

# Meeting Minutes

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**Meeting details**

Meeting date: 16 January 2020

**Meeting name**

Implementation Entity Steering Group (IESG)

**Meeting time**

10.00 – 13.00

**Meeting location**

Etc. Venue, Capital 3, Eastcheap (Monument), London

**Scribe**

Sally Chiwuzie

**Classification**

Public

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Name		Role	Attendance
Alan Ainsworth	<b>AA</b>	OBIE – Head of Policy	Yes
Bill Roberts	<b>BR</b>	Competition and Markets Authority (CMA)	Yes
Candy Ma	<b>CMA</b>	OBIE – Office of Trustee	Yes
Carly Nimmo	<b>CN</b>	HMT	Yes
Caroline Ambrose	<b>CA</b>	Barclays Bank	Yes
Chris Michael	<b>CM</b>	OBIE – Head of Technology	Yes
Daniel Ehreich	<b>DE</b>	Bank of Ireland	Yes
David Fineberg	<b>DF</b>	OBIE – Head of Monitoring	Yes
Ed Colley	<b>EC</b>	OBIE – Programme Director	Yes
Eduardo Martinez Barros (EMB)	<b>EMB</b>	Santander	Yes (Phone)
Faith Reynolds	<b>FR</b>	Independent Consumer Representative	Yes
Gavin Littlejohn	<b>GL</b>	Fintech Representative	Yes
Helene Oger-Zaher	<b>HOZ</b>	Financial Conduct Authority	Yes
Hetal Popat	<b>HP</b>	HSBC	Yes
Ian Major	<b>IM</b>	TPP Representative	Yes
Imran Gulamhuseinwala	<b>IG</b>	OBIE – Trustee/Chair	Yes
Mark Chidley	<b>MCH</b>	Independent SME Representative	Yes
Matt Cox	<b>MC</b>	Nationwide Bank	Yes

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Robert White	<b>RW</b>	Santander	Yes (Phone)
Roy Hutton	<b>RH</b>	Allied Irish Bank	Yes
Sally Chiwuzie	<b>SC</b>	OBIE IESG Secretariat	Yes
Thaer Sabri	<b>TS</b>	Electronic Money Association (EMA)	Yes
Vicki Hassan	<b>VH</b>	Danske Bank	Yes (Phone)

### Apologies

Name	Role	Delegate	
Daniel Globerson	<b>DG</b>	Royal Bank of Scotland	Stephen Wright (SW)
Paul Horlock	<b>PH</b>	Stakeholder Engagement, Standards and Strategy	N/A
Phillip Mind	<b>PM</b>	UK Finance	Austin Elwood (AE)
Simon McDougall	<b>SM</b>	Information Commissioners Office (ICO)	Jenny Vega Destello ( <b>JVD</b> ) (Phone)
Stephen Smith	<b>SS</b>	Lloyds Banking Group	Richard Rous ( <b>RR</b> )
Will Curley	<b>WC</b>	Tesco Bank	Gary Sheen ( <b>GS</b> ) (Phone)

### No. Agenda item

#### 1.a – 1.b HOUSEKEEPING: MINUTES AND ACTION LOG

- 1.1. **IG** welcomed IESG members in the room and on the phone, stating that the main agenda item would be the discussion on the revised Roadmap – agenda item 2.d. On this basis, **IG** proposed to cover other items first, break, and then discuss 2.d. For the purpose of logistics, **IG** stated that some items might be reshuffled; in particular, **FR**'s agenda item 2.c on *'The impact of the SCA and other risks on Consumers'* would be discussed immediately after **EC**'s agenda item 2.a – *Screen Scraping Migration*, as there appears to be a linkage between the two items.
- 1.2. **IG** invited AOB requests, stating that IESG members could propose discussion items at this point or during the break. There were no requests.
- 1.3. **IG** advised IESG members that a few non-contentious amends were received from **FR** and **HP** with regards the December IESG minutes; these have been incorporated and would be published as usual. **IG** approved the minutes from the December IESG.

#### **APPROVAL – IESG\_APR\_LOG\_065 – December IESG Minutes - IG approved the minutes from the December IESG.**

- 1.4. **IG** moved on to discuss the open actions, inviting IESG members to walk through from slide 23 (*Note: action updates are documented on slides 4-6, with additional comments captured below*).
- 1.5. With regards to action #228 (*Programme Update – MI*), **IG** advised that it was agreed that this would be incorporated into the revised Roadmap and would therefore remain open, no further work has progressed on this, **IG** thought this was appropriate and non-contentious.

- 1.6. In terms of action #229 (*Dispute Management System – DMS*), **IG** decided that this should be closed because the action was for **EC** to provide the Hogan Lovells report to the CMA9 which has been done. **IG** advised that any further requests on DMS could be opened up as separate actions.
- 1.7. In terms of action #330 (*P14 – Evaluation of Efficacy of Account Comparison*), **IG** explained that this was intended to be a letter that will come back to IESG prior to sending to the CMA and is now very much a Roadmap item; consequently it should remain open.
- 1.8. With regards to action #335 (*Programme Update – Migration Update*), **IG** stated that this is the migration update as part of the FCA adjustment period; it would be covered during the course of the meeting, this action can be closed.
- 1.9. In terms of action #336 (*Programme Update – KPIs*), **IG** explained that there was meant to be a discussion about the November / December KPIs, but full MI has not been received as HSBC was unable to provide comprehensive numbers for December. **IG** added that **EC** would pick that up in agenda item 1.c – *Programme Update*.
- 1.10. **IG** explained that action #337 (*Revised Roadmap – Consultation Summary*) could be closed because there is a scheduled discussion in the agenda –item 2.d.

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### ACTIONS

Action Number	Date Raised	Owner	Description	Notes	Target Date	Status	Date Closed
IESG_2019_301_228	17/10/2019	EC	<b>Programme Update - MI</b> - Improving the MI process and information quality, including eliminating synthetic authentication requests whilst providing TPPs and TSPs with critical real time information on aspects such as availability, performance and quality to be presented as an agenda item at the next IESG (19 November 2019) with all suggestions from IESG members to be sent through to EC by 01/11.	<p><b>Update 16/01</b> - This has been incorporated into the revised Roadmap and would therefore remain open. Carry forward to February IESG.</p> <p><b>Update 08/01</b> - Action to remain open during consultation on the roadmap. Carry over to February IESG.</p> <p><b>Update 17/12</b> – This was discussed as part of the roadmap consultation; agenda item 2.e. Action to remain open during the consultation.</p> <p><b>Update 07/11</b> - This will be incorporated as part of the revised roadmap proposal and consulted upon.</p> <p><b>Update 18/10</b> - Memo re this action was sent to IESG members via the Secretariat with responses requested by 01/11.</p>	26/02/2019	Open	
IESG_2019_301_229	17/11/2019	EC	<b>Dispute Management Systems (DMS)</b> - Hogan Lovells report to be distributed to IESG members by EC following OBIE internal governance reviews.	<p><b>Update 16/01</b> - As the documents were circulated to the CMA9, this action can now be closed and any matters arising out of this can be opened as new actions.</p> <p><b>Update 17/12</b> – This was discussed as part of the programme update; agenda item 1.c. Action to remain open during the consultation of the roadmap.</p> <p><b>Update 13/12</b> – Verbal update to be given at the December IESG</p> <p><b>Update 19/11</b> - At the November IESG, IG advised that this action should be left open until all clarifications are concluded at the bilaterals and other conversations.</p>	16/01/2019	Closed	16/01/2020

