Guiding principles for screening ISO 20022 payments

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Contents

1. Enabling efficient and effective screening

1.1 Introduction

In 2020, SWIFT set out its new strategy to enable instant and frictionless transactions, anywhere in the world, supported by smart data and mutualised services. This strategy builds on the success of SWIFT gpi, which was created to address frictions that slow down transactions, adversely affect customer experience and add costs to payments processing. As the payments landscape changes to an instant 24/7 model and customer expectations grow, there is a need to further address sanctions-related friction in the payment chain.

The adoption of ISO 20022 and the CBPR+ usage guidelines supports this strategy by providing a global and open standard for information exchange. ISO 20022 is being adopted by a growing number of payment infrastructures and will become the new standard for cross-border payments starting in November 2022.

As sanctions-related friction is a growing challenge for the financial services industry, SWIFT presented a programme ('*SWIFT Sanctions Screening Programme*') for the community to remove sanctions friction through collective action.

One of this programme's workstreams focuses on data quality and screening practices, with the objective to design and document screening practices and supporting data quality principles for ISO 20022 messages through industry collaboration.

This document is the first deliverable of that workstream and proposes guiding principles for effective and efficient screening of ISO 20022 payments.

With the move towards faster payments there is a growing need to tackle sanctions-related friction in the payment chain

1.2
ISO 20022

As the payments industry prepares to adopt ISO 20022, banks are revisiting their screening environments to identify the impact of this move and opportunities for change. The ISO message provides more structured and granular information than their FIN equivalents. ISO 200222 also provides the ability to include additional information, which creates an opportunity for the industry to re-think existing approaches to screening.

Unstructured data is a barrier to building effective transaction screening and monitoring tools that mitigate sanction and AML risks. Today, using unstructured data regularly results in exception handling and significant delays in a payment's lifecycle. These delays are caused by the process of transaction due diligence (such as filtering, monitoring) or when mapping data to or from legacy formats.

On the one hand, the additional data that can be presented in ISO 20022 messages could lead to an increased number of transaction screening hits. But, contrasting this, the structure and granularity of an ISO 20022 messages allows a more targeted approach to screening financial transactions, potentially reducing the overall number of false positives and reducing associated sanctions friction.

Quality of data and structure are therefore paramount to achieving an effective and efficient implementation of transaction screening and monitoring tools. Financial institutions have an opportunity to leverage the adoption of ISO 20022 to ensure their systems and applications provide and map structured data for all parties involved in the transaction.

The guiding principles described in this document represent a 'target state', defined by the industry based upon a mature adoption of ISO 20022. Readers are invited to consider whether these principles are aligned with their institution's risk appetite, and monitor the quality of data in ISO 20022 payments when applying the principles.

The granular structure of ISO 200222 creates an opportunity for the industry to re-think existing approaches to screening.

1.3
Approach

Representatives from 14 global and regional banks took part in a series of workshops, analysing the pacs.008 message with the purpose of defining:

1. Which ISO 20022 elements should be screened and which should not.
2. How to best match these ISO 20022 elements against sanctions lists.
3. What data quality principles should be observed to support effective and efficient transaction screening.

The conclusions of these workshops and analysis are summarised in this document.

While the initial analysis focused exclusively on pacs.008 messages following the CBPR+ usage guidelines, the screening guidelines may be leveraged when performing similar analysis on other messages such as pacs.009 COV, pacs.004 and other messages that banks consider relevant to screen. These principles may evolve on a regular basis to cover additional messages, data elements or usage guidelines.

The industry has collaborated to produce screening guidelines for ISO 20022

Observations from screening FIN messages

Over the past 5 years, SWIFT has conducted benchmarks with 40 organisations, representing more than 50% of the total SWIFT traffic. This captures market practices related to the way MTs are currently being screened and which fields are most commonly screened by banks. These observations constitute a solid representation of current market practices and have informed this analysis on ISO 20022 screening.

Screening practices for FIN MT 103 messages show that:

- Fields containing dates, amounts, charges, transaction references and codes are usually not subject to screening.
- Fields that the most banks screen include:
  - **Party fields** (Field 50, Field 59).
    These are by far the greatest source of hits due to 1) the free format nature of the information and 2) the mismatches between data types (address information matching against names).
  - **Bank identification fields** (Sender BIC, Receiver BIC, Fields 52 to 57)
    These can be a source of friction when free format names and addresses are used rather than a BIC.
  - **Narrative fields:** Remittance information (Field 70) and Sender to Receiver information (Field 72) also generate significant hits due the free format nature of these fields.

This insight on existing MT screening practices has informed priorities and areas of focus for ISO 20022 screening.

