

# Meeting Minutes

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**Meeting details**

Meeting date: 19 November 2019

**Meeting name**

Implementation Entity Steering Group (IESG)

**Meeting time**

10.00 – 13.00

**Meeting location**

Etc. Venue, Capital 2, Eastcheap, 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 (Phone)
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
Daniel Globerson	<b>DG</b>	Royal Bank of Scotland	Yes
David Fineberg	<b>DF</b>	OBIE – Head of Monitoring	Yes
Ed Colley	<b>EC</b>	OBIE – Programme Director	Yes
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 Papat	<b>HP</b>	HSBC	Yes
Ian Major	<b>IM</b>	TPP Representative	Yes (Phone)
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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Phillip Mind	<b>PM</b>	UK Finance	Yes
Roy Hutton	<b>RH</b>	Allied Irish Bank	Yes (Phone)
Sally Chiwuzie	<b>SC</b>	OBIE IESG Secretariat	Yes
Stephen Smith	<b>SS</b>	Lloyds Banking Group	Yes
Thaer Sabri	<b>TS</b>	Electronic Money Association (EMA)	Yes
Vicki Hassan	<b>VH</b>	Danske Bank	Yes (Phone)

### Apologies

Name	Role	Delegate	
Paul Horlock	<b>PH</b>	Stakeholder Engagement, Standards and Strategy	N / A
Robert White	<b>RW</b>	Santander	Eduardo Martinez Barrios <b>(EMB)</b>
Simon McDougall	<b>SM</b>	Information Commissioners Office (ICO)	Jenny Vega Destello <b>(JVD)</b> (Phone)
Will Curley	<b>WC</b>	Tesco Bank	Stuart Pratt <b>(SP)</b> (Phone) 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.
- 1.2. **IG** introduced **DF** who has recently joined OBIE as the Head of Monitoring, replacing Ian Cox, advising that he would be an IESG member going forward. **IG** invited **DF** to say a few words. **DF** introduced himself, including background, adding that he would be catching up with IESG members individually during break and subsequent to IESG. **IG** advised that the CMA9 would get to know **DF** over bilaterals as he will be leading those sessions going forward.
- 1.3. **IG** stated that additional AOB items should be flagged now or during the break. **FR** asked to include an agenda item on the Consumer Risk Log. **GL** asked to include 'Name of the Account Holder' to the AOB agenda; **IG** accepted and stated that any other requests should be brought forward during the break.
- 1.4. **IG** confirmed from the secretariat – **SC** that there were no requested revisions to the minutes and on that basis, **IG** approved the minutes for the IESG meeting which held on 17 October 2019.

#### **APPROVAL – IESG\_APR\_LOG\_057 - October IESG Minutes - IG approved the minutes from the October IESG.**

- 1.5. **IG** moved on to discuss the open actions, inviting IESG members to walk through from slide 24 (**Note: action updates are documented on page 4, with additional comments captured below**).
- 1.6. With regards to #224 (*Programme Update – Status Update on Open Banking*), **IG** stated that this is included in the pack to be discussed under agenda item 2.d, and on that basis, this action could be closed. **IG** added that any actions arising out of the discussion would be captured as new actions.

