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# Monetizing ISO 20022 data

The ISO 20022 migration is done. The next test is whether banks can turn the richer data ISO 20022 carries into measurable value.

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# Executive summary

The Society for Worldwide Interbank Financial Telecommunication (Swift) concluded its coexistence period for cross-border payments in November 2025, by which point 97% of payment instructions had been successfully migrated to the ISO 20022[1] messaging standard. By the standard measure, the migration is finished, but the underlying data tells a different story.

Adoption accelerated sharply through 2025, from 32.9% to 60% by September 2025,[2] yet that still leaves a large share of traffic merely converted from the legacy Swift MT message format rather than originating natively in ISO 20022 format set by the International Organization for Standardization. Roughly 65% of messages still carried the beneficiary address as free text[3] and many institutions treated the program mainly as a conversion exercise. As a result, the fields that should change how payments are screened, reconciled and analyzed—including structured remittance information, purpose codes, legal entity identifiers (LEIs), and distinct ultimate debtor and creditor fields—are still not reaching the parts of a bank that could use them.

The commercial case starts with the gap between messages that are merely ISO 20022 compliant and data that is actually useable.

In a *bank's own operations*, better-structured fields cut manual work in screening, investigations and exceptions. For *corporate client*s, the same data can support paid services around reconciliation, cash visibility, fraud alerts and purpose-code analytics. At the *ecosystem level*, with privacy designed from the start, banks can contribute to anonymized market intelligence, consortium fraud models and open-finance partnerships. The same standard supports all *three value pools*, but each requires a different combination of fields, controls and timing.

As of early 2026, the revenue evidence is still limited, and a documented case of ISO 20022 data driving a bank revenue stream has yet to surface.

That absence of evidence reflects timing rather than a weak case as the market is still forming, and the banks that improve data quality now may be able to preserve enrichment through downstream systems, set credible rules for reuse, and be better placed to influence what clients come to expect.

# Why this matters now

## *The migration is complete but the return on it has barely begun*

The 97% migration benchmark of payment instructions to ISO 20022 format confirms that messages are flowing in the right format, but it does not show whether the richer fields reach downstream systems or arrive in a form the bank can use.

The more telling question is how much traffic originated natively in ISO 20022 rather than converted from MT, because a translated message can only be as rich as the legacy MT instruction it came from. Swift made the trade-off more visible by charging for in-flow translation as of January 2026, turning what had been a free bridge into a recurring cost that effectively produces a thinner data set. Even at banks that have adopted ISO 20022 for sending and receiving payment instructions, the same loss often happens internally when ISO 20022 messages are converted back to MT for legacy systems—stripping enrichment[4] before it reaches sanctions screening, anti-money laundering, fraud, liquidity, or reconciliation tools.[5]

The timetable also leaves little room to treat the migration as complete. From November 2026, Swift's SR2026 release rejects fully unstructured postal addresses, requiring at least a structured town and country alongside any remaining address lines.[6] It is not just the old message types; in March 2026, Swift announced two ISO-based initiatives,[7] a retail payments scheme with more than 50 banks signaling support and a blockchain-based shared ledger that entered minimum viable product (MVP) construction with more than 30 institutions.[8]

The migration is a starting point and a bank can be technically compliant and still capture little of the value, especially if enriched data is translated, trapped in payments infrastructure, or governed too narrowly to support products and client conversations.[9]

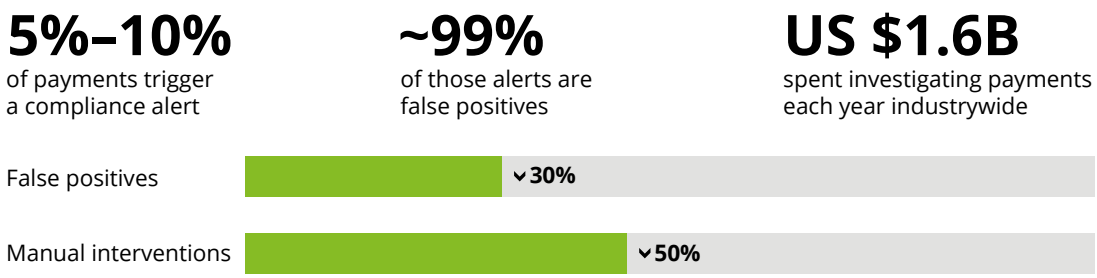
# The opportunity

## *The value sits in usable payment data*

The near-term case is clearest in screening because the costs are already visible: between 5% and 10% of payments generate a compliance alert, and roughly 99% of those alerts are false positives, often because legacy formats leave names, addresses and purpose information incomplete or ambiguous.[10] Swift estimates that the industry spends more than US$1.6 billion each year investigating payments.[11] When address data sits in the right fields, the false match can be cleared before an analyst opens a case.[12] Swift's earlier estimate that structured data could cut false positives by 25% to 30% remains useful, but it predates the migration, so treat it as a rough steer and not as a forecast.[13]

