Proposal: 1613 Version 2 New Message Format for the Fedwire Funds Service

Description:

Comment ID: 141669

From: Northern Trust, Sean Saunders

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Subject: R-1613 - New Message Format for the Fedwire Funds Service

Comments:

NONCONFIDENTIAL // EXTERNAL

Hi Team

Please find Northern Trusts responses to your request for feedback regarding the revised ISO20022 timeline issued earlier this quarter.

*   Do you support the single-day implementation strategy? If not, what implementation strategy would be optimal? Yes

*   Should the Reserve Banks implement ISO 20022 for the Fedwire Funds Service in November 2023? If not, what implementation date do you prefer? Please provide the rationale behind your preference. NT have no objection to the Nov 2023 implementation date ,however the proximity of the FEDWIRE change in relation to the ongoing global move to ISO that is happening in multiple jurisdictions (e.g. GBP, EUR and AUD)should be considered in relation to managing overall risks for Global Banks.

*   Should the Reserve Banks and The Clearing House implement ISO 20022 for the Fedwire Funds Service and CHIPS on the same day? Yes

*   Do you have any resource constraints or other challenges that would impact your ability to prepare for the implementation of ISO 20022 for the Fedwire Funds Service? (For example, some Fedwire Funds Service participants and software vendors may also be preparing for the ISO 20022 implementations for SWIFT and other payment system operators, which begin in November 2022, and the Reserve Banks' launch of the FedNow Service in 2023.) As above, competing global industry priorities.

*   Do you have any concerns about the Reserve Banks' proposed testing strategy and requirements? Not at this stage

*   How much time would you need to test your ISO 20022 messages in the MyStandards Readiness Portal before testing in the new second Depository Institution Testing (DIT) environment? Two months

*   Would nine months of testing ISO 20022 messages in the new second DIT environment be sufficient? If not, what is the minimum amount of testing you would require in the second DIT environment before the ISO 20022 implementation date? Yes.

* Do you have any concerns about (i) proposed backout strategy for the ISO 20022 changes on the Saturday before the implementation date or (ii) the proposed fix-in-place strategy on or after the implementation date?. Not at this stage.

Any issues please reach out to myself or my colleague Sanjay

Regards

Sean

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