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## OPEN BANKING

				<p><b>Update 07/11</b> - Report distributed to IESG members by email on 07/11. Propose to close.</p>			
IESG_2019_301_330	17/11/2019	AA	<p><b>P14 Evaluation of Efficacy of Account Comparison</b> - As discussed at IESG on 17 October 2019, IESG members to provide stakeholder representations to the Trustee, copying in Alan Ainsworth by 25/10.</p>	<p><b>Update 08/01</b> - Awaiting completion of roadmap consultation to proceed. Carry forward to February IESG.</p> <p><b>Update 17/12</b> - IG stated that a letter has been prepared by the OBIE team but discussions were being finalised and this would therefore be carried forward to the IESG meeting on 16 January 2020. Carry forward.</p> <p><b>Update 19/11</b> – At the November IESG, AA stated that four representations have been thus far received and there appears to be a level of consistency to these representations, there would be an update at the next IESG of 17 December 2019. Although the deadline for representations was 25 October 2019, late submissions would be accepted.</p> <p><b>Update 11/11</b> - Review of the stakeholder representations is in progress. Carry forward to the December IESG.</p>	26/02/2020	Open	
IESG_2019_301_335	19/11/2019	EC	<p><b>Programme update</b> - Migration Update - EC to present a migration status overview at the January IESG, this should include a summary of proportion of customers who have moved across.</p>	<p><b>Update 16/01</b> - Covered in the agenda, this can now be closed.</p> <p><b>Update 08/01</b> - This is included as an agenda item at the January IESG. Propose to close.</p>	16/01/2020	Closed	16/01/2020
IESG_2019_301_336	19/11/2019	EC	<p><b>Programme Update – KPIs</b> - EC to distribute KPI's out of cycle before the IESG meeting of 16 January 2020. The January agenda is to include two months narrative (November and December 2019).</p>	<p><b>Update 13/01</b> - The OBIE has been unable to distribute November MI due to late receipt of data from HSBC. Consequently, although the IESG pack contains November KPIs for publication it will not include November supplemental V3 information. December KPIs cannot be published as that data has not yet been received by HSBC. This will be sent out of cycle.</p> <p><b>Update 08/01</b> - This is to be discussed as part of agenda item 1.c at the January IESG. Propose to close.</p>	26/02/2020	Open	

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## OPEN BANKING

IESG_2019_301_336	19/11/2019	AA	<b>Revised Roadmap</b> – Consultation Summary – AA to include a link to the Response Summary when the plan on a page is sent out, this will include a tracked changes version incorporating feedback from IESG discussions	<b>Update 16/01</b> - This was covered as part of the agenda as item 2.d.  <b>Update 20/12</b> - This document was circulated to IESG members on 19/12. Propose to close.	20/12/2019	Closed	16/01/2020
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## 1.c PROGRAMME UPDATE

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### 1.c.i OBIE STATUS REPORT

- 1.11. As a slight alteration to the agenda, **IG** introduced the programme update section with a *Customer Experience Guidelines (CEG)* status overview by **DF**. **DF** explained that productive meetings were held between OBIE and a number of banks in December 2019, following on from which actions were agreed and distributed with a plan to receive updates at varying stages of their individual journeys, as well as understand areas of non-conformance. **DF** added that in addition to those conversations, discussions with **BR** are in progress to determine what form of directions (if any) will be issued to a number of banks in early to mid-February. **IG** explained that banks that are involved in those discussions are clear on the status, so this briefing is primarily for the benefit of the non-CMA9 stakeholders. **IG** added that if any stakeholders wanted to know more about the process, they should approach **DF**.
- 1.12. **GL** asked what the interplay is between the OBIE supervision process and the FCA supervision process as TPPs are being asked to perform certain tasks (notification 005 document, for example), whilst the process of read across, including communication remains uncertain. **IG** described the two processes as separate; however, **IG** stated that the OBIE is working closely with the TPPs to ensure that information is being shared. **IG** added that it is not one single process, the OBIE has requirements under the Order while the FCA has their requirements as well, but there is good alignment between both processes. **DF** stated that **HOZ** of the FCA is aware of the process as there have been specific conversations about this. **HOZ** agreed, stating that there are regular updates with OBIE and **BR** when required; these ensure alignment in terms of views, feedback and what is generally seen amongst firms and heard from TPPs. **GL** expressed concern over the fact that TPPs are sharing information all the time and in different scenarios (with OBIE and /or the FCA) and both entities are talking to the banks about issues that are arising, but the feedback loop is not flowing through. From the OBIE perspective, **IG** stated that this is the reason why **DF** is giving the update and asked **GL** to approach **DF** directly to understand the status in more detail. **IG's** reflection was that these processes are complicated and take time, there cannot be full transparency regarding every conversation OBL and its monitoring team has with the banks. **IG** explained that the transparency element is part of the decision that OBIE and the CMA will make - whether directions are produced, whether they are Trustee or CMA directions, whether they are public or non-public. **HOZ** said it is the same for the FCA, there is transparency as far as possible with regular meetings with TPPs, and while the discussions are used to provide feedback, there are elements of these discussions that are confidential.
- 1.13. **GL** stated that the end of the adjustment period is approaching and some ASPSPs, including a selection of the CMA9 who were anticipated by the FCA to have been fully compliant and technology-ready are not ready. **GL** asked what would happen at the end of the adjustment period. **IG** stated that this is a good point and would be picked up under agenda item 2.a – *Screen Scraping Migration* as the paper contains the result of information gathered across the ecosystem by the OBIE.
- 1.14. **IG** handed over to **EC** for a more general update, starting with the OBIE status report.
- 1.15. From an OBIE status perspective, **EC** explained that there are a couple of Amber statuses this month due to some dependencies with Pay.UK on the CASS programme (this relates to P15); the same is expected for the next development phase of Confirmation of Payee (CoP). **EC** explained that P14 is also within the revised Roadmap consultation this month; these items did not conclude in December 2019 as planned, but are expected to return to Green as soon as the dependencies in the revised Roadmap are clarified.
- 1.16. In terms of progress, **EC** stated that the Standards were published in line with the agreement reached at the last IESG in December 2019. **EC** added that across the ecosystem, progress has been made on conformance across AIS and PIS; slow progress is being made across the CMA9 to attain functional conformance certification. **IG** asked if the aim is to have functional conformance by the end of the month. **EC** explained that this is the objective, but whether it is achievable needs to be picked up on a bilateral basis as some are close, others are not.

1.17. With regards to the table on slide 25, **FR** asked what the 'open data API IESG recommendations and re-evaluation of Market Maturity' relates to; asking if this has to do with the product data that is made available over the APIs. **EC** explained that this relates to P14 as there are no changes for open data in plan. **FR** stated that the data that is made available over the APIs, including their consistency and whether their format is effective has not been detailed, asking if the OBIE is encouraging any organisations to use that data. **EC** explained that there has been an on-going drive to get some comparison firms to utilise the open data as it is not being used as originally envisaged. **FR** explained that she is not referring to current account comparison, but the product data - the branch location, how long they are on there, service level indicators. **EC** stated that they are available over APIs but not strictly open data. **IG** stated that the straight forward answer is no; there is nothing currently in plan to assess the quality of open data, and the last time it was looked at was in the P14 review, but this was from the point of view of account comparison. In terms of quality, **EC** stated that this was reviewed during post implementation, but there is no strict on-going quality review of the data being provided by the CMA9. **FR** stated that while it is not an urgent point, it was a CMA Order that is not being discussed and wanted to flag that this should be considered in another year.

## 1.c.ii CMA9 STATUS REPORT

1.18. **EC** explained that three firms remain on directions, and of those three, the Bank of Ireland and Santander (Cater Allen) non-Green statuses are as a result of the progress against directions. In terms of the deliveries, **EC** stated that these are now on track to the bilateral agreements made and are being adhered to, despite some detailed plans outstanding around the v3.1.2 changes and in particular, P2. **EC** stated that nevertheless, there is broad agreement around the timelines for the implementation. **EC's** prognosis around v3.1.2 was that this will go Green with the exception of the two firms that are still persisting in their directions.

## 1.c.iii KEY PERFORMANCE INDICATORS (KPI's)

1.19. **IG** referred to action #228 - MI, reminding IESG members that the update was planned to be given in this particular section; **IG** asked why customer numbers are not being reported. **EC** explained that this month's IESG meeting is quite early in the reporting cycle and a number of banks have provided data on time, albeit there being some challenges with the quality. Notwithstanding the timing, the key reasons for the missing December data, **EC** explained, is that HSBC did not provide the required MI.

