

FAQ – ISO 20022: New Requirements Regarding Beneficiary Address

We would like to invite you to use [our website dedicated to the migration to ISO 20022 standards >>](#), where you can find more information.

Key information

1. What is changing?

The change concerns the rules for specifying addresses of parties participating in a payment. From the perspective of payment initiation, the most relevant changes for you relate to the beneficiary (recipient) address provided in payment instructions.

From November 2026 onward:

- It will no longer be possible to provide the beneficiary address in an **unstructured** format.
- It will be possible to provide the beneficiary address in a **hybrid** and/or **structured** format.
- There will still be no technical requirement to provide the beneficiary address; however, we recommend including these data, especially for international transfers, due to the updated FATF Recommendation 16, which will be successively implemented in other jurisdictions, and local legislation (e.g. Canada), which already requires this data in some cases.

 The above means that the **new address format will become conditionally mandatory**: there will still be no obligation to provide beneficiary address data (although we recommend doing so), but if an address is provided, it must be in the new format (i.e. with at least town and country indicated in separate fields).

2. What are unstructured, structured, and hybrid addresses?

- **An unstructured address** is an address entered in one or several text lines without separation into individual fields. The market is moving away from this format, as an unstructured data model does not support automation of transaction identification and monitoring processes.

Unstructured address

Address line 1

ul. Batalionu Armii Krajowej Zoska

Address line 2

3D lok. 7, 01-234 Warszawa

```
<PstlAdr>
  <AdrLine>ul. Batalionu Armii Krajowej Zoska</AdrLine>
  <AdrLine>3D lok. 7, 01-234 Warszawa</AdrLine>
</PstlAdr>
```

- **A structured address** is an address divided into separate fields. The minimum required fields are: town and country.

Structured address	
Street	Batalionu Armii Krajowej Zoska
Building number	3D
Room number	7
Postal Code	01-234
Town	Warszawa
Country	PL

```
<PstlAdr>
  <StrtNm>Batalionu Armii Krajowej Zośka</StrtNm>
  <BldgNb>3D</BldgNb>
  <Room>7</Room>
  <PstCd>01-234</PstCd>
  <TwnNm>Warszawa</TwnNm>
  <Ctry>PL</Ctry>
</PstlAdr>
```

- **A hybrid address** is an address partially split into separate fields and partially entered in one or several text lines. The minimum required separate fields are town and country, although additional fields may be included. Information must not be duplicated or contradictory.

Hybrid address	
Address line 1	ul. Batalionu Armii Krajowej Zoska
Address line 2	3D lok. 7
Town	Warszawa
Country	PL

```
<PstlAdr>
  <TwnNm>Warszawa</TwnNm>
  <Ctry>PL</Ctry>
  <AdrLine>ul. Batalionu Armii Krajowej Zoska</AdrLine>
  <AdrLine>3D lok. 7</AdrLine>
</PstlAdr>
```

Timeline and scope of changes

3. What are the key dates for the new requirements regarding payment recipient data?

The key date for the new requirements is **November 2026**. From that point onward, it will no longer be possible to provide beneficiary address data in the legacy (unstructured) format. Only structured or hybrid addresses will be allowed.

Over the coming months (i.e. before November 2026), you will already see updated CitiDirect forms enabling town and country to be entered in separate fields. This applies both to **payment instruction forms** and to payment **templates (preformats)** created by you. Although these forms will already include the new fields, providing data in accordance with the new requirements will not yet be mandatory until November 2026.



The changes under the ISO 20022 migration go beyond address- related changes. This is a comprehensive, multi-phase process spanning several years. The migration schedule is available on [our website >>](#)

4. Does the change apply to all transaction parties?

Yes, the requirement applies to every party in the transaction (the payer, i.e. the ordering party, and the recipient, i.e. the beneficiary), as well as every intermediary (the intermediary bank and the beneficiary's bank). If an address is provided for any of these parties, it must comply with the new format.

Your company's data – as the payer – is automatically transmitted by the bank to the beneficiary's bank, so from your perspective the only relevant data is the beneficiary address.

If your company is a payment service provider and processes payments on behalf of its clients (on-behalf-of transactions, so-called OBO), you must additionally ensure the correct payer address (i.e. the address of your client on whose behalf you initiate the transfer) – please contact your Relationship Manager for details.

5. Does the change apply to domestic payments?

Yes, the changes related to providing the beneficiary address apply to all payments you initiate, including domestic transfers.

It is important to distinguish between two areas:

- **Client–bank relationship**, i.e. payment forms, file formats, etc. provided by Citi Handlowy to its clients. This is the key area from your perspective. In this scope, the change applies to all types of payments that clients can initiate in Citi Handlowy.
- **Bank–bank relationship**, i.e. message formats exchanged between banks. This area does not directly affect you. In this scope, the change does not yet apply to all payment types (e.g. Elixir and Express Elixir, as payment systems, will not yet require structured addresses from November 2026); however, due to technical considerations, it is necessary to indicate this new address format in the client–bank relationship. This is because at Citi Handlowy you use a single domestic payment form, and one of the domestic payment systems – SORBNET – will no longer support unstructured addresses from November 2026 onward.

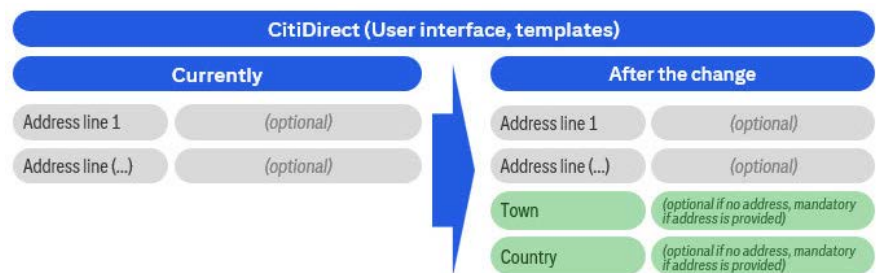
6. If providing an address is not mandatory, wouldn't it be better not to provide this data at all?

Technically, there is no requirement to provide beneficiary address data. However, it is important to remember that not providing an address increases the risk of payment rejection or delay. This is particularly relevant when international banks are involved in transfer processing, as they may consider the payment incomplete or non-compliant with requirements. A fully described payment increases transparency. Therefore, we recommend always providing this information, especially for international transfers, due to the updated FATF Recommendation 16, which will be successively implemented in other jurisdictions, and local legislation (e.g. Canada), which already requires this data in some cases.

7. Does this mean that in CitiDirect I will need to choose whether I provide a hybrid or structured address?

No. We have designed this change to be as simple as possible for you. If you initiate a payment using the CitiDirect form, fields for town and country will be available, giving you three options:

- enter only town and country in the dedicated fields – this is a structured address
- enter town and country in the dedicated fields, while also providing additional address data in free-text address lines – this is a hybrid address
- leave all address fields empty – this option is not recommended



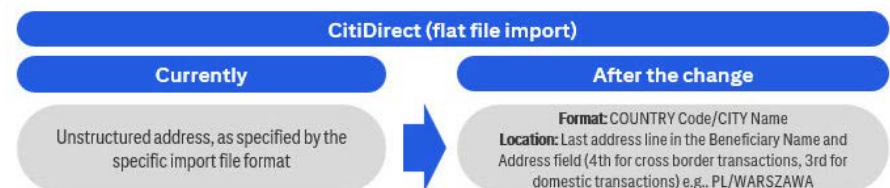
Detailed data and format requirements

8. What is the absolute minimum information if I provide an address?

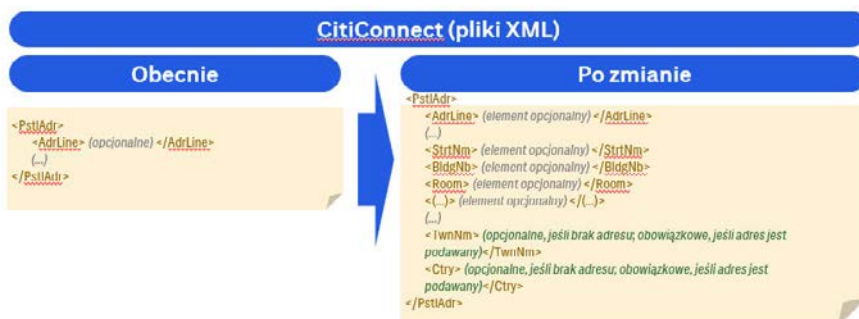
If an address is provided for any transaction party, it must include at least town and country in dedicated fields.

If payments are initiated via file upload or message exchange through CitiConnect, the address must be provided as follows depending on the file format:

- For flat file imports, the country code and town name must be placed in a single, specific address line.



- Clients initiating payments **using XML file format** will include beneficiary town and country information in separate fields, in accordance with the new specifications.



9. **Will the hybrid format still be accepted after November 2026**
Yes. At present, there is no defined date for the sunset of the hybrid format. SWIFT expects it to remain supported for at least several years beyond 2026. However, the fully structured format is recommended in order to make full use of the capabilities enabled by ISO 20022.
10. **Is the postal code required?**
No, the postal code is not required. It may be provided either in the dedicated <PstCd> field (in structured format) or as part of the <AdrLine> field (in hybrid format). However, some countries may have local requirements for providing a postal code.
11. **Do Citi Handlowy or SWIFT verify the correctness of the town name?**
No. Neither the bank nor SWIFT will verify whether the provided town name actually matches the specified country. Only the following will be checked: that the town field is not empty and that the country code is a valid 2-letter ISO code. Responsibility for providing correct and logically consistent data lies with the payer.
12. **Can I still use tag :59: without option 'F' in MT101 messages?**
No. Use of the :59: tag (without a letter, which implies an unstructured address) will no longer be allowed. To remain compliant, option 'F' must be used (e.g. :59F:), which allows the address to be provided in structured format.

