

SUCCESS STORY

How a major market infrastructure integrates XML and ISO 20022.

SIX Interbank Clearing uses IMS Incentage Middleware Suite for message transformation and integration



Regain independence
and full control
of your messaging.



SIX Interbank Clearing operates the Swiss franc payment system SIC on behalf of and under the supervision of the Swiss National Bank. The system processes Swiss franc payments between financial institutions in real time on a gross settlement basis. SIX Interbank Clearing is part of SIX Group.

Summary and background

SIX Interbank Clearing is a joint venture of the Swiss financial center. It operates the SIC and euroSIC interbank payment systems for transactions in Swiss francs and euro.

The SIC system has been processing payments in real time and around the clock, setting an industry standard since 1987. Its operation is monitored and supervised by the Swiss National Bank (SNB). The major payment system in Switzerland enables financial institutions worldwide to process all interbank liabilities from large-value to retail transactions in Swiss francs rapidly and securely.

Hundreds of interfaces between industry participants, market infrastructures and central banks make it necessary to operate and to connect to applications with a wide variety of different formats, standards and protocols. A very large number of messages and transactions are exchanged between a wide variety of systems. SIC handles 400 million transactions a year with a turnover of 60,000 billion Swiss francs.

The issue and solution evaluation process

The evaluation process confirmed that Incentage's IMS, the Incentage Middleware Suite, with its Management Console and RulesStudio, would ideally fit into SIC's requirements to handle connectivity and interfaces between dozens of internal systems and hundreds of external client applications. A proof of concept made sure that all requirements defined by SIC were covered by the solution.

In view of the introduction of SEPA, the Single Euro Payments Area, and to integrate ISO 20022 standards, SIX Interbank Clearing was looking for an EAI solution (Enterprise Application Integration) which would enable SIC to easily exchange and transform messages between and across different standards, formats and protocols.

IMS was expected to smoothen differences between standards like FIN, ISO 7775, 15022 and 20022, XML and proprietary standards. It would also have to guarantee standards interoperability. Additionally, SIX Interbank Clearing expected IMS to be the tool to handle pro-actively the manifold and complex requirements of future message handling.

The solution

IMS was installed with the modules

- Management Console for monitoring and
- RulesStudio for message definitions and transformations

There was no programming required as the flexibility of the transformation rules was fully capable to cope with all requirements.

The communication with the mainframe based services is done with a lean IP-based protocol designed for as little overhead as possible.

A large number of libraries (including for ISO 20022) and data dictionaries make sure that pre-defined message definitions may be used whenever possible, thus increasing flexibility and reducing time to market.

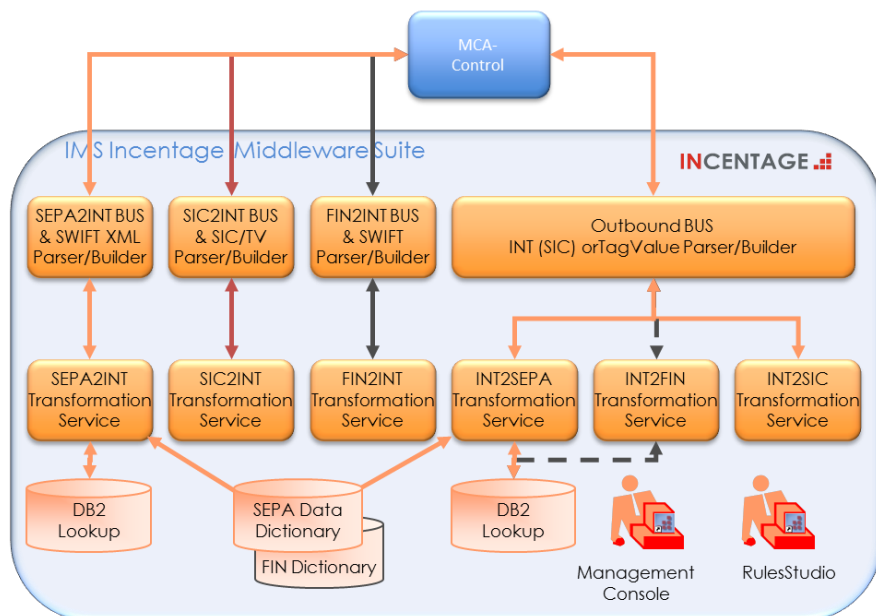


Illustration: SIC architecture and IMS integration

The project

IMS was installed, parameterised and tested within a few weeks after project start. A total of 6 days support by Incentage and an additional 4 days of training was all that was needed to go live with IMS at SIX Interbank Clearing.

Welcome to the world of financial messaging!

Incentage is a worldwide leader in messaging solutions for the financial services industry. Over 150 clients on all continents are using Incentage solutions. Incentage has a global network of partners and is a SWIFT Partner.

Incentage offers the following solutions:

- IMS Incentage Middleware Suite
 - The message STP guarantor
- ISB Incentage Service Bus
 - The message orchestrator
- IPC Incentage Process Cockpit
 - The message controller
- SWIFT based solutions powered by Incentage : SWIFTNet E & I, Funds, Accord, Proxy Voting and TSU
 - The SWIFT infrastructure integrator
- Incentage Business Solutions: Capital Bus, Investigation and Message Cockpit
 - The message solution customizer