		Industry screening practice	
Field	**Field name**	**Field is screened**	**Field is not screened**
Header Block 1	Message Sender (BIC)	83%	17%
Header Block 2	Message Receiver (BIC)	86%	14%
20	Sender's Reference	27%	73%
13C	Time Indication	27%	73%
23B	Bank Operation Code	30%	70%
23E	Instruction Code	46%	54%
26T	Transaction Type Code	35%	65%
32A	Value Date/Currency/Interbank Settled Amount	41%	59%
33B	Currency/Instructed Amount	38%	62%
36	Exchange Rate	30%	70%
50a	Ordering Customer	100%	0%
52a	Ordering Institution	100%	0%
53a	Sender's Correspondent	97%	3%
54a	Receiver's Correspondent	97%	3%
55a	Third Reimbursement Institution	97%	3%
56a	Intermediary Institution	97%	3%
57a	Acount With Institution	97%	3%
59a	Beneficiary Customer	100%	0%
70	Remittance Information	95%	5%
71A	Details of Charges	35%	65%
71F	Sender's Charges	41%	59%
71G	Receicer's Charges	43%	57%
72	Sender to Receiver Information	97%	3%
77B	Regulatory Reporting	78%	22%

Table 1
MT 103 Industry Screening Practice
Source: *SWIFT's screening survey 2020*

1.4
Related market guidance

This paper took into account the following market guidance:

The Wolfsberg Group
Wolfsberg Group Payment Transparency Standards 2017 ↓
Wolfsberg Group Sanctions Screening Guidance 2019 ↓
The Payment Market Practice Group (PMPG)
Structured ordering and beneficiary customer data in payments ↓

These guidance documents provide the foundation upon which our guiding principles are based as they:

- Describe the data elements that are expected to be included in payments.
- Describe the responsibilities of actors involved in processing payments.
- Confirm that financial institutions are expected to apply a risk-based approach to screening.
- State that financial institutions should identify which data elements within transactions are relevant for sanctions screening, and the context in which these data elements become relevant.
- Suggest that some data elements are relevant to screen whilst others may not be – though the elements that do not need to be screened can be used as supporting information to help distinguish a true match from a false match.

The principles set out in this paper take these guidance documents into account and provide a further level of detail to support an approach known as ‘targeted screening’.

1.5
Targeted screening

Unlike the MT message syntax where all data elements (account, name, address & other) about a party are amalgamated into a single field, the ISO 20022 syntax has dedicated tags for each of these data elements. This structure and granularity of the information makes it possible to define:

- How each data element can be used in the screening process.
  - Is the information relevant to trigger a hit against sanctions data?
  - Is the information within the data element considered as purely additional information? (i.e. not used to generate a match, but instead used by operations as supporting information to help distinguish a true match from a false match on an alert raised on another part of the message) e.g. a date of birth.
- What the relevant information should be screened against.
  - Records of Individuals, Entities, Vessels or Aircrafts published on sanctions lists.
  - BIC and LEI codes of Entities published on sanctions lists.
  - Embargo data (Countries, cities, ports …).
- What type of screening logic can be applied to these tags and data elements:
  - Fuzzy matching for all free format information.
  - Exact matching for structured identifiers (ISO country codes, BICs, LEIs).

The targeted screening approach is best described as a matrix where transaction data elements and tags appear in rows, while the information it can be matched against is in columns. Each cell can then be used to provide the recommended screening behavior.

It is important to understand that no information is discarded from the message when screening it. Instead, only selected tags will be matched against list data. Any information that is not screened may still be visible to support alert dispositions in case management tools.

The targeted screening approach allows financial institutions to avoid false positives linked to mismatches between information types (e.g. debtor name hitting against vessel names, street name information hitting against embargo data).

					If screened, match it against						
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (Yes/No)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**
Name	<Nm>	[0..1]	text{1,140}								
Postal Address	<PstlAdr>	[0..1]									
Department	<Dept>	[0..1]	text{1,70}								
Sub Department	<SubDept>	[0..1]	text{1,70}								
Street Name	<StrtNm>	[0..1]	text{1,70}								
Building Number	<BldgNb>	[0..1]	text{1,16}								
Building Name	<BldgNm>	[0..1]	text{1,35}								
Floor	<Flr>	[0..1]	text{1,70}								
Post Box	<PstBx>	[0..1]	text{1,16}								
Room	<Room>	[0..1]	text{1,70}								
Post Code	<PstCd>	[0..1]	text{1,16}								
Town Name	<TwnNm>	[0..1]	text{1,35}								
Town Location Name	<TwnLctnNm>	[0..1]	text{1,35}								
District Name	<DstrctNm>	[0..1]	text{1,35}								
Country Sub Division	<CtrySubDvsn>	[0..1]	text{1,35}								
Country	<Ctry>	[0..1]	text [A-Z]{2,2}								

Table 2
Targeted screening template

1.6
Timing of ISO 20022 adoption

Banks will need to continuously adapt their screening as ISO 20022 adoption matures during the co-existence period between 2022 and 2025.

