



ISO/TC 68/SC 2
Financial Services, security

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STRATEGIC BUSINESS PLAN

ISO/TC 68

Financial Services

1 Introduction to TC 68

ISO Technical Committee 68 (TC 68) is the ISO committee primarily designated to develop standards¹ and technical reports for the financial services businesses and their transactions. Financial services include depository institutions (which traditionally are recognized as financial institutions), non-depository institutions (or finance companies), consumer and commercial lenders that raise funds in the capital markets, the buy and sell side of the securities markets, private equity firms, mutual fund complexes, central banks, electronic clearing networks and other financial intermediaries, as well as mortgage and insurance companies. Originally formed in 1948, TC 68's work continues to grow in remit and importance; as new technologies, financial products and cross-border processes evolve and the needs for information security increase.

This document presents the business plan for:

- TC 68, its subcommittees (SCs), its working groups (WG's) and
- the maintenance and management of the ISO 20022 standard.

TC 68's standards cover a broad spectrum of financial services and transactions as well as the information security to ensure the integrity and confidentiality of the financial infrastructure as a whole. Standards developed by TC 68 often are able to be adopted by ISO member countries as national standards.

TC 68 standards encompass a variety of financial products and services. Generally these services fall into the following categories:

- Banking (Retail, Commercial and Wholesale) or depository and financial transaction based services and Consumer credit products and services (both addressed through the work of TC 68/SC 7)
- Securities and other financial instruments (addressed through the work of TC 68/SC 4)
- The standardized protection and development of security tools for transacting financial services business (addressed through the work of TC 68/SC 2)
- Additionally, at the TC 68 level, covering the broader scope of financial services, the further development and maintenance of the ISO 20022 Universal Financial Industry Message Scheme standard is managed, as well as the ISO 17442 Legal Entity Identifier– (LEI) standard.

TC 68 received the 2013 Lawrence D. Eicher Leadership Award for Excellence in Creative and Innovative Services and Initiatives, presented at the ISO 2013 General Assembly, which is awarded annually for excellence in standards development.

¹ Standardization can take different forms, ranging from the adoption of consensus based standards by the recognized standards bodies, through consortia and fora, to agreements between independent companies. "Standards" in this document refers to the first form.

TC 68 won the award due to its:

- Excellent overall committee performance statistics
- Effective leadership
- Proactive project management
- Good communication, and
- Efforts to promote the involvement of developing countries

Specifically cited was the work on the ISO 17442: 2012, Legal entity identifier (LEI) and ISO 20022: 2013, Universal financial industry message scheme.

In financial services, standards are relied upon to support business processes, to make business more efficient, predictable, and (as ISO states) sustainable. Standards are used in financial services to mitigate business and operational risks and to improve efficiency and drive out cost, since the proper use of standards reduces transaction errors and failures, and prevents fraud. The use of standards allows for automation of complex financial transactions and standards make the technical aspects of these implementations easier, cheaper and faster. Standards lessen or eliminate the financial consequences of not having secure, complete and clear information needed to complete financial transactions.

In addition to purely financial transactions, financial services transactions support the commerce of the physical supply chain. It is important to realize this connection and its implication that financial services standards must not only be able to interoperate with physical supply chain standards and transactions but also allow for the innovation that is taking place in these environments aiming at integration and full automation of these supply chains. Different types of standards are possible and necessary.

Standardization can begin at the level of agreeing the basic set of information, for example, executing a business transaction or analyzing a risk. At this level, standardization on the completeness of the information needed is the focus. The clarity of the meaning of the information is important so agreement on the definitions and meaning of this data or pieces of information, including semantic meaning, also is required. In financial services, to achieve this, business modeling is employed to drive the agreement on processes and the data needed to support them. To standardize on specific data elements, usage of codes, identifiers and lists often are seen in financial services standards.

Agreement on the set of data and its meaning forms the basis of an exchange of information between two or more parties. When an exchange of information is involved, standardization regarding how the data will be represented in the exchange (“syntax”) is required. Therefore, a large component of financial services standards is the electronic messaging that supports these exchanges of data. Also, for these exchanges, security standards ensure the reliable transfer of this data.

So, standardization helps ensure that complete and clearly understood information can be exchanged securely and transactions can be executed in a reliable manner. All of these aspects contribute to the quality that standardization can bring to information exchanges supporting transactions.

