The SADC-RTGS User Group Conference 2021:
8 June 2021

Evolving Payments in SADC and Shaping the Future:
RTGS Renewal Programme

RTGS Integrated Regional Electronic Settlement System

CONTENTS

SADC-RTGS Operator:

Magedi-Titus Thokwane

Background

Background – FMIs Strategic Plan

- 1. PO: Modernisation of the settlement infrastructure

- 2. PO: Enhancement of stakeholder engagement

- 3. PO: Integrating Management Information and system

- 4. PO: CCBG \ AACB strategic goals and objectives

PO: Primary Objective

Background – PO 1: Drivers

- Improvement of cyber and operational resilience;

- Enable migration to new international message standard ISO 20022

- Achieve Wider access to support public policy objectives of achieving financial inclusion through technology;

- Respond to changing customer demands such as increased processing volumes and longer operational hours; and

- Technology refresh in order to effectively and efficiently respond to changes in the business landscape.
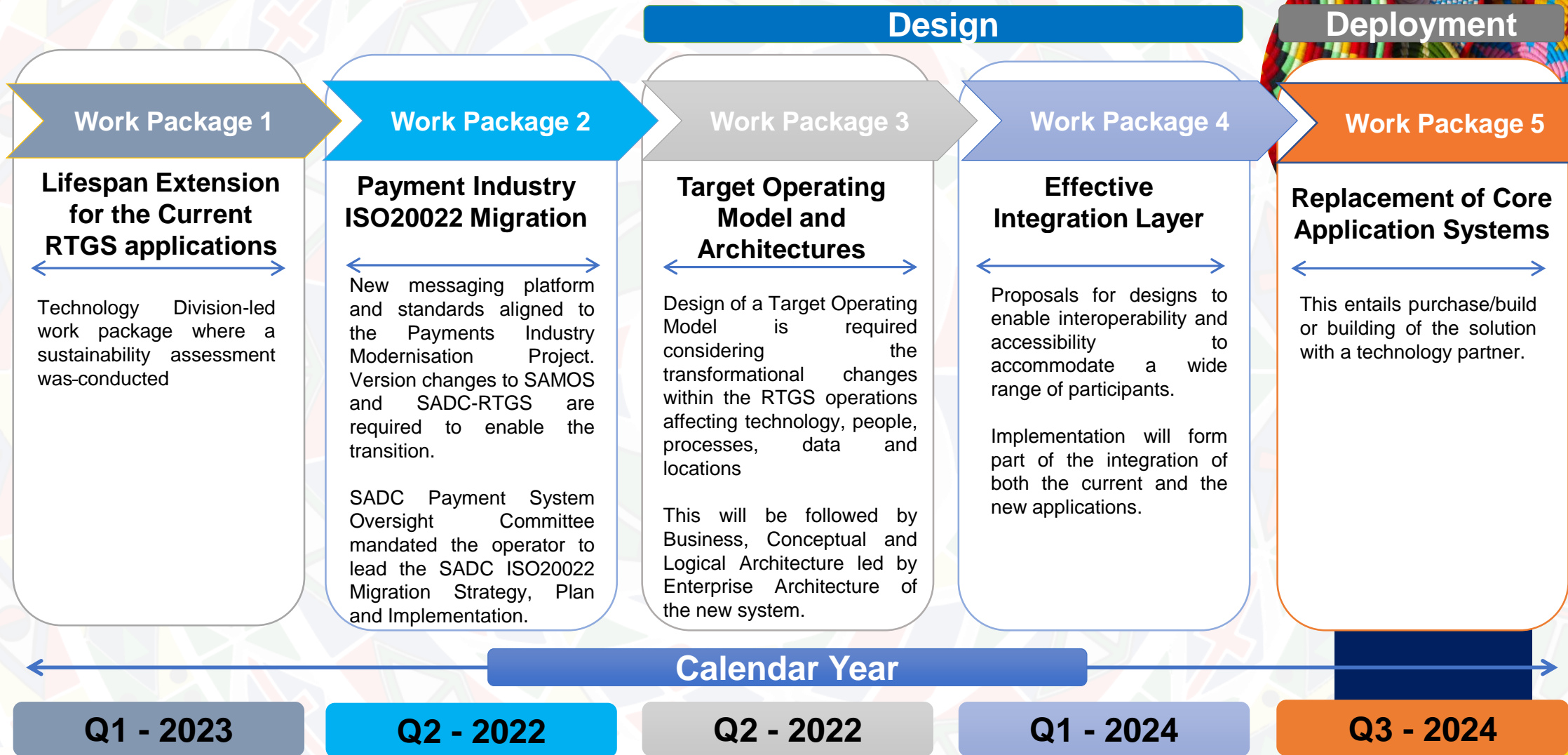
Work Packages