Athough a number of domestic payment systems have already adopted ISO 20022 or have plans to do so in the near future, we expect the majority of financial institutions to gradually adopt ISO 20022 as their primary syntax when issuing a payment between November 2022 and November 2025. There are several dimensions in relation to ISO 20022 message formats that will need to be considered when adapting screening solutions:

1. Using ISO 20022 rather than MT as the syntax to issue a payment.
2. Using the structured data elements within the ISO syntax (e.g. Postal Address).
3. Using the new data elements that do not exist in MT (ultimate parties, structured and rich remittance information).

In terms of syntax (1), the pace of adoption will be primarily driven by the market infrastructures (MIs) in which banks participate. A number of large MIs (CHAPS, TARGET Services) plan to adopt ISO 20022 in 2022 and we expect a significant portion of payments to switch to the ISO 20022 syntax early in the co-existence period.

The adoption of the structured data elements within the message (2) is harder to predict. Though the use of structured data is strongly recommended from day 1 and made mandatory as from 2025 or earlier by some payment Market Infrastructures, the ability for banks and corporates to map and provide this data in a structured format involves updating many (front-end) applications.

The timing of adoption of new data elements (3) is also subject to multiple considerations: in the early phase of the co-existence period, the inclusion of such data elements could lead to increased truncation risk if the payment needs to be processed through a Market Infrastructure or an agent that is not yet ISO 20022 ready. Therefore, it is expected that in the early days of the adoption period, a so-called ‘like-for-like’ period will take place, and that the new data elements will progressively be adopted later during the co-existence period.

As a result, it is difficult for financial institutions to anticipate what they will receive and how the quality of the data in ISO 20022 will evolve throughout the co-existence period.

1.7
Risk-based approach to targeted screening

Financial institutions must adopt a risk-based approach when implementing these guiding principles.

The targeted screening principles described in this document represent a ‘target state’ defined by the industry based on mature adoption and stable data quality of ISO 20022 payments.

It is therefore important that financial institutions adopt a risk-based approach when implementing these guiding principles and ensure that:

- The adoption of the guiding principles is in line with the bank’s risk appetite.
- Banks monitor the adoption of ISO 20022, in particular the use of structured and new data elements.
- Banks progressively adapt their screening to the guiding principles in line with observed ISO 20022 adoption.

2. Guiding principles for screening ISO 20022 payments

2.1
List elements to match against

The lists that financial institutions load into their screening systems contain multiple types of information which influence the expected screening behaviour. As the type of information contained in these lists evolve, so will the guiding principles. In this section we will review the main types of information contained in the lists that are used for screening.

Most of the records contain primary attributes and unique identifiers (i.e. information that can be searched for to create a hit) and secondary attributes (i.e. information that will be used to further qualify an alert resulting from matching against primary attributes).

A. Individuals

These are the sanctions records of Individuals sourced from public lists. These records contain:

Primary attributes	Primary name AKA*(s) (Strong) - * Also known as
Unique identifiers	Passport numbers National ID numbers …
Secondary attributes	AKA(s) (Weak) Addresses Ownership and control (as supplied by regulators) Date of birth, place of birth Titles Sanction designation information

B. Entities

These are the sanctions records of companies or organisations sourced from public lists. These records contain:

Primary attributes	Primary name AKA(s) (Strong)
Unique identifiers	Bank Identifier Code(s) / BIC(s) Legal Entity Identifiers / LEI(s) Other Identifiers (company registration number, tax identification, …)
Secondary attributes	AKA(s) (Weak) Addresses Ownership and control (as supplied by regulators) Sanction designation information

C. Vessels

Some public sanctions lists contain designations related to vessels. These records can contain:

Primary attributes	Primary name AKA(s) (Strong)
Unique identifiers	International Maritime Organisation number (IMO) Maritime Mobile Security Identity (MMSI)
Secondary attributes	Vessel type Flags Ownership and control (as supplied by regulators) Sanction designation information

D. Aircrafts

Some public sanctions lists contain designations related to aircrafts. These records can contain:

Primary attributes	Primary name AKA*(s) (Strong) - * Also known as
Unique identifiers	Manufacturer Serial Number (MSN)
Secondary attributes	Aircraft model Construction number Ownership and control (as supplied by regulators) Sanction designation information

E. BIC / LEI

BICs and LEIs are not explicitly a category of designations like the previous 4 categories above. Rather, in the context of sanctions, they are unique identifiers of sanctioned entities. Unlike other identifiers, BICs and LEIs are global in nature which make them particularly effective to identify sanctioned entities or discard potential hits.

In addition, BICs are the primary means of identification for financial institutions on the SWIFT network, where the core of international transactions is processed and contain a country code which is relevant for embargo screening. The guiding principles will therefore refer to them as a separate category.