Standards really can impact the bottom line and to that end, can stimulate economic growth. Developed collaboratively, standards reduce the implementation cost to industry and help drive efficiencies in business processes. Standards also help service providers to meet the requirements of customers and other stakeholders.

Standardization forms the foundation for a genuine competitive edge by allowing firms to focus strategically on innovation and competing on value-added, business oriented service, above and beyond the collaborative space covered by standards. Standards can drive national initiatives but must be international to support cross-border business as well. Standards can help companies to access new markets, level the playing field for developing countries and facilitate free and fair global trade.

Standards are highly intertwined with societal and technological changes and development. But standards implementation, and as such, the coverage of end-to-end process chains or industry sectors, largely remains a voluntary commitment. Decisions to implement standards compete with other automation implementations and initiatives. For standards development bodies, like TC 68, “marketing of (the benefits of) standards” and engaging the relevant stakeholders is a challenge, and part of the presumed remit. And sometimes, the investment in standards implementation is still not made.

2 Standards for global financial services

2.1 Mission of TC 68/SC 2

The mission of TC 68 Subcommittee 2 is standardization of information security for the financial services industry.

TC 68/SC 2 serves an important role to the global financial services community. Specifically, TC 68/SC 2 serves as an international forum for addressing the security needs of the global financial services community. TC 68/SC 2 provides a collection of subject matter expertise that can represent the interests of the financial services community. Providing a forum to voice the requirements of the financial services community TC 68/SC 2 facilitates input into other “standards development” activities for example ISO TC68’s 20022 Registration Management Group (RMG) to manage development and registration using the ISO 20022 standard methodology or JTC1/SC27 general security standardization, new fraud and countermeasures technical committees.

TC 68/SC 2 develops and maintains standards for the protection of financial services transactions, systems and data. It is an important resource to ISO TC 68, providing security input on other TC68 standards. Some countries adopt TC 68/SC 2 standards in lieu of developing their own national standards, reflecting the value they place on TC 68/SC 2’s work.

An added benefit is that TC 68/SC 2 produces standards that, while designed for financial services, can often be used by other industries, also reflecting the value of the collaborative work performed by this International committee.

2.1.1 Areas of focus for TC 68/SC 2

Data security

It is expected that real-time fraud will increase in the area of real-time collection, namely man-in-the-browser and Trojans that utilize instant messaging. Also the sheer volume of records that can be accessed on back-end systems in organizations that store large volumes of personal data further increases the opportunity for fraud.

The trend towards virtualization, coupled with high profile incidents of data loss and rigorous compliance demands have led financial institutions to view data security as paramount. Risks due to an expanding mobile workforce and growing proliferation of mobile devices in use in the enterprise have brought about a renewed focus on data loss prevention.

Data privacy

There are a number of areas both inside and outside financial institutions that have proved susceptible to vulnerability in the privacy area which includes data breaches, malicious or negligent employees, risks associated with outsourcing sensitive and confidential data to third parties. Also the testing of data itself may be subject to lapses within organizations who failed to take adequate steps to disguise real customer data during the system testing phase; thereby exposing data to staff not normally given access to this private information.

Governments and financial services organizations globally are increasingly concerned with the issue of privacy. Legislative and regulatory activity continues to increase in response to a rising number of security breaches. The development of security and privacy standards can assist financial institutions in defining controls to protect customers' sensitive personal information.

Access and entitlement

The availability of personally identifiable information also facilitates the commission of fraud in other channels such as telephone banking. Decreased opportunities for fraudsters to gain access to account information in online transaction channels is a result of the introduction of strong authentication. This has seen an increased focus on Call Centre vulnerabilities for fraudulent transactions, where identity proofing is often done through the verification of personal information such as date of birth and mother's maiden name.

The increased dual use of computers for business and personal use has opened the door for Trojan infections on corporate networks and the opportunity for cybercriminals to capture additional data such as VPN credentials that enable access to corporate applications like web mail accounts.

The volume of electronic financial transactions continues to increase. Standardized security mechanisms are needed to provide protection for individuals' personal and financial transaction data through the use of stronger authentication, confidentiality, integrity and availability.

Requirements for cloud computing

Financial institutions are using and taking advantage of the benefits of cloud computing as it encapsulates two main advantages for financial institutions: the ability to buy computing capacity, storage, and network bandwidth, on demand. Financial institutions use only what is required rather than buying hardware or software up front or having to commit to an annual subscription fee. Secondly the cloud speeds up and eases the burden of buying and maintaining hardware and software when you tap into the internal or external cloud.