Examples in XML files (pain.001)

Option 1: Fully structured format (recommended)

```

<Cdtr>
  <Nm>BENEFICIARY NAME Ltd.</Nm>
  <PstlAdr>
    <StrtNm>Aleje Jerozolimskie</StrtNm>
    <BldgNb>92</BldgNb>
    <PstCd>00-807</PstCd>
    <TwnNm>Warsaw</TwnNm>
    <Ctry>PL</Ctry>
  </PstlAdr>
</Cdtr>

```

Option 2: Hybrid format (acceptable)

```
<Cdtr>
  <Nm>BENEFICIARY NAME Ltd.</Nm>
  <PstlAdr>
    <TwnNm>Warsaw</TwnNm>
    <Ctry>PL</Ctry>
    <AdrLine>Aleje Jerozolimskie 92</AdrLine>
    <AdrLine>00-807</AdrLine>
  </PstlAdr>
</Cdtr>
```

Examples of errors in XML files (resulting in payment rejection)

```
<PstlAdr>
  <AdrLine>Aleje Jerozolimskie 92, 00-807 Warsaw, PL</AdrLine>
</PstlAdr>
```

- Error 1: The address is fully unstructured - missing tags <TwnNm> and <Ctry>.

```
<PstlAdr>
  <TwnNm>Warsaw</TwnNm>
  <Ctry>PL</Ctry>
  <AdrLine>Aleje Jerozolimskie 92, Warsaw, PL</AdrLine>
</PstlAdr>
```

- Error 2: Duplicated data in hybrid format - town and country in <AdrLine>.

Examples in flat files (for CitiDirect)

File name in a flat file	Length	Change description / required format	Example of correct use
Beneficiary Name Line 1	70	No change	BENEFICIARY NAME Ltd.
Beneficiary Address Line 2	35	Street and building/premises number	UL. PRZYKLADOWA 1 APT. 5.
Beneficiary Address Line 3	35	Postal code or other information	00-001
Beneficiary Address Line 4	35	Key change: country code / town	PL/WARSAW

Example of error in a flat file

Field	Value	Comment
Beneficiary Address Line 2	00-001 WARSAW	ERROR: Town should not be here.
Beneficiary Address Line 3	POLAND	ERROR: Correct: PL/WARSAW.

Impact on payment initiation formats

13. Which versions of the pain.001 format are supported?

We support multiple versions, including v2 and v3. Citi Handlowy will continue to support these versions, but files in these formats will also need to be adjusted to meet the new address requirements.

14. I use MT101 messages. What do I need to do?

The MT101 format for client-to-bank communication will remain supported. However, to ensure compliance, it is necessary to adapt the generated messages to use the structured **option "F"** in fields 50 (the payer, i.e. the ordering party) and 59 (the recipient, i.e. beneficiary).

- 15. Do I need to discontinue the flat files we currently use (e.g. CDFF)?** No, flat file formats will continue to be supported. However, their specifications must be adjusted.

Changes in reporting and bank statements

- 16. Can I still receive statements in MT940 format?** Yes, the MT940 format will remain supported for now. However, we recommend planning a transition to camt.053, which is its ISO 20022 equivalent.
- 17. Will camt. statements display beneficiary data in the new structure?** The bank is working on adapting statements to present beneficiary data in a structured or hybrid format, in line with the format used in the payment instruction. The implementation date for these changes in statements will be communicated separately.

How to prepare your company for the changes (steps and testing)

- 18. What actions should my company take to prepare for migration?** We recommend the following steps:
- **Internal audit:** first, identify systems (ERP, TMS) and processes in your company that process payment data. Check whether your systems store counterparties' address data, including at least town and country in structured form (i.e. in separate fields). If not, please complete this data.
 - **Contact software providers:** Consult your IT vendors to confirm ISO 20022 readiness and plan updates. In particular, ensure that your system correctly transfers the above data (at least town and country) into payment order files.
 - **Counterparty database verification:** We recommend reviewing the quality of your beneficiaries' address data. Please update records to include at least country and town. If you use beneficiary address data stored in CitiDirect (as templates/preformats) to initiate payments, please update it with missing beneficiary town and country information once these fields become available (new formats will first be introduced as optional and from November they will become mandatory).
 - **Planning and testing:** It is advisable to prepare an internal migration schedule and contact us to carry out testing. Testing well in advance is recommended. Self-testing tools for XML and flat files are already available.
- 19. How can I test my payment files?** Several options are available:
- **XML files:** Self-service testing tools on the Citi Developer Portal. The tool is already available.
 - **Flat files:** Testing using the file import function in CitiDirect in "test" mode. The tool is already available.