

International Standard for the Banking, Brokerage and Insurance Industries

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Abstract

As the standards organization under ISO responsible for the development of all international financial services standards, ISO/TC 68 plays a key role in the development and adoption of new technologies in the banking, brokerage and insurance industries. In this paper many of its current work projects are introduced for developing ecommerce standards. We need to discuss the recommendations on XML conversion with ISO and other international standard organizations. Each country try to adopt the international standards even though domestic technical standards and barriers. To solve this problem of interworking between these standards, harmonization activities are needed. For development and distribution of electronic documents to be conformed to international standards, it is enough to have the role of international activities continue to supply part of the domestic industry and the trends in participation and international standard. Our principal focus is on facilitating national and international trade, through the simplification and harmonization of processes, procedures and information flows, and so contributing to the growth of global commerce.

Keywords: Banking Service, Financial Facilitation, UN/CEFACT, ISO, KS

1. Introduction

ISO/TC 68 is a technical committee formed within the International Organization for Standardization (ISO), of Geneva, Switzerland, tasked with developing and maintaining international standards covering the areas of banking, securities, and other financial services. As the standards organization under ISO responsible for the development of all international financial services standards, ISO/TC 68 plays a key role in the development and adoption of new technologies in the banking, brokerage and insurance industries. Many of its current work projects involve developing ecommerce standards such as better online security for financial transactions, XML standards for financial transactions and standards to reduce the cost and delays of international financial transactions. The membership of ISO/TC 68, consists of more than 30 organizations assigned by participating national standards bodies plus additional international standards development organizations that work collaboratively toward global financial services standards development.

2. Technical Subcommittee of ISO/TC68

Within TC 68 there are, at present, three technical subcommittees, or SC's: SC2 (Security), SC4 (Securities), and SC7 (Core Banking). Subcommittees prepare and manage international standards within specific areas of concentration. Subcommittees review existing standards once every five years to update them. New standards are developed by subcommittees under the New Work Item process. New Work Items are proposed by three or more countries that are members of ISO/TC 68. If a New Work Item is approved by a super majority of countries that are members of ISO/TC 68 the New Work Item is assigned to a Working Group under a Technical Subcommittee. Each Working Group consists of technical experts in the field appointed to represent their member countries. After a sequence of revisions to committee drafts, proposed standards developed by a Working Group must be approved by a super majority of countries that are members of ISO/TC 68 before being submitted to ISO for approval as an ISO standard. TC68 Financial Services (Financial Services) to kick the Financial Industry message scheme standard (ISO 20022) and corporate identification code standard (ISO17442) is directly controlled by the TC68 Committee, in particular ISO20022 is a platform for developing financial messages in ISO TC68 the establishment of international standards for justice. Although already widely used by the domestic financial software implementation, UML design, ISO20022 defines the problem for Communication between the model not only to model the existing financial business processes and focused to create a set of reusable message through a nationwide store there. Currently the seven standards are managed as follows.

Table 1. List of standards managed by ISO/TC68

No.	ISO No.	Name of Standard
1	ISO 17442	Legal Entity Identifier(LEI)
2	ISO 20022-1	UNiversal Financial Industry message scheme –Part1: Overall methodology and format specifications for inputs to and outputs from the ISO 20022 Repository
3	ISO 20022-2	UNiversal Financial Industry message scheme –Part2: Roles and responsibilities of the registration bodies
4	ISO 20022-3	UNiversal Financial Industry message scheme –Part3: ISO 20022 modelling guidelines
5	ISO 20022-4	UNiversal Financial Industry message scheme –Part4: ISO 20022 XML design rules
6	ISO 20022-5	UNiversal Financial Industry message scheme –Part5: ISO 20022 reverse engineering
7	ISO 20022-6	UNiversal Financial Industry message scheme –Part6: Message Transport Characteristics

Enacted in ISO 20022 Part 1 - Part 6 to the following standards and amendments work together for 7, 8 and a newly developed.

