



Collaboration between Pay.UK and the Bank of England on ISO 20022 payment messages

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ISO 20022 is an established international financial services messaging standard that will bring significant benefits to the global payments industry and the wider economy. The Bank of England and Pay.UK will implement ISO 20022 in the CHAPS and NPA (New Payments Architecture), as part of our objectives to improve resilience, security, user experience and innovation in the UK's payments industry¹.

The standard provides a common approach for payments data across the globe that will deliver benefits for a wide range of stakeholders; from large banks, financial market infrastructures, and businesses to consumers and payment system users. It will facilitate enriched and structured data in payment messaging that will deliver better corporate and consumer protections, enhanced analytics and increased innovation and competition in payments. Fundamentally, it enables heightened security and new opportunities for any transaction – personal or business – that ends or begins in a payment.

In 2018, the Bank and Pay.UK published a format for a new, common messaging standard for payments made via the UK's high value and retail payments systems, known as the Common Credit Message (CCM). We have since continued to develop our collaboration (as updated in our joint December 2019 statement) and remain committed to ensuring alignment on both a technical and policy perspective on standards between the two infrastructures. This seeks to ensure that we maximise the benefits realised with the implementation of ISO 20022 and this once in a generation change in data standards for payments.

In 2019, the Bank and Pay.UK formed the Standards Advisory Panel (SAP) to serve as a key external, advisory body focusing on the direction that interbank payment standards should take within our respective infrastructures. This forum continues to be instrumental in how we ensure alignment, raise awareness and develop meaningful examples of the benefits that standards can enable, and has been a valuable strategic input into the implementation of ISO 20022 within our programmes.

In 2020, we continued this partnership further:

- Both organisations published our policy implementation approaches and next steps in late-2020, see below.
 - [The Bank's Policy Statement on ISO 20022 Enhanced Data for CHAPS publication;](#)
 - [Pay.UK: Next Generation Standard for UK Retail Payments: Conclusions and Shaping the Way Forward.](#)
- We held joint industry events in late 2020/early 2021 to outline the published policy statements.
- We shared our timelines on the implementation of the technical standards collateral for CHAPS and the NPA.

¹ These changes arose as part of wider infrastructure changes. The Bank of England is renewing its RTGS infrastructure (see [here](#)) and Pay.UK is renewing the UK's retail payment systems (see [here](#)).



- We presented to industry a comparison view of each organisation's technical guidance; where they align and where they differ².

Throughout 2021 and beyond, our key areas of collaboration will include:

- Working with UK Finance and the Payments Standards Strategy Group on the strategic direction for the governance of payment standards in the UK.
- Working closely with industry to develop meaningful use cases and end-to-end journeys for utilising enhanced data to address existing challenges, such as Authorised Push Payment (APP) fraud and tax administration.
- Providing to industry a CHAPS and NPA schema comparison view against the original pacs.008 Common Credit Message (CCM), outlining where the schemas align and diverge.
- Further developing the requirements with industry for how the key enhanced data would be consistently implemented and used to unlock benefits, and ensure an aligned approach.

The close collaboration will continue as we progress with our respective programmes. We are also looking forward to further engagement with the wider industry as we introduce change and maximise benefits across the UK landscape.

Victoria Cleland

Matthew Hunt

² A comparison view between the Bank and Pay.UK on policy, technical guidance and timelines will be published in due course.