



Service

Partners

SWIFTReady Accord Integration

Label Criteria 2012

This document explains the business criteria needed to obtain the SWIFTReady Accord Integration 2012 label. The label is aimed at Treasury Management Applications for financial institutions and corporates.

27 January 2012

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Preface

Purpose of this document

This document explains the criteria needed to obtain the SWIFTReady Accord Integration 2012 label. The label is aimed at Treasury Management Applications for financial institutions and corporates.

Intended audience

This document is for the following audience:

- Product Managers
- Development Managers/Developers

Related documentation

- *SWIFTReady Applications Guide*
The document explains the "Why and How" to join the SWIFT Partner Management framework and its related SWIFTReady Accreditation programmes.
- *SWIFTReady Technical Validation Guide*
The document explains in a detailed manner how your application will be validated to become SWIFTReady compliant.

1 Accord™: High-Level Introduction

Accord™ is SWIFT central confirmation matching and netting utility. The service exists in the following two flavours:

- Accord for Treasury; processing confirmations for foreign exchange, money market, and interest-rate derivative transactions (MT 3xx).
- Accord for Securities; processing confirmations for equity and fixed income trading (MT 515).

Users of the Accord for Treasury service send confirmations to each other. These messages are automatically copied to Accord, and matched in real time. Users of Accord for Securities submit their MT 515 directly to Accord.

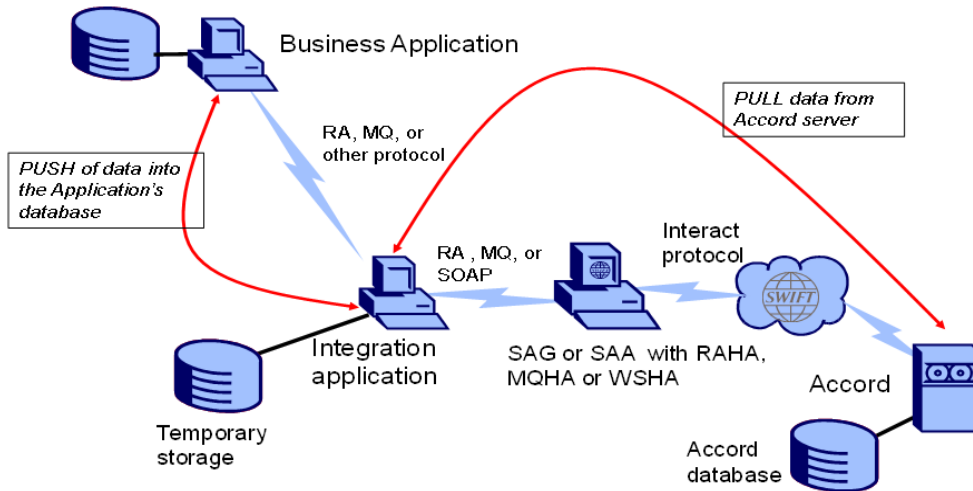
Access to the Accord functionality, including the database containing the matching results, is provided through an Accord Graphical User Interface (GUI) plug-in deployed on top of SWIFT Alliance WebStation.

Accord for Treasury comes also with an Application Programming Interface (API). An API is a small programming language through which a software service or application enables other applications to interact with it. In the case of Accord, it is simply an XML-based dictionary and a grammar that indicates:

- how to refer to the various data elements (for example, trade date, amount bought)
- how to formulate a specific command, or query, and how to understand the answer.

Practically, the API enables users of Accord for Treasury to integrate their back-office systems (typically Treasury Management systems) with Accord, enabling these systems to retrieve matching results from Accord and achieve Straight-Through Processing (STP) of matched trades.

2 Integrating Accord for Treasury in the Back-Office



- In the above drawing, the "integration application" can be developed and deployed as a separate application, or as additional functionality of the Business Application (Back Office or Treasury Management System).
- The connectivity protocol between the Business Application and the Integration Application can be freely chosen, and can be of a pull or (as usual) a push nature.
- The interface box supporting the interaction with the Accord server can be an Alliance Access or an Alliance Gateway with a suitable host adaptor (that supports the protocol chosen to establish the dialog between this interface box, and the integration application: MQ Host Adapter for WebSphere MQ, Remote API Host Adapter for Remote API, and Web Services Host Adapter for Simple Object Access Protocol (SOAP)). Users of a non-SWIFT branded interface must check with their provider whether that interface can support the real-time Interact protocol with Accord, or can use in any case an Alliance interface.
- The communication between the interface (Alliance Gateway, Alliance Access, or other) and Accord is based on a polling mechanism that uses so-called "dynamic" queries. This ensures that the data corresponding to this query is permanently updated.
- In short, the Integration Application, through an Alliance Gateway or an Alliance Access, pulls data from the Accord server, stores it in memory or in a temporary database, and then makes that data available to the Business Application in either push or pull mode.

