



# Cross-border payments interoperability and extension (PIE) taskforce

Meeting held under Chatham House Rule

*Any views expressed in this presentation, both verbal and written are those of the author and/or presenter and may not reflect those of the CPMI or BIS.*

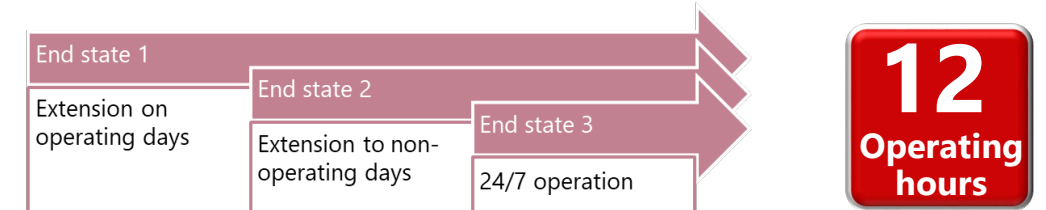
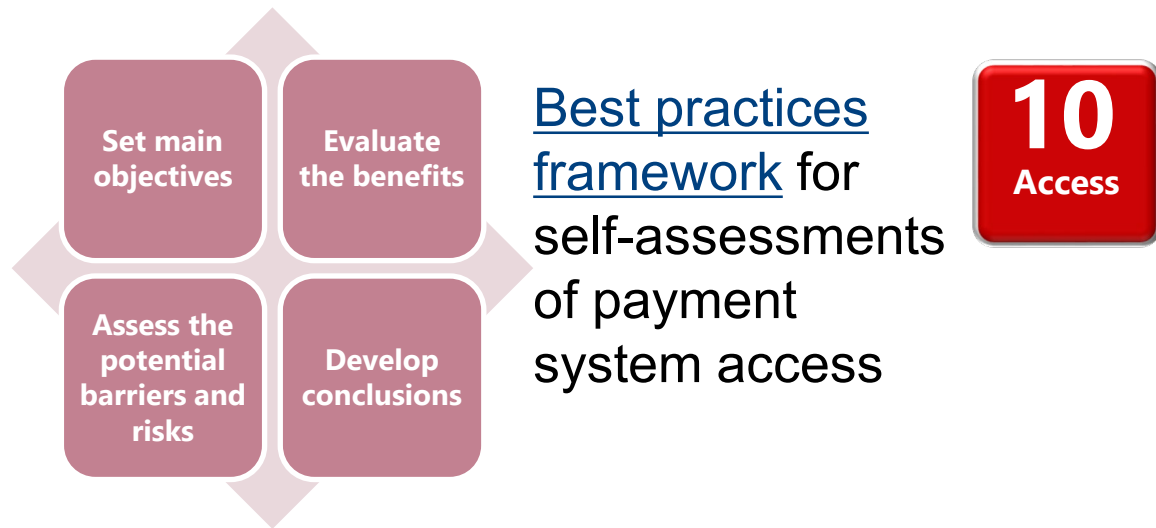
**Public**  
11 May 2023

## Agenda item 2: Overview of the cross-border payments programme

# Work on 19 building blocks has laid the foundation for the implementation phase



# Key deliverables of direct relevance for the PIE TF

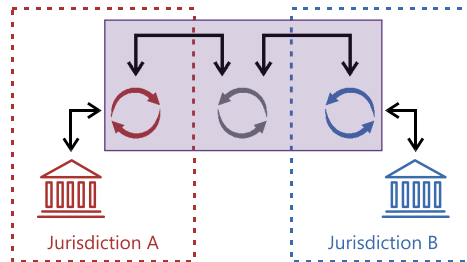


Extending and aligning payment system operating hours and relevant operational/technical considerations

**13 Interlinking**

**15 APIs**

Framework for payment system interlinking and the role of application programming interfaces



