RTGS Integrated Regional Electronic Settlement System

ISO 20022
The South African Journey

SADC RTGS Conference

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RTGS Integrated Regional Electronic Settlement System

Agenda

- Background – Why?
- Modernisation Structure – Where?
- High Value Payments Flow in SA – What?
- Approach – How?
- Are we there Yet?
- Learnings – How did it Go?
- Insights

Background – Why?

- Industry assessment in 2009 to 2013
- Global Survey
- SAMOS Replacement
- PASA Modernisation of Payments – HVC (MoPHVC)
- SWIFT Migration from MT to ISO

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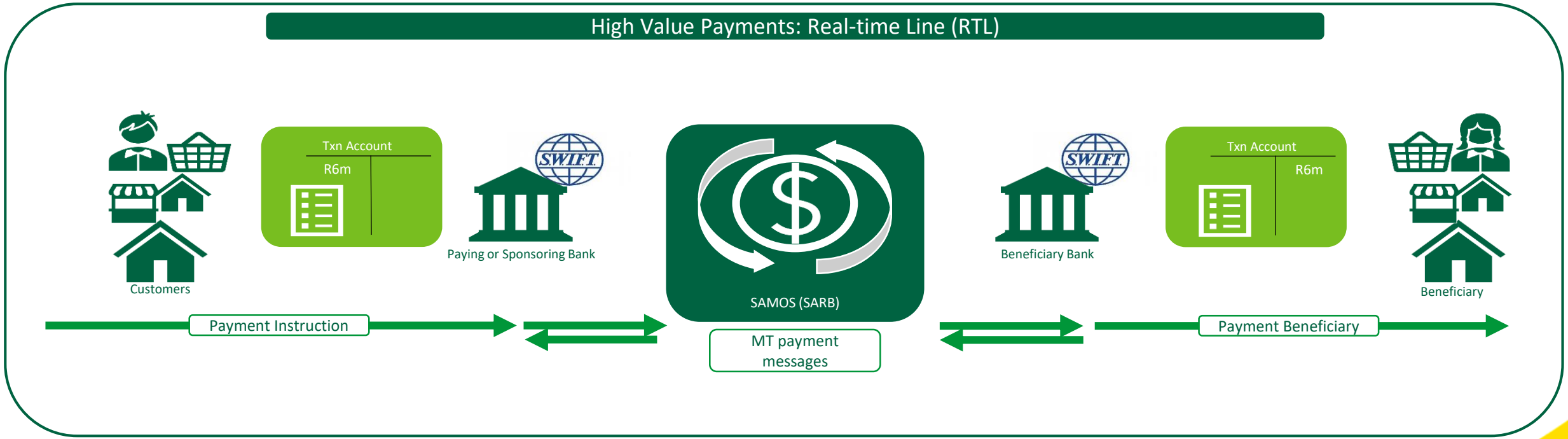
Modernisation

Structure – Where?

- Modernisation Program
  - Low Value Credits
  - Low Value Debits
  - High Value Credits

- Modernisation
  - Project Future
    - Instant Payments
    - Proxy
    - Request to Pay
  - Collections
    - Low Value Debit
    - AC
  - High Value Credits
  - SAMOS rewrite

