Policy Semantics

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Discussion

Policy semantics defines meaning through governed permissions, prohibitions, obligations, conditions, roles, authorities, decisions, and enforcement contexts.

A policy expresses semantic content by defining what actors, systems, organizations, or processes do under specified conditions. Policy semantics identifies the meaning of permitted behavior, prohibited behavior, required behavior, exceptions, decision criteria, enforcement actions, and evidence requirements.

Policy semantics differs from policy text. Policy text states a policy. Policy semantics explains what the policy means for interpretation, validation, enforcement, reporting, audit, and conformance.

Policy semantics also differs from implementation logic. Implementation logic enforces policy decisions. Policy semantics defines what those decisions mean within the governed domain.

Policy semantic content includes:

- Permissions
- Prohibitions
- Obligations
- Conditions
- Exceptions
- Roles
- Authorities
- Jurisdictions
- Decision criteria
- Enforcement actions
- Evidence requirements
- Audit requirements
- Reporting requirements
- Escalation rules
- Traceability to policy sources

A governed architecture preserves traceability from policy semantics to the policy source, conceptual model, business rule, schema, report, implementation artifact, conformance test, or other authoritative semantic source that establishes the intended meaning.

Definition

meaning defined through governed permissions, prohibitions, obligations, conditions, roles, authorities, decisions, and enforcement contexts

Source

DIDO Solutions usage, informed by policy modeling, governance practice, access-control practice, regulatory interpretation, business rule practice, and semantic traceability practice.

Note

Policy semantics does not replace policy governance. Policy semantics explains what a policy means in a defined context. Governance establishes who creates, approves, interprets, changes, enforces, audits, and retires the policy.

Policy semantics also does not reduce to executable policy code. Executable policy mechanisms express selected policy meaning in implementation form, but the governed policy source establishes the intended interpretation.

Example

An FX Demo policy defines Data Residency and reporting constraints for trade information.

Policy element	Example value	Policy semantic meaning
Actor	`EU Reporting Node`	node authorized to process reportable EU trade information
Subject information	`FXTrade`	trade information governed by the policy
Condition	`reportingJurisdiction = EU`	Policy applies when the trade falls under EU reporting jurisdiction
Permission	`process trade validation evidence`	the node performs validation processing for the governed trade information
Prohibition	`export raw counterparty data outside approved jurisdiction`	The node does not transmit governed raw counterparty data outside the approved jurisdiction
Obligation	`produce report evidence`	the node creates evidence required for reporting or audit
Enforcement action	`reject route`	the system blocks a route that violates the policy
Evidence requirement	`record policy decision and reason`	The system records the policy decision for audit and conformance review

The policy semantics define what the policy means in terms of trade processing. A routing implementation enforces selected policy decisions, but it does not define the policy's meaning on its own.

For example, a route from an EU reporting node to a non-approved processing node violates policy semantics when the policy prohibits export of raw counterparty data outside the approved

jurisdiction. The violation concerns governed meaning, not merely network connectivity.