**17 Multilateral platforms**

Exploration of multilateral platforms

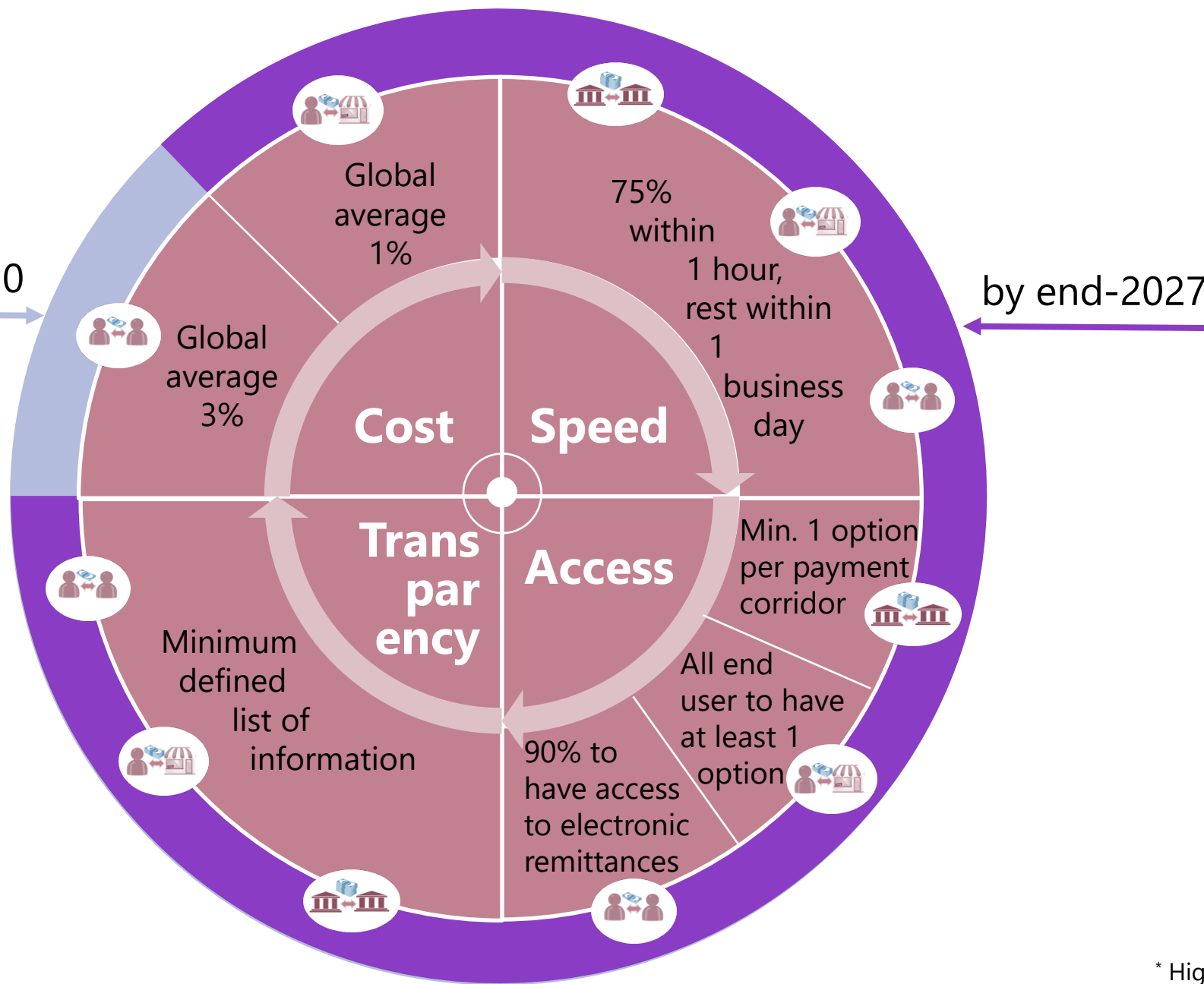
**14 ISO 2022**

ISO 20022 harmonisation requirements – public consultation (see agenda item 4)

# Targets for addressing cross-border payment challenges\*

By 2030

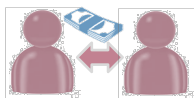
by end-2027



Wholesale payments



Retail payments



Remittances

\* High level summary

# Focus on 15 priority actions for 2023-24 across 3 priority themes

## Payment system interoperability and extension

1. Central bank operators' community of practice
2. FPS interlinking across borders
3. Cross-border payment service level agreements/schemes

