



SWIFT Compatible Applications

# Reconciliation

Technical Validation Guide 2021

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# 1 Preface

## 1.1 Introduction

SWIFT initiated the SWIFT Compatible Application label programme to support application vendors that offer products that are compliant with the business and technical requirements of the financial industry. SWIFT Compatible Application labels certify third party applications and middleware products that support solutions, messaging, standards and interfaces supported by SWIFT.

SWIFT has engaged with Wipro (referred hereinafter as the “Validation Service provider”) to perform the Technical Validation of the products applying for a SWIFT Compatible Application label.

## 1.2 Purpose and Scope

The compatibility of the SWIFT Compatible Application Reconciliation label is based on a set of pre-defined qualification criteria, which will be validated by means of a technical, functional and customer validation process.

The set of pre-defined qualification criteria is defined in the SWIFT Compatible Application Reconciliation label criteria 2021 document.

This document focuses on the approach that a vendor application must follow to complete the technical validation against the SWIFT Compatible Application Reconciliation criteria.

In this document, a distinction is made between a **New Application** (vendors who apply for the first time for a specific product release) and an **Application Renewal** (for product releases that already received the SWIFT Compatible Application label in the past).

## 1.3 Target Audience

The target audience for this document is application vendors considering the certification of their business application for the SWIFT Compatible Application Reconciliation label. The audience must be familiar with SWIFT from a technical and a business perspective.

## 1.4 Related Documents

(1) [The SWIFT Compatible Application Programme](#) overview provides a synopsis of the SWIFT Compatible Application programme, including the benefits to join for application vendors. It also explains the SWIFT Compatible Application validation process, including the technical, functional and customer validation.

(2) [The SWIFT Compatible Application Reconciliation label criteria](#) provide an overview of the criteria that a Reconciliation application must comply with to be granted the SWIFT Compatible Application label.

## 2 Technical Validation Process

In this document a distinction is made between new SWIFT Compatible Application and label renewal applications in terms of number of criteria verified and tests executed by the vendor. The technical validation focuses on the message validation, standards support, connectivity to Alliance Interfaces and Reference Data Directory integration. The remaining label criteria are subject to validation during the functional validation.

The following matrix explains the tests that have to be performed by the vendor application in 2021.

Label Type	Depth of Testing	Message Validation	Standards Support	Integration with Alliance Interfaces	Reference Data
New Label	Comprehensive	✓	✓	✓	X
Label Renewal	Partial	✓	✓	✓	X

### Validation Test Bed

The vendor will need to set up and maintain 'a SWIFT test lab' to develop the required adaptors needed for validation and to perform the qualification tests. The SWIFT lab will include the Alliance Access Interface as the direct connectivity to the Integration Test bed (ITB) (including SWIFTNet Link, VPN Box, RMA security, HSM box) and the subscription to the FIN and Finplus messaging services.

The installation and on-going maintenance of this SWIFT lab using a direct ITB connectivity is a pre-requirement for connectivity testing. However as an alternative for the vendor to connect directly to the SWIFT ITB, the Validation Service provider (VSP) can provide 'testing as a service' to integrate financial applications with SWIFT Interfaces via a remote Alliance Access over the SWIFT Integrated Test Bed (ITB) at VSP premises.

**Requirement:** The vendor will demonstrate the capability of the product to integrate with SWIFT Alliance Interfaces. When integrating with Alliance Access, support for Release 7.4 or higher is mandated for the SWIFT Compatible Application Label in 2021.

**Note:** New label applicant vendors and vendors renewing their label application must exchange test messages using AFT or MQHA or SOAP. SWIFT will only publish information for which evidences have been provided during the technical validation. In case the vendor application supports several of the above adapters, the vendor is required to provide the appropriate evidences for all of them.

### 2.1.1 Direct Connectivity

[Alliance Access 7.4 or higher](#) is the preferred choice for connectivity. The table below specifies the adaptors and formats. The vendor is required to perform the connectivity testing with any one of the adaptors mentioned below:

Label Type	Alliance Access 7.4 or higher	
	Adaptor	Format
New and Renewal	AFT	RJE or XML v2
	MQHA	RJE or XML v2
	SOAP	XML v2

The vendor needs to successfully connect to and exchange test messages with the Integration Test Bed (ITB). Vendors can make use of the testing services provided by the Validation Service Provider to connect to the ITB.