Table 2. New amendments for ISO 20022 standards

No.	ISO No.	Name of Standard
1	ISO 20022-7	UNiversal Financial Industry message scheme –Part7: Registration
2	ISO 20022-8	UNiversal Financial Industry message scheme –Part8: ASN.1 generation

2.1 SC2 : Financial Services Security

Key management for financial services support, including authentication and manage security-related standards, currently manages a total of 17 standards are as shown below.

Table 3. List of standards managed by SC2 of ISO/TC68

No.	ISO No.	Name of Standard
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1	ISO 9564-1	Personal Identification Number(PIN) management and security –Part1: Basic principles and requirements for PINs in card-based systems
2	ISO 9564-2	Personal Identification Number management and security – Part2: Approved algorithms for PIN encipherment
3	ISO/TR 9564-4	Personal Identification Number management and security – Part4: Guidelines for PIN handling in open networks
4	ISO 11568-1	Key management(etail) –Part1: Principles
5	ISO 11568-2	Key management(etail) –Part2: Symmetric ciphers, their key management and life cycle
6	ISO 11568-4	Key management(etail) –Part4: Asymmetric crypto systems – Key management and life cycle
7	ISO 13491-1	Secure cryptographic devices(etail) –Part1: Concepts, requirements and evaluation methods
8	ISO 13491-2	Secure cryptographic devices(etail) –Part2: Security compliance checklists for devices used in financial transactions
9	ISO 13492	Key management related data element –Application and usage of ISO 8583 data elements 53 and 96
10	ISO/TR 13569	Information security guidelines
11	ISO/TR 14742	Recommendations on cryptographic algorithms and their use
12	ISO 15782-1	Certificate management for financial services –Part1: Public key certificates
13	ISO 15782-2	Certificate management for financial services –Part2: Certificate extensions
14	ISO 16609	Requirements for message authentication using symmetric techniques
15	ISO/TR 19038	Triple DEA –Modes of operation –Implementation guidelines
16	ISO 19092	Biometrics –Security framework
17	ISO 21188	Public key infrastructure for financial services –Practices and policy framework

New and revised standards are to be developed. It is also developed for identifying and managing the securities related standards.

Table 4. New and Revised ISO 16865 Standard

No.	ISO No.	Name of Standard
1	ISO/AWI 16865	Retail Financial Services Compliance Guideline: PIN Security and Key Management

2.2 SC4 : Security and related financial instruments

SC4 determines whether the LEI (Legal Entity Identifiers, global corporation demarcation code) can be used as IGI (Issuer and Guarantor Identifier) to manage the numbering system. It is used to identify the relevant standards such as securities, securities institutions for this purpose . Total of 11 standards have managed as the below.

Table 5. List of Standards managed by SC4 of ISO/TC68

No.	ISO No.	Name of Standard
1	ISO 6166	International securities identification numbering system (ISIN)
2	ISO 8109	Format of Eurobonds
3	ISO 8532	Format for transmission of certificate numbers
4	ISO 9019	Numbering of certificates
5	ISO 9144	Numbering of certificates
6	ISO 10383	Codes for exchanges and market identification (MIC)
7	ISO 10962	Classification of Financial Instruments (CFI code)

8	ISO 15022-1	Scheme for messages (Data Field Dictionary) –Part1: Data field and message design rules and guidelines
9	ISO 15022-1/Cor1	
10	ISO 15022-2	Scheme for messages (Data Field Dictionary) –Part2: Maintenance of the Data Field Dictionary and Catalogue of Messages
11	ISO 15022-2/Cor1	

SC4 of ISO 6166 has developed a new standard under revision and two counts for ISO 10962. It is also conducted an international standard of ISO18773 (Abbreviation) and ISO18774 (PSIN, financial instruments abbreviation).