But there are obvious problems associated with the cloud which is the challenge financial institutions face in the next phase of its usage. Virtualization outside of internal networks presents both risks and benefits from a cyber-security perspective. Data moving from the network to hosted services providers and then onto devices such as employees' smartphones and laptops and then completing the loop back to the network poses questions on protection of that data.

As financial institutions pose the question on whether it is possible to transfer existing security policies and practices to the cloud, there is the further concern about the cloud providers becoming a single point of failure. There is also concern about whether those providers can be adequately trusted without much more rigorous Service Level Agreements, noticeably absent at present.

2.1.2 Description of TC 68/SC 2 Standards

TC 68/SC2 Standards	Benefits	Increasing straight through processing (STP) in all business transactions	End-to-end security of financial services transactions, data and infrastructure, facilitated by the development and adoption of information security standards	Decrease or elimination of paper-based business processes to fully electronic environments	Interoperability within and between business processes	Harmonization of business processes, globally if possible, to realize the above; and leveraging of standards globally	Confidence and reliability of financial services transactions and reference data	Data consistency, allowing for comparison and analysis of data and information	Transparency of financial transactions and reference data	Reduction in operating expenses and avoidance of unwanted recovery cost from malicious business disruption	Reduction of risk – business, operating, counterparty, systemic
existing											
ISO 9564-1:2011 - Financial services - Personal Identification Number (PIN) management and security - Part 1: Basic principles and requirements for PINs in card-based systems.		X			X	X	X				X
ISO 9564-2:2014 - Financial services - Personal Identification Number (PIN) management and security - Part 2: Approved algorithms for PIN encipherment		X			X	X	X				X
ISO 11568-1:2005 - Banking - Key management (retail) - Part 1: Principles		X			X	X	X				X
ISO 11568-2:2012 - Financial services - Key management (retail) - Part 2: Symmetric ciphers, their key management and life cycle		X			X	X	X				X
ISO 11568-4:2007 - Banking - Key management (retail) - Part 4: Asymmetric cryptosystems - Key management and life cycle		X			X	X	X				X
ISO 13492:2007 - Financial services - Key management related data element - Application and usage of ISO 8583 data elements 53 and 96		X			X	X	X				X

TC 68/SC2 Standards	Benefits	Increasing straight through processing (STP) in all business transactions	End-to-end security of financial services transactions, data and infrastructure, facilitated by the development and adoption of information security standards	Decrease or elimination of paper-based business processes to fully electronic environments	Interoperability within and between business processes	Harmonization of business processes, globally if possible, to realize the above; and leveraging of standards globally	Confidence and reliability of financial services transactions and reference data	Data consistency, allowing for comparison and analysis of data and information	Transparency of financial transactions and reference data	Reduction in operating expenses and avoidance of unwanted recovery cost from malicious business disruption	Reduction of risk – business, operating, counterparty, systemic
ISO/TR 13569:2005 - Financial services - Information security guidelines			X		X	X	X				X
ISO 15782-1:2009 - Certificate management for financial services - Part 1: Public key certificates			X		X	X	X			X	X
ISO 15782-2:2001 - Banking - Certificate management - Part 2: Certificate extensions			X		X	X	X			X	X
ISO 16609:2012 - Financial services - Requirements for message authentication using symmetric techniques			X		X	X	X				X
ISO 19092:2008 - Financial services - Biometrics - Security framework			X		X	X	X			X	X
in revision											
ISO/TR 9564-4:2004 - Banking - Personal Identification Number (PIN) management and security - Part 4: Guidelines for PIN handling in open networks			X		X	X	X				X
ISO 13491-1:2007 - Banking - Secure cryptographic devices (retail) - Part 1: Concepts, requirements and evaluation methods			X		X	X	X				X
ISO 13491-2:2005 - Banking - Secure cryptographic devices (retail) - Part 2: Security compliance checklists for devices used in financial transactions			X		X	X	X				X
ISO/TR 14742:2010 - Financial services – Recommendations on cryptographic algorithms and their use			X		X	X	X				X

TC 68/SC2 Standards	Benefits	Increasing straight through processing (STP) in all business transactions	End-to-end security of financial services transactions, data and infrastructure, facilitated by the development and adoption of information security standards	Decrease or elimination of paper-based business processes to fully electronic environments	Interoperability within and between business processes	Harmonization of business processes, globally if possible, to realize the above; and leveraging of standards globally	Confidence and reliability of financial services transactions and reference data	Data consistency, allowing for comparison and analysis of data and information	Transparency of financial transactions and reference data	Reduction in operating expenses and avoidance of unwanted recovery cost from malicious business disruption	Reduction of risk – business, operating, counterparty, systemic
ISO/TR 19038:2005 - Banking and related financial services - Triple DEA - Modes of operation – Implementation guidelines			X		X	X	X				X
ISO 21188:2006 - Public key infrastructure for financial services - Practices and policy framework			X		X	X	X			X	X
in development											
ISO 9564-1:2011/FDAmD 1 Amendment1			X		X	X	X				X
ISO/AWI 16865 - Retail Financial Services Compliance Guideline: PIN Security and Key Management			X		X	X	X				X
ISO /NP TR 19038-1 (TYPE 3) Banking and related financial services -- Part 1: Modes of operation validation system for the triple data encryption algorithm (TMOVS) requirements and Procedures			X		X	X	X				X
ISO/CD 20038 - Triple DES Modes and Key Wrap			X		X	X	X				X

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2.2 Mission of TC 68/SC 4

The mission of TC 68/SC 4 is to support securities industry processes by developing new standards or adapting the existing standards to new requirements. The industry is facing big changes due to the stronger control by regulators on financial transactions and exposures. Thus members markets should maintain contact with their regulators and look thoroughly at their requirements. One of the global challenges is coping with conflicting requirements and bringing all relevant parties on the international level to a consensus.

2.2.1 Areas of focus for TC 68/SC 4

A key standardization area for TC 68/SC 4 is identification of counterparties, securities, trading venues, etc. in securities transactions. Examples where existing standards may be revised or improved to cover new securities instruments are:

Identification - ISO 6166 International securities identification numbering system (ISIN) covers identification of financial instruments on a global scale. However, the coverage of traded options and financial futures (TOFFs) is still insufficient. In order to avoid the propagation of competing ID schemes, the use of ISO 6166 for TOFFs should be promoted under the responsibility of the Registration Authority to this Standard.

The situation for OTC derivatives is more complex. ISO 6166 was designed to support fungible securities and additional work, particularly in cooperation with global regulators, would be needed to define a solution for assignment of ISINs for OTC derivatives. Nevertheless, many numbering agencies, especially those with big volumes of financial instruments, do assign ISINs for OTC derivatives.

The identification of legal entities is moving forward slowly. The pressure put by the needs of the regulators to uniquely identify the market players increases the urgency of a solution. TC 68/SC 4 may need to reevaluate the purpose and usage of the IGI standard.

With regard to the classification of financial instruments (CFI - ISO 10962) time to market is becoming a big challenge, due to the frequent innovative financial instruments and their complexity. The new version of ISO 10962 (FDIS put in circulation in January 2011) covers the structured products and a certain range of derivatives instruments. However, OTC derivatives are not covered with sufficient granularity. This particular area is to be improved, according to the European regulators.

2.2.2 Description of TC 68/SC 4 Standards

TC 68/SC 4 Standards	Benefits	Increasing straight through processing (STP) in all business transactions	End-to-end security of financial services transactions, data and infrastructure, facilitated by the development and adoption of information security standards	Decrease or elimination of paper-based business processes to fully electronic environments	Interoperability within and between business processes	Harmonization of business processes, globally if possible, to realize the above; and leveraging of standards globally	Confidence and reliability of financial services transactions and reference data	Data consistency, allowing for comparison and analysis of data and information	Transparency of financial transactions and reference data	Reduction in operating expenses and avoidance of unwanted recovery cost from malicious business disruption	Reduction of risk – business, operating, counterparty, systemic
existing											
ISO 6166:2013 - Securities and related financial instruments - International securities identification numbering system (ISIN)	X		X	X	X	X	X	X	X	X	X
ISO 8109:1990 - Banking and related financial services - Securities - Format of Eurobonds					X				X		
ISO 8532:1995 - Securities - Format for transmission of certificate numbers	X	X				X		X	X	X	X
ISO 9019:1995 - Securities - Numbering of certificates		X				X		X	X	X	X
ISO 9144:1991 - Securities - Optical character recognition line - Position and structure	X	X				X			X	X	
ISO 10383:2012 - Securities and related financial instruments - Codes for exchanges and market identification (MIC)	X			X			X	X			
ISO 15022-1:1999 - Securities - Scheme for messages (Data Field Dictionary) - Part 1: Data field and message design rules and guidelines	X	X	X	X	X	X	X	X			X
ISO 15022-1:1999/Cor 1:1999	X	X	X	X	X	X	X	X			X
ISO 15022-2:1999 - Securities - Scheme for messages (Data Field Dictionary) - Part 2: Maintenance of the Data Field Dictionary and Catalogue of Messages	X	X	X	X	X	X	X	X			X