The vendor must demonstrate the capability of their product to support the FIN, Interact, Finplus protocol and its associated features (example: message validation).

### 2.1.1.1 Alliance Access Integration

- Testing for connectivity to Alliance Access Interface will be verified on the SWIFT Integration Test Bed (ITB) using Alliance Access Release 7.4 or higher.
- The vendor should demonstrate the capability of the product to integrate with the Alliance Access with one of the following adaptors:
  - Automated File Transfer mode (AFT)
  - Web Sphere MQ Host Adaptor (MQHA)
  - SOAP Host Adaptor (SOAPHA)

The vendor must connect to the SWIFT ITB and receive SWIFT network ACK / NAK notifications and delivery notifications.

The Technical Validation documents for the AFT, MQHA and SOAPHA adaptors are available separately on [swift.com](https://swift.com) ([Partner section](#)).

### Notes for vendors having ITB connectivity

- The vendor must inform SWIFT and the Validation Service provider before starting the test execution through ITB.
- The testing on ITB can start any time before the validation window allocated to the vendor. However, the entire testing on the ITB must be completed within the time window allotted to the vendor.
- The vendor application must generate 5 MT 549 outbound test messages and ISO 20022(MX) Interact messages (recommended) in Reconciliation Criteria document.
- The test messages must be compliant to Standards Release 2021.
- The vendor must request for delivery notification.
- The vendor application must exchange the SWIFT messages using Alliance Access RJE or XML v2 format.
- The sender destination used in the messages is the PIC (Partner Identifier Code) that was used by the application provider to install and license Alliance Access. The receiver destination of messages must be the same PIC or simply stated, messages should be sent to own vendor PIC.
- The vendor must connect to the SWIFT ITB, send MT messages and MX (recommended), receive SWIFT ACK/NAK, Delivery Notification and properly reconcile them by updating the status of sent messages.
- The vendor must inform SWIFT and the Validation Service provider about the completion of the test execution and provide evidence of testing through application event logs, transmitted messages and ACK / NAK received messages.

### 2.1.2 Confirmation of Test Execution and Evidence Documents

After successful exchange of the test messages, the vendor should send the following test evidences by email to the Validation Service provider:

- A copy of the MT/MX test messages in RJE / XML v2 format generated by the business application.
- Application log / Screenshots evidencing the
  - processing of SWIFT messages
  - reconciliation of delivery notifications and Acknowledgements
- Alliance Access Event Journal Report and Message File spanning the test execution window.
- Message Partner Configuration details.

**Note:** When connected through the Validation Service provider testing services, the Alliance Access logs (Event Journal Report, Message File and Message Partner configuration) will be generated by the Validation Service Provider.

## 2.1.3 Verification of the Test Results

In order to issue the scorecard and necessary recommendation, the Validation Service provider will review the log files, event journal, the screenshots produced by the vendor to ascertain that:

- All messages are positively acknowledged by the SWIFT Network by reviewing the log files.
- Test messages have been exchanged by the vendor over ITB.
- Test messages adhere to the SWIFT format requirement (RJE and /or XML v2 formats).
- Application is able to reconcile technical messages.

## 2.1.4 Qualification Criteria Verified

Sl. No	SWIFT Compatible Application Label Qualification Criteria		Pass / Fail Status
	Section Ref Number	Label Requirement	
1.	2.4	Alliance Access Integration – AFT/MQHA/SOAPHA	
2.		Alliance Access Integration – RJE / XML v2Format	
3.	2.5	Standards Support for incoming Messages	
4.	2.6	Standards Release	
5.		Network Validated Rules (MFVR)	

## 2.2 Message Validation and Standards Support

**Requirement:** The vendor must demonstrate the application's capability to support MT and MX messages, the rules and guidelines set out in MFVR for SR 2021.

**Note:** Testing for message validation and standards support is applicable for both new applicants and vendors renewing their label application. The number of Message Types vary between new label and label renewal.

- New label applicants will be tested for MT 535, 536, 537, 538, 540, 541, 542, 543, 544, 545, 546, 547, 548, 578, 586, 549, 596, 940 and 950.
- Renewal label applicants will be tested for MT536,537,540,541,542,543,544,545,546 547,548,578,586,549
- The Reconciliation label requires demonstrable capability to support CBPR+ exchanges over FINplus, as well as generic support for ISO 20022/MX messages over InterAct. Hence MX compatibility is mandatory for 2021.

