Dear Committee Member,

TC 68’s Communications Group (TG 1) would like to alert you to:

1. Recent leadership changes
2. Leadership opportunities
3. Call for participants
4. Recent standards activity
   - ISO/TC 68/SC 2 Financial Services, Security
   - ISO/TC 68/SC 8 Reference Data for Financial Services
   - ISO/TC 68/SC 9 Information Exchange for Financial Services
   - ISO 20022 Registration Management Group (RMG)
5. Featured topic – “Highlights of the Fall SMPG Global Meeting”
6. ISO Excellence Award
7. Request for news items and articles

1. RECENT LEADERSHIP CHANGES

• None.

2. LEADERSHIP OPPORTUNITIES

• ISO/TC 68/AG 2 – Standards Advisory Group

The Standards Advisory Group (SAG) is seeking a public sector Co-Convenor to join the private sector Co-Convenor. The private sector Co-Convenor is Karla McKenna. The public sector Co-Convenor works with the private sector Co-Convenor and SAG Secretary to: (1) plan the agendas for the SAG’s monthly calls, (2) lead the SAG’s monthly calls, (3) manage the drafting of responses to consultations to which the SAG will respond, (4) represent TC 68 at calls or in-person meetings, as requested by the public sector and other significant stakeholder groups, and (5) engage TC 68 subject matter experts and advisory group and working group convenors to obtain their expertise in the drafting of responses and their attendance at the above-mentioned calls or in-person meetings. If you are interested in serving, please contact Janet Busch (Committee Manager, ISO/TC 68) at janet.busch@x9.org.

3. CALL FOR PARTICIPANTS

• ISO 20022 Registration Management Group (RMG) – Cross SEG Harmonization Group (CSH)

The RMG members have received a call for participation to the CSH to further strengthen the CSH as the ISO 20022 standard is further adopted. The call is still open, and we are looking for someone with a broad view of standards and the business in the financial industry, but most importantly, we need a person who supports the RMG and its SEGs in their joint vision of ISO 20022 as a globally connecting standard for the financial industry and their partners.
As background, the CSH is involved in the distribution of the Business Justification (BJ) to the correct Standards Evaluation Group (SEG) and the coordination of work in case multiple domains and, therefore, different SEGs are involved. With the growing usage of ISO 20022 messages and resources, this becomes a more and more critical task. A typical example might be the change request for a pacs.009 in relation to trades, which involves both the Payments SEG and the Securities SEG. Or, in case a change is requested in a new business domain, the CSH can help to organize the evaluation.

- **ISO 20022 RMG – Work Group to Evaluate a Request for a Test Message Capability**

  The leadership of the ISO 20022 RMG is calling for experts to form a work group to evaluate a request to consider the development of “Test Messages” as a service feature that supports the registration of new registration artefacts including testing for new syntax generation. The work group is expected to consider use cases and utility of the proposal for the benefit of the ISO 20022 standard, its relationship with the scope of ISO 20022 registration activities and its recommended disposition. Members of the ISO 20022 Technical Support Group are expected to form the core of this work group and participation from ISO/TC 68/SC 9/WG 4 and other ISO/TC 68 communities are welcome. Please submit your interest to participate to the ISO 20022 RMG Secretary at iso20022RMG_Secretary@savemeri.org by 20 December 2023.

- **ISO/TC 68/SC 9/WG 4 – ISO 20022 Revision**

  SC 9 is seeking persons to join WG 4, especially persons with expertise in Abstract Syntax Notation One (ASn.1), to contribute to performing the work associated with the following approved new work item: ISO 20022-9 Financial services — Universal financial industry message scheme — Part 9: Syntax Generation Requirements and Rules.

- **ISO/TC 68/SC 9/MA 1 – ISO 18245 Retail financial services — Merchant category codes**

  SC 9 is seeking persons to join the maintenance agency (MA) for ISO 18245. The MA will work on the revision of their guidelines and report back to SC 9 with updated proposals.


  SC 9 is seeking persons to join the maintenance agency (MA) for ISO 8583. The MA will work on the revision of their guidelines and report back to SC 9 with updated proposals.