## Legal, regulatory and supervisory frameworks

4. Bank/non-bank regulation and supervision
5. Information to end-users
6. AML/CFT rules application

## Data exchange and message standards

7. Interaction with data frameworks
8. ISO 20022 harmonisation requirements
9. API harmonisation
10. LEI use

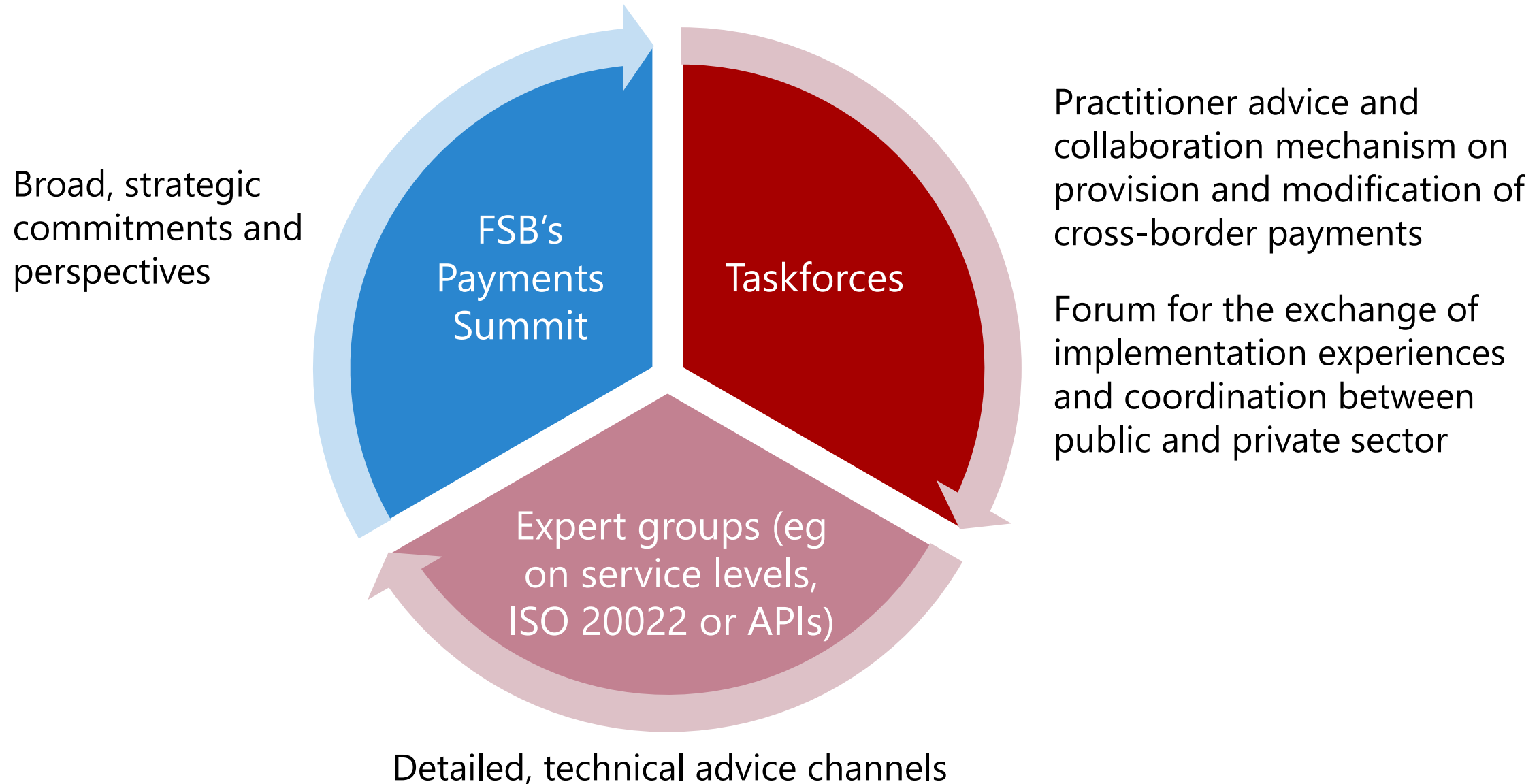
11. Payments Summit
12. Industry taskforces
13. Monitoring and progress reporting
14. Technical assistance
15. Public sector outreach

FSB (2023): [G20 Roadmap for Enhancing Cross-border Payments: Priority actions for achieving the G20 targets](#)