TC 68/SC 4 Standards	Benefits	Increasing straight through processing (STP) in all business transactions	End-to-end security of financial services transactions, data and infrastructure, facilitated by the development and adoption of information security standards	Decrease or elimination of paper-based business processes to fully electronic environments	Interoperability within and between business processes	Harmonization of business processes, globally if possible, to realize the above; and leveraging of standards globally	Confidence and reliability of financial services transactions and reference data	Data consistency, allowing for comparison and analysis of data and information	Transparency of financial transactions and reference data	Reduction in operating expenses and avoidance of unwanted recovery cost from malicious business disruption	Reduction of risk – business, operating, counterparty, systemic
ISO 15022-2:1999/Cor 1:1999		X	X	X	X	X	X	X		X	
in revision											
ISO 10962:2001 - Securities and related financial instruments - Classification of Financial Instruments (CFI code)		X			X	X	X	X		X	
in development											
ISO 18774 Financial Instrument Short Name, which specifies a short description of the financial instruments, such descriptions being used in numerous areas of reporting		X			X		X	X	X		

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2.3 Mission of TC 68/SC7

SC7 is responsible for standardization in the field of core banking including banking functions, customer to bank interfaces, deposit taking, lending, account maintenance and payments.

Standards relative to payment instruments address operations from payment initiation through clearing of payment instructions and reporting. They include the financial operations via card and other digital media used for electronic financial services.

2.3.1 Areas of focus for TC 68/SC 7

Card Payments

In the framework of ISO 8583, TC 68/SC 7 has created a technical group (TG 1) on Cards Standards. This group ensures a liaison between existing standards and ISO 20022 implementation (managed under TC68). This group is capturing the business processes in the cards and related environments, (including that which is currently addressed by ISO 8583), using ISO 20022 methodology in order to define and contribute harmonized Business and Message components to the ISO 20022 repository.

Mobile Financial Services

Mobile devices that everybody uses at anytime have increasing capabilities from calls to text messaging, e-mail, mobile Internet, proximity... enabling a multifunctional set of services. The mobile environment is also a place where new actors may take a greater role in the relationship with the customers, as it is the case with the advent of applications' stores for smart phones.

Developing countries are promoting the use of mobile devices to access financial services by individuals who either currently have no banking relationship (the so-called "unbanked") or do not use their banking relationship to the extent they could. Given the sophistication and growth of mobile technology, mobile devices are playing a broader role in financial services.

Standardization of mobile devices, as well security standards while immediately outside of the scope of TC 68/SC 7 are critical to be addressed by the standards community in charge of such standardization. Methods of use of these elements, and requirements for them are considered candidates for standardization.

TC 68/SC 7 is addressing the following areas for Mobile Financial Services to produce standards that will enable implementations on mobile devices:

- security and data protection,
- provisioning and life cycle management of financial applications,
- person-to-person payments,
- person-to-business payments,
- banking services

Consumer data and privacy issues

TC 68/SC 7 has developed ISO 22307:2008 *Financial services – Privacy impact assessment* which provides normative requirements and informative guidance for developing a PIA for either a new financial information system or changes to an existing financial information system.

ISO 22307 guides the user to other standards for consideration for describing the financial system being assessed.

