



# MT Category 7

# Documentary Credits

# MT 798

# Enhancements Overview

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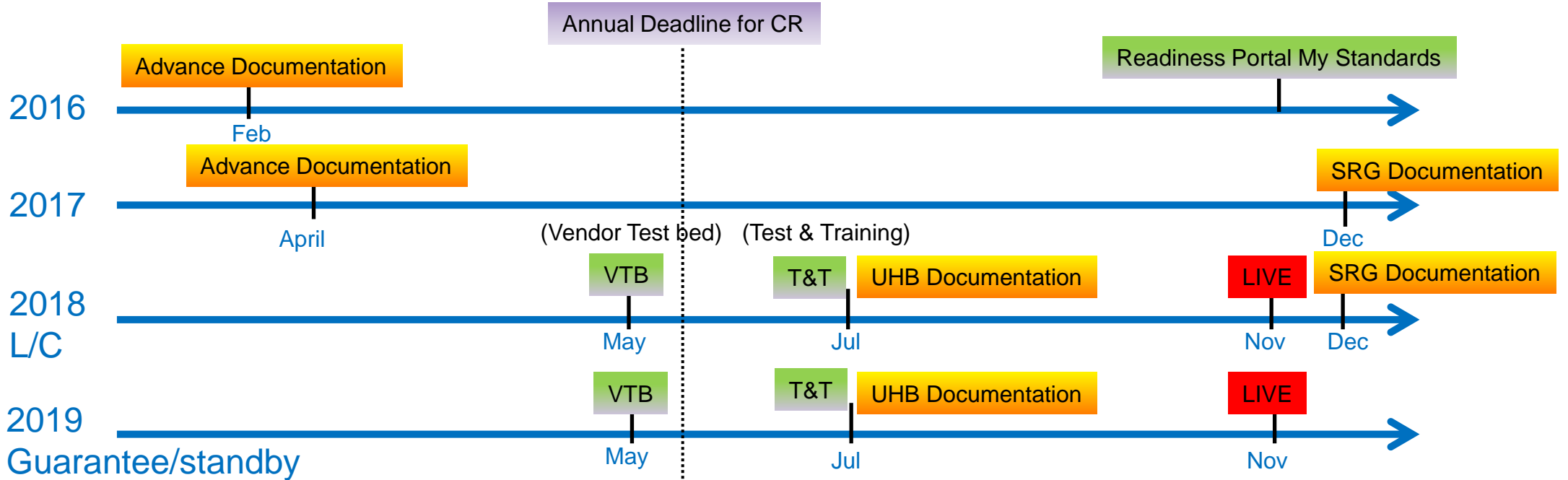
# MT Category 7 Documentary Credits Enhancements Overview



# Overall Project

- **The Trade Finance Maintenance Working Group (TFMWG) launched a significant revamp of the cat 7 MTs (Letters of credit, guarantee and standby) in 2013, taking into account change requests from previous years.**
- **The drivers are:**
  - requests from the community over the last 10 years
  - straight-through-processing
  - to fill some gaps in transaction flows
- **It is a significant upgrade to the functionality and format of the 700 (L/C) series and 760 (guarantee/standby) series of messages, including 9 new MTs**
- **The go-live dates are in November 2018 for L/C and November 2019 for guarantees/standbys.**
- **The detailed implementation and documentation time line is as follows:**

Documentation Milestone  
Testing facility



# Standards MT

[Development and Maintenance Processes \(13 May 2011\)](#)

[Funds MT to MX Mapping \(06 December 2013\)](#)

[MT and MX Equivalence Tables \(01 July 2016\)](#)

## Standards MT November 2018

[Category 7 - Documentary Credits and Guarantees - Message Reference Guide - ADVANCE INFORMATION \(26 February 2016\)](#)

[Category 7 - Documentary Credits and Guarantees - Message Reference Guide - UPDATED ADVANCE INFORMATION \(21 April 2017\)](#)

[Standards > Standards MT November 2018 >](#)

### Category 7 - Documentary Credits and Guarantees - Message Reference Guide - UPDATED ADVANCE INFORMATION



**Description:** Standards - Standards MT November 2018 - Category 7 - Documentary Credits and Guarantees - Message Reference Guide - UPDATED ADVANCE INFORMATION

**Publisher:** S.W.I.F.T. SCRL

**Subject:** This publication contains updated advance information on the Category 7 Documentary Credits and Guarantees messages, which are due for release in SR 2018 and SR 2019. Both a clean PDF, with no highlighted changes, and a compare version, with highlighted changes, are available. A list of the changes since the previous edition can be found in the Notice - What has changed document

**Date issued:** 2017-April-21

#### Downloads & links

- Download Factsheet Category 7 Trade Message - Upgrade (factsheet\_category\_7\_trade\_message\_upgrade.pdf : 373 KB)
- Download Notice - Read me first (notice\_read\_me\_first.pdf : 126 KB)
- Download Notice - What has changed (notice\_what\_has\_changed.pdf : 139 KB)
- Download UPDATED Clean PDF (updated\_category\_7\_advance\_info\_sr\_2018\_and\_sr\_2019\_clean.pdf : 1 MB)
- Download UPDATED PDF with changes tracked (updated\_category\_7\_advance\_info\_sr\_2018\_and\_sr\_2019\_changes\_tracked.pdf : 1 MB)



Advance Documentation on swift.com

[https://www2.swift.com/uonline/books/a2z/standards\\_mt.htm](https://www2.swift.com/uonline/books/a2z/standards_mt.htm)

# Category 7 Update

## *Changed messages*

### Documentary Credits

- MT 700 Issue of a Documentary Credit
- MT 701 Issue of a Documentary Credit
- MT 705 Pre-Advice of a Documentary Credit
- MT 707 Amendment to a Documentary Credit
- MT 710 Advice of a Third Bank's or a Non-Bank's Documentary Credit
- MT 711 Advice of a Third Bank's or a Non-Bank's Documentary Credit
- MT 720 Transfer of a Documentary Credit
- MT 721 Transfer of a Documentary Credit
- MT 730 Acknowledgement
- MT 732 Advice of Discharge
- MT 734 Advice of Refusal
- MT 740 Authorisation to Reimburse
- MT 742 Reimbursement Claim
- MT 747 Amendment to an Authorisation to Reimburse
- MT 750 Advice of Discrepancy
- MT 752 Authorisation to Pay, Accept or Negotiate
- MT 754 Advice of Payment/Acceptance/Negotiation
- MT 756 Advice of Reimbursement or Payment

### Guarantees Standbys

- MT 760 Issue of a Demand Guarantee/Standby Letter of Credit
- MT 767 Amendment to a Demand Guarantee/Standby Letter of Credit Amendment
- MT 768 Acknowledgement of a Guarantee/Standby Message
- MT 769 Advice of Reduction or Release



# Category 7 Update

## *New messages*

Documentary  
Credits

- MT 708 Amendment to a Documentary Credit
- MT 744 Notice of Non-Conforming Reimbursement Claim

Guarantees  
Standbys

- MT 761 Issue of a Demand Guarantee/Standby Letter of Credit
- MT 765 Guarantee/Standby Letter of Credit Demand
- MT 775 Amendment to a Demand Guarantee/Standby Letter of Credit
- MT 785 Guarantee/Standby Letter of Credit Non Extension Notification
- MT 786 Guarantee/Standby Letter of Credit Demand Refusal
- MT 787 Guarantee/Standby Letter of Credit Amendment Response

All Cat 7

- MT 759 Ancillary Trade Structured Message

## MT Category 7 Working Group

# General – L/C and Guarantee/Standby

- Creation of a message MT 759 (Ancillary Trade Structured Message) similar to MT 799 using a limited number of coded and structured fields
- Addition of a field to refer to a document sent by another channel (e.g. FileAct)
- Adoption of extended “Z” character set for long fields (e.g. 45A, 46A, 47A, 71, 72, 73, 77)

```
abcdefghijklmnopqrstuvwxyz  
ABCDEFGHIJKLMNOPQRSTUVWXYZ  
0123456789  
/ - ? : ( ) . , ' +  
CrLf Space
```

X

```
abcdefghijklmnopqrstuvwxyz  
ABCDEFGHIJKLMNOPQRSTUVWXYZ  
0123456789  
., - ( ) / = ' + : ? ! " % & * < > ; {  
@ #  
Cr Lf Space
```

Z



# Documentary Credit

## *Overview of work items and topics - 1*

- **Re-design of MT 707 + new continuation MT 708**
  - Full alignment with MT 700
  - Structured fields for any modification
  - Use of codes ADD, DELETE, REPLACE ALL for the long narrative fields
  - Specific tag for amendment charges
- **Addition of 2 fields to indicate the Special Instructions for Payment (to be conveyed to the Beneficiary or for the Advising Bank only)**
- **Addition of the Bank that is requested to add confirmation or may add its confirmation**
- **New message: Advice of non-conforming claim (MT 744)**

Message sent by the reimbursing bank to the bank claiming reimbursement as notification that the claim, on the face of it, as not to be in accordance with the instruction in the Reimbursement Authorisation for the reason(s) as stated in this message.

# Documentary Credit

## Overview of work items and topics - 2

- **Addition of additional narrative field 79Z to MT 730, MT 752 and MT 756**
- **Renamed field 42P** (*Deferred Payment Details to Negotiation/Deferred Payment Details*)
- **Deletion of some codes from 40A (Form of Documentary Credit)**
  - Deleted 'revocable' codes
  - In SR2019, the 'standby' codes will be removed
- **Change field 43P (Partial Shipment) and 43T (Transshipment) to code**
  - ALLOWED
  - CONDITIONAL
  - NOT ALLOWED
- **Renamed and structured field 48 (Period for Presentation to Period for Presentation in days)**
  - 3n[/35x] - (Days)(Narrative)
- **Changed field 49 (Confirmation Instructions) definition**
- **Changed usage rules for fields 45, 46 and 47 to support more extension, from 3 to 7 extension messages, for MT 701, MT 711 and MT 721**

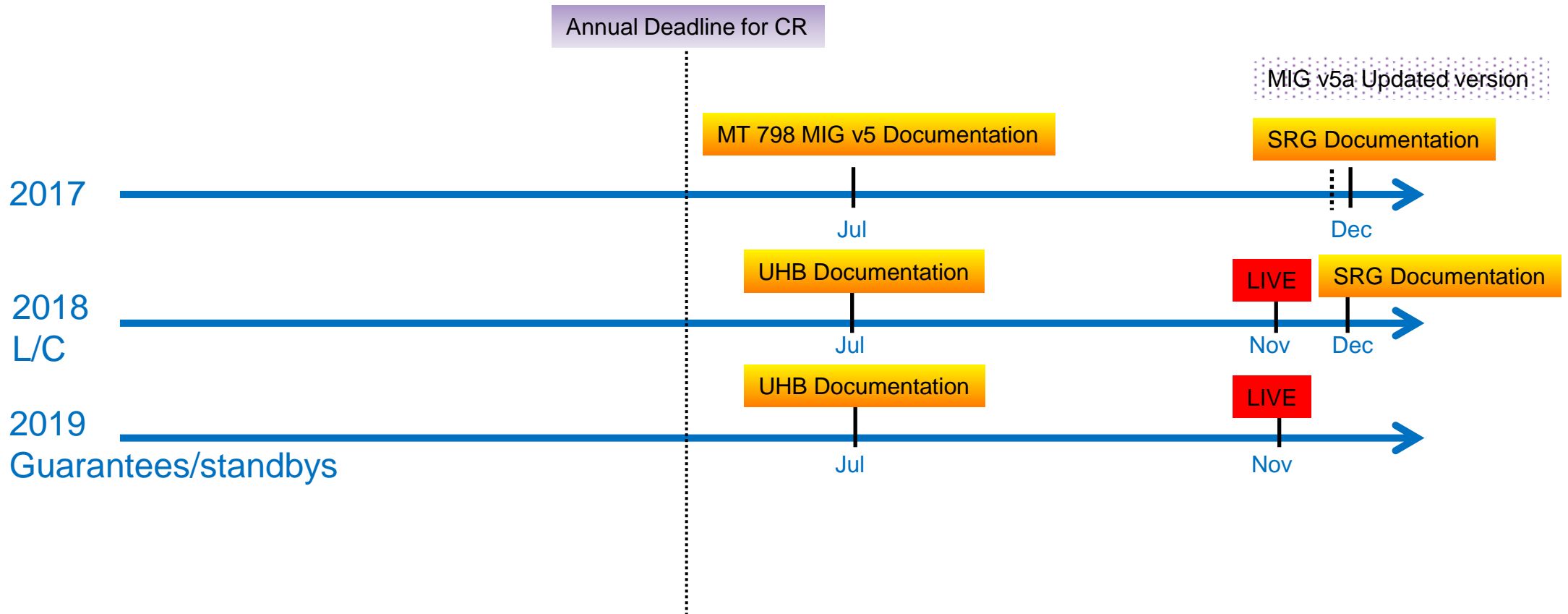
# MT 798 Overview



# MT 798 Trade Guidelines

- The category 7 MTs are bank-to-bank messages
- In the corporate-to-bank space, MT 798 guidelines have been developed. The MT 798 is used as an envelope message, including ad-hoc fields, or entire bank-to-bank MTs
- The MT 798 Guideline specification (currently V4) will be upgraded to take into account the category 7 changes. It will also include other enhancements
- The result of this work will be published in July 2017 and will “go live” at the same time than the corresponding MT’s:
  - documentary credit flows at the time of SR 2018
  - guarantee and standby letter of credit flows at the time of SR 2019.

# Time line of the go live of MT 798



# Major Work Items for MT 798 V5

- Alignment of MT 798 guidelines to updated interbank MT SR 2018-2019
- New and consistent references in all flows (21A and P, 21S and T)
- Index message is now the same for all instruments (was different in V4)
- Drafting process

# MT 798 Update

## *New messages*

Documentary Credits	<b>Index message</b> <b>MT 798&lt;723&gt; Notification of Transfer of Documentary Credit</b> <b>MT 798&lt;738&gt; Response to Advice of Discrepant Presentation</b>
Documentary Credits	<b>Extension message</b> <b>MT 798&lt;708&gt; Amendment to a Documentary Credit</b>
Guarantees Standbys	<b>Index message</b> <b>MT 798&lt;727&gt; Notification of Guarantee/SBLC Non Extension</b> <b>MT 798&lt;728&gt; Response to Amend of Guarantee/SBLC</b> <b>MT 798&lt;729&gt; Advice of demand refusal under Guarantee/SBLC</b> <b>MT 798&lt;739&gt; Advice of Acceptance/Refusal of Amendment of Guarantee/SBLC</b>
Guarantees Standbys	<b>Details / Extension message</b> <b>MT 798&lt;761&gt; Issue of a Demand Guarantee/Standby Letter of Credit</b> <b>MT 798&lt;765&gt; Guarantee/Standby Letter of Credit Demand</b> <b>MT 798&lt;775&gt; Amendment to a Demand Guarantee/Standby Letter of Credit</b> <b>MT 798&lt;785&gt; Guarantee/Standby Letter of Credit Non Extension Notification</b> <b>MT 798&lt;786&gt; Guarantee/Standby Letter of Credit Demand Refusal</b> <b>MT 798&lt;787&gt; Guarantee/Standby Letter of Credit Amendment Response</b>

# MT 798 Update

## *New messages (Cont)*

- Common Group
- Index message
    - MT 798<719> Response to a Draft Undertaking
    - MT 798<725> Ancillary message
    - MT 798<726> Ancillary message
    - MT 798<741> Notification of Cancellation/Refusal
    - MT 798<797> Request for Cancellation
- Common Group
- Details message
    - MT 798<759> Ancillary Trade Structured Message



## Standards MT Release 2018 and 2019

### Prepare for the changes related to Category 7 messages

Dear Customer,

This is an invitation to join our Webinar concerning the **mandatory maintenance** that will be performed on **MT Category 7 messages** in November 2018 and November 2019, as part of the continuous improvement of our standards.

To ensure that you can plan sufficiently in advance for those releases – and to provide you with all the information you need – SWIFT Standards is organising a special Webinar session targeting Oceania, but also open to other APAC countries :

#### Tuesday 25<sup>th</sup> July 2017

4:00 pm	NZST (New Zealand Standard Time)
2:00 pm	AEST (Australian Eastern Standard Time)
12:00 noon	HKT (Hong Kong Time), SGT (Singapore Time), PHT (Philippine Time)
9:30 am	IST (India Standard Time)

The content of these sessions has been tailored to the needs of operational teams and business teams in financial institutions, corporates and vendors.

This one hour Webinar will provide you with:

- The background and context to the **Standards 2018 and 2019 releases** for the Category 7 messages.
- Important **milestones** for documentation and implementation
- Brief overview of the **content**
- **Testing** considerations
- Other related standards: **MT 798**
- Time for **Q&A**

With kind regards

The SWIFT Standards Team

For any questions, please do not hesitate to contact us via [standardscampaign@swift.com](mailto:standardscampaign@swift.com)





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