# Priority actions focusing on increased external engagement



## Cross-border payments interoperability and extension (PIE) task force

- Launched on 11 May
- Approximately 30 members from a wide variety of jurisdictions and regions and comprising private-sector institutional types and business models
- Regular meetings to bring together the strategic perspective and practical subject matter expertise required to implement cross-border payment enhancements



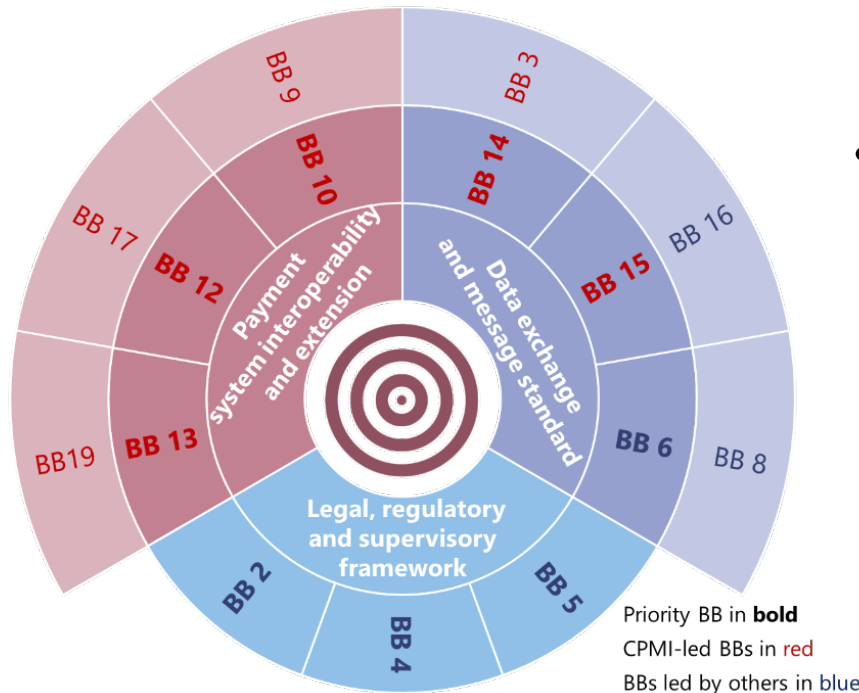
Industry



Central banks

## Central bank operated payment systems (COPS) community of practice

- Forum for central banks to exchange information and experiences
- Focus on developing or upgrading their payment systems, factoring an international dimension into fast payment systems (FPS) and central bank digital currency (CBDC) systems, and considering other innovative developments (eg synchronisation)
- Complements private sector engagement



Focus on 5 priority building blocks led by the CPMI



Agenda item 2:  
Draft terms of reference of the task force

## Draft ToR - overview

- Introduction and objectives
- **Responsibilities and tasks**
- Composition
- **Members' responsibilities**
- **Working procedures**
- Duration of mandate and changes to ToR

## Draft ToR - **responsibilities** and tasks

- Provide advice on cross-border payment market conventions and industry practices arrangements
- Facilitate regional and/or global coordination
- Plan implementation measures among market participants

## Draft ToR - responsibilities and **tasks**

- Discuss approaches (scope, timelines) for the implementation of actions/technical expert group outputs and seek areas for a common approach
- Provide a forum to exchange implementation experiences, challenges and best practices;
- Address interdependencies between building blocks from a private sector perspective when planning implementation measures
- Identify specific aspects where (further) harmonisation is required
- Contribute to the progress monitoring of activities by providing timely information about changes in progress and implemented

## Draft ToR - members' responsibilities

- Active contribution to the work of the PIE taskforce
- Identification and declaration of (potential) conflicts of interest
- Membership of any members who do not actively contribute and/or regularly attend meetings could be reconsidered

## Draft ToR - working procedures

- Sub-structures
- Meetings and written procedures
- Coordination with other groups
- Work materials
- Decision making and reporting
- Handling of information



## Draft ToR – next steps

- Further comments in writing by 19 May cob
- Revised draft ToR shared with PIE TF for information and with CPMI for approval
- Final ToR shared with PIE TF ahead of the next meeting

Agenda item 3:  
Practical actions to realise benefits of the extension and interoperability of  
payments systems