Some regulators include BIC in their designations while others do not. Most data vendors will enrich their feed of sanctions data with BIC for financial institutions that are designated.

There are 2 methods commonly applied by the industry to screen a BIC:

1. Matching the BIC against list of sanctioned BICs and the BIC country code against Embargo data. This is the most effective and efficient method but requires lists that are enriched with BICs (typically by a 3rd-party vendor).
2. Converting the BIC into its Name and Address using a SWIFTRef product, then matching the Name and Address against sanctioned Entity and Embargo data. This method is the fallback option and provides a compensating control for when a BIC has not yet been identified, or for when the lists are not enriched with BICs but generate more false positives.

F. Embargo

The industry common practice is to use country-based screening data for countries that are subject to broad embargo restrictions, also known as comprehensive sanctions. It is not common practice to use country-based screening data for countries where the applicable sanctions program is purely list-based.

Embargo data comprises all the information that financial institutions source to assist with country-based screening obligations.

Primary attributes	Country names ISO Country codes CTRP's (cities, towns, regions, ports, airport names)

2.2
Business components and data elements within transactions

Transactions contain multiple business components, which themselves contains data elements. This section covers the main types of data elements and describes whether the information contained in their tag(s) is relevant for screening or considered as additional information.

The data elements can be present in multiple places within a payment. For example, Name can appear in Debtor (Party Identification), Creditor (Party Identification) but equally in Debtor Agent (Financial Institution Identification), etc. We will therefore provide guiding principles for the data elements that are most relevant for screening.

In most cases, the guiding principles will apply wherever the data element appears in a transaction. In some cases however, the business components in which they are present will influence the screening principle.

In line with the Wolfsberg guidance on sanctions screening, business components such as amounts, dates and transaction reference numbers have no relevance from a screening perspective and will therefore not be explicitly covered. Financial institutions need to ensure, however, that this is line with their risk-appetite.

		Data Element				
		Name	**Postal Address**	**Identification**	**Unstructured Information**	**Country of Residence**
Business components	Party Identification	X	X	X		X
	Financial Institution Identification	X	X	X		
	Accounts	X		X		
	Instruction for Creditor/next Agent				X	
	Regulatory Reporting	X			X	
	Related Remittance Information	X	X			
	Remittance Information	X	X	X	X	X

Table 3
Data elements to Business components mapping

2.3
How to read the guiding principles

YES means tag content should be used to trigger hits

RA (Risk Appetite) means that some organisations consider the tag content could be used to trigger hits

Blank cell means tag is considered additional info to further qualify hits during alert disposition

If XML tag is to be used to trigger hits, what list content should it be matched against

					If screened, match it against						
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (YES/NO)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**
Debtor	<Dbtr>	[1..1]									
Name	<Nm>	[0..1]	text{1,140}	YES	YES	YES			RA	RA	FUZZY

Table 4
How to read guiding principles

YES means tag should be matched against list information

Blank cell means tag should not be matched against list information

RA means that it is common Risk Appetite for banks to match tag against list information

Indicates if match type is Fuzzy or Exact

2.4
Guiding principles for data elements

The following section provides the details of the targeted screening approach supported by the industry for ISO 20022 messages. This publication seeks to document the market practices for screening ISO 20022 messages. It was created in consultation and based on the feedback of a group of SWIFT customers representing a large portion of SWIFT's traffic. As a mere informative publication, it is not designed to provide any recommendation or advice to the recipient, and should not be used as such.

The guiding principles assume that the recipient is familiar with the ISO 20022 message syntax for a pacs.008. Supporting information can be found on SWIFT's website:

Downloads

- **ISO 20022 for dummies** ↓
- **ISO 20022 CBPR+ user handbook** ↓
- **MyStandards** ↓

A.
Name <Nm>

In most cases, the Name tag refers to the name by which a party or agent is known, which is usually used to identify that party or agent. It is therefore expected that financial institutions will screen this tag.

Data quality principles

The Name tag should not contain other elements than a name. BIC and other identifiers must be included in their respective fields.

For natural person customers (aka Individuals), the name recorded in the financial institution's systems should be the full name of the customer that was verified as part of Customer Due Diligence (CDD).

For legal entity customers, the financial institution should place preference on the registered legal entity name verified as part of CDD.

For names of beneficiary party(ies), financial institutions should include the name of the beneficiary as provided by the originator of the transaction.

Guiding principle for screening

When present in Party Identification and Remittance Information, the tag should be matched against records of Individuals & Entities (Table 5).

When present in Financial Institution Identification, the tag should be matched against records of Entities (Table 6).

Risk Appetite

Some financial institutions indicate they may screen Name tags against Embargo data to detect a possible connection with sanctioned countries in the Name itself (Table 5 & 6).

