



**Interface Test for ISO 20022 Upgrade of SWIFT
Messages for Money Settlement in OTC Clear
(Operations)**

Information Package

for

Settlement Banks

Issue Date: 29 Sep 2023

Table of Contents

1. INTRODUCTION	3
2. OBJECTIVE	3
3. SCHEDULE	3
4. PREPARATION TASKS	4
5. TECHNICAL SETUP REQUIREMENTS.....	4
5.1. SWIFTNET ADDRESS USED BY OTC CLEAR (OPERATIONS)	4
5.2. FINPLUS SERVICE AND DEPLOYMENT PACKAGES	4
6. TESTING CYCLES AND BUSINESS SCENARIOS	5
7. COMPLETION OF INTERFACE TEST	5
8. SEVERE WEATHER ARRANGEMENT	5
9. COMMUNICATION CHANNEL.....	6
10. TESTING CONTACT & ISSUE SUPPORT	6

1. Introduction

Following the start of SWIFT's MT-MX coexistence period for cross-border payments and reporting (CBPR+) in March this year, the MT messages in category 1, 2 and 9 will be decommissioned and be replaced by ISO 20022 XML based messages (MX messages) in November 2025. HKEX has scheduled the ISO 20022 upgrade for money settlement in OTC Clear (Operations) on 22 Apr 2024, same as HKICL's migration timeline of adoption of ISO 20022 for RTGS in Hong Kong. After the migration, OTC Clear (Operations) will use MX messages in money settlement with settlement banks.

To prepare for this migration, OTC Clear (Operations) would like to invite all settlement banks to complete the Interface Test between 20 Nov 2023 and 02 Feb 2024 to ensure readiness for participating the Practice Session that tentatively scheduled in March 2024. This Information Package will provide settlement banks with the required information for preparing the Interface Test.

2. Objective

The objective of the Interface Test is to verify the readiness of settlement banks in adopting MX payment and cash reporting SWIFT messages in business flow with OTC Clear (Operations).

3. Schedule

Knowing that settlement banks may have different schedules in MX development and resources planning, OTC Clear (Operations) provides a flexible open window from 20 Nov 2023 to 02 Feb 2024 for settlement banks to complete the interface test. Settlement banks may select a preferred period from the following options. During the Interface Test, OTC Clear (Operations) will support testing from 9:00 a.m. until 6:00 p.m.

- 1) 20 Nov 2023 – 24 Nov 2023
- 2) 27 Nov 2023 – 01 Dec 2023
- 3) 04 Dec 2023 – 08 Dec 2024
- 4) 11 Dec 2023 – 15 Dec 2023
- 5) 18 Dec 2023 – 22 Dec 2023
- 6) 08 Jan 2024 – 12 Jan 2024
- 7) 15 Jan 2024 – 19 Jan 2024
- 8) 22 Jan 2024 – 26 Jan 2024
- 9) 29 Jan 2024 – 02 Feb 2024

OTC Clear (Operations) will base on settlement banks' preferred period to arrange for an Interface Test. If the selected period is fully occupied, OTC Clear (Operations) will suggest and discuss with settlement banks for alternative testing period.

4. Preparation Tasks

To prepare for the Interface Test, settlement banks should ensure the tasks in below Checklist have been completed:

Items to be Checked	✓
1. Read and understand this information package for Interface Test thoroughly.	
2. Reply OTC Clear (Operations) with the preferred testing period and provide 2 contact persons (with email and phone numbers) via email to otc_operations@hkex.com.hk by 31 Oct 2023.	
3. Migrate and configure MX format SWIFT messages in settlement banks' own testing environment.	
4. Fulfil technical setup requirement as set out in Section 5 for exchanging test messages with HKEX system(s).	

5. Technical Setup Requirements

5.1. SWIFTNet Address used by OTC Clear (Operations)

Entity full name	BIC8	SWIFTNet Address
OTC CLEARING HONG KONG LIMITED	OCCPHKHH	*,o=occphkhh,o=swift

5.2. FINplus Service and Deployment Packages

Per SWIFT's requirement, HKEX SWIFT infrastructures will upgrade to SWIFT Standard Release 2023 in November. Therefore, OTC Clear (Operations) will use SWIFT Standard Release (SR2023) in the test, below standard package and Universal Standards Archive (USA) are used to support SR2023 for Alliance Access. For other Alliance applications, pls check the requirement in SWIFT.COM.

FINplus Service	swift.finplus!pc (FINplus pilot current)
Standard Package	FINplus 2.1.2
USA	USA – SWIFT FINplus SR2023 Validation
	USA – SWIFT FINplus SR2023 Activator

6. Testing Cycles and Business Scenarios

Direction			
From	To	SWIFT Message	Remarks
OTCC	Banks	OTCC will send out pacs.009 to instruct banks to payout to OTCC's CMs	Banks is expected to provide camt.054 once the fund movement is completed.

Remarks: OTCC Direct Debit message flow will be covered in HKICL's ISO 20022 for RTGS Simulation Test, hence the direct debit testing is out-of-scope in this Interface Test.

7. Completion of Interface Test

Upon completion of Interface Test, settlement banks are required to provide confirmation of completion of Interface Test to OTC Clear (Operations) via email to otc_operations@hkex.com.hk with below email subject and content within one week.

Subject:

Confirmation - Interface Test for ISO 20022 Upgrade of SWIFT Messages for Money Settlement in OTC Clear (Operations)

Content (either one):

We have participated in and successfully completed the Interface Test for ISO 20022 Upgrade of SWIFT Messages for Money Settlement.

OR

We did NOT complete the Interface Test for ISO 20022 Upgrade of SWIFT Messages for Money Settlement due to the following reason(s):

8. Severe Weather Arrangement

In case Typhoon Signal No. 8 (or above) / Extreme Conditions is remained at 07:00 or the HK Observatory pre-announced at or before 07:00 that Typhoon Signal No. 8 (or above) will be hoisted at or before 09:00 on the day of Interface Test, the Interface Test will be cancelled and will not be resumed for the rest of that particular day but resume on the immediately following business day accordingly.

In case Typhoon Signal No. 8 (or above) or Extreme Conditions is issued during the Interface Test after 09:00 on the testing day, the testing will be terminated 15 minutes thereafter but resume on the immediately following business day accordingly.

In case Black Rainstorm Warning is remained in effect at 07:00 on the day of Interface Test, the testing will be cancelled and will not be resumed for the rest of the day but resume on the immediately following business day accordingly.

In case Black Rainstorm Warning is issued during the testing, all scheduled activities will continue as normal until completion.

9. Communication Channel

OTC Clear (Operations) will communicate with the project related contact personnel of each settlement banks via emails during the Interface Test.

10. Testing Contact & Issue Support

During the Interface Test, if settlement banks has any queries or encounter any issue, please reach out to OTC Clear (Operations) via email at otc_operations@hkex.com.hk with subject "Interface Test for ISO 20022 Upgrade_(name of settlement bank).