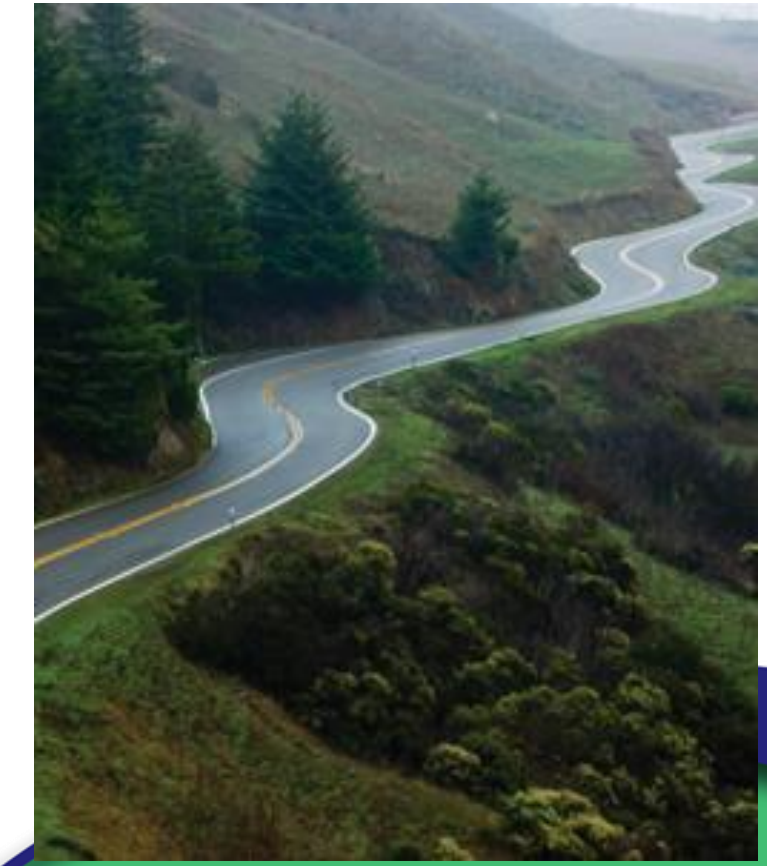
High Value Payment flow is SA – What?

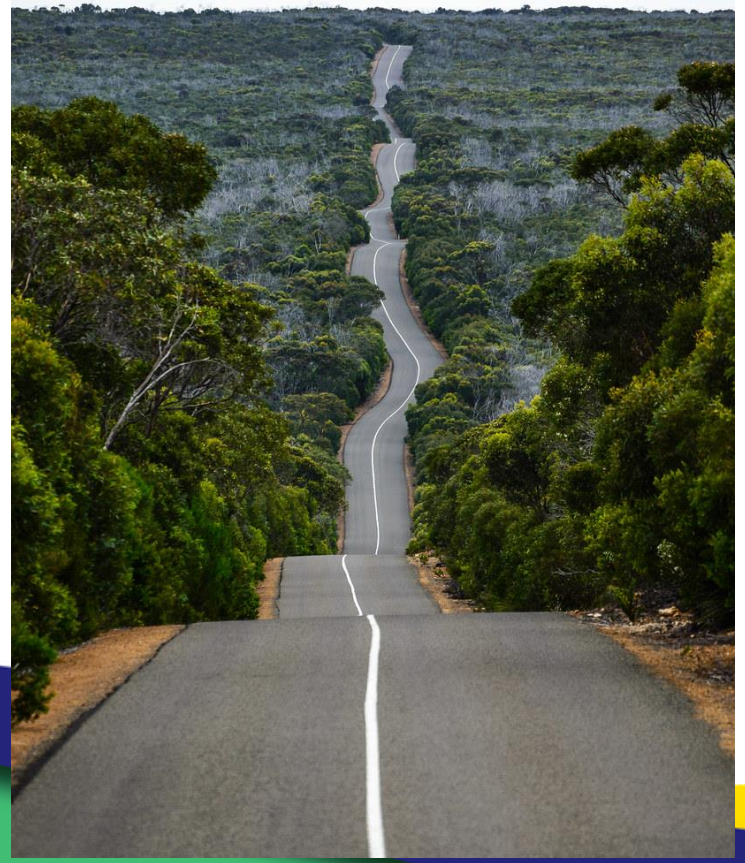


High Value Payments: Real-time Line

- Apply to all domestic payments over R5 000 000
- The client can choose RTL via certain channels
- Clearing and settlement is “real-time”

Approach – How?