					If screened, match it against						
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (YES/NO)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**
Debtor	<Dbtr>	[1..1]									
Name	<Nm>	[0..1]	text{1,140}	YES	YES	YES				RA	FUZZY

Table 5
Screening Name in Party Identification and Remittance Information

					If screened, match it against						
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (YES/NO)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**
Debtor Agent	<DbtrAgt>	[1..1]									
Financial Institution Id.	<FinInstnId>	[1..1]									
Name	<Nm>	[0..1]	text{1,140}	YES		YES				RA	FUZZY

Table 6
Screening Name in Financial Institution Identification

B.
Postal Address

The Postal Address is the information that locates and identifies a specific address, as defined by postal services. The Postal Address data element contains multiple tags which can be used for:

- Structured address details. In such case the components of the address will be included in their respective tags.
- Unstructured address details. In this case all the information will be included in a single tag which can be repeated as required to include all information.

Note that, according to the CBPR+ usage guidelines, the unstructured and structured address tags are mutually exclusive. Furthermore, it is expected that the unstructured address tags will be decommissioned in 2025.

Structured Postal Address

Data quality principles

The structured Postal Address option is preferred.

Financial institutions are expected to include information according to the resident country convention. At a minimum, Town Name and Country must be present. Post Code is recommended.

Guiding principle for screening

When using the structured Postal Address tag, the following tags should be screened if present: Town Name, Town Location Name, District Name, Country Sub Division, Country. These elements will be matched against Embargo data (Table 7).

Risk Appetite

Some financial institutions indicate they may screen Department and Sub Department tags against Embargo data to identify a possible connection with sanctioned countries (Table 7).

Some financial institutions indicate they may screen Post Code tags against Embargo data to detect a possible connection with sanction programmes when the programme targets a specific region, not a country (Table 7).

					If screened, match it against						
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (Yes/No)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**
Postal Address	<PstlAdr>	[0..1]									
Department	<Dept>	[0..1]	text{1,70}	RA						RA	FUZZY
Sub Department	<SubDept>	[0..1]	text{1,70}	RA						RA	FUZZY
Street Name	<StrtNm>	[0..1]	text{1,70}								
Building Number	<BldgNb>	[0..1]	text{1,16}								
Building Name	<BldgNm>	[0..1]	text{1,35}								
Floor	<Flr>	[0..1]	text{1,70}								
Post Box	<PstBx>	[0..1]	text{1,16}								
Room	<Room>	[0..1]	text{1,70}								
Post Code	<PstCd>	[0..1]	text{1,16}	RA						RA	EXACT
Town Name	<TwnNm>	[0..1]	text{1,35}	YES						YES	FUZZY
Town Location Name	<TwnLctnNm>	[0..1]	text{1,35}	YES						YES	FUZZY
District Name	<DstrctNm>	[0..1]	text{1,35}	YES						YES	FUZZY
Country Sub Division	<CtrySubDvsn>	[0..1]	text{1,35}	YES						YES	FUZZY
Country	<Ctry>	[0..1]	text [A-Z]{2,2}	YES						YES	EXACT

Table 7
Screening structured Postal Address

Unstructured Postal Address

Data quality principles

Financial institutions are expected to include information according to the resident country convention. At a minimum, Town Name and Country must be present. Post Code is recommended.

Guiding principle for screening

When using the unstructured Postal Address tag, the entire tag should be screened against embargo data.
If the tag is repeated (up to 3 lines), the information should be concatenated to be screened to avoid risks that information split over 2 lines causes the filter to miss it (Table 8).

Risk Appetite

Some financial institutions indicate they may screen Address Line against Individuals and Entities to cater for cases where MT/MX translation tools are used, as there is a possibility that the name information in field 50 carries over to the second line, and in such case it could end-up in the Address Line (Table 8).

					If screened, match it against						
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (YES/NO)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**
Postal Address	<PstlAdr>	[0..1]									
Address line	<AdrLine>	[0..3]	text{1,35}	YES	RA	RA				YES	FUZZY

Table 8
Screening unstructured Postal Address

C. Identification

Identification provides unique and unambiguous identification of a party. The data element provides the ability to identify:

An organization - using the Identification/ Organisation tag(s).
An individual - using the Identification/Private Identification tag(s).

Organisation identification

Data quality principles

In case the party is an organisation, the use of a BIC in the Organisation ID/AnyBIC tag in combination with an Account Number or Organisation ID/Other can serve as the primary source of identification for the party and replace the Name and Postal Address. Structured identifiers are more efficient for screening purposes than free text names and addresses (Table 9).

Guiding principle for screening

When using the Organisation Identification, the following tags should be screened if present:

- Any BIC will be screened against lists of sanctioned BICs and Embargo data related to countries (using the 5th and 6th characters of the BIC) (Table 9).
- LEI will be screened against list of sanctioned LEIs (if any). If geographical information can be inferred from the LEI, it should be screened against Embargo data (Table 9).
- Other Identification should be screened against relevant identifiers of sanctioned Entities (Table 9).
- The Issuing Organisation of the Other Identification should be screened against sanctioned Entities (Table 9).