1.20. **IG** stated that the MI is an item on the revised Roadmap, the scope and timing of that activity is for discussion which will be covered as 'something to fix' as quite clearly, this is not solving itself and requires intervention. On this basis, **IG** stated that he would like to have a conversation around what can be determined by the MI so far, but firstly gave the floor to **HP** for comments on the MI from an HSBC perspective.

1.21. **HP** echoed **EC's** comments which are well known and being worked through, adding that it relates only to customer data (number of customers) which is not only more complex to determine, but the quality checks have found a number of bugs in the last couple of months. **HP** explained that there is a plan to fix it, but that in the meantime, all the other data is accurate.

1.22. **IG** did not get the sense that the bilateral nature of discussions with the OBIE are not working, but that it was just taking a longer time to fix.

1.23. **FR** felt reassured by **EC's** comments, stating that these tables usually leave her questioning the banks' commitment and whether there is an appropriate level of governance in place. **EC** explained that:

1.23.1. There is no reticence from any of the CMA9 around producing and collecting data where there are quality issues. There is clear commitment to providing the data.

1.23.2. The challenges around data provision are well known now and need to be addressed to eradicate them.

**IG** explained that this element has not been automated or stabilised and felt comfortable having something in the revised Roadmap as a specific effort to try and fix MI.

- 1.24. **FR** asked if it is possible to get commentary that lays out a judgement on what each of the summaries mean and perhaps show the trend over the last six months, for example. **EC** explained that the historic data would mean that commentary will not be helpful. **EC** stated that he would be moving on to discuss, not the data on the page, but how performance is doing which will answer **FR**'s questions.
- 1.25. Comparing what was received in November/December 2019 and the data coming in now (excluding HSBC), **EC** stated that there has been an improvement in availability and response times, especially from firms that were causing significant problems during the migration activities.
- 1.26. In terms of successful API calls and the ratio, **EC** stated that there has been a general improvement, albeit marginal. **EC** added that each month, one or more of the firms have different issues with no common theme. In terms of the actual successful API calls, **EC** stated that there was significant growth in October. **EC** explained that this means that:
- 1.26.1. The actual volume of calls relative to the number of clients in PSUs is increasing, for a period of time it was linear.
- 1.26.2. The volume is starting to grow, possibly because of the Cloud Accountancy migrations, but it is difficult to assess without getting detailed information from TPPs. **EC** stated that there seems to be a higher number of PSU calls relative to individuals.
- 1.27. **IM** asked if the PSUs are measured by the CMA9, **EC** stated that they are. **FR** asked if the PSU numbers will return in future packs. **EC** explained that it was time barred as there was not enough time to challenge with the banks. **IG** added that HSBC will provide their data on 17 January 2020.
- 1.28. **GL** stated that the availability figures are masking the fact that some of the firms are struggling with other issues. **GL** explained further that between availability and other issues not relating to performance, there are a wide variety of things that are not right, and in the quest for high performing APIs, there is a need to contemplate what point:
- 1.28.1. The FCA extend the adjustment period; or
- 1.28.2. Firms are asked to deliver a modified customer interface.
- 1.29. **IG** stated that this is a good time to segway into the next section on the agenda. **IG** explained that he is keeping an eye on the PIS calls in relation to the AIS, asking if this has been through the challenge process and can be relied on to quote confidently. In relation to PIS, **EC** explained that there has been an uptake in the volumes since December 2019, although there is no specific number. **IG** explained that when he looked at it in September 2019, it was 0.4% and now it is less, so there is some growth, but proportionally, it is declining.

## 2.a IESG SCREEN SCRAPING MIGRATION REPORT

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- 2.1. **IG** introduced the paper explaining that at the last meeting, **EC** was asked to reach out to as many TPPs as possible to find out where they are in the migration process – the intention was not to fix the problem, but to highlight the status.
- 2.2. **EC** explained that this is not data that could be onward shared, some were willing to talk more openly albeit specific to the data relating to customer numbers, others talked about the migration in relation to whether they have started or not; whilst some others did not want to talk to the OBIE at all.
- 2.3. **EC** explained further that there is a degree of uncertainty; the firms that sit behind a number of the existing screen scraping TSPs are actually moving to other technical providers in the ecosystem. **EC** stated that some of the firms have completed their migrations, while others are underway. In analysing the types of issues being faced (not specific to any bank), **EC** stated that it was agreed at PMG that the next meeting would be a deep dive into individual bank issues to ensure that everyone is on the same page).
- 2.4. **EC** explained that the problems being articulated are not performance related; there are stability issues and a number of the banks have had service interruptions over the course of November / December 2019 which are

reflected more in lack of confidence than a problem in the service. **EC** went back to **GL**'s point about the fact that there is still a lot to do while the adjustment period is rapidly approaching, stating that it is as much about keeping the confidence high as it is about technical problems; there are technological problems (current account defects, for example), however, the main issues are twofold:

2.4.1. PSD2 accounts, in particular, credit cards and savings products, and the volume of defects associated with those; and

2.4.2. Savings products, where they are not enabled via APIs – this is what is causing most of the issues for the TSPs and TPPs sitting behind them.

On the latter, **EC** explained that not much can be done; this needs to be worked through with the industry. With regards to the write-up on slide 50- 51, **IG** commented that this does not fill him with confidence as it looks like there are a lot of functional issues outstanding and some banks clearly stand out. **IG** asked if this document has been seen by the banks and if they concur that these are outstanding functional issues. **EC** explained that the information came directly from the TPPs, although a number of the TPPs report directly to the banks and not necessarily to OBIE. **IG** stated that it would be helpful to get the CMA9 response to each of the issues presuming that the CMA9 would like to challenge what the TPPs are saying.

2.5. **SW** responded, stating that they would like visibility of the tickets raised, as the challenge would be to reconcile what TPPs have raised with the banks' service desk vs. what they are reporting to OBIE. **EC** agreed, explaining that OBIE did not analyse the tickets but listened to the TSPs and FinTechs that are trying to migrate. **EC** added that in some cases, there are definitely tickets but in other cases, the intelligence needs to be shared; hence the PMG session with the CMA9 was convened. **IG** agreed with **EC**, adding that a right of response from the banks is required.

2.6. **HP** wanted to know what the phrase: '*dependencies on TSP activities*' means. **EC** explained that the TSPs are regulated actors who support the TPP migration, therefore the capabilities need to be robust, and where TSPs have raised tickets, the problem is usually relating to core TSP products. **IG** stated that this is complicated; PMG is the right forum to go through this in more detail as the banks have one side of the conversation. **IG** made another point – the distinction between TSPs and TPPs is clearly important and TSPs have an important role in migration, however the distinction between what relates to current account (falls within the direct remit of the Order) and what relates to PSD2 accounts that are not current accounts (which is not in the Order) needs to be understood. The final element, **IG** noted, is non PSD2 accounts, stating that a better understanding of the areas in which these issues arise would be helpful because OBIE can take an approach on the first category, the FCA can take an approach on the second category, while the third remains a gap. **EC** reiterated that majority of the problems are not with PCA/BCA; the key thing is to check which tickets are stopping the migration and not which tickets are on the list for banks to fix. **IG** stated that a prioritisation at PMG level would be ideal. **IG** asked if this could be worked through PMG to obtain a better segregation and then advise the FCA of the findings. **EMB** expressed the need for objectivity, stating that there needs to be a more honest perspective from both sides. **EMB** added that there is a concern around how these issues have been raised in the report and more detail is required ahead of PMG to allow for a different kind of publication. **IG** agreed with **EMB**, stating that this is not a finite report but work in progress; reiterating that **EC** was tasked with talking to the TSPs and TPPs to understand the status of the migration.

2.7. **HOZ** stated that it would be helpful from an FCA perspective if Open Banking could share the findings from the CMA9 responses, adding that an invite to a meeting where the sole purpose is to discuss this would also be ideal. As it is now the middle of January 2020, **HOZ** stated that there is not much time left, the progress of the migration continues to be monitored.

