**Request**

**for the update of an External Code Set used in ISO 20022**

1. **Origin of the request:**

*A.1 Submitter*: identity of the company, organization, group, initiative or community that submits the change request.

*A.2 Contact person:* person(s) who can be contacted to get additional information on the request (name, e-mail, telephone)

 *A.3 Sponsors*: if the submitter acts on behalf of other organizations, groups, initiatives or communities, or if the submitter has already gained the support of other organizations, groups, initiatives or communities, they should be identified as sponsors, if possible, with a contact person.

This request is submitted by Payments NZ on behalf of the Participants of the High Value Clearing System (HVCS) in New Zealand.

Should you require additional information regarding this request please contact Rik Kernaghan via email to Rik.Kernaghan@paymentsnz.co.nz, or by calling +64 27 555 7752.

This request is supported by the ISO 20022 Message Working Group, made up of HVCS Participants, who are currently developing the ISO 20022 Message Specifications for New Zealand’s HVCS. A list of Participants supporting this request and their contact details are attached.

1. **Related External Code Set:**

Please indicate the exact name of the code set as indicated in the [*External Code Sets*](http://www.iso20022.org/external_code_list.page)documents on the iso20022.org.

A specific change request form must be completed for each code set to be updated.

It is requested that use of the code SDCL in External Code Set 7 - Local Instrument is amended for use in New Zealand.

1. **Description of the change request:**

Please indicate which codes have to be added, clarified, replaced or deactivated.

For new codes, all the details that will need to be mentioned in the code set must be specified, including a proposed code, a proposed code name, a clear definition, and any other indications, such as example or format, as appear in the published code set.

Payments NZ request the code ‘SDCL’ in External Code Set 7 - Local Instrument is amended to classify it as a global code to enable use by New Zealand HVCS Participants settling NZD payments.

1. **Purpose of the change:**

Background, business context, community of users interested by the change and expected benefits/savings.

This section must explain why the existing code set needs to be changed. The reason for the update may be a business reason (e.g., evolution of market practice, or creation of new financial instruments), a technical reason (e.g., automation of the business process, or switch from a batch to a real time process), a regulatory reason (introduction, generally mandatory, of new rule/law) or the extension of the user community (newly identified business requirements).

Whilst developing New Zealand’s ISO 20022 Message Specifications, a requirement was raised to explicitly identify Same Day Cleared Payments.

In New Zealand, Same Day Cleared Payments are used by corporate and retail customers of NZ HVCS Participants to make payments to the nominated bank account of another party that cannot be revoked, dishonoured, or reversed. Payments are individually settled within NZ RTGS systems and will usually be credited to the beneficiary’s account within one hour of the payer’s account being debited.

Participants of New Zealand’s HVCS will use the code ‘SDCL’ in the Local Instrument field of a pacs.008 Single Customer Credit Transfer to identify a Same Day Cleared Payment and ensure payment processing continues per current market practices once migration to the ISO 20022 Message Specifications is complete.

1. **Urgency of the request:**

By default, valid change requests, subsequently approved by the SEG will be included in the following quarterly publication of External Code Sets, unless decided otherwise by the SEG.

If there is a need to have the new version of the related code set published earlier, the reason for the urgency and the expected consequences of a delay should be described here. Acceptance of such an unscheduled publication is subject to approval by the SEG.

New Zealand is currently working to a go-live date of November 2022 for ISO 20022 messaging. Our HVCS Participants are currently finalising the message specifications that will be published to MyStandards.

If approved, it is desirable for this change to be included within the June 2021 publication cycle of the External Code Set to ensure industry are developing and testing to the final specification. Development is expected to commence from the end of May 2021.

1. **Business examples:**

Examples illustrating the change request.

Same Day Cleared Payments are commonly used for major purchases such as property settlements, vehicle purchases, or other large value transactions where the person receiving the payment requires a confirmed payment that business day.

1. **SEG recommendation:**

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| --- | --- | --- |
| **Accept** | X | **Timing** |
|  | - **Next possible quarterly release** | X |
|  | - **Other timing:** |  |

Comments:

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| --- | --- |
| **Reject** |  |

Reason for rejection: