



Service

Partners

SWIFTReady for Corporates Treasury

Label Criteria 2012

This document explains the business criteria needed to obtain the SWIFTReady for Corporates – Treasury label, aimed at Corporate Treasury Applications.

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Preface

Purpose of this document

This document explains the criteria needed to obtain the SWIFTReady for Corporates – Treasury label, aimed at Corporate Treasury Applications.

Intended audience

This document is for the following audience:

- Product Managers
- Development Managers/Developers

Related documentation

The first two references can be found at http://www.swift.com/partners/certify_your_application

- *SWIFTReady Application Programme Overview*
The document provides an overview of the SWIFTReady programme, including the benefits to join for application vendors. It also explains the SWIFTReady validation process, including the technical, functional and customer validation.
- *SWIFTReady Technical Validation Guide*
The document explains in a detailed manner how your application will be validated to become SWIFTReady.
- *SWIFT for Corporates - Standards MT Implementation Guide.*
- *SWIFT for Corporates - Standards MX Message Reference Guides.*
- *SWIFT for Corporates - SWIFTNet FileAct Implementation Guide.*
- *SWIFT for Corporates – Message Implementation Guide – ISO 20022*

For any further information see www.swift.com/corporates/resource.htm

1 SWIFT for Corporates - Treasury Solution

The world of corporate treasurers has undergone significant changes over the last years. An ever more competitive, global, and regulated market is forcing treasurers to rethink the way they operate. To do this, they need to respond to several challenges such as improving efficiency, reducing operational risk and complying with an ever stricter regulatory framework.

To address these challenges, treasurers need to improve efficiency and overall control. Because of this, they are increasingly trying to centralise and automate their operations.

However, in doing so, they still face the challenge of different platforms and communication standards when trying to establish electronic connections with their banks. Clearly, this situation is not ideal as these environments are costly to maintain and operate. In addition, they are a source of risk because their heterogeneity is more difficult to control (for example, weak business continuity plans due to complexity, and lack of security discipline due to multiplicity of passwords).

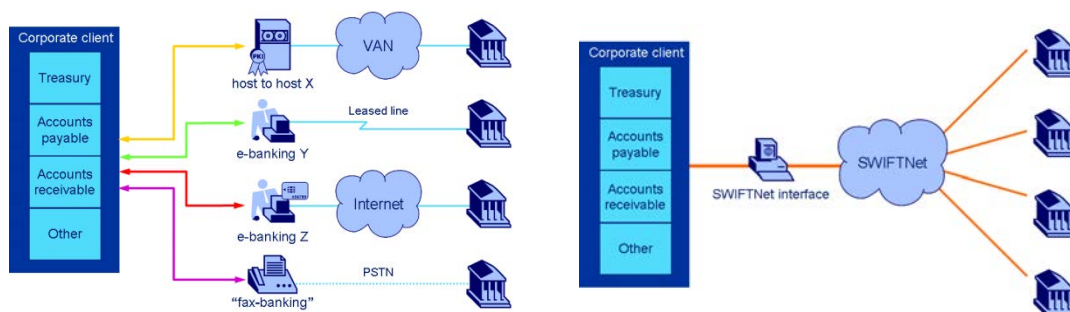


Fig 1a: From multiple standards and protocols to a single platform

In response to these issues, and with the support of its community, SWIFT has created its SWIFT for Corporates offering enabling corporates to use SWIFT single, secure and reliable messaging platform to access the services that their financial institutions can provide (for example, cash management services). This enables them reduce cost and risk, optimise their liquidity management, and strengthen security.

The SWIFT for Corporates offering encompasses the following components:

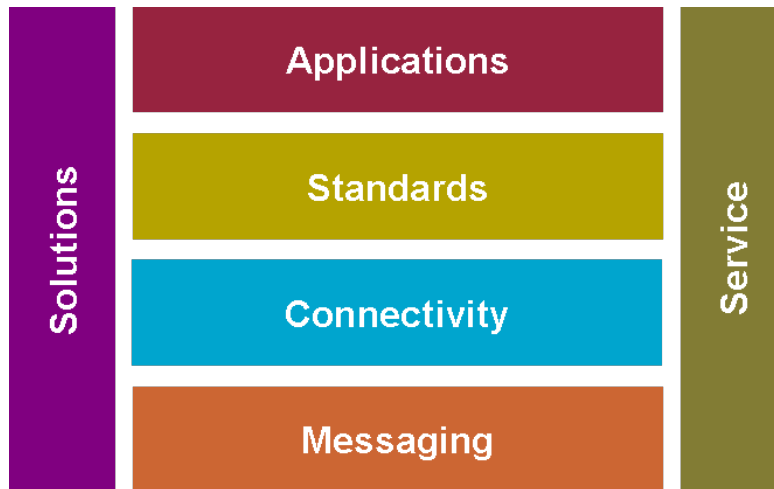
- **SWIFT Standards:** SWIFT Standards FIN; non-SWIFT standards in the context of cash management are also allowed.
- **SWIFT Messaging services:** SWIFTNet FIN and SWIFTNet FileAct (real-time and store-and-forward mode).
- **Rulebook:** sets out rules and best practices for the use of the standards and messaging services
- **Access Models:** SCORE, MA-CUG, and Treasury Counterparty

2 SWIFTReady for Corporates - Treasury Label

This label is available to business applications that are capable of processing and exchanging treasury management-related flows, for example, treasury payments, treasury deal confirmations. The label is awarded after a successful technical and functional validation by SWIFT experts.

Applications qualifying for this labelling programme must offer a set of business functions which involve the processing of the data exchanged over SWIFTNet. Such applications include, for example, treasury management systems, accounts payable/receivable modules within Enterprise Resource Planning (ERP) systems, payment factory applications. Applications of which the aim is to primarily facilitate connectivity (that is, reformatting and technical integration with third-party applications) do not qualify. Stand-alone Enterprise Application Integration (EAI) products (without further business functionality) do not qualify.

3 SWIFTReady for Corporates - Treasury Criteria 2012



3.1 Changes compared to 2011

New label

Vendors applying for the SWIFTReady for Corporates Treasury label for the first time must comply to all criteria as defined in this document.

Existing label (renewal from previous year)

Vendors that have been granted the SWIFTReady for Corporates Treasury label in 2011 are required to prove compliance to 2012 Standards Release Guide (SRG).

In case the vendor has upgraded its application, details of the new functionalities will be requested by SWIFT and demonstrated by the vendor (e.g. New Functional validation required).

3.2 Installed Customer Base

Vendors applying for SWIFTReady for Corporates – Treasury label are requested to provide one or more live customer reference(s),

By "customer" we mean a Corporate using the product to generate/receive messages transported over SWIFTNet

SWIFT reserves the right to contact the relevant customer to validate the functionality of the application submitted for SWIFTReady certification. A questionnaire will be sent as the basis for the customer validation which can be in the form of a telephone interview, an e-mail or a discussion at the customer site. The information provided by the customer will be treated as confidential and will not be disclosed, unless explicitly expressed by the customer.

3.3 Messaging

The messaging services and related tools form the core offering of SWIFT and include information directories and business intelligence.

Mandatory:

- [FIN](#)
FIN is SWIFT core store-and-forward messaging service. It enables the exchange of individual structured financial messages in a secure and reliable way.

Optional (information directory integration):

- BICPlusIBAN directory integration
Combines the 90.000 BICs and their details with the National Clearing Codes of some 60 countries. Lists all IBAN-related SEPA BICs.

3.4 Connectivity

The application must properly integrate with SWIFT using:

- either one of the available interfaces provided by SWIFT (direct connectivity)
- or through a SWIFTReady Financial EAI

3.4.1 Option 1: 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 for Corporates - Treasury label requires support for either Automated File Transfer (AFT) or an interactive link with MQHA or SOAP.

In summary:

Messaging service	Standards	Interface choice	Interface adapter to be supported
FIN	MT	Access	AFT or MQHA or SOAP
FileAct real-time (RT)	Any	Access	AFT or MQHA or SOAP
FileAct store-and-forward (SF)	Any	Access (client)	AFT or MQHA or SOAP

3.4.2 Option 2: 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/partners/locator](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 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.