2.3.2 Description of TC 68/SC 7 Standards

TC 68/SC 7 Standards	Benefits	Increasing straight through processing (STP) in all business transactions	End-to-end security of financial services transactions, data and infrastructure, facilitated by the development and adoption of information security standards	Decrease or elimination of paper-based business processes to fully electronic environments	Interoperability within and between business processes	Harmonization of business processes, globally if possible, to realize the above; and leveraging of standards globally	Confidence and reliability of financial services transactions and reference data	Data consistency, allowing for comparison and analysis of data and information	Transparency of financial transactions and reference data	Reduction in operating expenses and avoidance of unwanted recovery cost from malicious business disruption	Reduction of risk – business, operating, counterparty, systemic
existing											
ISO 1004-1:2013 - Information processing - Magnetic ink character recognition - Part 1: Print specifications for E13B	X				X	X			X	X	
ISO 1004-2:2013 - Information processing - Magnetic ink character recognition - Part 2: Print specifications for CMC7	X				X	X			X	X	
ISO 8583-1:2003 - Financial transaction card originated messages - Interchange message specifications - Part 1: Messages, data elements and code values	X	X	X	X	X	X	X		X	X	
ISO 8583-2:1998 - Financial transaction card originated messages - Interchange message specifications - Part 2: Application and registration procedures for Institution Identification Codes (IIC)	X	X	X	X	X	X	X		X	X	
ISO 8583-3:2003 - Financial transaction card originated messages - Interchange message specifications - Part 3: Maintenance procedures for messages, data elements and code values	X	X	X	X	X	X	X		X	X	
ISO 9362:2014 Banking telecommunication messages - Business identifier codes (BIC)	X			X	X	X	X	X	X	X	X
ISO 11649:2009 - Financial services - Core banking -	X			X	X	X			X	X	X

TC 68/SC 7 Standards	Benefits	Increasing straight through processing (STP) in all business transactions	End-to-end security of financial services transactions, data and infrastructure, facilitated by the development and adoption of information security standards	Decrease or elimination of paper-based business processes to fully electronic environments	Interoperability within and between business processes	Harmonization of business processes, globally if possible, to realize the above; and leveraging of standards globally	Confidence and reliability of financial services transactions and reference data	Data consistency, allowing for comparison and analysis of data and information	Transparency of financial transactions and reference data	Reduction in operating expenses and avoidance of unwanted recovery cost from malicious business disruption	Reduction of risk – business, operating, counterparty, systemic
Structured creditor reference to remittance information											
ISO 13616-1:2007 - Financial services - International bank account number (IBAN) - Part 1: Structure of the IBAN		X			X	X	X	X	X	X	X
ISO 13616-2:2007 - Financial services - International bank account number (IBAN) - Part 2: Role and responsibilities of the Registration Authority		X			X	X	X	X	X	X	X
ISO 18245:2003 - Retail financial services - Merchant category codes		X			X	X	X	X	X	X	X
ISO 22307:2008 - Financial services - Privacy impact assessment							X		X	X	X
in revision											
ISO 4217:2008 - Codes for the representation of currencies and funds		X			X	X	X	X	X	X	X
in development											
ISO/CD 12812-1 - Mobile Financial Services - Part 1: General framework		X	X	X	X	X	X			X	X
ISO/CD 12812-2 - Mobile Financial Services - Part 2: Security and data protection for mobile financial services		X	X	X	X	X	X			X	X
ISO/CD 12812-3 - Mobile Financial Services - Part 3: Financial application management		X	X	X	X	X	X			X	X
ISO/CD 12812-4 - Mobile Financial Services - Part 4:		X	X	X	X	X	X			X	X

TC 68/SC 7 Standards	Benefits									
Mobile Person-to-Person Payments	Increasing straight through processing (STP) in all business transactions	End-to-end security of financial services transactions, data and infrastructure, facilitated by the development and adoption of information security standards	Decrease or elimination of paper-based business processes to fully electronic environments	Interoperability within and between business processes	Harmonization of business processes, globally if possible, to realize the above; and leveraging of standards globally	Confidence and reliability of financial services transactions and reference data	Data consistency, allowing for comparison and analysis of data and information	Transparency of financial transactions and reference data	Reduction in operating expenses and avoidance of unwanted recovery cost from malicious business disruption	Reduction of risk – business, operating, counterparty, systemic
ISO/CD 12812-5 - Mobile Financial Services - Part 5: Mobile Person-to-Business Payments	X	X	X	X	X	X			X	X

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2.4 Mission of TC 68

The mission and areas of focus of TC 68 are described in the first section of this Business Plan.

2.4.1 Areas of focus of TC 68

ISO 20022:2013 - Universal financial industry message scheme

ISO 20022 is a business model based standard process for the development of messages for the financial services Industry. The ISO 20022 repository currently contains elements and financial transaction messaging for the Securities, Payments, Trade Finance, Foreign Exchange and Cards and Related Financial Services business domains, as well as reference data elements for a Financial Instrument Business Information Model. The 2013 edition of the ISO 20022 standard was published in May 2013.

