



Experience on ISO 2022 implementation

Presentation to Global SMPG

17 October 2018

- Standards in practice at ASX
- Drivers, benefits to adopt ISO 20022
- What makes adoption possible
- Considerations for approach to adoption
- CHES Replacement

Standards in practice at ASX

Service	Platform	Current standard	Future
Equities Clearing and Settlement (ASX Settlement)	CHESS	Proprietary (EIS) ISO 15022 (RITS only)	FIX ISO 20022
Debt Instrument Depository, Registry, Settlement, Cash transfers	Austraclear	ISO 15022	?
Tri-Party Collateral	ASX Collateral	ISO 15022	?
Market Reference Data - issuers, securities, events	ReferencePoint	Proprietary ISO 20022 (events)	Proprietary ISO 20022 (events)

Drivers, benefits to adopt ISO 20022



Customers have asked for it



Supported by regulators



Maintaining proprietary & diverse message sets is costly for ASX and its customers



Opportunities for customers, vendors to standardise and centralise, reduce costs, drive automation, increase STP and efficiencies



Benchmark ASX vs. global trends



Opportunities for connectivity, interoperability; flexibility in format and channel

What makes ISO 2022 adoption possible

- Introduction of new services
 - Corporate Action event notifications in ISO 2022 format, near real time
- Technology platform renewal
 - CHESS Replacement
- Support of customers
- Support of suppliers

Considerations for approach to ISO 20022 adoption

Learnings from other Market Infrastructure projects

Build a strong ISO 20022 knowledge and resourcing:

- ✓ Market Infrastructure
- ✓ Market

Map existing and future business flows:

- ✓ Understand user requirements and business flows of the existing environment
- ✓ Understand future requirements
- ✓ Start high level then go to detail
- ✓ Allow time for review

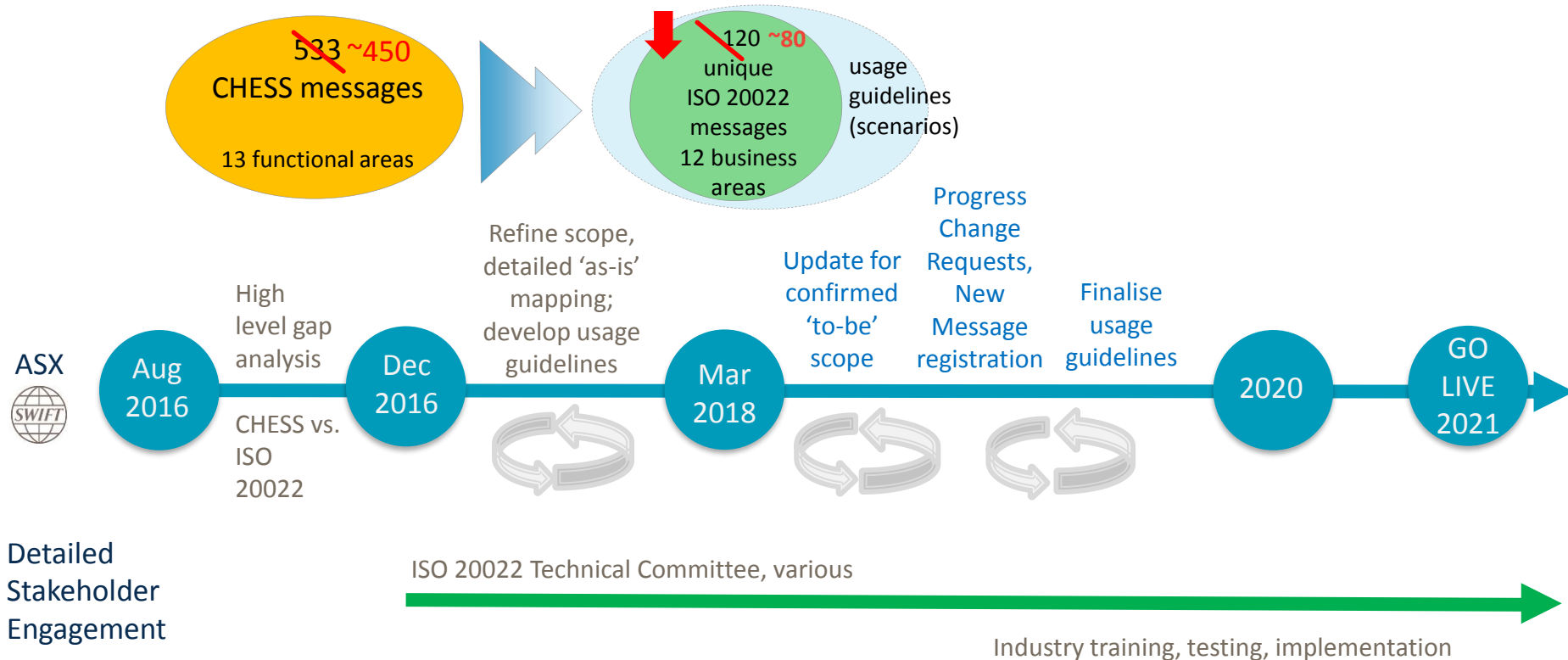
Use of SWIFT MyStandards:

- ✓ Edit and build usage guidelines, with commonly agreed templates
- ✓ Single source of publication for all technical documents, community publishing
- ✓ Build commonly agreed mapping templates from the beginning
- ✓ Define consistently applied base components

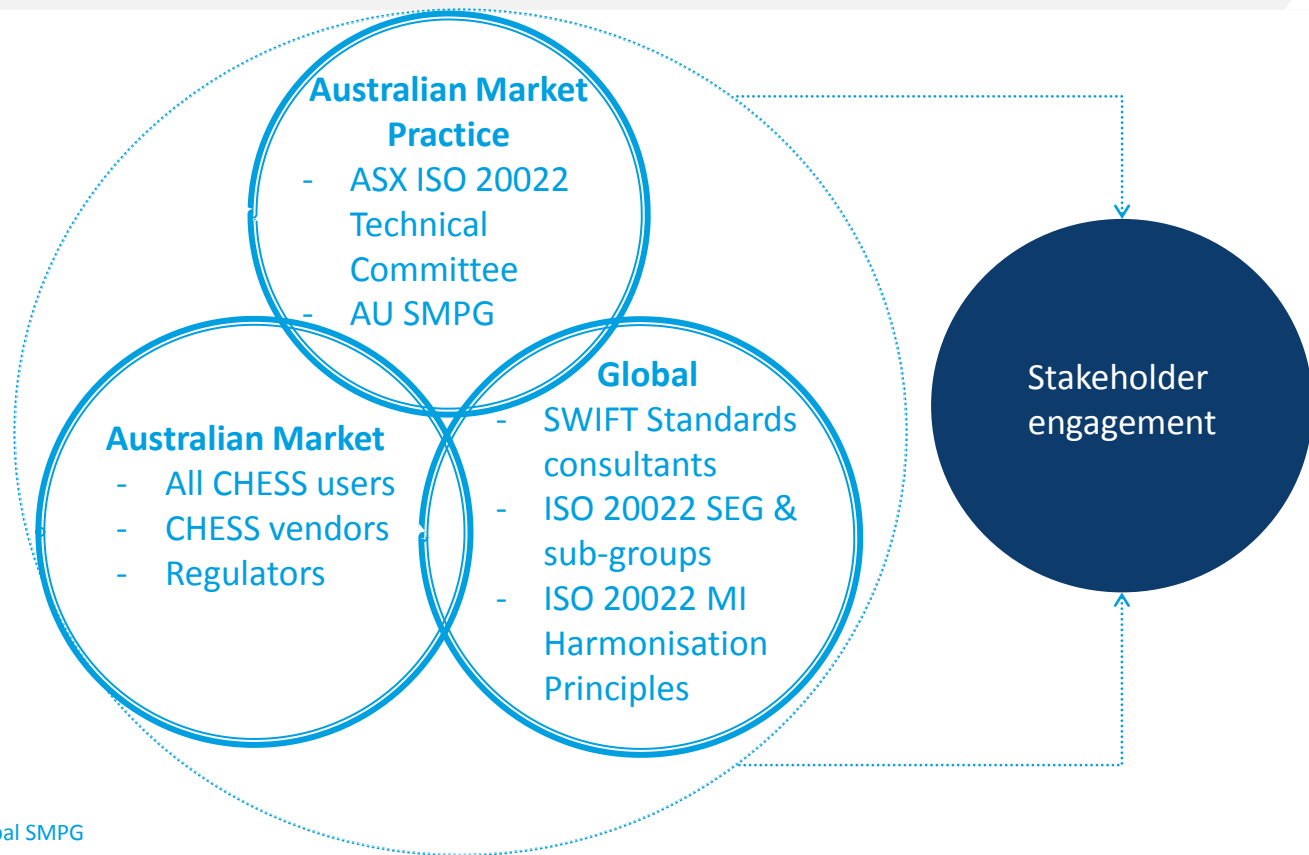
Implementation and testing:

- Avoid go live with “Unregistered / DRAFT” ISO 20022 messages
- ✓ Ensure a “freeze” of the ISO 20022 version during development and testing