3.5 Standards

In terms of standards, the application will need to support FIN standards as documented in the SWIFT User Handbook, in the areas of payments, treasury deals confirmations, and securities. The exhaustive set of message types to be supported is listed in the following tables. The implementation of these standards must be in line with the rules and guidelines set out for the Standardized Corporate Environment (SCORE) which are documented in the *SWIFT for Corporates - Standards MT Implementation Guide*.

All changes to the messages must be supported by the application before their live release date on the SWIFT network. When new messages are introduced or significant modifications have been made to existing messages, we expect the application provider to provide adequate testing time to its customers prior to these messages going live.

Payments FIN		
Corporate-to-bank (C2B)		Bank-to-corporate (B2C)
Mandatory	MT 101 Request for transfer MT 199 Free Format Message MT 999 Free format MT 210 Notice to receive	MT 199 Free Format MT 940 Customer Statement MT 942 Interim Transaction Report MT 999 Free Format
Optional	MT 104 Direct Debit MT 195 Queries MT 196 Answers (to MT 195 queries) MT 192 Request for Cancellation	MT 195 Queries MT 196 Answers (to MT 195 queries) MT 900 Confirmation of Debit MT 910 Confirmation of Credit MT 941 Balance report

Foreign and Money Markets confirmations FIN	
Corporate-to-bank (C2B) and Bank-to-corporate (B2C)	
Mandatory	MT 300 Foreign Exchange Confirmation MT 320 Fixed Loan Deposit Confirmation MT 399 Free format
Optional	MT 303 Forex/Currency Option Allocation Instruction MT 304 Advice/Instruction of a Third Party Deal MT 305 Foreign Currency Option Confirmation MT 306 Foreign Currency Option MT 330 Call Loan Notice/Deposit Confirmation MT 340 Forward Rate Agreement Confirmation MT 341 Forward Rate Agreement Settlement Confirmation

MT 350 Advice of Loan Deposit Interest Payment MT 360 Single Currency Interest Rate Derivative MT 361 Cross Currency Interest Rate SWAP confirmation MT 362 Interest Rate Reset/Advice of Payment MT 364 Single Currency Interest Rate Derivative Termination/Recouping Confirmation MT 365 Single Currency Interest Rate Derivative Termination/Recouping Confirmation MT 390 Advice of Charges, Interest and Other Adjustments MT 391 Request for Payment of Charges Interest and Other Expenses MT 392 Request for cancellation MT 395 Queries MT 396 Answers MT 398 Proprietary message (only from/to SWIFTNet Accord) (TB discussed)
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3.6 Message Reconciliation

Securities		
	Corporate-to-bank (C2B)	Bank-to-corporate (B2C)
Mandatory	At this stage, there are no mandatory messages for this category	At this stage, there are no mandatory messages for this category
Optional	MT 502 Order to Buy or Sell MT 509 Trade Status Message MT 540 Receive free MT 541 Receive against payment MT 542 Deliver free MT 543 Deliver against payment MT 549 Request for Statement/Status Advice MT 565 Corporate Action Instruction MT 568 Corporate Action Narrative	MT 509 Trade Status Message MT 515 Client Confirmation * MT 535 Statement of Holdings MT 544 Receive free confirmation MT 545 Receive against payment confirmation MT 546 Deliver free confirmation MT 547 Deliver against payment confirmation MT 536 Statement of Transactions MT 537 Statement of Pending Transactions MT 538 Statement of Intra-Position Advices MT 548 Settlement Status and Processing Advice MT 564 Corporate Action Notification MT 566 Corporate Action Confirmation MT 567 Corporate Action Status and Processing Advice MT 568 Corporate Action Narrative MT 578 Settlement Allegement MT 586 Statement of settlements allegements

*Application vendors wanting to support the SWIFT Accord for Securities service would need to send MT515's from the Bank and/or Corporate to Accord.

SWIFT validates messages at different levels and provides notifications relating to the validation and transmission results of the sent messages. The application must capture these notifications and ensure technical reconciliation, error handling, repair and transmission.

