

Competitive Substitution

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Discussion

Competitive Substitution allows one qualified implementation to replace another qualified implementation for the same governed function. It supports cost comparison, provider competition, resilience, and procurement flexibility in the Cost Recovery, Compensation, and Settlement Plane.

Competitive Substitution depends on the equivalence of obligation and assurance. A substitute Node needs the same applicable interface, semantic model, policy obligation, evidence requirement, security requirement, residency constraint, sovereignty constraint, operational expectation, and service-level context as the Node it replaces.

Competitive Substitution supports lower-cost compliant processing without rewarding under-compliance. A lower-cost provider is a valid substitute only when it performs the required governed work and supplies the required evidence.

Definition

replacement of one qualified implementation by another qualified implementation for the same governed function

Source

FX Demo Reference Architecture, Part 6: Cost Recovery, Compensation, and Settlement Plane

Note

Competitive Substitution differs from ordinary failover. Failover restores service availability. Competitive Substitution supports provider comparison and replacement among qualified implementations.

Competitive Substitution also differs from bypass. A bypass avoids a governed function. Competitive Substitution preserves the governed function through an equivalent qualified implementation.

Example

Two qualified sanctions screening Nodes satisfy the same jurisdictional, policy, evidence, security,

and service-level criteria. The FX Demo selects the lower-cost Node for a demonstration flow and records equivalent evidence for the completed sanctions screening work.

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