The ISO 20022 adoption process for CHES Replacement



Stakeholder engagement



Migration approach for CHES Replacement

A single cutover weekend from current CHES to the new system

- Proprietary messaging decommissioned immediately after migration
- No protocol or message translation service provided by ASX (no guarantee ISO 20022 message is backwardly compatible)

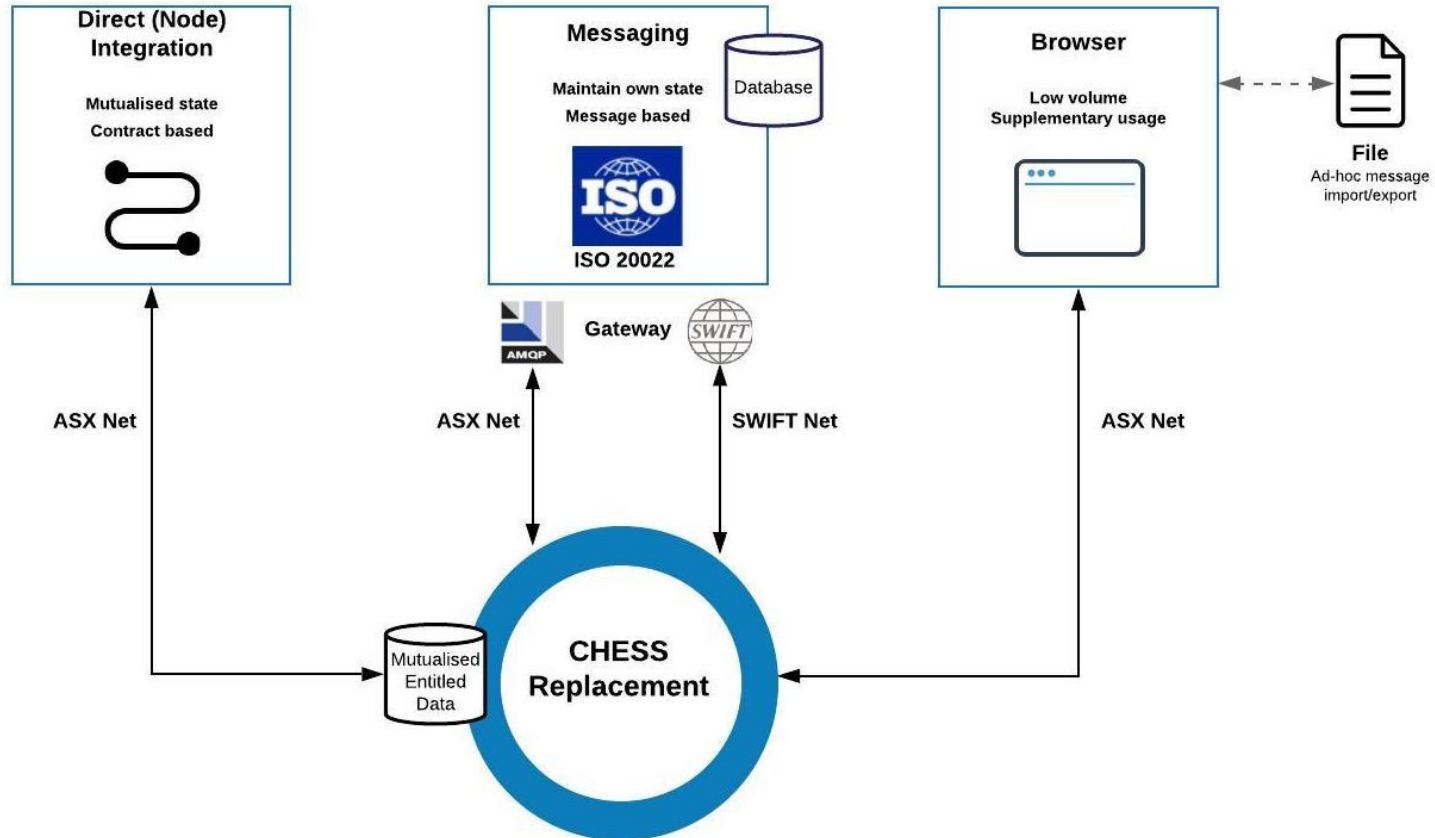
Why?

- Feedback from stakeholders, a review of other large scale ISO 20022 migrations/similar transitions, and recent ASX experience with other projects
- Reduce complexity and risks that would be associated with a phased transition

Mitigants

- Extensive planning, rehearsals with stakeholders; including tools, checkpoints, accreditation
- Extensive industry wide testing on pre-live production environment - will become live production environment at point of cutover

Connectivity options for CHESS Replacement



Thank you.