- **ISO/TC 68/SC 9/WG 5 – Improving transparency in financial and business reporting**

  SC 9 is seeking persons to join Working Group 5 (WG 5) to revise the three parts of ISO 5116 Improving transparency in financial and business reporting — Harmonization topics
  - ISO 5116-1 European data point methodology for supervisory reporting
  - ISO 5116-2 Guidelines for data point modelling
  - ISO 5116-3 Mapping between DPM and MDM
4. RECENT STANDARDS ACTIVITY

**ISO/TC 68/SC 2 Financial Services, Security**

**Open ballots:**

- ISO/DIS 5201.2 *Financial services — Code-scanning payment security* - (WG 19) - second DIS ballot (extension for publication is 3 May 2024) opened on 10 October 2023 and *closes on 5 December 2023*.

- ISO/CD 9564-5 *Financial services — Personal Identification Number (PIN) management and security — Part 5: Methods for generation, change, and verification of PINs using 16-byte block ciphers* - Committee Draft consultation stage - initiated on 8 November 2023 and *closes on 3 January 2023*.

**Due to go out for ballot:**

- ISO/TS 9546 *Guidelines for security framework of information systems of TPP services* - approved 100% - the document is being prepared by ISO (since 25 July 2023) before the ballot is circulated for the publication approval stage (8 weeks DTS ballot).

**Recently closed ballots:**


- ISO/DIS 13491-1 *Financial services — Secure cryptographic devices (retail) — Part 1: Concepts, requirements and evaluation methods* - (WG 13) - Approved 100% - some technical changes (including to the drawings) to be made so currently preparing the FDIS documents for sending to ISO.

**Recently sent for publication:**

- None.

**Recently published:**

- None.

**Other noteworthy activity:**


• ISO/AWI TS 14742 Financial services — Recommendations on cryptographic algorithms and their use - (WG 16) - under development.

• ISO/AWI 18960 Security controls and implementation guidance for third party payment service providers - (WG16) - under development (resolving Working Draft comments).

• ISO 20038 Amd 1 Banking and related financial services — Key wrap using AES - (WG 11) - approved 100% - with the working group to decide the next steps and resolve the comments received at the Enquiry stage.

• ISO/TC 68/SC 2/CAG Chair’s Advisory Group recently participated in the ISO/TC 68 review of TC 68 standards relevant for digital currency processes. ISO/TC 68/AG 5 Digital Currencies is now evaluating the findings of the reviews performed by the three subcommittees of TC 68.

ISO/TC 68/SC 8 Reference Data for Financial Services

Open ballots:

• Confirmation of Jennifer Schürch as the Secretary of the CFI and the Currency Code Maintenance Agencies - **deadline 12 December 2023.**

Due to go out for ballot:

• ISO/DIS 18774 Securities and related financial instruments — Financial Instrument Short Name (FISN).

• ISO/DIS 17442-3 Financial services — Legal entity identifier (LEI) — Part 3: verifiable LEIs (vLEIs).

• ISO/DTR 24371 Financial services — Natural person identifier (NPI) — Natural person identifier lifecycle operation and management.

Recently closed ballots:

• None.

Recently sent for publication:

• None.

Recently published:

• None.

Other noteworthy activity:

• SC 8/AG 2 – The new “Instrument Identifier Advisory Group” has been set up to investigate CFI changes with downstream effects. First meeting is planned for beginning 2024.
• SC 8/WG 3 – ISO/AWI 24165 Digital token identifier (DTI) — Registration, assignment and structure - Part 1 and Part 2 - revision. WG 3 is working towards a Committee Draft until the end of December 2023.

• SC 8/WG 7 – ISO/DTR 24371 Financial services — Natural person identifier (NPI) — Natural person identifier lifecycle operation and management. Feedback received from ISO Editorial Program Manager. Document to be finalized for SC 8 CIB.

• SC 8/WG 10 – ISO/DIS 18774 Securities and related financial instruments — Financial Instrument Short Name (FISN) final edits done. Document is now ready to be submitted to DIS stage.

• SC 8/WG 11 – ISO/DIS 17442-3 Financial services — Legal entity identifier (LEI) — Part 3: verifiable LEIs (vLEIs). KERI, CESR and ACDC specifications are in preparation to be handed over to the JTC 1 PAS process by the end of January 2024. WG 11 has agreed to move the draft vLEI document to DIS stage.