- 1.7. With regards to #227 (*Programme Update - Customer Experience Guidelines – Letters*), **IG** stated that letters were sent out to the CMA9, bilaterals have been scheduled with all before the end of 2019. On this basis, **IG** stated that upon completion of the bilaterals, further discussions could take place at IESG; action closed.
- 1.8. With regards to #228 (*Programme Update – MI*), **IG** explained that this forms part of agenda item 2.d. **EC** explained that feedback was requested by email, some responses have been received, but not from everyone. **IG** explained that there has been some input from the CMA9 (and **GL** mentioned at the October IESG – inconsistencies in PSD2 reporting metrics for OBIE vs. FCA), and that all input collated thus far would be consolidated, with all other participants encouraged to feedback as this will be reviewed as part of the revised roadmap. With regards to the PSU numbers, **FR** stated that she had requested a session to discuss how to get accurate PSU numbers. **IG** suggested that this should be picked up during discussions around MI and if a session on PSU numbers is required, this would be considered as a next step. **IG** advised that this action should be left open.
- 1.9. With regards to #229 (*Dispute Management Systems - DMS*), **IG** stated that the Hogan Lovells report went out on 07 November 2019, with most of the CMA9 having discussed this at the bilaterals. **EC** explained that final clarifications were being finalised. **IG** advised that this action should be left open pending final clarifications.
- 1.10. With regards to #330 (*P14 - Evaluation of Efficacy of Account Comparison*), **IG** reminded IESG members that this action has to do with stakeholder representations. **IG** asked **AA** if majority of stakeholder representations have been received, to which **AA** stated that four representations have been thus far received and there appears to be a level of consistency to these representations and so an update at the next IESG of 17 December 2019 is plausible. **IG** stated that this would be touched upon adjacently as part of **GL**'s agenda item 2.e. **AA** added that the deadline for representations was 25 October 2019; however, late submissions would be accepted. **IG** encouraged IESG members to make representations.
- 1.11. As there were no further comments, **IG** moved the agenda on.

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### ACTIONS

Action Number	Date Raised	Owner	Description	Notes	Target Date	Status	Date Closed
IESG_2019_301_224	05/09/2019	IG	<b>Programme Update</b> – IG to give a post implementation update on the status of Open Banking.	<p><b>Update 19/11</b> – This action was closed at IESG on 19/11</p> <p><b>Update 11/11</b> - This will be covered as part of agenda item 2.d in the November IESG pack. Propose to close.</p> <p><b>Update 09/10</b> – IG to review summary implementation update with the CMA. Carry forward to November IESG.</p>	19/11/2019 <del>17/10/2019</del>	Closed	19/11/2019
IESG_2019_301_227	17/10/2019	AA	<b>Programme Update</b> - Customer Experience Guidelines - Letters - The CEG letters will be sent out to the CMA9 within a week, the content of the letter will include details of what is being scheduled for publication to the wider market.	<p><b>Update 19/11</b> – This action was closed at IESG on 19/11.</p> <p><b>Update 31/10</b> - Letters sent out to the CMA9 on 25/10; summary statement was published on the OBIE website on 31/10. Propose to close.</p> <p><b>Update 22/10</b> - This is being reviewed internally.</p>	08/11/2019	Closed	19/11/2019
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 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>	17/12/2019	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 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> <p><b>Update 07/11</b> - Report distributed to IESG members by</p>	17/12/2019	Open	

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## OPEN BANKING

				email on 07/11. Propose to close.			
IESG_2019_301_330			<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 October 2019.</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>	17/12/2019	Open	

## 1.c PROGRAMME UPDATE

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### 1.c.i OBIE STATUS REPORT