3.7 Message Validation (Syntax/Semantic – Rulebook Compliance)

The application must comply with message syntax/semantic and rules described in the most recent version of SWIFT for Corporates – *Standards MT Implementation Guide*.

The application must support Straight-Trough Processing (STP) principles and SWIFT usage guidelines.

3.8 User Profile Management

The application must ensure the security of the Financial Institution processes.

SWIFT expects this to include ensuring that only authorized users (whether people or applications) can perform a specific task. You must demonstrate how profile management is assured and how access is denied to unauthorized users.

In a non-automated environment the application must also be able to support the "four eyes principle".

3.9 Optional: Information Services Integration (BIC, BICPlusIBAN and/or SWIFTRef)

The BIC Directory is a database containing the exhaustive list of institutions connected on the SWIFT network, the ISO Country and Currency codes and other banking reference data. The BICPlusIBAN is a comprehensive database based on the previous BIC+ directory, expanded to include SEPA identifiers, such as national bank identifiers used in IBANs, IBAN formats, and BICs issued with IBANs.

BICPlusiban can no longer be purchased as of January 2012. It remains available for existing users until December 2013.

SWIFTRef, the global payments reference data utility, offers a suite of global payments reference data services, housed and maintained on a flexible relational database and accessible in a choice of formats and delivery channels matched to the business needs.

Your application could provide access to these directories both for message validation and as look-up function in the message creation and message repair stations. This is an optional criterion.

SWIFT Users can download the BIC Directory from www.swift.com in full or delta versions.

Directory integration

To fulfill the Directory Integration requirements, the vendor application must include:

3.9.1 User Upload of the Updated BIC Directory

SWIFT provides monthly updates of the BIC Directory to all subscribers, downloadable in several file sizes and formats from www.swift.com.

It is the responsibility of the subscriber at all times to make sure that it uses the latest update of the BIC. As such, we expect the application to provide the user with a comprehensive tool to enable this monthly update in an efficient manner without disrupting the customer operations.

If the BIC Directory database is not located within the application, the vendor must provide an interactive query and retrieve functionality to the database where the BIC Directory is located.

3.9.2 Search and retrieve functionality during message composition

The BICs contained in the BIC Directory can be used in various fields of the SWIFT messages. The absence of BICs in these fields is one of the major obstacles to STP and causes manual intervention on the recipient side. SWIFT expects vendors to provide an integrated interface within their application to enable users to retrieve and input BICs into the proper fields, correctly formatted.

The user must be able to enter a number of search criteria, such as Bank Name or Location, perform a search and be presented with a list of results. From this window the user must be able to select the correspondent BIC and to copy it into the message (that is, transaction).

If the search criteria return no results, the user must be alerted that no BIC is available. If the user manually enters a non-existing BIC, the application must send an alert notifying the user that this BIC is not valid.

3.9.3 Integration of BICPlusIBAN Data

Same as for BIC Directory, except that codes retrieved from BICPlusIBAN data must be inserted into the proper field and formatted correctly as per the usage rules in the SWIFT User Handbook Online.

3.9.4 Integration of SWIFTRef suite

SWIFTRef, the global payments reference data utility, offers a suite of global payments reference data services, housed and maintained on a flexible relational database and accessible in a choice of formats and delivery channels matched to the business needs.

Via SWIFTRef, vendors will be able to access all the Standard Settlement Instructions, BICs, national bank codes, IBAN information, routing directories (SEPA and other payment systems) and more, secure in the knowledge that the data is up-to-date, comprehensive and consistent with all related payments reference data sets on the platform.

More information available on <http://www.swiftrefdata.com/>

The Partner Application must be able to support the use of the SWIFTRef services suite and lookup and validate the Standard Settlement Instructions, BICs, IBANs, national bank codes, routing directories and more. The Partner Application must also implement the necessary logic.

3.10 Marketing and Sales

Collaboration in terms of administrative and marketing information is requested. In particular, the Partner must provide SWIFT under non-disclosure agreement with 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, SWIFT Solutions support and new releases.
- A complete set of documentation, including features overview, SWIFT adapters, workflow engine capability and user manuals.
- A dedicated web page on Partner web site for the SWIFTReady label.

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