

ISO 20022: new requirements for beneficiary address

As part of the global migration of payment systems to the modern ISO 20022 standard, the requirements concerning beneficiary address details included in payment orders will change starting from November 2026.

Although the beneficiary address is currently not required when initiating a payment, it is often an important element for the beneficiary’s bank, as it facilitates verification and thereby reduces the risk of returns and delays. In view of the continued automation of financial flows, the banking sector indicates a need for greater transparency and better structuring of data, including the beneficiary address.

The upcoming changes will require data to be provided in the appropriate structure when initiating payments. Therefore, we encourage you **to ensure that you already have information such as the town and country of your counterparties**.

Below we present the key information on this topic.

What will change from November 2026?

- 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 this information, especially for international transfers.

What are unstructured, structured, and hybrid addresses? (Reminder)

- 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 Żoska

Address line 2

3D lok. 7, 01-234 Warszawa

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

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

Structured address

Street

Batalionu Armii Krajowej Żoska

Building number

3D

Room number

7

Postal Code

01-234

Town

Warszawa

Country

PL

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

- 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 Żoska

Address line 2

3D lok. 7

Town

Warszawa

Country

PL

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

How will the method of entering the beneficiary address change depending on the payment initiation channel?

Over the coming months, **payment templates in CitiDirect** will change to enable entering the town and country in separate fields. From November onwards, these fields will be mandatory if an address is provided.

CitiDirect (User interface, templates)

Currently

After the change

Address line 1

(optional)

Address line (...)

(optional)

Town

(optional if no address, mandatory if address is provided)

Country

(optional if no address, mandatory if address is provided)

Regarding **flat file import**, the key change consists of placing the country code and town name in a single, specific address line.

CitiDirect (flat file import)

Currently

After the change

Unstructured address, as specified by the specific import file format

Format: COUNTRY Code/CITY Name
Location: Last address line in the Beneficiary Name and Address field (4th for cross border transactions, 3rd for domestic transactions) e.g.. PL/WARSZAWA

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

CitiConnect (XML files)

Currently

After the change

```
<PstIAdr>
  <AdrLine> (opcjonalne) </AdrLine>
  (...)
</PstIAdr>
```

```
<PstIAdr>
  <AdrLine> (optional item) </AdrLine>
  (...)
  <StrtNm> (optional item) </StrtNm>
  <BldgNb> (optional item) </BldgNb>
  <Room> (optional item) </Room>
  <{...}> (optional item) </{...}>
  (...)
  <TwnNm> (optional if no address, mandatory if address is provided) </TwnNm>
  <Ctry> (optional if no address, mandatory if address is provided) </Ctry>
</PstIAdr>
```

How to prepare (for the November changes)?

We recommend taking the following steps now:

1. Review your counterparty database in ERP/Financial & Accounting systems:

If you use beneficiary address data from your ERP/Financial & Accounting system to initiate payments, please ensure that:

- address data contains at least structured town and country information (if not, please update it),
- your system transfers this data into payment instruction (please contact your software provider to ensure the data is properly saved and mapped).

2. Review your counterparty database in CitiDirect:

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. We recommend collecting your counterparties’ address data in advance.

3. Conduct tests:

We encourage you to plan and conduct tests early. Self-testing tools for XML and flat files are already available ([here >>](#)). For other formats, please contact us to arrange bilateral testing.

Where can I find more information?

- [Questions and Answers \(Q&A\) >>](#)

Here you will find answers to the most frequently asked questions regarding the changes.

- [Detailed technical guide \(specifications\) >>](#)

This document contains detailed technical specifications, examples for XML and flat files, and field mappings.

If you have any additional questions, please contact your Relationship Manager or CitiService.