ISO 20022 Documentation Clarity, RMG resolution 14/307 (N3394)

Review: feedback in response to RMG resolution 15/316 (Toronto RMG meeting)

Classification of Documentation Types and corresponding specification purposes

Specification Purpose	Documentation Types	
Defining a message definition	**Message Definition Report (MDR):** The Message Definition Report describes the elements contained in one or more ISO 20022 messages. It provides a table view of the message(s), details the attributes of each element or group of elements and lists all associated codes contained in the message schema. Conditionality between the components of the message(s) described is also covered. (source: ISO20022.org) **Message Usage Guide (MUG):** A MUG is an ISO 20022 document that complements the ISO 20022 Message Definition Report (MDR) when there is a need for further explanation about how to use the message definition(s) in compliance with the standard. (source: ISO20022.org)	
Defining an ISO 20022-based Market practice (global, regional, local)	**Market Practice Specification** (combination of message definitions and usage specifications): SMPG global message templates contained in market practice documents could be considered for registration as ISO 20022 variants. For Settlements and Reconciliation market practice, these would be the message illustrations documented in the market practices. For Corporate Actions market practice, these would be the SMPG CA Event Templates. For Funds market practice, these would be the message usage guidelines, or simply usage guidelines. SMPG, of course, is not obligated to register these messages as ISO 20022 variants. SMPG also publishes message templates and examples of transactions and event incorporating local market practice requirements. While these messages reflect local requirements, they are distributed and exchanged within the global community.	
	alternative 1: ISO 20022 Variant MDR - based on ISO 20022 variant mechanism - recommended in exceptional circumstances only - only possible, if Variant MDR already exists (e.g. if requested by ISO 20022 SEG) or if Variant MDR has been requested by and is owned by Market Practice Group - option to use existing variant MDR as basis for MP specs which are even further restricted than the underlying variant MDR	**alternative 2: other specification documentation** - based on other mechanism - mechanisms employed typically depend on tool employed, e.g. Excel, MyStandards, GEFEG, XMLSpy, others
Defining an ISO 20022-based solution / application / service implementation	**Solution Specification** (combination of message definitions and usage specifications): - aka Message Implementation Guide (MIG): - may use market practice specification(s) as a guideline - specification document contains binding provisions for implementers of solution/application/service	
	alternative 1: ISO 20022 Variant MDR - not recommended, unless provider of solution/application/service is identical to submitter of variant BJ - based on ISO 20022 variant mechanism - only recommended, if solution specification identical to existing ISO 20022 Variant MDR - only possible, if Variant MDR exists - option to use existing ISO 20022 Variant MDR as a basis for solution specifications which are further restricted than the underlying variant. For example, the variants that have been developed by SWIFT for Settlement and Reconciliation and Corporate Actions can help specifications of solutions that need to be interoperable with ISO 15022.	**alternative 2: other specification documentation** - based on mechanism that may differ according to tool employed, e.g. Excel, MyStandards, GEFEG, XMLSpy, others

Definitions

Market Practice:	"Securities Market Practice'" is understood as the sum of business data and business rules needed for an automated and dependable communication of securities transactions in all securities market segments (e.g., Corporate Action) at local or global market level.
	
	In practice the above definition is to be differentiated into:
	- Market requirements: that all financial institutions, to be compliant to SMPG recommendations, should be able to process:
	  - Global Market Practice: business rules and data are the same in all markets around the globe.
	  - Local Market Practice: business rules are valid in the given local market (however not in all markets).
	
	Source: from the SMPG By-laws; includes explanations of Global and Local (Domestic)

Variant:	The message definition of an ISO 20022 variant must be a true sub-set of the message definition of the corresponding ISO 20022 global message. Variants must meet the requirements that they are used by the global community, or a significant portion of the global community, and promote ISO 20022 adoption.
Marktet Practice specifications:	The message definition related to an ISO 20022-based market practice specification may fall into one of the following scenarios: 1.) The MP message defintion is based on a true sub-set of the message definition of a global ISO 20022 message or of an ISO 20022 variant, respectively. 2.) The MP message definition is based on a message definition identical to that of a global ISO 20022 message or ISO 20022 variant, respectively, and includes additional message elements not available in the message definition of the pertinent global message or ISO 20022 variant, respectively. 3.) The MP message definition is based on a true sub-set of the message definition of a global ISO 20022 message or ISO 20022 variant, respectively, and includes additional message elements not available in the message definition of the pertinent global message or ISO 20022 variant, respectively. Note: Additional elements, not otherwise present in the message definition of a global ISO 20022 message or ISO 20022 variant, could be specified by using extension elements or SupplementaryData message extensions.

Classification of document types

Document type	Official ISO 20022 status [1]	Normative status [2]
MDR	yes	yes
MUG	yes	yes
MIG	no	no

Notes: [1] Official ISO 20022 status indicates whether the SEG(s) and/or the TSG (in the case of the ISO 20022 BAH) have evaluated and approved the documentation for publication on www.iso20022.org.

[2] Normative status indicates whether a documentation item is relevant in determining ISO 20022 compliance.