Meeting Minutes

Meeting Details

Meeting Date: 23 Mar 2017	**Meeting Name:** Open Banking Implementation Entity Steering Group
Meeting Time: 12:00 – 14.00	**Meeting Location:** The Tower Hotel, St. Katharine's Way, London E1W 1LD / Conf: Audio 0207 098 5534, Pin 60130

Attendee	Role	Attendance
Members – Implementation Entity (IE) and CMA9		
Andrew Pinder (AP)	IE Trustee (Chair)	Apologies
Keith Ford (KF)	IE CEO	Yes (In person)
Roy Hutton (RH)	Allied Irish Banks	Apologies
Daniel Ehreich (DE)	Bank of Ireland	Yes (In person)
Andy Booth (AB)	Barclays Bank	Apologies
Andy McComb (AM)	Danske Bank	Apologies
Andrew Slough (AS)	HSBC	Yes (In person)
Steve Smith (SS)	Lloyds Banking Group	Yes (In person)
Paul Horlock (PH)	Nationwide	Yes (Telephone)
Robert White (RW)	Santander Bank	Apologies
Nuala Jackson (NJ)	Santander Bank	Yes (In person)
Kevin Hanley (KH)	Royal Bank of Scotland	Apologies
Stephen Wright (SW)	Royal Bank of Scotland	Yes (In person)
Alex Hone (AH)	IE Secretariat	Yes (In person)
Members – Stakeholder Groups		
Vacancy	Challenger Banks	N/A
Gavin Littlejohn (GL)	Fintech	Yes (Telephone)
James Whittle (JW)	PSD2	Apologies
Thaer Sabri (TS)	Payment Service Providers	Yes (Telephone)
Ian Major (IM)	Third Party Providers	Yes (In person)
Customer Representatives		
Faith Reynolds (FR)	Consumer	Yes (Telephone)
Mark Chidley (MC)	Small Business	Yes (Telephone)
Observers		
Walter McCahon (WM)	British Bankers' Association (BBA)	Yes (Telephone)
Andrew Laidlaw (AL)	FCA	Yes (In person)
Daniel Turnbull (DT)	HMT	Apologies
Matt Aldridge (MA)	HMT	Yes (In person)
Phillip Mind (PM)	IE Advisor	Yes (In person)
Dora Guzeleva (DG)	Payment Systems Regulator	Apologies
Guests		
Bill Roberts (BR)	Conduct Markets Authority (CMA)	Yes (In person)
Arron Latham (ALa)	IE Strategy BA	Yes (In person)
Gary Farrow (GF)	IE Chief Architect	Yes (In person)
Miles Cheetham (MC)	IE Customer	Yes (In person)
Peter Davey (PD)	IE Regulatory and Legal	Yes (In person)

#	Agenda	Purpose
1	Registry, Liability Model, Insurance and Governance	Information
2	Consent Model	Awareness
3	AOB	

KF set out the purpose and context of the meeting, which was to review and approve the approach to be pursued for the Registry, including topics for further exploration; namely, Liability Management, Insurance and Governance.

Agenda item 1 – Registry, Liability Model, Insurance and Governance

PD provided an overview of the background and the agreements to the approach already obtained. It was noted there is a potential clash between the requirements of the CMA Order and PSD2 which precludes any contractual arrangements with TPPs or barriers to access for TPP. The approaches set out for this meeting have been presented at the Legal and Regulatory Working Group, IE Programme Management Group (PMG) to obtain consensus to support the recommendation.

- Liability Management – The proposed approach is to rely on PSD2 liability management rules, which results in a Liability Model in the absence of a contractual agreement with TPPs until the end of 2018.

- GL said that a PISPOs liability should not exceed €30 as the limit for SCA. PAD noted that this is an area which will need to be explored as currently an ASPSP is required to allow the same limits for a trusted beneficiary so a liability might accrue to a PISP up to the amount permitted under that exemption from the SCAs.

- The follow up regarding liability models will be managed via the IESG action to agree the governance around the long term vision post 2018 and related policy questions. **ACTION_SG026:** Legal and Regulatory workstream break-out group to review and discuss potential Liability Models.