• The next plenary meeting of SC 8 will be on 16 May 2024 in Minneapolis, MN, as part of the week of plenary meetings of TC 68, its subcommittees, and the ISO 20022 RMG.

ISO/TC 68/SC 9 Information Exchange for Financial Services

Open ballots:


Due to go out for ballot:

• None.

Recently closed ballots:

• None.

Recently published:
• None.

Recently sent for publication:

• None.

Other noteworthy activity:

• None.

ISO 20022 Registration Management Group (RMG)

• RMG Interim Meetings – The ISO 20022 RMG is looking to host three virtual meetings in January, February and March of 2024 as a build up to the May 2024 plenary. The meetings are expected to be short and with focused discussion items.

• Update Practice Design – The working group designing an operating framework towards FIX and ISO 20022 interoperability is actively documenting the similarities and differences in business elements and business models between FIX and ISO20022 by looking into an actual implementation of trade workflows. The group is meeting on a biweekly basis and additional participation from the broader community is welcome.

• Information on the status of business justifications and maintenance change request submissions can be found on the ISO 20022 website here.

5. FEATURED TOPIC

Highlights of the Fall SMPG Global Meeting

Charles-Raymond Boniver
Swift, Standards
SMPG Program Director

Jacques Littré
Swift, Standards
SMPG General Secretary

The Securities Market Practice Group (SMPG) met on 14 – 16 November 2023 for their Fall Global Meeting at the Swift HQ in La Hulpe (BE) where about 50 securities market experts and standards practitioners from 18 national market practice groups from across the globe reconvened to progress market practices for asset servicing, settlement, and investment funds ISO Standards.

During these three days, half a day was also dedicated to a plenary session which took the form of a public webinar in which some of the key business topics of the securities industry were presented and discussed.

The following paragraphs provide the highlights of the business topics addressed during the webinar and of what was discussed in the three working group meetings.
Move to T+1 in America – What are the Challenges from a Global Point of View?

The shortening of the settlement cycle to T+1 in the Americas is keeping most of the post-trade industries engaged as the date line is now in less than six months. Keynote speakers from North America, Europe (asset manager and market infrastructure point of views) and Asia Pacific explained their challenges and concerns on this important milestone. The keynote was followed by a panel discussion where they engaged in an exchange with each other about their concerns.

An Update on ECMS – SCoRE (Single Collateral Management Rulebook for Europe) Standards

Reporting on the AMI-SeCo Single Collateral Management Rulebook for Europe (SCoRE) standards for ECMS, the ECB confirmed that the bi-annual monitoring exercise tracking the compliance of the EEA CSD’s implementations with the SCoRE standards shows very good progress globally and the strong willingness of all stakeholders to implement the rulebook in view of the live date of ECMS set for November 2024. The ECB also confirmed that the SCoRE standards will strictly follow the changes brought to the ISO 20022 messages through the ISO maintenance process.

An Update on the Swift Securities Strategy

The Swift capital market strategy team presented an update on the Swift securities strategy. The capital market ecosystem is changing fast. Investor behaviour is leading to new asset classes and investors have interest in private markets and in investment in local infrastructures and they are keen to the ESG aspects. The business models continue to evolve where data-led initiatives, continued automation and commoditization of traditional services, digital finance are taking front stage. This has also an impact on the operational models where the focus on settlement efficiency is key to support the accelerated settlement cycles. The communication layer is also an important challenge with various channels, standards and protocols that co-exists.

ISO 20022 Migration for the Securities Industry

Following the latest ISSA ISO 20022 Survey 2023 Report and the ECSDA paper entitled ‘ECSDA considerations on ISO messages for financial transactions and recommendations on their use’, the SMPG attendees had a lively discussion on the impact of a migration towards ISO 20022 for the securities industry. In the post trade area, it seems that the further away you are from the CSD in the settlement chain, the less you are concerned and see any benefit in migrating to ISO 20022. Even for the CSDs, the timeline they referred to in their paper varies across business domains.