SADC RTGS Integrated Regional Electronic Settlement System

Work Packages

Design

Deployment

Work Package 1	Work Package 2	Work Package 3	Work Package 4	Work Package 5
Lifespan Extension for the Current RTGS applications	**Payment Industry ISO20022 Migration**	**Target Operating Model and Architectures**	**Effective Integration Layer**	**Replacement of Core Application Systems**
Technology Division-led work package where a sustainability assessment was-conducted	New messaging platform and standards aligned to the Payments Industry Modernisation Project. Version changes to SAMOS and SADC-RTGS are required to enable the transition.

SADC Payment System Oversight Committee mandated the operator to lead the SADC ISO20022 Migration Strategy, Plan and Implementation. | Design of a Target Operating Model is required considering the transformational changes within the RTGS operations affecting technology, people, processes, data and locations

This will be followed by Business, Conceptual and Logical Architecture led by Enterprise Architecture of the new system. | Proposals for designs to enable interoperability and accessibility to accommodate a wide range of participants.

Implementation will form part of the integration of both the current and the new applications. | This entails purchase/build or building of the solution with a technology partner. |

Calendar Year

Q1 - 2023	Q2 - 2022	Q2 - 2022	Q1 - 2024	Q3 - 2024

RTGS Integrated Regional Electronic Settlement System

Work Packages Updates

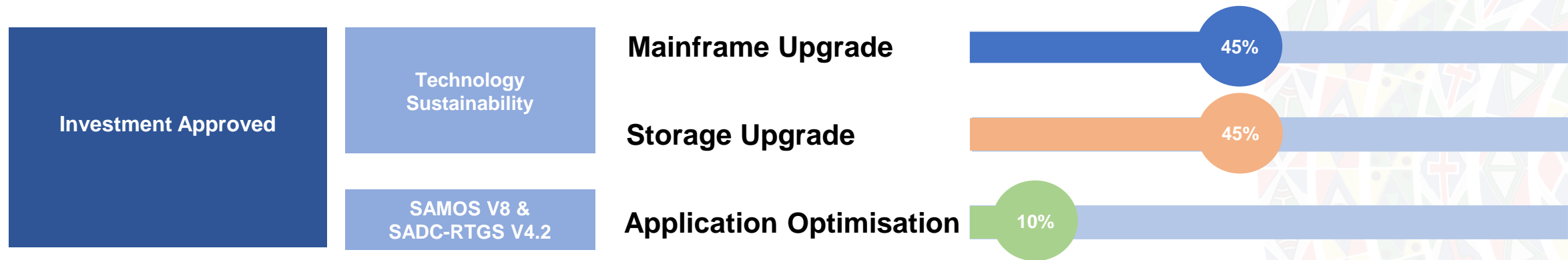SADC — SOUTHERN AFRICAN DEVELOPMENT COMMUNITY — TOWARDS A COMMON FUTURE

RTGS Integrated Regional Electronic Settlement System

Work Package 1 - Lifespan Extension for the Current RTGS applications

Technology Division-led work package where a sustainability assessment was conducted and recommended investment

Authorise & Initiate	Planning & Design	opment & Testing	Go Live
30 March 2020	31 April 2020 – 12 October 2020	1 March 2021 – 15 December 2022	02 March 2023

Investment Approved

Technology Sustainability

SAMOS V8 & SADC-RTGS V4.2

Mainframe Upgrade   45%

Storage Upgrade   45%

Application Optimisation   10%

Strategic	Business Continuity	• Software and hardware can be upgraded prior to end of life date.
Operational	End-to-End business processes monitoring capability	• Ensure that current payments system environment can continue to be supported until the new solution is fully implemented. • Operational cost savings are possible as the Infrastructure is new generation and not close to or past end of life date. • New generation infrastructure has a lower risk of failure.

RTGS Integrated Regional Electronic Settlement System

Work Package 2 - Payment Industry ISO20022 Migration

New messaging platform and standards aligned to the Payments Industry Modernisation Project.
Version changes to SAMOS and SADC-RTGS are required to enable the transition.
SADC Payment System Oversight Committee mandated the operator to lead the SADC ISO20022 Migration Strategy, Plan and Implementation.