- Collaboration, Collaboration, Collaboration
- Include Participant Banks, SARB and System Operators for Retail and Securities
- Weekly Industry Meetings set with all participants
- Business Requirement Specification
- Payment Flows and Use Cases
- Functional Requirements Specification
- Message Formats
- Clarification sessions
- Rules Sessions – Clearing Rules and Settlement Rules
- Sign-off of documents
- Change Control

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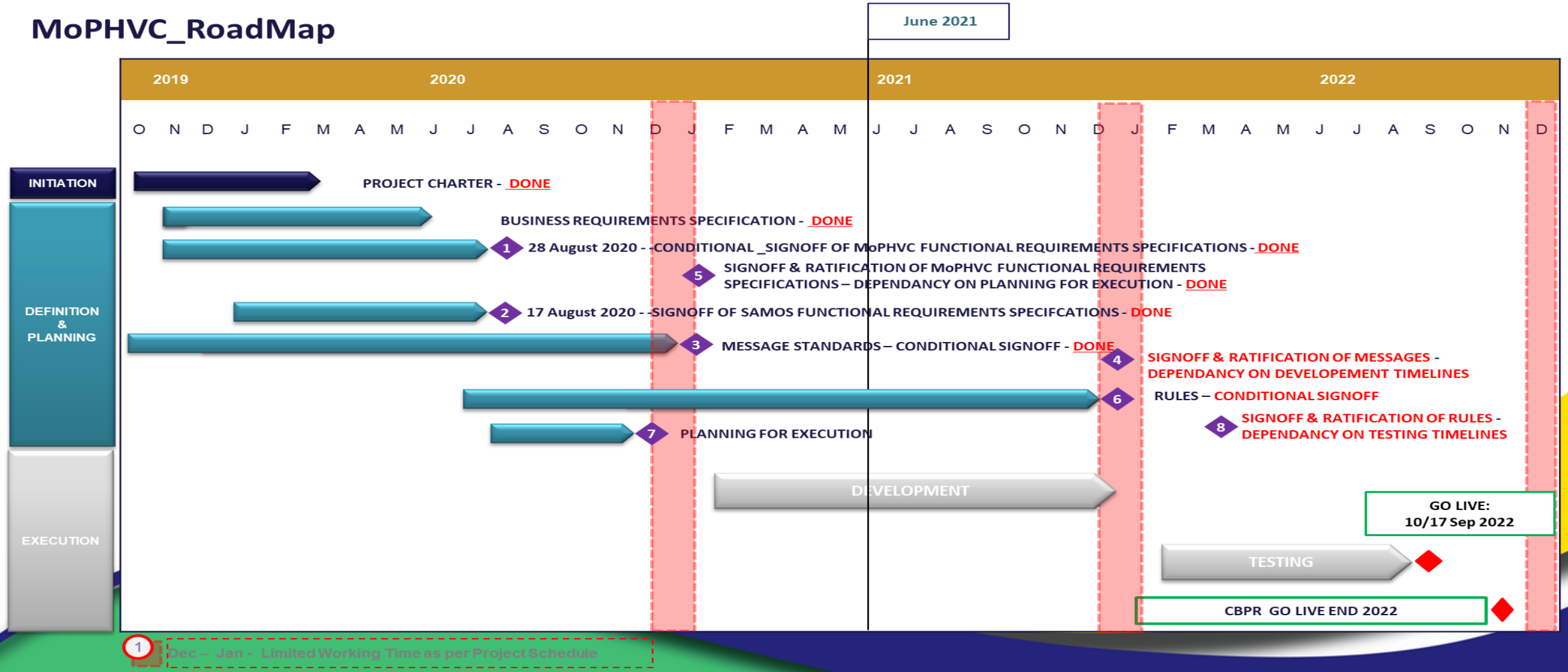
ARE WE THERE YET?



Learnings – How did it Go so far?

- Managing large groups of participants is challenging
- Participation is key for success
- Appropriate and timely feedback on discussions and especially decisions that need to be taken
- Multiple documents out for circulation – version control
- Resource constraints due to number of projects running at the same time
- Standards finalised after we had concluded formats causing rework

Insights

- Time goes by quicker that you think
- You have to roll with the punches and deal with Road-Blocks
- Multi-year projects definitely also have time pressures
- ISO is not only changing the message standard
- Ensure alignment and priority is received early in the project

Enjoy the rest of Your Journey!