Risk appetite

Some financial institutions may screen BIC and LEI against sanctioned Entities after expanding the identifiers into full name and address if their lists are not enriched with BICs and LEIs (Table 9).

Some financial institutions indicate they may screen Other Identification against sanctioned Individuals to identify potential ownership and control linkages (Table 9).
Some financial institutions indicate they may screen Issuer against Embargo data to identify a possible connection with sanctioned countries (Table 9).

					If screened, match it against						
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (Yes/No)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**
Identification	<Id>	[0..1]	Choice								
Organisation Identification	<OrgId>	[1..1]									
Any BIC	<AnyBIC>	[0..1]	BIC	YES		RA			YES	YES	EXACT
LEI	<LEI>	[0..1]	LEI	YES		RA			YES	YES	EXACT
Other	<Othr>	[0..*]									
Identification	<Id>	[1..1]	text{1,35}	YES	RA	YES					EXACT
Scheme Name	<SchmeNm>	[0..1]	Choice								
Code	<Cd>	[1..1]	text{1,4}								
Proprietary	<Prtry>	[1..1]	text{1,35}								
Issuer	<Issr>	[0..1]	text{1,35}	YES		YES				RA	FUZZY

Table 9
Screening Organisation Identification

Private Identification

Data quality principles

In case the party is an Individual, the use of Private Identification in addition to Name and Postal Address is recommended if Account Number is not included. Inclusion of additional identifiers are likely to facilitate the alert disposition process (Table 10).

Guiding Principle for screening

When using the Private Identification, the following tags should be screened if present:

- Other Identification should be screened against relevant identifiers of sanctioned Individuals (Table 10).
- The Issuing Organisation of the Other Identification should be screened against sanctioned Entities (Table 10).

Risk appetite

Some financial institutions indicate they may screen Other Identification against sanctioned Entities to identify potential ownership and control linkages (Table 10).

Some financial institutions indicate they may screen Issuer against Embargo data to identify a possible connection with sanctioned countries (Table 10).

					If screened, match it against						
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (Yes/No)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**
Identification	<Id>	[0..1]	Choice								
Private Identification	<PrvtId>	[1..1]									
Date And Place Of Birth	<DtAndPlcOfBirth>	[0..1]									
Birth Date	<BirthDt>	[1..1]	date								
Province Of Birth	<PrvcOfBirth>	[0..1]	text{1,35}								
City Of Birth	<CityOfBirth>	[1..1]	text{1,35}								
Country Of Birth	<CtryOfBirth>	[1..1]	text [A-Z]{2,2}								
Other	<Othr>	[0..*]									
Identification	<Id>	[1..1]	text{1,35}	YES	YES	RA					EXACT
Scheme Name	<SchmeNm>	[0..1]	Choice								
Code	<Cd>	[1..1]	text{1,4}								
Proprietary	<Prtry>	[1..1]	text{1,35}								
Issuer	<Issr>	[0..1]	text{1,35}	YES		YES				RA	FUZZY

Table 10
Screening Private Identification

D.
Country of residence

Country in which a person resides (the place of a person's home). In the case of a company, it is the country from which the affairs of that company are directed.

Data quality principles

Country of Residence (where the party physically lives) should be used only if different from Postal Address/ Country (country linked to the owner of the account used for contact purposes).

Guiding principle for screening

When used, Country of Residence should be screened against Embargo data (Table 11).

					If screened, match it against						
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (YES/NO)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**
Country Of Residence	<CtryOfRes>	[0..1]	text [A-Z]{2,2}	YES						YES	EXACT

Table 11
Screening Country Of Residence

E.
Unstructured information

Free format information tags are present in a number of business components such as the Remittance Information, Instruction for Next Agent, Instruction for Creditor Agent, Regulatory reporting, etc.

The Remittance Information business component provides 2 options that are mutually exclusive:

- Unstructured remittance information: Information supplied to enable the matching/reconciliation of an entry with the items that the payment is intended to settle, such as commercial invoices in an accounts' receivable system, in an unstructured form.
- Structured remittance information: same as above in a structured form. Note that the structured remittance information field contains multiple tags, some of which are unstructured.

Guiding principle for screening

When present, unstructured information tags should be screened against all list elements (Table 12).