Detailed information regarding the use of the ISO 20022 standard can be found at the website, www.iso20022.org. This includes access to the ISO 20022 model, the repository and data dictionary, explanations of the development and maintenance processes using the ISO 20022 standard, its governance, and the numerous groups in place to manage the ISO 20022 standard.

ISO 17442 - Legal Entity Identifier (LEI)

The ISO LEI standard, ISO 17442, specifies the elements of an unambiguous Legal Entity Identifier scheme to identify the legal entities relevant to any financial transaction.

The ISO 17442 standard has been endorsed by the Financial Stability Board (FSB) and the Group of 20 (G-20) as the LEI code and data record attributes to be used in the global LEI system and implementation of the standard.

2.4.2 Description of TC 68 Standards

TC 68 Standards	Benefits	Increasing straight through processing (STP) in all business transactions	End-to-end security of financial services transactions, data and infrastructure, facilitated by the development and adoption of information security standards	Decrease or elimination of paper-based business processes to fully electronic environments	Interoperability within and between business processes	Harmonization of business processes, globally if possible, to realize the above; and leveraging of standards globally	Confidence and reliability of financial services transactions and reference data	Data consistency, allowing for comparison and analysis of data and information	Transparency of financial transactions and reference data	Reduction in operating expenses and avoidance of unwanted recovery cost from malicious business disruption	Reduction of risk – business, operating, counterparty, systemic
existing											
ISO 17442:2012 - Financial services - Legal Entity Identifier (LEI)	X			X	X	X	X	X	X		X
ISO 20022-1:2013 - Financial services - Universal financial industry message scheme - Part 1: Metamodel		X	X	X	X	X	X	X	X		
ISO 20022-2:2013 - Financial services - Universal financial industry message scheme - Part 2: UML profile		X	X	X	X	X	X	X	X		
ISO 20022-3:2013 - Financial services - Universal financial industry message scheme - Part 3: Modelling		X	X	X	X	X	X	X	X		
ISO 20022-4:2013 - Financial services - Universal financial industry message scheme - Part 4: XML Schema generation		X	X	X	X	X	X	X	X		
ISO 20022-5:2013 - Financial services - Universal financial industry message scheme - Part 5: Reverse engineering		X	X	X	X	X	X	X	X		
ISO 20022-6:2013 - Financial services - Universal financial industry message scheme - Part 6: Message transport characteristics		X	X	X	X	X	X	X	X		
ISO 20022-7:2013 - Financial services - Universal financial industry message scheme - Part 7: Registration		X	X	X	X	X	X	X	X		
ISO 20022-8:2013 - Financial services - Universal		X	X	X	X	X	X	X	X		

<p>TC 68 Standards</p> <p style="text-align: right;">Benefits</p>	<p>Increasing straight through processing (STP) in all business transactions</p>	<p>End-to-end security of financial services transactions, data and infrastructure, facilitated by the development and adoption of information security standards</p>	<p>Decrease or elimination of paper-based business processes to fully electronic environments</p>	<p>Interoperability within and between business processes</p>	<p>Harmonization of business processes, globally if possible, to realize the above; and leveraging of standards globally</p>	<p>Confidence and reliability of financial services transactions and reference data</p>	<p>Data consistency, allowing for comparison and analysis of data and information</p>	<p>Transparency of financial transactions and reference data</p>	<p>Reduction in operating expenses and avoidance of unwanted recovery cost from malicious business disruption</p>	<p>Reduction of risk – business, operating, counterparty, systemic</p>
<p>financial industry message scheme - Part 8: ASN.1 generation</p>										

ISO Online Browsing Platform (OBP) allows everyone to freely consult the table of contents, the introduction, the scope and all bibliographical references of almost any published ISO Standard, including those mentioned in the table above. The OBP is accessible here: www.iso.org/obp/ui

3 How to engage in the work and participate in TC 68, its committees and groups

Standardization can appear to be a technical matter, but *it primarily is a business issue as standards should support business processes and needs*. Standards, either imposed on industry (for instance as a result of legislation or regulation) or implemented due to market demand, that have been developed or modified without properly taking into account business requirements, may seriously hamper business.

For businesses, basing their development of products and services on International Standards that have been widely adopted eases implementation, lowers maintenance costs and allows businesses to focus on core competences, including customer service and innovation. In addition, businesses implementing and supporting (International) Standards are increasingly free to compete in many more markets around the world.