2.8. On this basis, **IG** noted that it would be helpful for:

2.8.1. CMA9 responses to the document to be obtained.

2.8.2. The FCA to attend PMG to discuss responses to the screen scraping migration document.

2.8.3. Findings of CMA9 responses and of the meeting to be sent to FCA.

2.8.4. Consider an off-schedule PMG if required.

***ACTION – IESG\_2020\_301\_338 - Screen Scraping Migration – FCA to join a PMG forum to be scheduled week commencing 20 January 2020 to discuss screen scraping migration, including CMA9 responses to the document presented at IESG with a view for findings to be sent to the FCA.***

***Due date – 30 January 2020***

- 2.9. **TS** asked if there is any value in distinguishing PIS from AIS as far as this discussion is concerned. **EC** explained that there is very little PIS screen scraping traffic in UK today.
- 2.10. With regards to segmentation, **RR** stated that from a Lloyds point of view, the three TPP respondents are some of the big dogs in the room and account for the lion's share of traffic, an interesting question would be what has happened to enable successful migration for those three and what is missing for the rest. **RR** explained further that **FR** and **MCH** have raised concerns about customer experience issues and it might be good to understand how many customers are affected by the TPPs that are struggling. **EC** explained that getting the customer numbers is difficult. **IG** added that the TPPs are as protective about their competitive information as the banks are. **RR** argued that the big ones are known. **EC** reminded IESG members that he had mentioned about focussing on the TSP issues and the defects, however, this does not necessarily mean that it is the banks that have to fix the issues, it may be on the TSP side, however, working between the banks and the TSPs would help resolve the issues.
- 2.11. **IG** stated that the objective of the paper has been achieved, it is not a report that is intended to name and shame, and this is only one half of the story - the first step to getting the right people in the room to flesh out these issues, prioritise the tickets and fix. **IG** strongly encouraged a PMG forum to happen the following week commencing 20 January 2020, with an additional need to think constructively about how to involve the FCA and engage TSPs.
- 2.12. **CA** expressed support for the approach; asking if anonymised specifics could be shared so that the PMG session can be productive. **EC** agreed, stating that he would like to do this individually with the CMA9 before PMG. **IG** stated that it could be a quick call with a member of the OBIE team, but stressed the need for the OBIE team to preserve the confidentiality of the TPPs in order as not to lose their trust. **CA** explained that it is about getting transparency with the data as there are cases where the TPPs think they have raised something, but unfortunately it has not registered, not gone to the right person or got lost in translation.
- 2.13. **GL** was happy with the actions. As a hunch, **GL** stated that there is probably a third of the screen scraping traffic that has been migrated so far, therefore two-thirds outstanding with only two months to go and TPPs are uncertain about how to progress their interactions with the two authorities dealing with this. **GL** explained that the tickets called notification 005 which go into the FCA is the rough equivalent of raising a ticket at the service desk, **GL** was not sure if they are fully cognisant of how to handle the interplay between these two. **GL** added that there is a lot being fed into the FCA but very little that comes back by way of acknowledgement that something has been received and being dealt with. **GL** stated that the OBIE service desk is slightly more practised at giving the responses afterwards, but given the regulatory requirement to report things relating to the APIs to the FCA, some joining of the dots between the two will be a worthwhile exercise because the FCA have offered a workshop to the TPPs to discuss circumstances in which regulatory notifications should be used. **GL** commented that if the regulatory notifications were working properly, then there would have been directions coming from the FCA to most of the ASPSPs to build the modified interfaces immediately. **GL** reminded IESG members that TPPs want high quality APIs and the situation at the moment, according to **GL**, is that none of the regulatory rules that are set out in PSD2 are being followed, therefore, if there is no extension to the adjustment period, solutions to these issues need to be found perhaps through co-ordination by the OBIE and service desk. **IG** stated that **GL**'s comments would be borne in mind by the OBIE and FCA, it is very important that the FCA join the PMG forum. **IG** added that if there are individuals who do not agree that the FCA should join, they should raise their concerns so that the OBIE can address them, and in the interim, the default position is that the FCA will join the next PMG forum.
- 2.14. **HOZ** agreed that further alignment is required and should be discussed and wanted to flag that when it comes to 005, the FCA have discussions about notifications received with ASPSPs. **HOZ** flagged that these are confidential

discussions, some of which are not for onward sharing; however the FCA remains as transparent as possible. **HOZ** advised IESG members that there are fortnightly calls with the TPPs and issues raised are followed up with firms. **HOZ** stated that the FCA is monitoring through other sources and cognisant of the fact that the adjustment period will complete on 14 March 2020, the FCA is also aware of the importance of fixing any issues ahead of that timeline. **IG** stressed the importance of getting the work done as nobody wants an extension of the adjustment period.

## 2.b CUSTOMER EVALUATION FRAMEWORK (CEF)

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- 2.15. **IG** introduced the paper for noting, inviting **AA** to provide an update.
- 2.16. **AA** stated that as the focus has been on the revised Roadmap, this paper has not had as much time and input as it should have had, but stressed that the core point is that during consultation on this, there has been good feedback from those that have engaged, however, not as much as the OBIE would have liked. **AA** stated that this is partly because it has been complicated with indigestible content in the documents that have been sent out.
- 2.17. **AA** wanted a re-focus on outcomes, making it more consumable / digestible to identify the good and the bad, and understand where it relates to the Order, including unforeseen consequences or other outcomes. **AA** expressed the intention to increase engagement from IESG members.
- 2.18. **AA** explained that the content and input has enabled the OBIE team to get an idea of *what good looks like* and they are now working with the team at University of Bristol for a new version. **AA** explained that by February 2020, there should be more informative material that IESG members and members of the ecosystem can engage with. **AA** explained that the CEF should be able to identify risks and there will also be a suggestion of what specific issues exist. With regards to the next iteration, **AA's** plea was for better interaction as since set up, this has been limited. **AA** added that this is to be able to determine whether the Order has been fulfilled.
- 2.19. **IG** stated that version 2 of the CEF is not due till end of March / beginning of April to finalise, however progress needs to be made to get there. **IG** detected that there is a lot of scope for potential misinterpretation of the CEF, and explained that there is a requirement to think about where perimeters are drawn and what the question that needs to be answered is. **IG** explained further that the questions to be asked are:
- 2.19.1. What is the desired output?
  - 2.19.2. What does it do?
  - 2.19.3. Does it make recommendations to the Trustee, to the CMA, etc.?
  - 2.19.4. Is it a part of the monitoring tool?
- IG** explained that in terms of fulfilling the Order, there is a minimum that the CMA would be looking to see and all stakeholders need to have a view on this.
- 2.20. **FR** stated that this is one of her top priorities as it has been in discussion since 2017 and it was one of the things she negotiated, however, only one bank responded and the rest were consumer organisations. **FR** stated that they have involved a number of consumer organisations in the response and have looked at this in a level of depth that perhaps other stakeholders have not had the opportunity to do, and on that basis, she is happy to host and facilitate a smaller group to discuss lessons learnt. **FR** thought that it would be useful to help answer questions on scope and purpose, consensus in a smaller group (industry, FDATA, EMA) can then be drawn so that progress can be made. **FR** explained that it would be good to try to start quantifying the methodology of some of consumer and SME delivery benefits. **IG** welcomed the idea to avoid reinterpreting what has been done already.