A German bank provides an early production signal, even if it is not yet an industry benchmark. At a global financial services event in 2024, the bank's global head of institutional cash management indicated that the bank had paired AI with enriched ISO 20022 data and reduced false positives by 30% and manual interventions by 50% in payment screening.[14] The important point is not that every bank should expect the same result, but that structured data can change screening economics when it is preserved and delivered to the tools that need it.

***Figure 1.*** **The false-positive load in legacy formats,[15] and one bank's production results with AI plus enriched ISO 20022 data[16]**




Sizing revenue is harder, partly because payments are one of the largest, most profitable revenue pools in financial services, and ISO 20022 now sits as a layer of structured data on top of the payment flows the bank already processes and earns revenue from. MIT university's Center for Information Systems Research offers a useful but imperfect comparison: in a late-2024 survey of 349 senior leaders, high-performing organizations attributed about 11% of revenue to data monetization.[17] Because that figure is self-reported and cross-industry, it should be read as context rather than a target. The revenue evidence remains thin, but waiting for a demonstrated business case may be a wrong move.

The banks that solve data quality first will likely shape client expectations.

# Where the value sits

## *Start with the bank, then the client, then the market*

Figure 2 summarizes the three value pools that do not operate at the same speed or under the same constraints. The sequence matters because each pool relies on the quality and governance built in the one before it: the practical order for the banks is to reach internal cost reduction first, then client-facing services, and only then the broader ecosystem monetization.

***Figure 2.*** **The three value pools, the fields they draw on, the commercial model, and the realistic time to value**

| VALUE POOL | CORE ISO 20022 DATA | COMMERCIAL MODEL | TIME TO VALUE |
|---|---|---|---|
| **The bank's own operations** "Pay less money to move money" | Structured party and purpose fields; structured reason codes; time-stamped, purpose-tagged flows | Cost avoidance, direct P&L impact | **0–6 months** for native-processing banks |
| **Corporate clients** "Help them run treasury better" | Structured remittance (invoices, purchase order references, credit notes); purpose codes; consistent fields across 30+ real-time gross settlement (RTGS) systems | Premium service and subscription fees | **7–18 months** |
| **The wider ecosystem** "Become a data platform" | Anonymized, aggregated flows; purpose codes; LEIs; geographic patterns | Data products, consortium fees, partnership premiums | **18+ months** privacy gated |

## Pool 1: The bank's own operations

The first pool sits in the bank's own cost base, making it the fastest to reach because it does not require a new product or a new permissions model. Structured party and purpose fields make screening more precise, while structured reason codes can shorten exceptions and investigations that otherwise depend on ambiguous free text.

Swift's case management service is already live with more than 200 banks and becomes mandatory in November 2027.[18] Using this service, when an ISO 20022 message is translated to MT, Swift's translation service marks the fields that were truncated or dropped, so the loss is visible rather than silent. Time-stamped, purpose-tagged flows can also improve intraday cash forecasting and reduce idle liquidity buffers, so the initial case is less about launching a new proposition and more about removing a cost the bank no longer needs to carry.



## Pool 2: Corporate clients

The second value pool turns the same data outward to corporate clients, where treasurers already pay for better control, faster reconciliation and clearer cash positions.

Structured remittance fields can carry invoice numbers, purchase-order references and credit notes with the payment, making automated reconciliation possible as a treasury API rather than a manual back-office process. Consistent fields across the many RTGS systems that have adopted ISO 20022 can support consolidated cash visibility across geographies, while enhanced fraud data points can feed near real-time fraud alerts, including for authorized push payment scams. Purpose codes, already mandated for parts of Clearing House Automated Payment System (CHAPS) and expanding to all CHAPS payments by 2027,[19] give banks the raw material for flow analytics by payment purpose.[20] The product opportunity is practical from less manual reconciliation to better liquidity decisions and earlier warning of suspicious flows.