## Questions 1 & 2

- What practical actions would you consider essential based on the conclusions of the reports of payment system access, operating hours and interlinking and application programming interfaces (APIs) in order to achieve the cross-border payment targets endorsed by the G20 (G20 targets)?
- What additional practical actions are important to progress towards the G20 targets? *Please focus on actions other than those related to legal, regulatory, supervisory and/or data frameworks (which are covered by the respective FSB-led industry taskforce).*

## Questions 3 & 4

- How could these practical actions be sequenced? What are the interdependencies among such actions? Are there any interdependencies with legal, regulatory, supervisory and/or data frameworks that should be discussed with the FSB-led industry taskforce? What key challenges need to be overcome to successfully implement the priority actions?
- What recent developments in the cross-border payments landscape can help to catalyse or accelerate progress, or may lead to additional challenges?

## Questions 5

- How could private sector stakeholders best coordinate to deliver on those actions and how could you as industry representatives, contribute to it? What role could the PIE taskforce play to help coordinate and facilitate progress more broadly? What key practical projects can the public and private sector work together on to achieve the G20 cross-border payments targets?

Agenda item 4:  
ISO 20022 harmonisation requirements – possible implementation and  
governance approaches



# Harmonisation of ISO 20022 to enhance cross-border payments

Lead, CPMI – PMPG Joint Taskforce

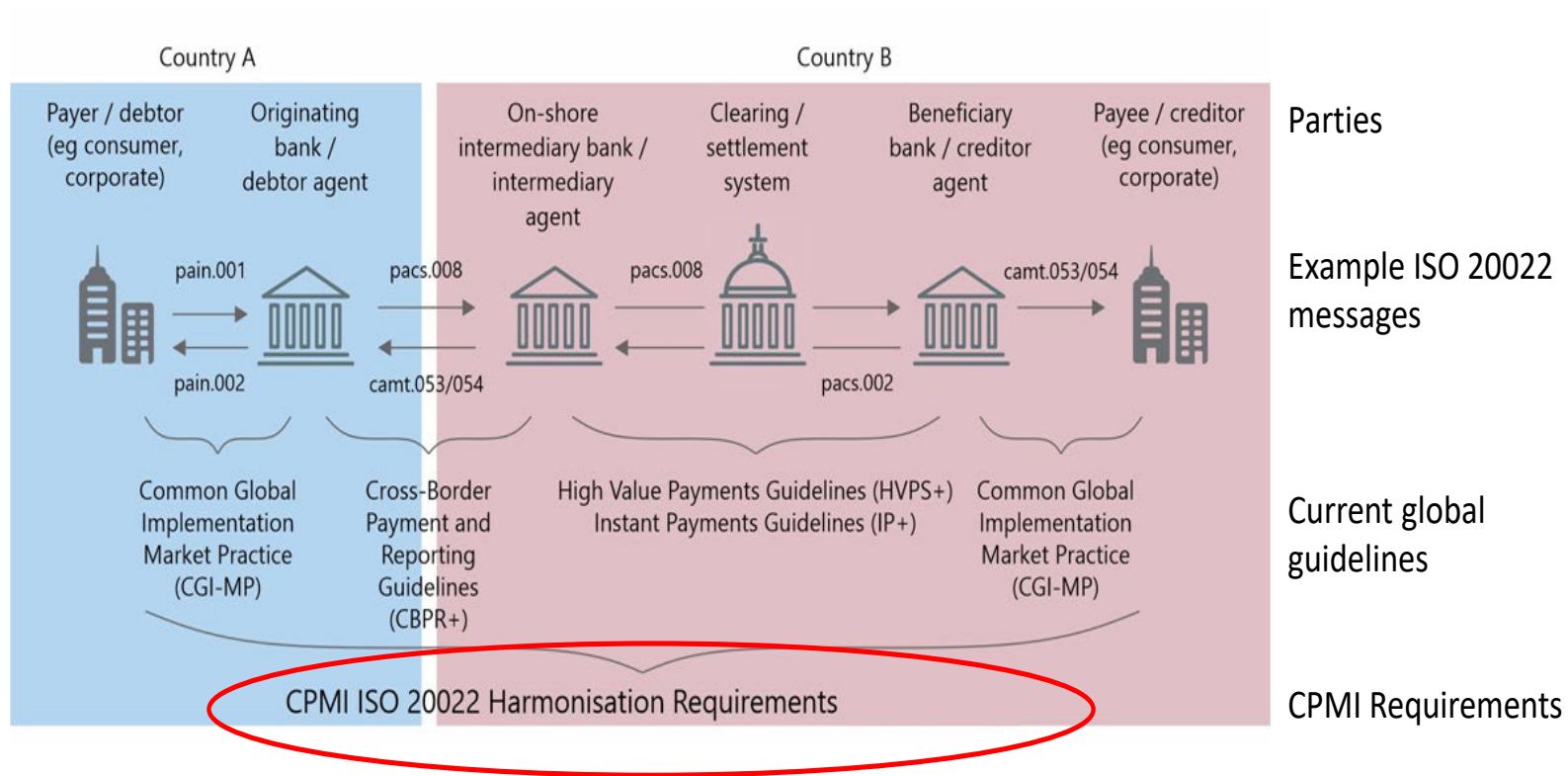
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**Public**  
PIE taskforce meeting  
11 May 2023