Authorise & Initiate	Planning & Design	Development & Testing	Go Live
30 March 2020	31 March 2020 – 12 October 2020	13 November 2020 – 12 April 2022	02 May 2022

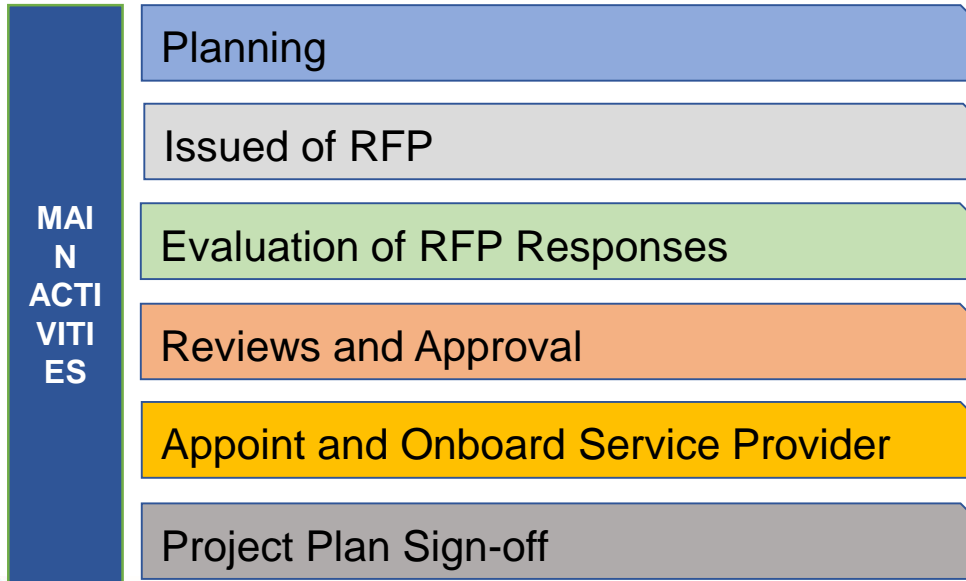| Key Accomplishments |
|---|
| • Appproved for IBM ITX - Translator
• SAMOS v8 BRS and FRS Sign-off.
• Procurement of independent review of ISO messages by SWIFT approved
• MIRS 20022 FRS signed off |

Major Issues/Risks	Responses/Actions
Risk: • Resource constraints due to commitments to other projects initiatives.	• Programme structure completed to inform capacity required. • Programme to directly source from Market.
Issues:	

Key Activities Planned for Next Period
• Development on the IBM Translator (SAMOS)

Work Package 3 - Target Operating Model and Architectures

Design of a Target Operating Model (TOM) is required considering the transformational changes within the RTGS operations affecting technology, people, processes, data and locations

Authorise & Initiate	Planning	Design				Implementation
Fin Year 2021		Fin Year 2022				Fin Year 2023 - 2024
Completed	On Track	TOM	Business Architecture	Conceptual Architecture	Logical Architecture	

MAIN ACTIVITIES

- Planning
- Issued of RFP
- Evaluation of RFP Responses
- Reviews and Approval
- Appoint and Onboard Service Provider
- Project Plan Sign-off

Industry Engagement – SAMOS Technical Steering Group and SAMOS Architecture Task Group

Major Issues/Risks	Responses/Actions
Risk: • Resource constraints due to commitments to other projects initiatives.	• Programme structure completed to inform capacity required. • Programme to directly source from Market. (Bimodal Approach) • Industry Engagement
Issues:	

Work Package 4 - Effective Integration Layer

Proposals for designs will enable interoperability and accessibility to accommodate a wide range of participants

Planning & Design		Implementation	
Fin Year 2021	**Fin Year 2022**	**Fin Year 2023**	**Fin Year 2024**
Planned as part of Work Package 3 – TOM & Architectures	Designed as part of the Work Package 3 – TOM & Architectures	Go live as a pilot with Current Application	Go live with Core Application

+

Proprietary Network/APIs

Different platforms for the different Tiers of Participants and Interfaces

?

Work Package 5 - Replacement of Core Application Systems

Design of a Target Operating Model is required considering the transformational changes within the RTGS operations affecting technology, people, processes, data and locations

Authorise & Initiate	Planning & Design	Development & Testing	Go Live
In progress	In progress	TBC	TBC

Build or Buy Decision

Draft BRS, FRS, TAD from previous engagement

RFI in progress to test interest for both models

End of the presentation

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