## Pool 3: The wider ecosystem

The third pool is different as it is broader, potentially more valuable, and significantly harder to fulfill because it depends on reuse beyond the original payment.

Aggregated and genuinely anonymized flows carrying purpose codes, LEIs and geography could support market intelligence products. The closest familiar parallel is Visa's analytics business, built on card data, although no equivalent has yet emerged for interbank ISO 20022 flows.[21] Fraud collaboration is moving faster, with Swift's 2025 federated-learning experiments across 13 institutions finding collaborative models roughly twice as effective as institutions working alone; we note though that the test used artificial data drawn from 10 million test transactions.[22] Mastercard's consumer fraud risk service shows the same logic at work in cards and account-to-account (A2A) payments, covering 15 UK banks and about 90% of UK A2A payments and is credited with a 20% drop in APP (authorized push payment) related fraud cases in 2024.[23] Open-finance frameworks may also let banks become preferred data partners, while the European Market Infrastructure Refit (EMIR REFIT) move to ISO 20022 XML points to reporting services that banks have not yet been developed as marketable products.[24]

Every idea in this pool depends on a defensible privacy position from the start.

# What can hold banks back

## *The obstacles are practical, and one is decisive*

The gap is mainly from the difficulty of turning payment data into something reliable, accessible and lawful to use. Four barriers explain why banks have not captured the value yet: data quality, technology, ownership, and privacy and regulation. The first three are familiar delivery problems, while the fourth determines how far external monetization can go.

***Figure 3.*** **Four barriers to monetizing ISO 20022 data, and the evidence behind each[25]**

| 1. DATA QUALITY | 2. TECHNOLOGY SILOS |
|---|---|
| • Only 32.9% of traffic originated as native ISO 20022 in Q4 2024.<br>• About 65% of messages still carry unstructured addresses.<br>• Translation strips enriched data and now carries a charge. | • Core systems built for fixed-length fields cannot parse ISO 20022 XML.<br>• Data must reach analytics, risk, treasury and client APIs to create value.<br>• Internal conversion back to MT erases the advantage. |
| **3. ORGANIZATIONAL INERTIA** | **4. PRIVACY AND REGULATION** |
| • Run as a payments-team program, not a bankwide data strategy.<br>• Data sits in payments; the people who could monetize it sit elsewhere.<br>• No single owner sees the whole opportunity. | • Purpose codes can reveal sensitive behavioral information.<br>• GDPR purpose limitation bars reuse without a separate legal basis.<br>• The constraint most institutions are not planning for. |

The first constraint is **data quality**, because a large share of traffic still arrives converted from MT rather than originated natively.[26] Roughly 65% of messages still use unstructured addresses—where much of the data needed for monetization is missing, inconsistent, or difficult to trust.[27]

The reason this persists is that format and data quality are separate problems where a message can be fully compliant and still carry a poorly populated address. Most address data originates outside the bank, in corporate ERP systems that store it as free text,[28] so the bank receives an unstructured string it cannot retroactively structure. Migration guidance also encouraged banks to send "like-for-like," replicating the legacy message rather than enriching it, and internal translation back to MT strips structure on the way through. Translation makes the problem worse by removing fields the business case depends on, and going forward it will also carry a direct cost.[29] A monetization strategy can't rest on data the bank either never captured or threw away in translation.

The second constraint is **technology**, since many core systems were built around fixed-length fields and proprietary formats, which means they cannot easily parse ISO 20022 XML or distribute it to analytics, risk, treasury and client channels.[30] Converting messages back to MT may keep old systems running, but it also removes the advantage the migration was meant to create.

The third constraint is **ownership**, because in many banks the migration to ISO 20022 has been managed as a payments change rather than a bankwide data program, leaving the opportunity split across teams. Payments controls the data, while commercial, product, financial crime, treasury and privacy teams hold the use cases. Without an accountable owner across those groups, the business case remains fragmented.

**Privacy and regulation** form the fourth constraint, and this is the one that decides the ceiling on external monetization. ISO 20022 messages can carry roughly 10 times more data than MT messages, including purpose codes that may reveal sensitive behavioral patterns. Under the EU's General Data Protection Regulation, purpose limitation restricts the reuse of payment data for commercial analytics unless the bank has a separate legal basis, and anonymization has to be real rather than reversible pseudonymization, which is why Figure 4 shows how sharply the position differs by jurisdiction.