- It was stated that to move to a median approach to liability management based on Open Banking rules, processes and procedures to address TPP failures require two key strategic decisions related to payment initiation and account information sharing as currently the structure cannot be mandated. If all authorities agree to mandating this structure, it would therefore become the preferred approach. Without this being compulsory, this approach would result in a two tier solution.

- **DECISION_D006:** It was agreed to progress on the 'Basic approach' which relies on PDS2 liability management, which will provide a base for exploring and developing the management structure.

- It was noted that the papers presented today had not been discussed with the Customer Representatives in detail. **ACTION_SG027:** All recommendations and papers being presented to IESG must be circulated via the Customer Working Group to act as the conduit to the Customer Representatives. This is to ensure their views and opinions are captured.

- Registry (now called the Directory) – A median approach for the Registry (now called the Directory) was presented, which outlined a highly available, highly secure digital Registry which will facilitate the issuance of digital certificates. This approach is dependent on FCA registration and passporting, rather than the two-tier arrangement as previously discussed.

- **DECISION_D007:** It was agreed to progress on the 'Median approach' for the digital registry.

- Insurance – It was noted by the group that there is not a formal requirement on Open Banking under the CMA Order or the PDS2. However, to develop the TPP ecosystems, it was agreed that the financial institutions themselves would be best placed to do this and to engage with regulators when the insurance arrangements are mandated.

- **DECISION_D008:** It was agreed to progress on the 'Basic approach' for the TPP insurance arrangements, which for TPPs means ensuring they are adequately covered.

- Governance – The approach for developing the governance is to include and consult the TPPs in the governance model required to ensure a balance of standards and input to the future strategy.

- **DECISION_D009:** It was agreed to progress the 'Added value approach' for the Governance Model.

Agenda item 2 – Consent Model

MC provided an update on the work to date, including an overview of the proposed approach for developing the Consent Model. Key points are noted below:

- The agreement being sought is to define the approach for the acquiring, maintaining and withdrawal of consent and authorisation. The approach has been developed within the Customer Working Group, Agile Design Workshops and approved by the PMG members.

- Effective management of customer consent is key to establishing customer trust and a number of considerations were discussed relating to a consent model, which is intended to be consistent and to apply to PISP and AISP which is intended to build confidence in the solution, resulting in customer trust. The approach also intended to benefit industry by being compliant with current regulation PSD2, DPA and GDPR; consideration has also been given to links to liability.

- An AISP account aggregation example was presented to the group to visually represent the customer journey for consent between an AISP and ASPSP. It was noted that this method of demonstrating a use case was much easier to understand and envisage. GL mentioned that the PISP to ASPSP process and customer journey is different. **ACTION_SG028:** Produce a visual representation of the PISP to ASPSP customer journey.

- FR mentioned industry need to be able to clearly communicate to consumers how their consent can be revoked by the consumer or the provider. **ACTION_SG029:** Produce examples of use cases and associated customer journeys which represent the customer issues related to potential liability e.g. if customer transactional data is sold by a TPP or a TPP is subject to a data breach.

- **DECISION_D010:** It was agreed to progress the Consent Model development on the following basis (a) Agreement to confirm and further develop this approach – what 'consent' and 'withdrawal of consent' mean in practice (b) Agreement to test the consent process through customer research and (c) Agreement to provide a guide to best practice in managing Consent for Open Banking participants.

Agenda item 3 – Any Other Business (AOB)

There were no items of AOB recorded at this meeting.

New Actions from Implementation Entity Steering Group (23 March 2017)