**ACTION - IESG\_2020\_301\_440 – Customer Evaluation Framework - FR to facilitate a consumer roundtable to enable better understanding, particularly in terms of scope and purpose of the CEF.**  
**Due date – 26 February 2020**

## 2.c IMPACT OF SCA AND OTHER RISKS ON CONSUMERS (CONSUMER AND SME REPRESENTATIVE OVERVIEW)

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- 2.21. **IG** felt like there was some read across around the screen scraping migration element and asked **FR** / **MCH** to introduce the paper and next steps would be figured out.
- 2.22. **MCH** drew attention to the fact that the conversation regarding screen scraping migration has enormous consequences for consumers - ASPSPs, TPPs, TSPs have been discussed, the consumers (and in particular the small business consumers) need to be discussed. **MCH** pointed out that in the consultation, the big cloud accounting providers are mentioned who could have significant reductions in the quality of services provided to them; therefore there is a duty to consider a broader point of view – the significant roles that those businesses play in the economy. **MCH** worried that there will be a further convening in less than a month without knowing what the figures would look like or where the tickets would be, and there is a real threat to continuation of critical services to small businesses which are critical to the UK economy. **MCH** stressed that no number of JIRA tickets would avoid the significant crisis.
- 2.23. With regards to SCA, **FR** explained that it highlights the existence of direct consumer risks and these have been included in the paper (which **FR** hoped IESG members had read), adding that what is being sought is for the OBIE and IESG to create a consumer risk log where these risks are identified and mitigating actions discussed. **FR**'s aim was to ensure that things requiring further action are picked up. **FR** thought that distractions by technology and legislation mean that the downstream impact on consumers is rarely discussed. **FR** thought that there were other issues that could be addressed in this space, such as the implications around 90 day re-authorisation, the display of company name on statements, dashboards, onward sharing, etc. **FR** expressed keenness for IESG to consider the impact on consumers and if none are identified, then perhaps different lenses should be used. **FR** added that there are things that cause inconvenience for consumers like buffering and timing out (they create drop off and consumer disengagement) which create confusion; other things are missing – incorrect credit card balances which is a big deal for a consumer who is relying on information ahead of making a purchase as it means that from a consumer point of view, TPP services are not reliable or trustworthy. **FR** asked IESG to create a risk log, putting some effort into it, perhaps at PMG.
- 2.24. In terms of the three successful migrations that have happened (and whether or not they are scale players), **IM** asked if it is important to delineate between SME and consumer facing propositions, as one is slightly more complex than the other and some include more product types that are out of scope based on PSD2. **IM** added that with regards to the PMG meeting, it might be worth stating that this is what it looks like for the former as opposed to the latter, this is an important clarification. **FR** stated that the differentiation is important; however there are other consumer risks which the paper talks about, for example, consumers who are not going to be able to undertake SCA. **FR** emphasised that these other risks need to be considered and addressed, adding that the FCA has made some recommendations – has there been progress against those? Where are the FCA requests documented? **FR** stated that while the overall ask is for a risk log, the issues should be listed as well. **MCH** agreed that it is good to make a distinction, however, in the various manifestations of the entity through its various bodies, people will not identify the things that constitute the downstream risk so if they are not looked for, they will not be found. **MCH** added that the ask is for a mechanism for looking for them so that they can be found and reacted to, thereby avoiding bad consumer outcomes.
- 2.25. **IG** asked– are you advocating prioritising this, i.e. looking at migration issues first and then the longer list, or all in one go?
- 2.26. **CA** explained that there are three specific aspects to this discussion (*as detailed below*) and the examples given are valid, Barclays is on-board and agree.
- 2.26.1. Migration from existing services to new API driven services, which is the most immediate in terms of the deadline.
- 2.26.2. Strong customer authentication (SCA) and consumers' utilisation of SCA across many different journeys – this is in hand with the work being done by the FCA and being dealt with by UK Finance. Everything is about ensuring that the breadth of consumers can access different services by SCA, and if it is helpful, **CA** stated that she would be happy to have a conversation with **FR** and **MCH** about the process.

2.26.3. The broader Open Banking improvement of consumer outcomes – for example, onward shares where there is an action around documenting some of the potential risks, but also evidencing where those risks are coming to fruition and deal with them in a prioritisation order.

- 2.27. **FR** agreed with the different things that had been identified and encouraged IESG members to engage with the Consumer Advisory Panel at UK Finance and consumers in those organisations. **CA** stated that there is someone from the Consumer Advisory Panel that sits on the FCA Steering Group. **FR** stated that she had not seen any publications around those specific items.
- 2.28. **FR** explained that the other aspect is the longer list of risks and issues and how these are picked up as there are differences between risk and issues – for risks, the idea would be to mitigate before they materialise into issues. **CA** stated that the list should be simply what the current list of risks is and what controls are in place, including evidence and then prioritisation. **FR** stated that this has to be owned and led by the industry and not by **FR** and **MCH** as stakeholders at IESG. **FR** would like to see this treated with the same importance as what is mandated and what is not.
- 2.29. **IM** thought that IESG members had been through this exercise before in the form of the onward sharing and data piece. **IM** thought that this was discussed with the FCA, including perimeters and overlapping regulations. **IM** stated that if regulations change, they need to be explored with the relevant regulators. **FR** stated that there should be a risk log of items where there is potential detriment and if some of the work is repetitive, then it can be deprioritised. **IM** added that some will be technical and others will probably be about regulation. **MCH** stated that the need to ensure TPP confidence has been established, there also needs to be consumer confidence as an absence of that leads to a lack of engagement and lack of engagement means a lack of success at the CMA's Open Banking remedy.
- 2.30. In pulling some of the strands together, **IG** commented that nobody is debating whether this activity should be undertaken; rather, the question is how, whilst being aware of the limitations of Open Banking (not least the scope as it relates to current accounts). **IG** thought that chunking it up as referred to by **CA** and **FR** suggests makes sense. **IG** stated that if UK Finance is continuing with the FCA element, it makes sense as this will cover a much broader remit than just Open Banking. **IG** added that this could be picked up at PMG. With regards to the longer list of issues that may arise, **IG** stated that could be picked up by the FCA as and when those activities occur or it could be placed within the Consumer Evaluation Framework (CEF) element that is being pulled together at the moment. **FR** did not want to see this diluted within the CEF as it is a risk log within IESG's capacity. **CA** added that banks have risk logs for Open Banking products and propositions as it is part of being a responsible organisation and would be happy to work with **FR** over the next month to collate a list of current risks, including an articulation of where it sits in terms of control environment, followed by a recommendation that can be shared with **IG** ahead of sharing with the rest of IESG.
- 2.31. **IG** appreciated the offer, stating that he would like someone to write it up into a recommendation for OBIE, the concern being that OBIE might fall foul of scope. **IG** added that so many of these issues could be applicable when the customer experience is looked at across multiple products and may need to be fixed in entities that are not OBIE. **IG** stated that he would like to see the OBIE contributing in some form, but stated that it would be encouraging for **CA**, **AA**, **FR**, **MCH** to think through which pieces are not covered. After this is done, **IG** stated that the secretariat (**SC**) should be informed so that it is brought back as a recommendation.
- 2.32. **HOZ** stated that there are number of things that could be taken offline, but in terms of general information around the SCA point, the FCA has communicated and discussed with all major banks about understanding what the other plans are for SCA. **FR** thought this was helpful to hear and thought a one-page briefing for consumer organisations that have customers talking about consent would be helpful. **CA** stated that the focus of that group will be merchant engagement, but one of UK Finance's top priorities is to look at vulnerable customers, including people who are not digitally included.
- 2.33. **DF** added that there is a meeting with himself, **FR** and **MCH** pending, but wanted to mention a couple of things. **DF** stated that some of the things mentioned are alarming – '*erroneous and missing transactions*', for example.

DF stated that he would like to get as many tangible examples as possible, including background to be aware of from a monitoring perspective to see if there is a role for the OBIE to play.

