

ISO 2022 FOR CORPORATES NEWSLETTER - 2024 #1

Cash Management

In this first newsletter of the year, we give you an update on the ISO 2022 migration. Although it primarily concerns financial institutions and market infrastructures, the migration impacts indirectly corporates.

Two topics are covered in this newsletter:

- **Introduction of a semi-structured address format for counterparty addresses**
- **Migration of the SEPA interbank flows to the ISO 2022 message version 2019**

INTRODUCTION OF A SEMI-STRUCTURED ADDRESS FORMAT FOR COUNTERPARTY ADDRESSES

You will be pleased to learn that the rules regarding the formatting of counterparty addresses are made more flexible with the introduction of the semi-structured option as of November 2025.

Our recommendations regarding the formatting of counterparty addresses in your payment messages are therefore adapted.

➤ Three options to format an address in a client-to-bank 'pain' message

The ISO 2022 XML standard allows three format options of the customer data:

- The **structured variation** offers granularity: the postal address <PstAdr> consists of dedicated address elements for each address attribute. The number of structured data elements varies with the format version but the two mandatory structured fields **ISO country code** and **town name** are available in all three supported versions. This option is allowed since November 2023.
- The **semi-structured (hybrid) variation** is a compromise between data quality, necessary to facilitate sanctions and embargo checks, and ease of implementation for all stakeholders in the migration to ISO 2022. Data elements **"Country" <Ctry>** and **"Town Name" <TwnNm>** are mandatory, and, if available, **Post Code <PstCd>**. All other address attributes may be provided in structured data elements or unstructured address lines. This option will be allowed as of November 2025.
- The **unstructured variation** contains several iterations of unstructured "Address Lines" but even when this unstructured option is used, the presence of **"Country" <Ctry>** is required in the structured element. This option will be forbidden as of November 2026.



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The table below illustrates the three options based on the example of the pain.001 v9 but the 3 options are also available in pain.001 v2 and v3. The main difference is that the v9 supports more structured fields in the postal address than the previous versions. However both v2 and v3 carry on the mandatory fields required for a structured address.

POSTAL ADDRESS - EXAMPLE PAIN VERSION 2019*

Department	<Dept>	> STRUCTURED OPTION <ul style="list-style-type: none"> All address attributes are provided in structured data elements with minimum "Country" <Ctry> and "Town Name" <TwnNm> 	> SEMI-STRUCTURED OPTION <ul style="list-style-type: none"> Data elements "Country" <Ctry> and "Town Name" <TwnNm> are mandatory All other address attributes may be provided in structured data elements or address line (2*70 characters). Duplication of data in Address Line must be avoided.
Sub Department	<SubDept>		
Street Name	<StrtNm>		
Building Number	<BldgNb>		
Building Name	<BldgNm>		
Floor	<Flr>		
Post Box	<PstBx>		
Room	<Room>		
Post Code	<PstCd>		
Town Name	<TwnNm>		
Town Location Name	<TwnLctnNm>		
District Name	<DstrctNm>		
Country Sub Division	<CtrySubDvsn>		
Country	<Ctry>		
Address Line 1	<AdrLine>		
Address Line 2	<AdrLine>		

*14 structured fields in V9, 8 structured fields in V3 and 6 structured fields in V2. The two mandatory structured fields are available in all three versions.

Note: Until Nov '25, Structured and unstructured elements are mutually exclusive. This implies that the unstructured 'Address Line' can only be combined with structured element "Country" <Ctry> and not with any other.

> How does the address format change impact you?

There is no emergency to adapt the address format in your pain.001 but the **ultimate deadline is November 2026**. The end date for unstructured address is pushed from 2025 to 2026, giving you a little bit more time to adapt your systems to the requirements.

Our recommendation is to get organized to be ready in 2025. Check your ability to render addresses in the target format and if necessary make adaptations.

The table below gives a summary of the postal address formats, required fields & planning.

	PLANNING			REQUIRED POSTAL ADDRESS FIELDS in pain message			
	Nov 2023 – Nov 2025	Nov 2025 – Nov 2026	> Nov 2026	<AdrLine>	<Ctry>	<TwnNm>	Other structured elements
If "PostalAddress" is used							
Structured	Allowed	Allowed	Allowed		✓	✓	(✓)
Unstructured	Allowed	Allowed	Not Allowed	✓	✓		
Semi-structured ("hybrid")	Not Allowed	Strongly recommended over unstructured	Allowed	✓	✓	✓	(✓)



➤ Which payments are in scope?

The requirement to provide an address differs in function of the payment type and the concerned party (debtor, creditor or ultimate parties).

