

Semantic Interoperability in Financial Networks: *An Overview of ISO 20022*

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One of the major barriers to efficiency in financial networks is the staggering cost of integrating computer systems. Standards help, but the finance sector has multiple standards bodies, and each has a history of governing a silo, oriented to one part of a multi-party network. Furthermore, agreement among trading parties on the technical syntax of a message does not guarantee a common understanding of the semantics of the information being exchanged, and, in fact, can mask a lack of such understanding.

This presentation explains the ISO 20022 (also known as "UNIFI") project, in which multiple finance standards bodies and financial institutions are collaborating to align their efforts and to improve semantic interoperability via a common, model-driven methodology and repository. Key points that the presentation will cover include:

- The macro-economic factors contributing to the explosion in integration costs
- How a lack of semantic interoperability exacerbates the costs
- Why quite modest improvements in semantic interoperability can substantially impact economic performance
- The architectural concepts supporting the drive for semantic interoperability
- How the International Standards Organization (ISO) has organized the ISO 20022 project
- The important role that the OMG is playing in the ISO 20022 project
- The relationship of ISO 20022 to UN/CEFACT Core Components (CCTS)

About the Presenter:

David is a member of SAP's Standards Strategy and Management team, which is part of the Global Ecosystem and Partner Group. He focuses on standards for the financial services sector and for model-driven systems.

David has 30 years of experience as a programmer, architect, and technical strategist. He is recognized as a pioneer and international authority on the subject of model-driven systems. He has published two books and dozens of trade press articles, and has co-authored a number of industry standards, including UML and the latest version of the ISO 20022 standard for optimizing financial networks.