					If screened, match it against						
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (YES/NO)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**
Unstructured	<Ustrd>	[0..*]	text{1,140}	YES	YES	YES	YES	YES	YES	YES	FUZZY
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (YES/NO)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**
Additional Remittance Info	<AddtlRmtInf>	[0..*]	text{1,140}	YES	YES	YES	YES	YES	YES	YES	FUZZY
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (YES/NO)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**
Instruction Information	<InstrInf>	[0..*]	text{1,140}	YES	YES	YES	YES	YES	YES	YES	FUZZY

Table 12
Screening unstructured information tags

2.5
Examples

The following pages provide examples of applying the guiding principles to the Debtor (Party identification) and Debtor Agent (Financial Institution identification) within a pacs.008 message.

Applying the guiding principles to a Debtor (party identification) in a pacs.008 message

Table 13
screening Debtor (party identification) in a pacs.008 message

					If screened, match it against							
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (YES/NO)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**	**Notes**
Debtor	<Dbtr>	[1..1]										
Name	<Nm>	[0..1]	text{1,140}	YES	YES	YES			RA	RA	FUZZY	Individuals: Screen against names of individuals on lists Entities: Screen agains names of entities on lists Embargo: Rationale is to detect possible connection with sanctioned countries if no other geograpical information is supplied BIC: Rationale is to detect cases where a BIC is used in <Nm> rather than <AnyBIC>
Postal Address	<PstlAdr>	[0..1]										
Department	<Dept>	[0..1]	text{1,70}	RA						RA	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries if no other geograpical information is supplied
Sub Department	<SubDept>	[0..1]	text{1,70}	RA						RA	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries if no other geograpical information is supplied
Street Name	<StrtNm>	[0..1]	text{1,70}									
Building Number	<BldgNb>	[0..1]	text{1,16}									
Building Name	<BldgNm>	[0..1]	text{1,35}									
Floor	<Flr>	[0..1]	text{1,70}									
Post Box	<PstBx>	[0..1]	text{1,16}									
Room	<Room>	[0..1]	text{1,70}									
Post Code	<PstCd>	[0..1]	text{1,16}	RA						RA	EXACT	Embargo: Rationale is to detect possible connection with sanction programmes when it targets a specific region, not a country
Town Name	<TwnNm>	[0..1]	text{1,35}	YES						YES	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries
Town Location Name	<TwnLctnNm>	[0..1]	text{1,35}	YES						YES	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries
District Name	<DstrctNm>	[0..1]	text{1,35}	YES						YES	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries
Country Sub Division	<CtrySubDvsn>	[0..1]	text{1,35}	YES						YES	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries
Country	<Ctry>	[0..1]	text [A-Z]{2,2}	YES						YES	EXACT	Embargo: exact match of ISO 2 country code against embargo data
Address Line	<AdrLine>	[0..7]	text{1,70}	YES	RA	RA				YES	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries Individuals /Entities: Rationale is to detect sanctioned parties in case part of the name appears in the adress line when using MT/MX translation tools
Identification	<Id>	[0..1]	Choice									
Organisation Identification	<OrgId>	[1..1]										
Any BIC	<AnyBIC>	[0..1]	text [A-Z0-9]{4,4}[A-Z]{2,2} [A-Z0-9]{2,2}([A-Z0-9]{3,3}) {0,1}	YES		RA			YES	YES	EXACT	BIC: Screen as exact match against lists of BICs of sanctioned Entities (possibly enriched by List supplier) Embargo: exact match of BIC country (position 5-6) against embargo data Entities: alternative if no list of sanctioned BICs - expand the BIC into full name and match against list of entities (fuzzy)
LEI	<LEI>	[0..1]	text [A-Z0-9]{18,18}[0-9]{2,2}	YES		RA			YES	YES	EXACT	Entities: expand LEI into full name and match against Entities (fuzzy) LEI: Screen against LEIs in sanctioned Entities Embargo: if possible identify geographical or LOU (Local Operating Unit) from LEI and match Embargo Data
Other	<Othr>	[0..*]										
Identification	<Id>	[1..1]	text{1,35}	YES	RA	YES					EXACT	Individuals: Rationale is to detect links between companies owned by sanctioned individuals Entities: Screen against identifiers of sanctioned Entities
Scheme Name	<SchmeNm>	[0..1]	Choice									
Code	<Cd>	[1..1]	text{1,4}									
Proprietary	<Prtry>	[1..1]	text{1,35}									
Issuer	<Issr>	[0..1]	text{1,35}	YES		YES				RA	FUZZY	Entities: Screen against names of Entities on lists Embargo: Rationale is to detect possible connection between issuer and Sanctioned countries
Private Identification	<PrvtId>	[1..1]										
Date And Place Of Birth	<DtAndPlcOfBirth>	[0..1]										
Birth Date	<BirthDt>	[1..1]	date									
Province Of Birth	<PrvcOfBirth>	[0..1]	text{1,35}									
City Of Birth	<CityOfBirth>	[1..1]	text{1,35}									
Country Of Birth	<CtryOfBirth>	[1..1]	text [A-Z]{2,2}									
Other	<Othr>	[0..*]										
Identification	<Id>	[1..1]	text{1,35}	YES	YES	RA					EXACT	Individuals: Screen against identifiers of sanctioned Individuals Entities: Rationale is to detect links between companies owned by sanctioned individuals
Scheme Name	<SchmeNm>	[0..1]	Choice									
Code	<Cd>	[1..1]	text{1,4}									
Proprietary	<Prtry>	[1..1]	text{1,35}									
Issuer	<Issr>	[0..1]	text{1,35}	YES		YES				RA	FUZZY	Entities: Screen against names of Entities on lists Embargo: Rationale is to detect possible connection between issuer and Sanctioned countries
Country Of Residence	<CtryOfRes>	[0..1]	text [A-Z]{2,2}	YES						YES	EXACT	Embargo: exact match of ISO 2 country code against embargo data

