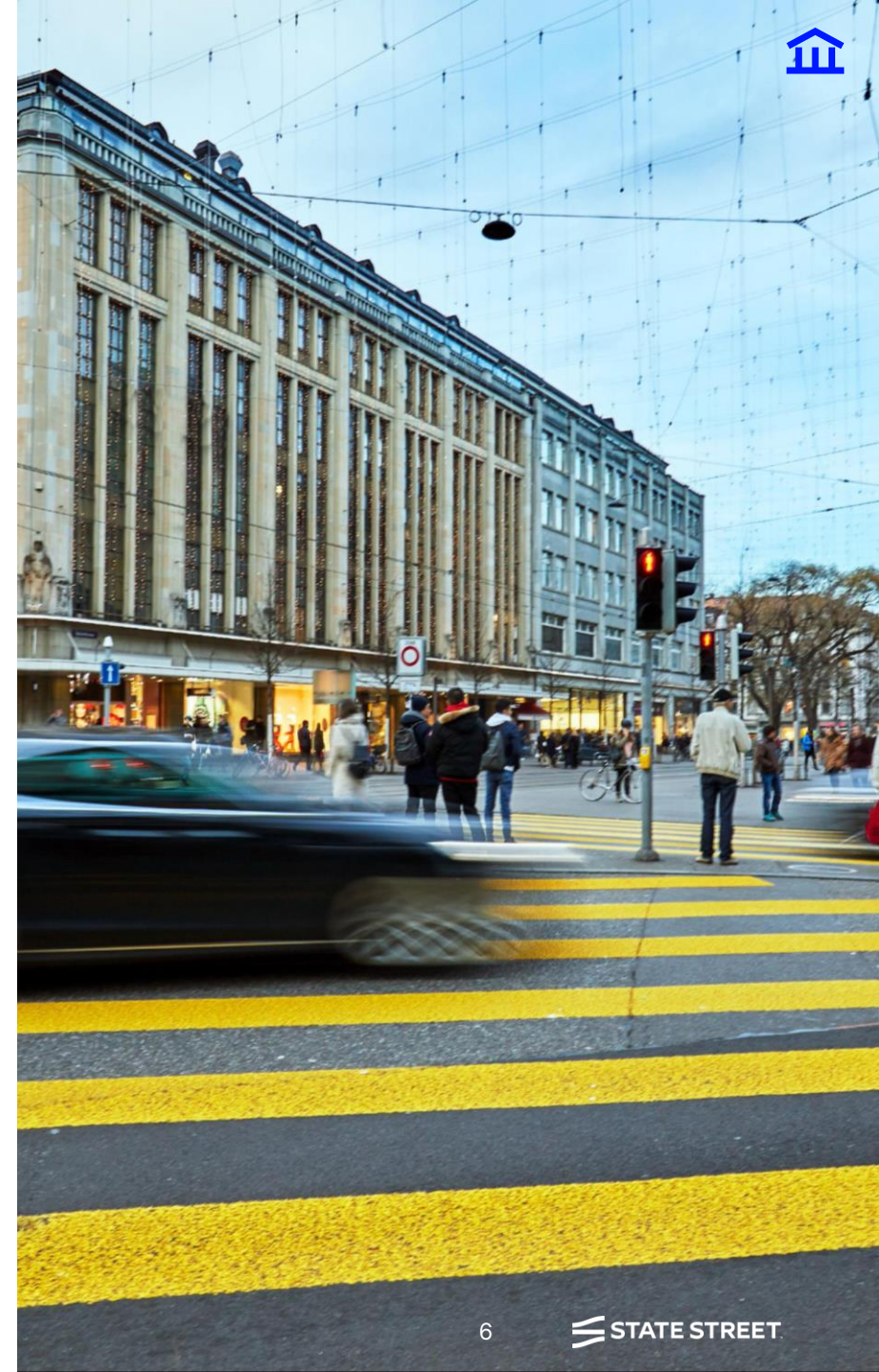
Terminology Changes

As part of the migration to ISO 20022 messaging, some key terminology is changing. Below are some examples of these changes.

Message components	
MT Format	ISO 20022 Equivalent
Field	Element
Format	Data Type
Presence	Min Max
Qualifiers / Codes	CodeSet
Usage Rule	Textual Rule
Network Validated Rule	CrossElementComplexRule

Parties/Agents	
MT Format	ISO 20022 Equivalent
Bank	Agent
Ordering Customer	Debtor
Ordering Institution	Debtor Agent
Intermediary Institution	Intermediary Agent 1,2,3
Account with Institution	Creditor Agent
Beneficiary Customer	Creditor
Message Sender	Instructing Agent

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Key Data Requirements

Additional data elements are available under the MX format to allow for greater payment transparency

Data Element	Effective Date	Requirement
Purpose Code	November 2025	A purpose code provides information on the underlying business reason for the payment. The industry standard codes are maintained and published in the ISO 20022 External Code Set. A purpose code is mandatory in the UK CHAPS market for channels controlled by the direct participant and is recommended across all markets. While not mandated by Swift, we encourage clients to include purpose codes on instructions from all channels, including Swift.
Postal Address	See below	All financial institution (FI) parties should be expressed with the Business Identifier Code (BIC) where possible. If a party is expressed with the name option, a full postal address is required for all FI parties and is recommended for originator (debtor) and beneficiary (creditor) of customer transfers but not mandated by the network. We are evaluating and will provide further guidance to require address for all parties when the name option is used.
• **Fully Unstructured Address**	Allowed until Nov 2026 for CBPR+	Supports a maximum of three lines of unstructured address data. For CBPR+, an unstructured address is allowed until November 2026 for existing party fields but is not allowed for new ISO 20022 party fields: Initiating Party, Ultimate Debtor and Ultimate Creditor. For US Fedwire, an unstructured address continues to be allowed for existing Fedwire parties beyond November 2026.
• **Fully Structured Address**	Allowed currently	All components of address mapped to structured address field tags. A structured address is currently allowed for existing fields and is mandatory for CBPR+ if using the new ISO 20022 party fields: Initiating Party, Ultimate Debtor and Ultimate Creditor.
• **Hybrid Address**	Allowed Nov 2025, minimum mandatory from Nov 2026	There is a minimum requirement to map Town and Country Code to structured address field tags and the remainder of address may be either structured or mapped to a maximum of two lines of unstructured address. • Structured address elements must not be repeated in unstructured address lines. • For US Fedwire, the new ISO 20022 parties (Initiating Party, Ultimate Debtor and Ultimate Creditor) must use hybrid address at minimum. An unstructured address continues to be allowed for existing Fedwire parties.
Legal Entity Identifier (LEI)	November 2025	An LEI is mandatory in the UK CHAPS market for all FI parties and is encouraged as a supplemental identifier for all parties. For UK CHAPS, when an LEI is not provided for an FI party, we will attempt to look-up LEI for the respective FI (using BIC) and enrich the payment.

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State Street's Approach to ISO 20022 Compliance

How is State Street preparing for the ISO 20022 transition?

We have an established enterprise-wide ISO 20022 Program to co-ordinate readiness across all business lines. The Program is governed by a Steering Committee and aims to provide uninterrupted critical payment and cash management services, preventing disruptions to our clients and to the global financial markets.

Chaired by executive level sponsors, our Steering Committee members from the Business, Product and Technology teams have aligned the ISO 20022 solutions with strategic investments being made in our core banking and payments infrastructure. This will allow new enhanced cash product offerings leveraging the ISO 20022 structured data.

Over the past three years, we have successfully implemented ISO 20022 payments across five different Real-Time Gross Settlement (RTGS) clearing systems as a direct participant and will complete the last implementation this year with US Fedwire migrating on July 14, 2025. These major deployments allowed us to validate our strategy, refine our solution and gain experience supporting message transformation between MT and MX formats. This experience will also help us to support our clients through the next stage of ISO 20022 adoption.

We have a robust plan to complete the transition to ISO 20022 ahead of the November 2025 deadline, marking the end of the MT/MX co-existence period for payment clearing and settlement messages.
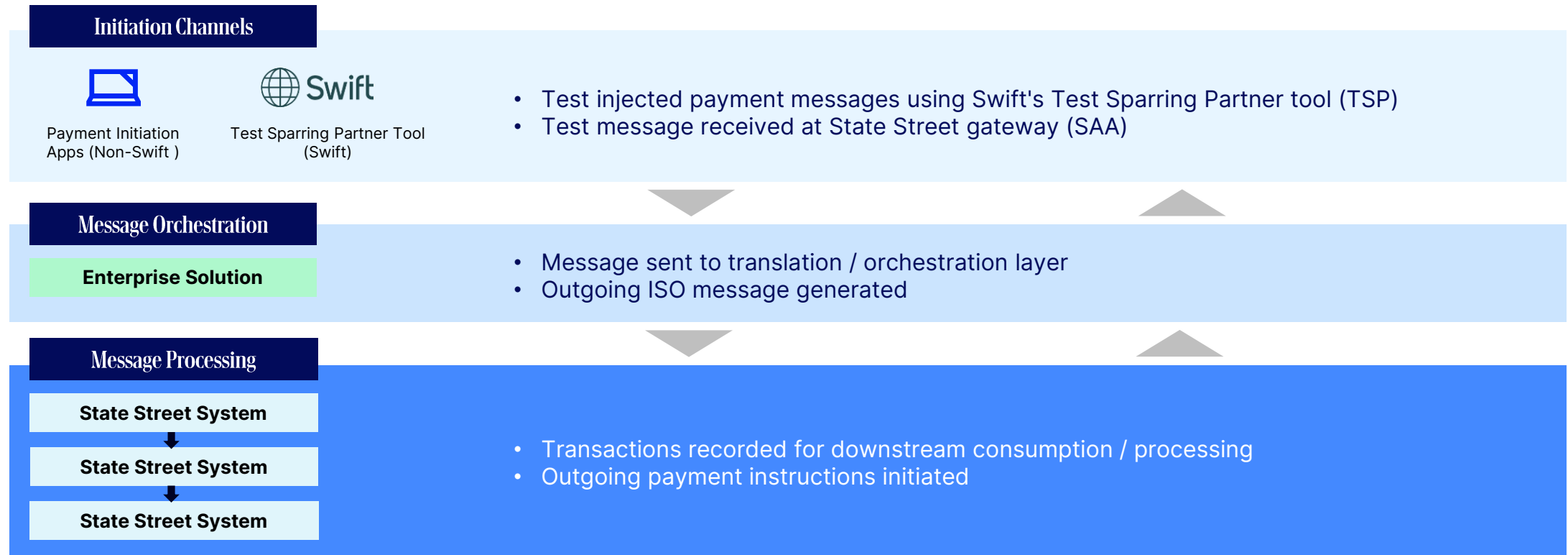
A BIC-by-BIC migration approach is being considered to convert clients and processes from MT to MX. Priority will be given to payment instructions. We will be able to support both MT and MX instructions from our clients in all markets in which we operate. We plan to implement Hypercare protocols to ensure speedy support is available to clients during the initial phases of the migration. Further communication on migration timelines will be issued in due course.