***Figure 4.*** **How the rules differ by jurisdiction, and what that can mean for monetization**

| JURISDICTION | KEY INSTRUMENTS | WHERE IT STANDS | IMPLICATION FOR MONETIZATION |
|---|---|---|---|
| **United Kingdom** | Data (Use and Access) Act 2025[31] | Royal Assent June 2025; commencing in phases through mid-2026 | Most permissive; explicitly supports sustainable commercial data models. |
| **European Union** | GDPR (Art. 5(1)(b)); Payment Services Regulation; Financial Data Access (FiDA)[32] | Evolving; PSR applies fully by 2027–28; FiDA stalled, kept in EU 2026 work program | Purpose limitation constrains reuse. The PSR enables only narrow fraud-data sharing, not commercial monetization. FiDA could erode banks' exclusivity over their own data. |
| **United States** | Consumer Financial Protection Bureau (CFPB) Section 1033; state Gramm-Leach-Bliley Act (GLBA) changes (MT, CT)[33] | In flux; rulemaking reopened 2025 | Direction unsettled. Bilateral, priced data agreements are forming in the gap. |

The European Union's Payment Services Regulation (PSR), on which the Council and Parliament reached political agreement in November 2025, shows the direction clearly. It mandates verification of payee on every credit transfer and requires payment service providers to share fraud-related data with one another through a dedicated platform—but it does not create a broad right to monetize payment data commercially and its provisions are not expected to apply fully until 2027 or 2028.[34] In the United States, the CFPB reopened the Section 1033 open-banking rule in 2025, leaving the direction unsettled as priced bilateral data agreements begin to take shape.[35]

# What banks should do next

## *A practical path from compliance to revenue*

The route from compliance to revenue should be staged, even if larger banks have enough capacity to run some work in parallel, because the commercial work only holds if the foundation is in place. Also note that data quality, lineage and governance should be treated as part of the product and Figure 5 outlines a thoughtful sequence for this.

***Figure 5.*** **Sequential for most banks however well-resourced institutions can run the phases in parallel**

**1** **Fix the foundation** **0–6 months**

Move to the native ISO 20022 processing and retire internal translation. Launch a data-quality program that remediates addresses ahead of the November 2026 deadline and tracks the completeness of purpose codes, invoice identifiers, and LEIs. Build an inventory of the ISO 20022 data the bank holds at what quality. Put payments, data, product, risk and compliance around one table. This phase produces no revenue; it produces the asset everything else is sold from.

**2** **Extract value and serve clients** **7–18 months**

Pilot automated reconciliation with a defined corporate segment. Integrate structured data into sanctions and AML screening to begin capturing the false-positive reduction. Turn flow data into correspondent performance dashboards. Offer purpose-code analytics to treasury clients. Critically, build the privacy and data-governance framework that will gate every external product here, not later.

**3** **Monetize externally** **18+ months**

Move premium treasury services from pilot to commercial offering. Bring anonymized market intelligence and consortium fraud participation online under the governance already in place. Form open-finance partnerships as the rules settle. Offer regulatory reporting as a service to smaller correspondents. By this point the bank can be earning revenue from insight, not only avoiding cost.

Because the phases are cumulative rather than interchangeable, a reconciliation pilot typically only works if invoice and remittance data are captured consistently, while ecosystem propositions only work if the governance model allows the data to be reused lawfully. A bank that jumps straight to external monetization may find that the data is not suitable  enough to sell, or that it cannot be sold within the rules.

# Collecting the data dividend

## *The market is still being defined*

There is little public evidence that banks have built revenue-generating businesses explicitly around ISO 20022 payment data, but the payments industry is rapidly growing and the richer data now moving through ISO 20022 adds a new layer to that flow of value. The issue is no longer whether the standard has been adopted, but whether banks can turn data they already generate into services clients will pay for, without overstepping the privacy rules that are tightening around reuse of data.

One risk is that the value lands unevenly where some banks capture it and the others just carry the migration cost. Banks that preserve, govern and productize payment data may be able to discover new revenue opportunities over time. Banks that treat ISO 20022 as a completed compliance project may find themselves carrying the costs of migration without capturing its benefits.

Deloitte helps clients across the payments value chain, from financial crime and operational resilience to data strategy, privacy governance, and the design and launch of new commercial propositions. To discuss where your institution's strongest opportunities may sit and how to pursue them with confidence, please contact our dedicated Deloitte team.

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