Development or implementation of standards can take different forms. These range from adoption of consensus based standards by the recognized global regional (example, CEN) or national standards bodies, or through consortia and fora, to agreements between independent companies. The first are called “formal standards”; they are developed in a formalized standardization organization like the International Organization for Standardization (ISO), using rules for open decision making, consensus being reached amongst the participants in its development.

For ISO, the relevant dimensions of the framework for these activities have been described in a number of ISO publications, like “**Engaging Stakeholders and building consensus**”² (including “**Guidance for ISO liaison organizations**”³), “**ISO Strategic Plan 2011-2015**”⁴, “**My ISO job - What delegates and experts need to know**”⁵, “**Code of conduct for the technical work**” and “**Selection criteria for people leading technical work**”⁶.

There is no need repeating the content of these guides here. Suffice it to say, that: the processes, means and governance needed to allow for proper development of formal standards exist, and ISO Technical Committee 68 is well connected into this framework - mirroring the importance its stakeholders give to its work.

What is very important within ISO standards development is the full engagement of its member’s countries in the development, and possibly the use and implementation of its standards. Based on that, the following comes to mind:

- **Membership and expert participation:** TC 68’s work continues to grow in remit and importance, one of the business rationales being that in our modern global economy the separation from way back between “the physical supply chain” (defined as the series of business processes by which goods and services are purchased, transformed, and delivered) and “the financial supply chain” (covering the series of financial processes that support the physical supply chain such as credit assessment and control, deployment of financing and risk mitigation instruments, and payments) vanishes. “Networked organizations” require the capability to run all business processes seamlessly across organizational boundaries - a capability that relies heavily on standards. Furthermore, new technologies, financial products and cross-border processes evolve and the needs for information security increase. TC 68 aims

² http://www.iso.org/iso/guidance_nsb.pdf

³ http://www.iso.org/iso/guidance_liaison-organizations.pdf

⁴ http://www.iso.org/iso/iso_strategic_plan_2011-2015.pdf

⁵ http://www.iso.org/iso/my_iso_job.pdf

⁶ http://www.iso.org/iso/codes_of_conduct.pdf

to ensure that these developments are adequately mirrored in its span of attention, staffing and membership (of TC, the 20022 RMG and the SCs). The national mirroring needs to ascertain a balanced representation of stakeholder communities.

- **National Mirror Committees set-up and interaction:** ISO member bodies have the opportunity to join TC 68 however active participation only takes place when an ISO member country has a National Mirror Committee engaged who provides critical support of the industry in the member country. This critical support is in terms of coordination of technical experts, information, market intelligence, technical participation, consensus review and assessment. A key ISO document which helps in this regard is “Engaging Stakeholders and building consensus”.
- **National Mirror Committee participants and participation:** Once the national mirror is organized, active participation in TC and SC’s only takes place after a country or liaisons endorsement of a participant by a national body. Where the functioning of the TC (and its SCs) depends on their members, the TC and SCs in fact have no direct influence on how to compose them. ISO’s “Marketing of standardization” - to create the proper awareness and interest is always welcome to create strong and robust national mirror committees, being the key to keeping a good participation and active one into the TC. A proper “awareness” also will contribute to a strong and robust flow of new Standards Development projects or fresh new work items.
- **National Mirror Feedback:** Critical to standardization and the work of TC 68 in particular is user involvement and feedback related to implementation impact. This information and commentary must come from national mirror expert groups through their national bodies in order to impact and improve the Standards and their use. The role of the TC or SC is to interpret this data and input to improve the standards.

4 Representation and participation in the TC

4.1 Countries that are P and O members of TC 68

4.2 Countries that are P and O members of TC 68/SC 2

4.3 Countries that are P and O members of TC 68/SC 4

4.4 Countries that are P and O members of TC 68/SC 7

5 Structure, current projects and publications of the TC

5.1 Structure of the ISO committee (structure tab)

5.2 Current projects of the ISO technical committee and its subcommittees

5.2.1 Current projects under TC 68

5.2.2 Current projects under TC 68/SC 2

5.2.3 Current projects under TC 68/SC 4

5.2.4 Current projects under TC 68/SC 7

5.3 Publications of the ISO technical committee and its subcommittees

5.3.1 Publications of TC 68

5.3.2 Publications of TC 68/SC 2

5.3.3 Publications of TC 68/SC 4

5.3.4 Publications of TC 68/SC 7

6 Reference information

Glossary of terms and abbreviations used in ISO/TC Business Plans

General information on the principles of ISO's technical work