The following table summarizes the market rules in place **today**:

Payment Type	DEBTOR ADDRESS	CREDITOR ADDRESS
Cross-border and RTGS payments	MANDATORY if non-EEA country* or non-EEA currency** is involved (regulation EU 2015/847) but BNPP provides it for all transactions	<ul style="list-style-type: none"> ▪ MANDATORY if requested by local regulation or part of the local standard cfr. BNP Paribas' currency guide (e. g. Canada) ▪ Recommended if non-EEA country* or non-EEA currency** involved ▪ Optional in other cases
SCT and SCT Inst	MANDATORY if non-EEA country* is involved (regulation EU 2015/847) but BNPP provides it for all transactions	Optional unless requested by local regulation or part of the local standard
SDD	<ul style="list-style-type: none"> ▪ MANDATORY if non-EEA country* is involved ▪ Optional in other cases 	Optional

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*EEA - European Economic Area: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Liechtenstein, Norway, Iceland

** EEA currencies: : BGN, CHF, CZK, DKK, EUR, HUF, ISK, NOK, PLN, RON, SEK

However, BNP Paribas recommends systematically providing the addresses of your counterparties, regardless of the beneficiary country or currency, in order to guarantee the most efficient processing of your payments

➤ What is the target XML format version for your payments?

We recommend to use XML as the single format for all types of payments and collections: classic transfers, instant transfers, direct debits, SEPA, domestic, international, high value payments.

Many corporates already use pain.001.001.**03** (v2009) for the majority of payments (e.g. SEPA).

All interbank exchanges must take place with the ISO 20022 version 2019 by November 2025 at the latest. This obligation does not apply to Corporates who are free to continue using v2 or v3.

The target version is pain.001.001.**09** (v2019) because it offers new opportunities:

- Better quality of information in line with the future migration to e-invoicing
- Completeness and quality of the information necessary for the processing of the payment by the parties (beneficiaries, ultimate parties, ordering customer)
- Automation and reliability of accounting reconciliation and cash management

In addition, it enables end-to-end interoperability with the interbank exchanges.

The message specifications of the pain.001.001.09 for our Direct Connectivity channels (SWIFTNet FileAct, DC FTPS/SFTP, DC EBICS) are ready in MyStandards for you to test.

Upgrade to v9 in Connexis is undergoing. We will keep you posted once it is ready for test.

➤ What's new in the pain.001.001.09 (v2019)?

- 14 fields supporting structured addresses
- Structured fields to identify Ultimate parties (Debtor, Creditor)
- Structured Remittance Information
- Dedicated field for UETR
- Identification of legal entities by the Legal Entity Identifier (LEI): facilitating and increasing reliability of AML-CFT controls / Sanctions

There is no obligation to use version 9 though. BNP Paribas will continue to accept the currently supported 2009 version of the ISO 20022 XML format (pain.001.001.03 and pain.008.001.02) as well as the 2006 version.



➤ In conclusion, BNP Paribas recommendations are:

- Start looking at the data that is provided to BNP Paribas and work closely with your ERP/TMS providers to start making required updates to comply to the new industry requirement.
- Use XML as the single format for all types of payments and collections: classic transfers, instant transfers, direct debits, SEPA, domestic, international, high value payments.
- The recommended version is the pain.001.001.09 (v2019) which offers new opportunities, once ISO 20022 is adopted worldwide. If you are still on a previous version, you can continue to do so and take advantage of the modernization of your ERP, TMS or payment factory to plan a migration to pain.001.001.09 at a later stage. Message guidelines are at your disposal in MyStandards.

SEPA INTERBANK FLOWS MOVE TO XML FORMAT VERSION 2019

The European Payments Council (EPC) updates regularly their SEPA payment schemes rulebooks, which are the set of rules, practices, and standards to achieve interoperability for the provision and operation of the different SEPA payment instruments. On March 17th 2024, the EPC migrated the interbank messages to the ISO 20022 XML format version 2019 for SEPA Credit Transfers (SCT) and SEPA Direct Debits (SDD), the same version that is currently adopted by banks and market infrastructures for international and RTGS payments.

Since March 17th, banks and PSPs use the new ISO 20022 version for interbank communications. **This obligation does not apply to you, corporates:** you can use version 9 of the pain.001 or stay on version 2 or 3.

The ISO 20022 XML format version 2019 introduces new optional fields to allow for structured information, additional XML tags and updated format rules which will apply to both international and SEPA payments.

With the adoption of version 2019, the EPC aligns the SEPA rulebooks with the new data requirements for party information applied to international and RTGS payments, namely the structured address.

Please do not hesitate to contact your Relationship Manager for additional information or assistance.

TO THE ATTENTION OF BNL CLIENTS:

If you are using the CBI network (and standard) for the initiation of payments via BNL's e-banking platforms **myhub** and **BNL Business**, you have to upgrade your files to CBI ISO v9. BNL offers a conversion service, enabling to switch from the old to the new version without doing implementation on your side.

Contact your BNL Cash Management Officer for more information.

BNP Paribas, your trusted partner for all your foreign payments and collections.

More info:

Contact your Cash Management Officer

 [linkedin.com/company/bnpp-cash-management](https://www.linkedin.com/company/bnpp-cash-management)

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