The following key reflections were shared and agreed:

- There is a need to harmonize the usage of the version and variant of the ISO messages amongst the CSDs.
- The usage of several InterAct services on Swift could create fragmentation.
- Co-existence rules (with ISO 15022) would be needed and SMPG is probably one of the best placed industry groups to own them.
Highlights of the Corporate Action Working Group Meeting

During their sessions, the Corporate Action Working Group discussed the various updates to be brought to their corporate action, general meeting, shareholder identification disclosure and market claims market practice documents due to the changes to the new 2023 standards release. In corporate action, more specifically, the move of the entitlement function in ISO 20022 from the seev.031 to the seev.035 message required to have a full revision of the relevant sections in the part 1 of their corporate action market practice document.

Also, in view of the future planned migration of the corporate action messages to ISO 20022 in the context of the SCoRE standards for ECMS, the Working Group discussed the guidelines that could be recommended to the market for the usage of the ISO 20022 messages in terms of the version and variant to be used but also in terms of further field restrictions to ensure coexistence with ISO 15022 during a certain transition period. The Working Group will soon finalise a public statement on that topic.

The Working Group also looked at the potential tax reporting data flows required for the future FASTER directive from the EU Commission and discussed the opportunity to drive the development of ISO 20022 messages in that area once the directive has been approved, similarly to what the SMPG has already done in the context of the SRD II directive.

Highlights of the Investment Funds Working Group Meeting

During their sessions, the Investment Funds Working Group dedicated significant time and effort to the comprehensive review and enhancement of two processes: the portfolio transfer and the income distribution. In these areas, considerable progress was made on fostering agreement on critical issues, notably on the effective usage of Master Reference and Transfer Instruction Reference within the portfolio transfer process and optimizing the application of sese.043 within the portfolio transfer process. Essential points were also clarified for the Income Distribution event on funds. These agreements mark important milestones in streamlining the processes for enhanced efficiency and effectiveness.

Highlights of the Settlement and Reconciliation Working Group Meeting

During their sessions, the Settlement and Reconciliation Working Group discussed the actors and roles in the digital asset ecosystem and the potential impact on the business flows. Existing ISO 15022 and ISO 20022 messages have already been modified to cater for digital assets requirements during the Standards release 2022 but more changes are to come and market practice discussions on subjects such as usage of the place of settlement and the place of safekeeping will take place soon.

The Working Group also discussed the Unique Transaction Identifier (UTI) and recommended not to mandate it. Even though CSDs and ICSDs did not show any particular interest, some custodians mentioned it could be useful in the matching process. The group recommended to define more precisely the business case(s) not only for custodians but also for underlying clients to adopt the UTI.
SMPG Payment Task Force Meeting

The SMPG Payment Task Force was created in 2019 as the payment industry had decided to move from MT messages to ISO 20022 messages. The purpose of the task force is to ensure that a payment instruction and the associated cash reporting that results from a securities transaction (or process, e.g. corporate action cash pay-out) can be generated. During the fall Global SMPG meeting, the payment task force met and reviewed the banking transaction code list to be used in the camt.053 message.

All slides presented during the November SMPG plenary session are available for consultation on this page of the SMPG website.

6. ISO EXCELLENCE AWARD

In October 2023, Jason Polis (ISDA) was awarded a certificate for the ISO Excellence Award. The certificate – signed by ISO Secretary General Sergio Mujica – states: “Jason Polis demonstrated excellence as an expert in ISO/TC 154/WG 5, Representation of dates and times particularly working on ISO 8601-1:2019/Amd 1:2022, Date and time — Representations for information interchange — Part 1: Basic rules — Amendment 1: Technical corrections. His technical contribution to the update of this International Standard has provided clarity and reassurance to its users, where precise communication of dates and times are important, especially for the financial services industry.” ISO/TC 68 extends its congratulations to Jason for this achievement.

7. REQUEST FOR NEWS ITEMS & ARTICLES

If you have content you think would be useful to present in future newsletters or post to TC 68’s website or LinkedIn page, please kindly send that content to the Communications Group at tc68com@fintechstandards.net or the Group’s Convenor, Paul D’Amico, at paul.d'amico@ofr.treasury.gov. Also, if you are interested in joining the Communications Group, please contact us. We need your help and participation!

Thank you.

The ISO/TC 68 Communications Group (ISO/TC 68/TG 1)