## CPMI – PMPG Joint Task Force

- A group of messaging specialists from the CPMI workstream focusing on ISO 20022 harmonisation and the global Payments Market Practice Group.
- Tasked to define requirements for use of ISO 20022 for cross-border payments, identifying issues of misaligned message flows, differing market practice guidance, and incompatible data models that may contribute to slow speed, high cost, and lack of transparency with cross-border payments.
- Define requirements for use of ISO 20022 for cross-border payments :
  - Identify the core ISO 20022 message set for cross-border payments;
  - Identify general requirements (15) for that core set;
  - Set minimum data requirements for each message in the set, including aligned implementations of core components across the set ("CPMI data model").

# JTF Approach



- The CPMI ISO 2022 harmonisation requirements should take effect in November 2025 when SWIFT's MT/ISO 2022 coexistence period ends.

# Fundamental Requirements

- 1) To use the appropriate ISO 20022 message for a specific business function
- 2) To use (externalised) codes for payments and payment-related processes
- 3) To indicate that a payment is a cross-border payment
- 4) To support/restrict the character set used in cross-border payments to current market practice
- 5) To use common time conventions across all ISO 20022 messages associated with cross-border payments

# Transparency Requirements

- 6) To include a unique end-to-end reference for all cross-border payments
- 7) To ensure full transparency on processing times for cross-border payments
- 8) To ensure full transparency on amounts, currency conversions and charges of cross-border payments
- 9) To indicate that a cross-border payment is sent under the CPMI service level agreement guidance (building block 3)

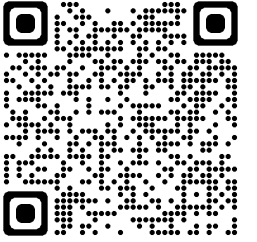
# Data Quality Requirements

- 10) To recommend use of account numbers (or proxies) to the extent possible
- 11) To uniquely identify all financial institutions (FIs) involved in cross-border payments in an internationally recognised and standardised way, i.e., with a BIC
- 12) To identify all entities involved in a cross-border payment in a standardised and structured way
- 13) To identify all persons involved in a cross-border payment in a standardised and structured way
- 14) To provide a common minimum level of postal address information in a standardised and structured way to the extent possible
- 15) To cater for the transport of remittance information across the end-to-end cross-border payment chain by enabling the inclusion of a minimum size of structured or unstructured remittance information with the payment, or to reference such information when sent separately



# Way ahead

[Consultative report: ISO 20022  
harmonisation requirements for  
enhancing cross-border payments  
\(bis.org\)](https://www.bis.org/consultative-report-iso-20022-harmonisation-requirements-for-enhancing-cross-border-payments)



## ● Timeline

- Consultation until 31 May 2023
- Publication of final report in Q3 2023

## ● Multi-year implementation (2023-2025)

- CPMI ISO 20022 harmonisation requirements expected to take effect in November 2025
- Global market practice guidelines to start committing next year
- Plans for the adoption of the CPMI ISO 20022 harmonisation requirements to be developed at individual country level.

Committee on Payments  
and Market Infrastructures



For further information, see [CPMI website](https://www.bis.org/cpmi)