Ref	Date Raised	Action Description	Owner	Target Resolution Date	Commentary	Status
SG_A016	14 Feb 17	**Forward Agenda** Steering Group Forward Agenda to be produced, outlining future topics of discussion and decisions required.	Alex Hone	31 Mar 17	28/03: To be included as part of the IESG Strategy day.	Open
SG_A020	20 Mar 17	**Data Integrity** SS requested the Implementation Entity to consult with CMA and seek agreement that article 39.1.1 should come into force upon completion of this industry testing. A separate and specific testing programme will be undertaken to provide comfort to the Implementation Entity and the industry over the quality and alignment of the BCA and SME Lending API data.	Keith Ford	31 Mar 17		Open
SG_A021	20 Mar 17	**Website Disclaimer** Open Banking Website to reference a period of Live Proving testing is being undertaken.	Alex Hone / Richard Lindsay	24 Mar 17	28/03: Website updates made to the Registration page and terms and conditions.	Closed
SG_A022	20 Mar 17	**Open Data Release Reference Guide** Industry and consumer friendly guide to Open Banking and an overview of the Open Data and Read/Write deliverables will be able to provide.	Alex Hone / Richard Lindsay	31 Mar 17		Open
SG_A023	20 Mar 17	**NPSO (New Payments Systems Operator)** Define and agree engagement model with NPSO.	Alex Hone / Nigel Spencer	24 Mar 17	21/03: Engagement with NPSO Delivery Group (Rob Stansbury) via Op Gov WS, current thinking is OB remains under the governance of the IE and programme; future state decision to be reviewed Sep 2017.	Closed

SG_A024	20 Mar 17	**Extraordinary IESG** Additional IESG meeting required to cover Registry, Liability Model and Consent Model.	Alex Hone	20 Mar 17	21/03: Meeting scheduled for 23 Mar, 12:00 - 14:00 and papers circulated 21 Mar, stating purpose and proposed outcome.	Closed
SG_A025	20 Mar 17	**Extended IESG Meetings** Future meetings to be extended to allow more time to review and discuss papers and recommendations.	Alex Hone	24 Mar 17	21/03: Remaining 2017 IESG meetings extended to 3 hrs. Updated invites to follow.	Closed
SG_A026	23 Mar 17	**Liability Model Investigation** Legal and Regulatory workstream break-out group to review and discuss potential Liability Models.	Peter Davey	24 Apr 17		Open
SG_A027	23 Mar 17	**Consumer Representation input to IESG Recommendations** All recommendations and papers being presented to IESG must be circulated via the Customer Working Group to act as the conduit to the Customer Representatives. This is to ensure their views and opinions are captured.	Miles Cheetham	10 Apr 17		Open
SG_A028	23 Mar 17	**PISP to ASPSP Customer Journey** Produce a visual representation of the PISP to ASPSP customer journey, in the same example as the AISP to ASPSP example presented.	Miles Cheetham	10 Apr 17		Open
SC_A029	23 Mar	**Use Case Examples** Produce examples of use cases and associated customer journeys which represent the customer issues related to potential liability e.g. if customer transactional data is sold by a TPP or a TPP is subject to a data breach.	Miles Cheetham	10 Apr 17	06/04: Use Case examples produced and awaiting feedback from IESG members.	Closed

New Decisions from Implementation Entity Steering Group (23 March 2017)

Ref	Decision Date	Key Decision Summary	Decision Rationale	Consensus
SG_D005	20 Mar 17	PSD2 Additional Scope	The Steering Group acknowledged and approved Open Banking's position to limit the scope of the OB programme to the Restricted PSD2 scope as set out in the CMA Remedies.	Majority
SG_D006	23 Mar 17	Liability Management - ratification and support of approach	It was agreed to progress on the 'Basic approach' which relies on PDS2 liability management, which will provide a basis for exploring and developing the management structure.	Majority
SG_D007	23 Mar 17	Registry - ratification and support of approach	It was agreed to progress on the 'Basic approach' which relies on PDS2 liability management, which will provide a basis for exploring and developing the management structure.	Majority
SG_D008	23 Mar 17	Insurance - ratification and support of approach	It was agreed to progress on the 'Basic approach' for the TPP insurance arrangements, which for TPPs means ensuring they are adequately covered.	Full
SG_D009	23 Mar 17	Governance - ratification and support of approach	It was agreed to progress on the 'Added value approach' for the Governance Model. This approach for developing the governance is to include and consult the TPPs in the governance model required to ensure a balance of standards and input to the future strategy.	Full
SG_D009	23 Mar 17	Consent Model - ratification and support of approach	It was agreed to progress on the Consent Model development on the following basis (a) Agreement to confirm and further develop this approach – what 'consent' and 'withdrawal of consent' mean in practice (b) Agreement to test the consent process through customer research and (c) Agreement to provide a guide to best practice in managing Consent for Open Banking participants.	Full