### 2.2.1 Testing of Incoming Messages

- The Validation Service provider will send a set of MT and MX valid test messages that should be uploaded and processed in the application.
- The test messages will cover MT and MX messages as below:
  - For new label applicants – MT 535, 536, 537, 538, 540, 541, 542, 543, 544, 545, 546, 547, 548, 578, 586,549, 940 and 950.
  - For renewal label applicants – MT536,537,540,541,542,543,544,545,546 547,548,578,586,549

- The MX messages will include the message types flagged under appendix A of the SWIFT Compatible Application Reconciliation label criteria 2021 document
- All test messages will be in the “inward to the application” direction.
- The test messages will cover the key fields that undergone changes in SR 2021.
- The application must process SR 2021 impacted incoming messages.
- The application must perform the business validations while parsing the incoming message.
- User Header Block (Block 3) will contain a unique reference number in the form of a Message User Reference (MUR) for each test message. The MUR will consist of the MT numerical identification followed by the test message sequence number.
- The test messages will have generic test data for Accounts, Dates and BIC. The vendor can change the values / customise to their application needs. For ease of customisation, the test messages will be sent in a spreadsheet format with a facility to convert the output into a single RJE formatted file for all the test messages or individual RJE formatted files for every test message.

### File Naming Convention

- The files will be named as SR $yy$ \_ReconMTValidation.xls, where “ $yy$ ” will represent the Year of the Standards Release. For example, for a file containing test messages for Standards Release 2021, the file name will be “**SR21\_ReconMTValidation.xls**”
- The Validation Service provider will also send an MT Test Result Summary file in excel spreadsheet format for the vendor to capture the test results into. The file name will be **xxxx\_SRnn\_ReconMT\_Validation\_Test\_Result.xls**, where “**xxxx**” represents the vendor name and “**nn**” represents the Standards Release.

### Processing the provided SWIFT Message Types

The vendor must input the above-mentioned files into the application and perform the business validations.

#### 2.2.2 Confirmation of Test Execution and Evidence Documents

The vendor should send the following test evidences by email to the Validation Service provider:

- Sample evidence demonstrating that the application has processed the test messages. This will be done by sending screenshots / log file / application generated reports.
- The MT and ISO 20022(MX)(recommended) Test Result Summary file, updated with the test results (Error Code and Error Line Number)

A sample of the spreadsheet is provided here below:

Sl. No.	Message ID (MUR in Block 3)	Business Validation Results	Error Line Number	Error Description	Expected Error Code	Expected Error Line Number	Pass / Fail Status
1	94010000001	Pass	-				
2	94210000002	Error	11				

#### 2.2.3 Verification of the Test Results

The Validation Service provider will review the log files and the screenshots produced by the vendor to ascertain that all messages are processed by the application and analyse the test result to build the scorecard and recommendation.

## 2.2.4 Qualification Criteria Verified

Sl. No	SWIFT Compatible Application Label Qualification Criteria		Pass / Fail Status
	Section Ref Number	Label Requirement	
6.	2.5	Standards – Support for Incoming Messages	
7.	2.5	Cross-Border Payments and Reporting Plus (CBPR+) Usage Guidelines. InterAct messaging service and FINplus	
8.	2.6	Message Validation	
9.	2.6	Standards Release	
10.	2.6	Network Validated Rules (MFVR)	

## 3 Summary of Technical Validation

Validation Activity		Label NEW	Label RENEWAL
Message Validation	Outgoing	MT 549	MT 549
	Incoming	MT 535, 536, 537, 538, 540, 541, 542, 543, 544, 545, 546, 547, 548, 578, 586, ,940 and 950	MT536,537,540,541,542,543,544,545,546 547,548,578,586
	ISO20022 Messages Support	FINplus MX equivalent support only needed for MT940, MT950 -> camt053 under Appendix A of Label Criteria document All other MT-MX equivalent messages in annex optional for 2021 Messages should be sent over Finplus and should be validated against the CBPR+ guidelines.	
Standards	Standards Release	SR 2021	Incoming Messages are tested only for positive instances
	Rule Book Ref	Not Applicable	
	Optional Messages	Verified only on specific request by the vendor	
Connectivity	Alliance Access 7.4 or higher	AFT or MQHA or SOAPHA	
	Message Format	RJE or XML v2	
	Local Authentication (LAU)	LAU is mandatory for 2021	NA

\*\*\* End of document \*\*\*