3 The SWIFTReady Accord Integration Label

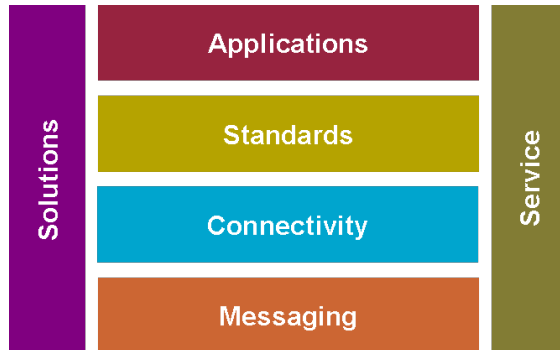
The SWIFTReady Accord Integration label is available to business applications that are capable of requesting and receiving matching information from Accord for Treasury and processing this information in a meaningful way, typically supporting automated information flows and Straight-Through Processing (STP).

The label is therefore an indication of both the ability of the application to process Accord data and the commitment of the application vendor to support the integration with Accord.

Whether the integration is deployed separately from the Business Application, or as an integrated additional functionality thereof, in both cases, the label will be awarded only to the business application (that is, the back-office or treasury management system). If the development of the integration is outsourced to another software house, then the label is not awarded to the integration module itself, to the application vendor, nor to any third party.

However, all communications from SWIFT related to the label makes reference to any additional software required to realise the integration as well as the connection method to the Alliance Gateway or Alliance Access.

4 SWIFTReady Accord Integration Criteria 2012



4.1 Changes compared to 2011

New label

Vendors applying for the SWIFTReady Accord Integration label for the first time must comply with all criteria as defined in this document.

Existing label (renewal from previous year)

Vendors that have been granted the SWIFTReady Accord Integration label in 2011 are required to prove compliance to Standards Release (SR) 2012.

4.2 Installed Customer Base

- SWIFT requires having at least one live customer as one of the criteria for the 2012 label. A "customer" is a financial institution or any other entity using the system to request/receive matching results from Accord transported over InterAct.
- SWIFT will contact the customer to verify that the system is installed, live, and working as specified, and to verify the technical setup with respect to Alliance Gateway.

4.3 Messaging

The integration provided requires support for real-time InterAct and its associated features.

4.4 Connectivity

Direct Connectivity

For direct connectivity, the vendor application must integrate with Alliance Access.

Alliance Access provides File, Simple Object Access Protocol (SOAP) and MQ-based adapters for FIN, InterAct, and for FileAct connectivity. The direct business application to Alliance Access connection can be achieved using one of the Alliance Access adapters: MQ Host Adapter (MQHA), Automated File Transfer (AFT) or SOAP Host Adapter.

The partner must develop and test SWIFT application integration using Alliance Access 7.0. Proper support of Alliance Access 7.0 is mandated for the 2012 label.

The SWIFTReady Accord Integration label requires support for either Automated File Transfer (AFT) or an interactive link with MQHA or SOAP.

In summary:

Messaging service	Standards	Interface	Mandatory adapter
InterAct RT	MX FpML XML	Access (client)	AFT or MQHA or SOAP

(1) MQSA can no longer be ordered. It is supported in maintenance mode only.

Indirect connectivity

Alternatively, you can prove your application compliance with the connectivity criteria by providing SWIFT with evidence of an indirect connectivity solution consisting of your business application and a middleware (EAI) solution. For indirect connectivity, a selection must be made from the list of **2011 SWIFTReady Financial EAI** suites, which are listed on [swift.com](http://www.swift.com) <http://www.swift.com/partners/locator>. Please note that there will not be a 2012 SWIFTReady Financial EAI label.