Table 6. New ISO 18773 Standards

No.	ISO No.	Name of Standard
1	ISO 18773	Securities and related financial instruments –Abbreviations
2	ISO 18774	Securities and related financial instruments –Financial Instrument Short Name (FISN)

2.3 SC7 : Core Banking

If the TC68 SC7 to certain events occur, such as Iran bank sanctions the EU in order to manage them, numbering system to identify the bodies, specialized formats, such as managing a bank standards. Total of 13 standards have managed as follows.

Table 7. List of Standards managed by SC7 of ISO/TC68

No.	ISO No.	Name of Standard
1	ISO 1004	Magnetic ink character recognition –Print specifications
2	ISO 4217	Codes for the representation of currencies and funds
3	ISO 4217/Cor 1	
4	ISO 8583-1	Interchange message specifications –Part1: Messages, data elements and code values
5	ISO 8583-2	Interchange message specifications –Part2: Application and registration procedures for Institution Identification Codes (IIC)
6	ISO 8583-3	Interchange message specifications –Part3: Maintenance procedures for messages, data elements and code values
7	ISO 9362	Banking telecommunication messages –Business identifier code (BIC)
8	ISO 9992-1	Messages between the integrated circuit card and the card accepting device –Part1: Concepts and structures
9	ISO 11649	Structured creditor reference to remittance information
10	ISO 13616-1	International bank account number (IBAN) –Part1: Structure of the IBAN
11	ISO 13616-2	International bank account number (IBAN) –Part2: Role and responsibilities of the Registration Authority
12	ISO 18245	Merchant category codes
13	ISO 22307	Privacy impact assessment

Documents of ISO 9362 are revised for task of separating into two ISO 1004 standard, and the development of mobile financial services. In particular, the current SC7 ISO 12812 mobile financial services such as mobile banking and establish standards.

Table 8. New Mobile Banking Standards

No.	ISO No.	Name of Standard
1	ISO 1004-1	Magnetic ink character recognition –Part 1: Print specifications for E13B
2	ISO 1004-2	Magnetic ink character recognition –Part 2: Print specifications for CMC7

3	ISO 9362	Banking telecommunication messages –Business identifier code (BIC)
4	ISO 12812-1	Mobile Financial Services –Part 1: General framework
5	ISO 12812-2	Mobile Financial Services –Part 2: Security and data protection for mobile financial services
6	ISO 12812-3	Mobile Financial Services –Part 3: Financial application management
7	ISO 12812-4	Mobile Financial Services –Part 4: Mobile Person-to-Person Payments
8	ISO 12812-5	Mobile Financial Services –Part 5: Mobile Person-to-Business Payments
9	ISO 12812-6	Mobile Financial Services –Part 6: General Mobile Banking operations

3. Conclusion

In the late 1940s, members of the financial industry came together under the International Organization for Standardization (ISO) to begin developing technical standards for the banking industry to use on a world-wide basis. The original name of the organization working on banking standards was Technical Committee 68, or TC 68-Banking. Over time the scope of TC 68 expanded to include all financial services. TC 68 has continued its basic mission through industry changes and the adoption of new scientific technologies that have fostered greatly increased international commerce. One of the changes made to reflect changes to the financial industry is TC 68's name. It is now referred to as Technical Committee 68 on Banking, Securities and other Financial Services.

Recently smart phones, mobile and wireless communication environment became necessary rapidly transforming and reliability while being collateral Electronic Banking System Stability. The national committee ISO TC68, including the Bank of Korea is trying to act as a global leader in standards such as micro SD in South Korea ahead of the country at the same time to add a comment to enact these standards. Whereas the composition of the e-banking infrastructure that is generally well-organized institutional foundation is also needed. International standards are to be introduced advisory and electronic banking system is built on a policy decision to Li Ling safely. These days are trading in non-financial industries, including financial transactions of electronic banking in the small settlement service providers, as well as induce in the public interest dimension of safety and a variety of conflicting interests and social benefits of creativity and innovation in the private sectors, voluntary public infrastructure enemy will further strive to realize the nature.

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