***ACTION – IESG\_2020\_301\_339 – Impact of SCA and other risks on consumers (proposal by Consumer and SME representatives) - FR/CA/MCH/AA to meet to discuss the possibilities of collating a risk log, after which the secretariat should be advised of when it will be ready to come back to IESG.***

***Due date – 26 February 2020***

## 2.d REVISED ROADMAP – CONSULTATION SUMMARY

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- 2.34. **IG** introduced the paper, stating that the best way to spend the time is as stated below:
- 2.34.1. Get a refresh on overall process from **AA** to understand where this has come from and where it is heading to.
  - 2.34.2. There have been stakeholder representations that have come in over the last couple of weeks; **AA** will give an overview of those.
  - 2.34.3. **IG** will give some reflections as to where this currently sits as a Roadmap compared to version 2. (**IG** informed IESG members that for convenience this has been printed out for each member in the room and provided via email to IESG members on the phone).
  - 2.34.4. **BR** will say a few words around the scope of the revised Roadmap exercise.
  - 2.34.5. This will then be opened up for discussion; **IG** will try to address the conversation to ensure that some of the most contentious points are covered with everyone's input.
  - 2.34.6. Final discussions on what the revised Roadmap should look like.
- 2.35. In terms of process to date, **AA** stated that for phase 2 of the consultation, the OBIE received thirteen written submissions across the CMA9 and UK Finance, with a good response from TPPs and FDATA (as a TPP trade association). **AA** described the responses as good, with a constructive levels of engagement from across the ecosystem - CMA9, TPPs, trade associations and the consumer and SME representatives; these clearly articulated what they are looking for from the revised Roadmap and from the rest of the process of delivering the Order from a consumer perspective, which has been particularly helpful. In terms of next steps, **AA** stated that the OBIE has consolidated some of the feedback from the stakeholder representations and there will be a conversation between **IG** as Trustee, the CMA, and other regulatory authorities like HMT, the BoE, FCA, etc. in the week commencing 20 January 2020 to discuss current status. The Trustee will provide his final recommendations on the revised Roadmap to the CMA around the end of January 2020.
- 2.36. **AA** stated that OBIE's objective is to provide support to the process described above and to ensure representations are adequately articulated.
- 2.37. In terms of summary of what was received, **AA** reiterated that there was a constructive level of responses and that there is a level of emerging consensus which is around improving performance and availability. **AA** stated that different words were used to describe these – some referring to this as stability and resilience, whilst others referring to performance and availability, but there was a recognition that more work needs to be done.
- 2.38. **GL** stated that these are not Roadmap items, and that the Roadmap should be about new things and not how to make existing things work. **AA** explained that the revised Roadmap has been written in such a way that it is about what work needs to be done to ensure the delivery of the Order and clear advice and feedback received from all parties is that performance and availability need to improve to meet the requirements of the Order to enable TPPs to connect and offer their services. **AA** added that whilst there is an understandable point of view that this might have been an objective before and perhaps should have been done earlier, it is still outstanding work that needs to be completed. **GL** agreed.
- 2.39. **AA** stated that the first theme was around whether a revised Roadmap is needed at all; this is because a number of actions were in plan and stakeholders wondered whether the plan could not just continue.

- 2.40. **AA** stated that there was some feedback about whether the future of OBIE should be determined before the revised Roadmap or whether they should be separate pieces of work.
- 2.41. **AA** explained to IESG that there was a concern around the scope; there were a range of different questions related to whether items fitted within the scope of the CMA Order and indeed, therefore, the revised Roadmap.
- 2.42. In terms of the need for this exercise, **AA** explained that TPPs universally agreed that a lot more work needs to be done, and so were keen that the revised Roadmap becomes part of the CMA Order. **AA** added that there was also a view from the consumer and SME representatives that there is significantly more work to be done to meet the requirements of the Order and they wanted to see evidence that the Order has been achieved before the future state of the OBIE can be considered.
- 2.43. In terms of scope (without analysis of legal arguments), **AA** explained that there were questions from the CMA9 around the link of some of the revised Roadmap items to adverse effect on competition and the original intention of the CMA Order, wanting to see a closer relationship between items on the revised Roadmap and those AECs.
- 2.44. **AA** added that there were specific comments about impact assessments and whether the individual items in the proposed revised Roadmap reflected the results of any impact assessments.
- 2.45. **AA** went into specificity around scope, explaining that one of the core items referred to by many of the CMA9 was ecommerce, the provision of PIS services and associated functionality required by the Order. **AA** reminded IESG members that this was a core point that was mentioned in the previous meeting and some of the stakeholder representations from both UK Finance and members of the CMA9. **AA** explained that the point on ecommerce relates both to ecommerce payments and some of the authentication functionality points that were referenced in A7, is root cause analysis. **AA** added that it also refers to some of the points around performance benchmarks (whether there was a need for performance benchmarks to enable ecommerce) and some of the use cases underlying VRPs.
- 2.46. With respect to sweeping, **AA** stated that there were some comments, though not universal from around the CMA9 on whether sweeping is referenced in the Order (whilst it was clearly referenced in the report). **AA** stated that this leads to some of the SME and consumer representative responses which were clearly that the Order is about facilitating certain use cases, one of which is facilitation of unbundling enabled by sweeping.
- 2.47. In terms of the points around scope, **AA** explained that there were helpful points around providing balance to this debate from TPPs, with one TPP stating that the CMA9 were taking a narrow view of whether the objectives of the CMA Order were deemed to be met or not; they argued that what is required is a vision of what it is that the Order is trying to achieve.
- 2.48. With regards reverse payments, sweeping and indeed VRPs (which were often bundled together by respondents), **AA** stated that it was felt strongly by TPP respondents that they wanted to see VRPs as mandatory rather than just a standard build, they felt that sweeping was critically important and wanted to see it delivered more quickly. **AA** stated that the responses from the BRC indicated that they felt it was important that functionality be provided to enable competition to other forms of payment in retail.
- 2.49. Going back to the helpful response from the SME and consumer representatives, **AA** stated that they were talking about use cases, they wanted to ensure that what are enabled by the Order are some specific use cases that were referenced in the CMA report, such as unbundling of overdrafts, sweeping to avoid overdrafts and sweeping into interest bearing accounts. **AA** added that the importance of price comparison was also mentioned. **AA** stated that they mentioned the importance of the Customer Evaluation Framework which came through in previous conversations and linked to that piece of work, they would like to see consent journeys, consent management and TPP codes of conduct which was referenced, which did not go as far as the consumer and SME representatives would like to see.

- 2.50. **AA** referred back to the point on stability, explaining that there was more commonality with different parts of the ecosystem. **AA** stated that the CMA9 would like to see a period of stability where there is no new functionality being introduced by the OBIE, some of the items require more time than others to evaluate and implement, adding that there was a view from one TPP that the CMA9 need to resource up to deliver the requirements of the CMA Order now and any extension to the stability period is unnecessary – the Order provides that the CMA9 should provide the appropriate level of resources required to deliver.
- 2.51. **AA** referred to stability, ecommerce, scope and whether or not the revised Roadmap is required, explaining that these were the core of the representations. **AA** identified these as the key themes and did not want to go into more detail, but instead, wanted everyone to be on the same page in terms of the divergence of views around some of the core items on scope and necessity of the revised Roadmap.
- 2.52. **IG** explained that his role as the Trustee is to understand the diversity of opinions and to listen with the support of the OBIE team and then form a view on the revised Roadmap to take to the CMA. **IG** found the overview of the individual items helpful and recognised two things:
- 2.52.1. There is a huge divergence of opinions which is unsurprising and indicative of the journey that the programme has been on, but there is also a lot of commonality.
- 2.52.2. The job of the Trustee is to bank the commonality and balance divergence so that there is a trade- off. **IG** stated that a fair and common ground needs to be found. **IG** explained that it would be helpful to think of this as a package with inherent trade-offs identified. In terms of individual items and looking at these in isolation, it is a bit hard, but **IG** wanted to use this opportunity to get perspectives from around the table on both the package as a whole, the trade-offs and individual items if that is what people feel most strongly about; however, before that, **IG** wanted to put one thing to bed – why there is no mention of the future of OBIE in this revised Roadmap. For this discussion, **IG** handed over to **BR**.
- 2.53. In reading through the submissions received, **BR** stated that he became aware of a possible misconception or perhaps lack of clarity on the relationship between this process that is being undertaken now and the process of deciding on the future governance of Open Banking, including the work that UK Finance is doing with the CMA as participants. **BR** thought it might useful ahead of the rest of the conversation to try and clarify what the scope or function of this particular process is. **BR** explained that it is basically set out in the penultimate paragraph of the letter that the CMA wrote to **IG** which has been seen by all, that having gone through the achievements that all stakeholders have contributed to over the last two or three years, that the job is not yet completed. **BR** explained further that the job is not to get Open Banking done; the job is to get the Order implemented. **BR** stated that getting Open Banking done may never happen as it is a journey and not an event. The purpose of this exercise, therefore, is to hear from **IG** (in his judgement as Trustee) as to what more needs to be done by this group in order to deliver the requirements of the Order. In the process of doing that, **BR** stated that really good ideas and terrific improvements to Open Banking might be identified and stakeholders around the table might agree to, but they may not be strictly within the remit of the Order. **BR** explained further that it is precisely those types of ideas that will feed into the other process – the best arrangement for the governance of Open Banking in the context of other initiatives (most obviously Open Finance and how the governance of Open Banking would fit in). **BR** reiterated that the job here is to figure out what more needs to be done by this group to deliver the Order, a narrow focus which is separate from the broader question of the future of Open Banking. Once what needs to happen in enabling delivery of the Order is established, **BR** stated that this would be a better indicator of timescales and resources required by the OBIE to perform the remaining functions of delivery of Open Banking. **BR** hoped that this provides clarity around the distinction between the two processes.
- 2.54. **RH** repeated the phrase by **BR** - ‘fulfilling the Order’, explaining that **BR** had previously stated that - ‘*the Order will never be fulfilled*’, and asked for clarification. **BR** clarified – the Order can be implemented, but Open Banking may never be done as it may morph into various other things whilst improvements the CMA may not have thought of at the time are identified, but that is not the function of this review. **BR** stated that the responsibility of this review is to deliver the implementation requirements of the Order as opposed to getting Open Banking fully built.