Financial EAI provides generic adapters that enable to capture business data for various file systems, documents and business application databases, and map them to the requested MT or MX formats, prior to routing and dispatching them to the appropriate Alliance interface. It deals with the messaging and network complexities and eases the integration with SWIFT. The EAI adapters must be customised and configured to map to the partner application, which must also provide the appropriate message reconciliation mechanisms.

When the Partner selects the indirect connectivity option for label qualification, the combined solution (partner application and SWIFTReady Financial EAI) must be tested end-to-end over the SWIFT Integration Test Bed (ITB).

In the latter case, Partner Management reserves the right to contact the relevant financial institution for further information.

4.5 Level of Integration

Various levels of integration can exist between a Business Application and Accord.

As a *minimum*, the integration must support status updates into the database of the Business Application.

The approach can be one of the following alternatives:

- to literally reflect the matching status obtained by Accord
- to reflect an internal status, based on the Accord status, any user statuses, and any semi-static data and workflow rules that are specific to the Business application or a concrete customer (for example, tagging an item as eligible for settlement without further human intervention)

It is absolutely crucial in either case that the integration handles any *updates* to the initially obtained matching status in Accord: as transactions are cancelled or changed, the related cancellation or change confirmations can change the status of a confirmation from matched back to un-matched or mis-matched.

Similarly, for FX Swaps, where each transaction requires two separate MT 300s to be sent and matched, it is crucial to consider the *transaction* matched only when *both* confirmations (that is, for the short and the long leg) are matched.

In terms of Accord API usage, this minimum integration level translates itself into the usage of the following two functions:

- FCT_GET_SELECTED or FCT_GET_SEL_SUBS, FCT_END_SUBS
- FCT_GET_SEL_DYN

Optionally, an integration application may be capable of extracting transaction details (over and above the matching status), and/or to take actions on the database item in question.

This level of integration translates itself into the usage of following two API functions: implement the following functions:

- FCT_GET_DETAIL
- FCT_ACTION

4.6 Coverage

In terms of asset class coverage, Accord for Treasury covers the following Message Types:

300	FX: Spot, NDF, Forwards, FX Swaps
320	Fixed Loan/Deposit
330	Call/Notice Loan/Deposit
305	FX Option
306	Exotic FX Option
340	Forward Rate Agreement
341	Forward Rate Agreement Settlement Notification
360	Single-Currency Interest Rate Swap
361	Cross-Currency Interest Rate Swap
362	Interest Rate Reset
600	Commodity Trade confirmation (including especially precious metals)

To earn the label, a treasury management system needs to integrate Accord matching results for all the Asset classes it covers (so for example, if a given treasury management system only provides functionality for FX and Money Markets, then only matching results for MT 300, 320 and 330 are to be imported).

4.7 Marketing and Sales

The Partner will work together with SWIFT to develop and generate more business. To optimize the collaboration, the Partner is expected to provide SWIFT with administrative and marketing information. In particular the Partner must provide SWIFT, under a non-disclosure agreement, the following customer related information:

- A list of all customers active in the finance sector. The list must provide institution names, locations, and an overview of the integration scope (domain, features, and sites) for the present and previous year.
- A product roadmap for 2012 and 2013 containing the plans for further developments, Solutions support, and new releases.
- A complete set of documentation, including features overview, where appropriate SWIFT adapters, workflow engine capability and user manuals.
- A dedicated web page on Partner web site for the SWIFTReady label.

4.8 Documentation and Training

- To help vendors plan their work on Accord integration, a specific *Accord Developers Toolkit* is provided. This payable toolkit contains the full documentation on the Accord API, and an access to an instance of Accord (deployed on SWIFT's Integration Testbed) and to Customer Support.
- To ensure optimal usage of the Accord API, and the stability and efficiency of the resulting integration application, vendors that plan to use the Accord API are required

to attend a [one-day mandatory training](#) on that subject. Also, before a newly developed Accord integration is allowed to be deployed on the live Accord service, its correct functioning must be demonstrated on the Accord's Test and Training environment. Failure to observe this rule could result in the need for SWIFT to temporarily deactivate the Accord customer using this integration application.

- To order the *Accord Developers toolkit*, obtain information on the training, or for references to third-party software providers that can deliver an Accord integration module for their business application, vendors can contact support@swift.com.

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