The planned date for State Street sending ISO 20022 cash statements and confirmations has not yet been confirmed and will be communicated once available. In the interim, we will continue to support all legacy MT messages.

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Testing

We are currently performing **comprehensive internal Business User Acceptance Testing (BUAT) to confirm readiness across all business lines**. We are conducting end-to-end testing of our payment processes using inbound and outbound payment MX messages. In the payment inbound flow, messages initiated from either Swift or Non-Swift channels will be validated by our enterprise Solution and downstream payment applications until they are settled/processed within State Street.

Initiation Channels

Payment Initiation Apps (Non-Swift)

Swift — Test Sparring Partner Tool (Swift)

- Test injected payment messages using Swift's Test Sparring Partner tool (TSP)
- Test message received at State Street gateway (SAA)

Message Orchestration

Enterprise Solution

- Message sent to translation / orchestration layer
- Outgoing ISO message generated

Message Processing

State Street System

State Street System

State Street System

- Transactions recorded for downstream consumption / processing
- Outgoing payment instructions initiated

In addition to internal testing, we will perform testing with **a pre-determined** cross-section of our client base to make sure that Swift-mandated MX payment messages for November 2025 have been successfully tested and proven.

Middle Office Considerations

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Middle Office Requirements and Client Impact

Below are the Middle Office specific requirements for ISO 20022 implementation and associated impacts clients should consider.

Requirement	Client Impact from Nov 2025
Clients currently sending payment messages to Middle Office in MT format will be required to switch those messages to the compliant MX format for transmission to State Street in advance of November 2025. We will consume and normalize the MX messages to our internal systems' message format for validation, enrichment and processing.	Clients currently sending inbound in-scope MT messages will need to send fully ISO 20022 compliant MX messages from go-live.
Current inbound in-scope payment flows via non-Swift messages will follow the existing model for consumption into our Middle Office systems.	No changes required to the current process/format. **NOTE**: Use of enhanced data on client inbound would need agreement with State Street Middle Office via the normal change process.
Outbound in-scope payment flows to custodians/interested parties will be sent as ISO 20022 compliant messages over the Swift network.	Data will be passed through from inbound and/or will be enriched within Middle Office systems to meet mandatory ISO 20022 requirements.

Middle Office Outreach Efforts

Swift message flow to/from custodians is essential to allow us to send instructions on behalf of our Middle Office clients.

To facilitate a seamless transition to the new payment messaging standard the following activities are being performed:

Outreach to your custodians/third-party recipients and inbound Swift payment senders to determine their readiness and migration approach.

Targeted engagement with a cross-section of custodian relationships to agree a mutual testing approach.

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Appendix

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Useful Resources

Clients and Investment Managers with a direct relationship with Swift should leverage the various resources offered by Swift to prepare for the migration.

To promote a smooth transition and help prepare for the upcoming ISO 20022 change, we strongly recommend that clients familiarize themselves with the documentation and message verification functionality available within the MyStandards | Swift portal (you will need to log in via your Swift account to do so) and leverage the industry testing tools/Swift-endorsed tools available to support independent testing and readiness.

Swift MyStandards: Access to CBPR+ message schemas and a translation library

CBPR+ Sample Library: Provides access to several message types samples provided by Swift

Swift Translation Portal: Allows users to validate mapping of MT messages to their MX equivalent.

Test Sparring Partner: Access to an integrated testing tool that allows users to simulate messages and flows

Swift Knowledge Center: Further information on ISO 20022 Customer Adoption Guide, Message Standards and Tooling for independent testing

For further information on market practice and message formatting recommendations, please refer to the **International Securities Association for Institutional Trade Communication** (ISITC) Securities Related Payments guide (no login required)

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