- 2.55. **IG** stated that there were comments like ‘*when are you doing mortgages?*’, ‘*what should the governance look like?*’ and ‘*when are non-CMA9 going to pay for things?*’ which are not referenced in the Order and essentially, in a different consultation involving the government, FCA and UK Finance will form part of that consideration.
- 2.56. **RH** stated that ecommerce is not part of the Order. **IG** responded by stating that it is **RH**’s view which is not shared by all stakeholders.
- 2.57. **CA** thanked **BR** for the clarification, and asked if this would be the final iteration of the Roadmap. **BR** commented that this depends on what comes out of the revised Roadmap; however, the notion is that once the Order is delivered it is delivered. **BR** stated that other projects may build on what has been done here; the CMA has no more powers after that.
- 2.58. **FR** asked whether the criteria for fulfilling the Order include functionality that ensures that the original use cases that were put forward as being solutions to the failings of the market are in fact delivered. **BR** explained that the Order is the Order – it sets out specific deliverables, but also grants a degree of discretion to the Trustee as when the Order was written, all the details of what needs to be delivered were not clear. **BR** stated that a number of use cases were named in the report in the hope that the Order would deliver those, and there were general provisions of the Order which became subject to more specific definitions as time went on. For example, **BR** reminded IESG members that the Order states that transactional data should be available continuously to the TPPs with no specific definition of what ‘continuous’ means. **BR** explained that the definition has now been clarified. **BR** stated that there are many areas where the Trustee has discretion about interpretation of the Order and what the delivery expectations are.
- 2.59. **FR** stated that one of the things that some consumer organisations talk about is a lack of awareness amongst consumers, stating that there needs to be products that bring trust. **FR** added that there is no reassurance to the SMEs about the security and guarantees regarding the use of data. **FR** asked if communication (building trust in the ecosystem) is in the Roadmap. **BR** explained a need for a Trustmark and for confidence in the entire ecosystem was referenced, but did not specify that this should be delivered in a particular way.
- 2.60. **FR** stated that one of the concerns raised was that there is no evidence that the Order has been delivered and as there is no clarity on what the criteria for delivery is beyond a Roadmap, which ultimately **FR** did not think, signals the delivery of the Order, this is at a standstill. **FR** hoped that in focusing on the consumer outcomes and the CEF, this might help, but there is a requirement to be clear on the purposes of the entity and what would be the indicator for evidencing that the Order has been delivered.
- 2.61. With regards to sweeping between someone’s account for overdraft charge avoidance, **FR** stated that there is no single product – there are a very few offerings where people are automatically sweeping their accounts, while in other circles, it would be scoffed at to say that this is delivered when consumer numbers have not been published and the types of products that the CMA Order envisaged on the market do not exist and regarding the products which might be of value, nobody is sure. **FR**’s query was not just whether this is the last Roadmap, but also: ‘*on what basis do we judge that something has been delivered?*’ and added that this is not just about the functionalities on the Roadmap.
- 2.62. **IG** explained that the Roadmap itself is a component of the Order and explains what work the CMA9 have to undertake in order to get on with the process of delivering the Order. **IG** thought it would be good to spend a couple of minutes thinking about the potential package of activities, noting that the recommendation has not yet been determined; though this builds on the consultation, recommendations and the Roadmap.
- 2.62.1. **IG** explained that there are necessarily some trade-offs and he would like to see this as a package meaning that the Roadmap is a continuation of the activities that were being undertaken in 2019 and there are no new items that are put into this revised Roadmap. **IG** explained that the reason why there are some items in this revised Roadmap is because they were not completed in 2019 and there could be many reasons why they are still outstanding. For some other items that had been planned but never started, **IG** stated, for example, the moving goal post around PSD2 did contribute to that. **IG** did not believe that the job is done and provided a status report to the CMA in October 2019 indicating that – this was made public to IESG. **IG** added that in that

report, there were some recommendations as to items which should be considered, however, from a Trustee perspective, there are no new items in the revised Roadmap.

2.62.2. In looking at the progression of the consultation thus far, **IG** explained that some of the items (factually, seven) have been removed. While some of this is due to tidying up, **IG** explained that the one that stands out is the Trustmark which (as mentioned by **BR**) was identified in the Explanatory Note to the Order, however, the team are increasingly of the view that if there is no support, then it is a somewhat futile exercise regardless of what it says in the Explanatory Note. For that reason, **IG** stated that it would, therefore, be a point to be considered very carefully.

2.62.3. **IG** stated that there is time for what has been termed '*a period of stability*'. **IG** explained that it is in everyone's interest that the banks can produce high quality, well-performing APIs, recognising that there is frustration amongst TPPs at the delay, not least of which because some of these FinTechs have built business critical businesses, business plans, equity fund raisers, etc. on the back of this when time is not necessarily a resource in abundance. **IG** also recognised a significant degree of frustration from the regulators and the CMA that this is not happening within expected time frames. **IG** stated that with version 2, there was a degree of time afforded to the CMA9, which did not require a material implementation culminating in a period of 15-18 months, but the request has come for more time. **IG** explained further that the team has recommended effectively two drops within the next six months, being P2 (notification revocation) and P7 (reverse payments) under the old Roadmap and the question is whether this should be increased even further. **IG** explained what he was keen to get out of this conversation: if more time is given to the CMA9 to work on performance, will there be assurances that performance will be delivered so that this does not become a recurring position in 2020. **IG** felt it was important to recognise that on the one hand, some of the CMA9 are asking for speeding up of the end of the Order, while other CMA9 are asking for more time to deliver the Order.

2.63. **IG** was happy to use this forum to get a steer from stakeholders as to how to proceed. **IG** stated that this is a forum to discuss individual items, but would like to start with some of the macro elements.

2.64. **TS** stated that **FR**'s analysis from a business point of view (EMA) is true in the sense that the business would be looking to what changes in the market place in terms of opportunities and abilities to offer new and other products and to what extent these would be sustained within the next stage. **TS** stated that two points come to mind:

2.64.1. VRP

2.64.2. Authentication methods

**TS** was unsure as to what extent these two would be key in the ability of people to offer specific products that are going to be useful to consumers; there are a bunch of PIS and AIS providers who think that alternative means of authentication is important for what they do and recently, there have been conversations about creating physical card type products that use PIS interfaces at physical point of sale which would be impossible with the redirect approach. **TS** stated that as these are not mandated, it would be an interesting focus.

2.65. **GL** stated firstly that he is broadly happy with the revised Roadmap. Secondly, **GL** noted that FDATA's representation in the Phase 2 process made no mention of anything relating to technology or performance on the basis that there was an assumption that these are requirements that everybody is urgently working on, therefore, non-performance was focussed on exclusively. **GL** stated that this leads to things like revocation or refunds which are not in the Order but well supported. In terms of customer redress, **GL** explained that there is a view collectively in the community that the implementation of a process of customer redress has completely failed and this needs to be re-energised; this includes contemplating more detailed conversations with the FCA and the ombudsman and the firms that provide insurance under PSD2 to the TPPs to ensure that there is a process through which customer redress will be properly managed and to stop focussing on technology. **GL** stressed the need for a system that works and actual training that works. **GL** added that in order to fulfil the elements of the Order, to stimulate innovation and competition in retail banking, there needs to be a data sandbox – this has been sought through the Open Up Challenge and separately P14, these need to be brought up to the top of the pile to ensure delivery. Thirdly, **GL** expressed the continued frustration in the market and at IESG at the MI, stating that the MI provided to FCA and MI provided by Open Banking are different. In **GL**'s view, an instrument that measures technology; this should be a simple tool that does the measurement universally and states whether things are right or wrong and is transparent, uniform and always available in the market. **GL**

feared that failure to do this would lead to a recurrence of incidents like October 2019 when there was a discrepancy in the figures reported by OBIE for Nationwide vs. what the FCA were reporting. **GL** stated finally that anything further on 90 day re-authorisation would be gratefully received and did not think that the execution of payment initiation services has met the requirements of the Order due to the authentication issues.

- 2.66. From the point of view of the wider market, **AE** explained that UK Finance represent different firms and institutions and the aim is for UK Finance to enable those firms to compete effectively and there seems to be a two-tier system. **AE** noted that some of the items have previously been on the Roadmap and have made the grade into that, nevertheless it is coming up to a stage where the CMA9 are reaching a point where their open deployments are very high in the market and there is concern around competition. Other than that, **AE** was reiterating the point that completion of the Order is important to reach so that further innovation can be enabled and the wider market can start to input and work towards the Open Banking agenda. **IG** asked if he was suggesting that some of the non-CMA9 is locked out, as the Standards are always inclusive. **IG** and **AE** agreed to pick this point up offline.
- 2.67. **MC** stated that his understanding is that PSD2 was intended to be about maximising harmonisation of legislation, a level playing field for all. **MC** added that scope items for all things that go beyond PSD2 that are only mandated upon the CMA9 and not the others can create a two tier system and could start to have unintended consequences around the banks' ability to compete effectively in that ecosystem. **MC** stated that this is a key point / principle which have been raised bilaterally and at detailed level through the consultation. **IG** stated that **MC**, **AE** and himself could pick up offline to understand better. **MC** also wanted to respond to the key question around '*what is a reasonable amount of time to focus on resilience?*' and what assurances are there that it will achieve the desired outcome. **MC** stated that it is difficult to guarantee an outcome, but assurance can be given that the resources are effectively deployed for a prioritised set of things that anticipate a meaningful outcome on the response time, quality, error waits and availability. **MC** added that it is not about an unwillingness to put people on it, but there is a finite access to skills and technical capability in the market place, with a finite set of safe implementation slots across the technology space which is being managed for fifteen million members and 3.8 million that use internet banking; the prioritisation and management of the change has to be undertaken carefully. From **MC**'s point of view, a '*reasonable amount of time*' to focus on resilience should look like '*until we have materially got through the broader challenges on strong customer authentication*' because there are key risks associated to that and to not add functional scope to that during that period. .
- 2.68. **SW** recognised that competition has changed in the current account market since the investigation was kicked off in 2014 and customers have opened up other bank accounts. In terms of delivery of the Order, **SW** explained that this should look at how the market has changed, customers have changed, what offerings are in the broader market for current accounts. Secondly, **SW** wanted to pick up on some of the comments around PSD2 and some of the contentious items around authentication and payments. **SW** stated that is about the PSD2 perimeters – what PSD2 mandates around strong customer authentication. **SW** was not sure how the conversation about authentication in the Order would commence without a broader conversation about PSD2 and authentication.
- 2.69. **HP** stated that the key points were around the two tier framework which was touched on earlier, stating that he echoes that this would not be the right outcome for the ecosystem - a period of stabilisation, resilience on top of PSD2, SCA changes which are impacting customers and confirmation of payee. **HP** stated that this not about money, but there are limited amounts of change that can be delivered to the digital estate without encountering resilience issues on the core platforms and this has to be accepted as a trade-off. **HP** emphasised that it is not that the CMA requirements are not important, but there is no point delivering those requirements if firms have outages to core platforms. **IG** asked about the two-tier system and whether the concern was that non-CMA9 are not able to compete because what is optional for them is mandatory for the CMA9. **HP** stated that a number of second tier banks have finite investment pots in their digital channels and think that is unlikely that they will be able to continue to keep up with a Roadmap that goes beyond PSD2 in the short term. **HP** added that this leaves the non-CMA9 at a significant disadvantage. **HP** stated that they could choose to keep up, but that will entail other trade-offs. **IG** asked if they specified the items as the only implementation that looks like it is required for at least six months is P2 (aggregated polling, which is a shift from current polling) and P7 (reverse payments, which is the provision of existing data items via AIS through PIS). **HP** explained that there were two items

articulated - additional methods of authentication which leaves non-CMA9 unable to keep up and the second is sweeping – makes sense if firms are outside of the CMA9 have it, otherwise this does not generate great competition outcomes in terms of what the Order is trying to achieve. **HP** stated that if this is done in a way that is built on small technical changes, then it is achievable, but a new technical build makes it difficult for them to realise the benefits. **IG** found this helpful because there is an order of magnitude in difference in requirements on the P2 and P7 vs. authentication and sweeping mechanisms. **IG** thought that maybe more space needs to be given for either of those two big things. **IG** was surprised as there has been a strong encouragement from tier-two banks to make things like sweeping work because they feel that it is a way of challenging the CMA9 and unless the CMA9 implement sweeping, they cannot get started. **IG** stated that this would be picked up with UK Finance and there is a small number of two-tier two banks in the UK, therefore, without betraying confidence, he would be happy to be pointed in the right direction to probe more.

- 2.70. **IM** asked whether the culling of the seven items was decided in-between the December 2019 and January 2020 IESG meetings or are the mechanics there to support that. **AA** explained that version 2 published after December IESG; however, recommendations that led to that were discussed at the meeting. **IM** asked if account comparison has been given up on as P14 has been removed. **IG** explained that there was no time to address the specifics, but the term ‘*culling*’ is not right, a couple were removed by way of a tidying up exercise. **IG** stated that the Roadmap emphasises the priority of certain things and it is hard to distinguish between BAU and OBIE activities where some things are picked up. **IG** added that one of the things on account comparison is that the team looked at it and the market does not seem to be ready for it just yet.
- 2.71. **GS** stated that he would email **IG**, but referred to **HP**’s comments regarding the non-CMA9, stating that where there are optional functionalities for non-CMA9, they would be treated differently and as part of a wide and varied change stack and may or may not get built according to wider considerations. **GS** explained that the theory is that if the CMA9 end up with higher functioning Open Banking platforms – it would amount to a two-tier ecosystem (though this was never the intention); hopefully it will be only a couple of functionalities on the Roadmap that might fall into that area – one of which is VRP. **GS** thought it was worth taking offline to go into detail to see if this is an issue, but nonetheless expressed desire to avoid a two-tier system.
- 2.72. **IG** apologised if anyone felt that they have not had the opportunity to speak in this forum and felt comfortable that the team ran a good consultation process, leaving it with him, as Trustee, to determine how best to navigate through the different stakeholder views and opinions. **IG** stated that this would be discussed further with other regulators to ensure that co-ordination is right, followed by writing up of the recommendations which would then be shared with the CMA.
- 2.73. **IG** thanked IESG members in the room and on the phone, inviting phone / email discussions where required by the IESG members, adding that the process would be finalised in the next two – three weeks to create a revised Roadmap that stakeholders can start to monitor against.

**ACTION - IESG\_2020\_301\_441 – Revised Roadmap - Trustee to finalise the revised Roadmap and share with the CMA.**

**Due Date – end of January 2020**

- 2.74. **IG** closed the meeting.

### 3.a AOB

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- 3.1. There were no AOB items.