Applying the guiding principles to a Debtor Agent (Financial Institution Identification) in a pacs.008 message

					If screened, match it against							
Name	**XML Tag**	**Mult**	**Type / Code**	**Screen (YES/NO)**	**Individuals**	**Entities**	**Vessels**	**Aircrafts**	**BIC / LEI**	**Embargo**	**Match Type**	**Notes**
Debtor Agent	<DbtrAgt>	[1..1]										
Financial Institution Identification	<FinInstnId>	[1..1]										
BICFI	<BICFI>	[0..1]	text [A-Z0-9]{4,4} [A-Z]{2,2}[A-Z0-9] {2,2}([A-Z0-9]{3,3}) {0,1}	YES					YES	YES	EXACT	BIC: Screen as exact match against lists of BICs of sanctioned Entities (possibly enriched by List supplier) Embargo: exact match of BIC country (position 5-6) against embargo data
Clearing System Member Identification	<ClrSysMmbId>	[0..1]										
Clearing System Identification	<ClrSysId>	[0..1]	Choice									
Code	<Cd>	[1..1]	text{1,5}									
Member Identification	<MmbId>	[1..1]	text{1,35}	YES					YES	YES	EXACT	BIC: Rationale is that some clearing systems use BIC as inditifiers. Screen as exact match against lists of BICs of sanctioned Entities (possibly enriched by List supplier) Embargo: exact match of BIC country (position 5-6) against embargo data Others: Screen against lists of sanctioned Member Identification codes (own or sourced from List supplier)
LEI	<LEI>	[0..1]	text [A-Z0-9]{18,18} [0-9]{2,2}	YES		RA			YES	YES	EXACT	Entities: expand LEI into full name and match against Entities (fuzzy) LEI: Screen against LEIs in sanctioned Entities Embargo: if possible identify geographical or LOU (Local Operating Unit) from LEI and match Embargo Data
Name	<Nm>	[0..1]	text{1,140}	YES		YES			RA	RA	FUZZY	Entities: Screen agains names of entities on lists Embargo: Rationale is to detect possible connection with sanctioned countries if no other geograpical information is supplied BIC: Rationale is to detect cases where a BIC is used in <Nm> rather than <AnyBIC>
Postal Address	<PstlAdr>	[0..1]										
Department	<Dept>	[0..1]	text{1,70}	RA						RA	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries if no other geograpical information is supplied
Sub Department	<SubDept>	[0..1]	text{1,70}	RA						RA	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries if no other geograpical information is supplied
Street Name	<StrtNm>	[0..1]	text{1,70}									
Building Number	<BldgNb>	[0..1]	text{1,16}									
Building Name	<BldgNm>	[0..1]	text{1,35}									
Floor	<Flr>	[0..1]	text{1,70}									
Post Box	<PstBx>	[0..1]	text{1,16}									
Room	<Room>	[0..1]	text{1,70}									
Post Code	<PstCd>	[0..1]	text{1,16}	RA						RA	EXACT	Embargo: Rationale is to detect possible connection with sanction programmes when it targets a specific region, not a country
Town Name	<TwnNm>	[0..1]	text{1,35}	YES						YES	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries
Town Location Name	<TwnLctnNm>	[0..1]	text{1,35}	YES						YES	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries
District Name	<DstrctNm>	[0..1]	text{1,35}	YES						YES	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries
Country Sub Division	<CtrySubDvsn>	[0..1]	text{1,35}	YES						YES	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries
Country	<Ctry>	[0..1]	text [A-Z]{2,2}	YES						YES	EXACT	Embargo: exact match of ISO 2 country code against embargo data
Address Line	<AdrLine>	[0..7]	text{1,70}	YES	RA	RA				YES	FUZZY	Embargo: Rationale is to detect possible connection with sanctioned countries Individuals /Entities: Rationale is to detect sanctioned parties in case part of the name appears in the adress line when using MT/MX translation tools

Table 14
Screening Debtor Agent (Financial Institution Identification) in a pacs.008 message

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