**Change Request**

**for the update of ISO 20022 financial repository items**

1. **Origin of the request:**

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1. **Related messages:**

*Goods* block in *CommercialDataSet* in

|  |  |  |
| --- | --- | --- |
| **#** | **Message ID** | **Message Name** |
| 1 | tsmt.014.001.04 | DataSetSubmissionV04 |
| 2 | tsmt.017.001.04 | ForwardDataSetSubmissionReportV04 |

1. **Description of the change request:**



Request change to the element *ProductOrigin* in *CommercialLineItems* in *Goods* in *CommercialDataSet*

1. Change cardinality to make this element mandatory
2. Rename element to ‘Product and/or service origin’
3. **Purpose of the change:**

Trade has been identified as being high risk from the perspective of money laundering by regulators and industry associations around the world.

US alone, based on FINCEN’s advisory dated Feb 2010 that SAR reporting related to Trade based money laundering is increasing. Between Jan 2004 and May 2009, the reported transactions involved aggregated to over US$276billion

<http://www.fincen.gov/statutes_regs/guidance/pdf/fin-2010-a001.pdf>

In order to align with current and evolving regulatory demands in this area, the *tsmt* messages that support the BPO need to be enhanced to better ensure compliance with these demands.

1. **Urgency of the request:**

To be handled in accordance with the normal yearly maintenance cycle.

1. **Business examples:**

Documents such as Letters of Credit, Bills of Lading, and Invoices all provide for description of goods.

1. **SEG recommendation:**

|  |  |  |
| --- | --- | --- |
| **Consider** | X | **Timing** |
|  | - **Next yearly cycle: 2014/2015**(the change will be considered for implementation in the yearly maintenance cycle which starts in 2014 and completes with the publication of new message versions in the spring of 2015) | X |
|  | - **At the occasion of the next maintenance of the messages**(the change will be considered for implementation, but does not justify maintenance of the messages in its own right – will be pending until more critical change requests are received for the messages) |  |
|  | - **Urgent unscheduled**(the change justifies an urgent implementation outside of the normal yearly cycle) |  |  |
|  | - **Other timing:** |  |

Comments:

1) Change cardinality to make this element mandatory

Use of this element outside of the BPO context may well be optional / not needed.

Recommend that a rule be added that makes *ProductOrgin* mandatory when used in direct connection with BPO.

|  |  |
| --- | --- |
| **Reject** |  |

The Trade SEG has rejected the following changes:

* Rename element to ‘Product and/or service origin’

Reason for rejection: Origin of service not normally considered to be business essential data and in many cases is not relevant.