- 1.12. **IG** introduced the programme update section inviting an update from **EC**. **EC** started by stating that progress has been made in preparing an agenda item for the standards coming in the December IESG.
- 1.13. In terms of DMS, **EC** stated that it is concluding with OBIE actively seeking and talking to industry to participate in the new solution, especially those that were on v1.5.
- 1.14. In terms of the NESTA Open Up Challenge 2020, **EC** advised that finalists have been announced and this will be launched on 20 November 2019.
- 1.15. **EC** went on to explain that CRM/COP timelines are the only concern at the moment, as it is clear from looking at the journeys that PISP as a channel was never considered and therefore, the work does not conclude until the end of 2020. **EC** added that the protocols with PISP need to be addressed, otherwise the PISP volumes are likely to remain low for some time. **EC** stated that this forms part of the consultation process.
- 1.16. **EC** added that another aspect is concentrating on completing functional conformance across the CMA9; this is required to ensure that the TPPs see fewer issues as they start connecting. In terms of the MI, **EC** stated that there are still open tickets and would like to start pushing the ecosystem to v3 because this is the PSD2 compliant version with all the functionalities required by the CMA Order pending the latest consultation. **EC** added that consolidation of this will allow the team to concentrate on fixes, performance and availability. **IG** expressed concern at the CRM/CoP implications for PISP, especially the fact that they have not been factored in; also because there are dependencies on both PAY.UK and the Learning Standards Board (LSB). **IG's** view was that everything needs to be done to demonstrate what good customer journeys look like, with the idea being to take that to other entities, asking them to embed into their approach. **IG** drew a line under the topic, asking further feedback to be addressed to **EC** or directly to the Trustee.
- 1.17. **FR** explained that as part of the customer requisite level of care required by CRM, effective and meaningful warnings need to be adhered to. **FR** added that the risk based warnings in the PISP journeys would fall under the review given that the firms involved in the code are currently undertaking a thematic review to understand how they have implemented the required customer requisite level of care. **FR** explained that the warnings are not the sole purpose of the thematic review, but are a part of whether customers are being effectively communicated with – blanket warnings may not be considered effective, and therefore, would be fair if the customer ignores this. This review provided an opportunity for OBIE to work with LSB on the warnings in the current journeys **EC** understood, explaining that this is still associated with the existing online channels and not the PISP channels.
- 1.18. With regards to functional conformance where it appears that the non CMA9 banks have done reasonably well and the CMA9 have struggled, **DG** stated that the teams are still in conversations with the OBIE team who have admitted to issues with the testing tools with updates expected. **DG** wanted to know how it is possible that some banks passed all of them when there are bugs in the tool. **CM** stated that these could not be described as bugs – the testing tool enables several thousand different tests comprehensively; the reason why this is important is because everyone has to build to a consistent standard which is a challenge for the industry. **CM** explained that there are conditional tests in there – for example, if an international payment is provided, one test might be based on the interpretation of the standard where perceptions vary. **CM** stated that updates are being made to ensure that the requirement to be more specific in the standards is met.
- 1.19. **GL** asked for clarifications on whether the test tool tests performance, availability of data fields or security profile. **CM** explained that there are two testing suites – the security testing suite (which has now been handed over to Open ID Foundation) that tests the security profile – this test is strict and a pre-requisite that if an API has not passed the security tech sweep tools, it is unlikely to get through the functional tool test. **CM** stated that the second element is the functional test suite which has a series of tests for AIS, PIS and now CPBII. **CM** explained further that these test the request and response of each of the API endpoints to ensure that they are compliant

to the standard, it assimilates sample data and responds back, stating whether each of the mandatory responses is in the correct format. **GL** asked if *'Name of account holder'* would be discoverable using this test suite. **CM** agreed that it is discoverable, the team is working on exposing which fields have been tested, **CM** added that each of the fields are conditioned, therefore the onus is on the tester to state the fields that are being tested. With regards to *'Name of the account holder'*, **CM** explained that there are three different places where this can be surfaced because there are different interpretations to what is meant by the account holder. Is it:

1.19.1. The addressable name that can be seen when the bank account is logged into?

1.19.2. The full legal name?

1.19.3. The legal name as an array?

**CM** added that the regulation is not clear on what is required. All of these are supported by the standards and so the tester has to be specific.

- 1.20. **GL** explained that there will come a time where rather than OBIE coming to the TPP community to ask for input on what is seen as the consumers of the data, that OBIE using this test tool will be able to say what is going on – this would be transparent and public so that available payloads can be seen as opposed to trying to collate from across the market to feed back. **CM** agreed that this was being worked on at the moment and for anyone who uses the test, the discovery file will expose exactly which fields have been tested and therefore what is supposed to be there and proven to be there. **EC** stated this will be available to the discovery end point which is programmatically available to the TPPs as well. **EC** added that the intention is the functional tool confirms the payload and in addition, the way the service desk tools work will be looked into, including how the FAQ's interact with these tools so that specific bank questions can be answered in a non-programmatic way. **GL** asked about timeframes. **CM** stated that it was imminent, but not certain as the team is working on how to expose this in a friendlier manner – before Christmas the tool will be updated to cater for that.
- 1.21. **IG** proposed that an action should be recorded for an update on this for the next IESG. This should be a one-page memo outlining the progress on this.
- 1.22. **EC** had a couple of comments on 'Account Holder Name' – while there are a couple of the CMA9 who have to implement account holder name, the CMA9 have provided account holder name and it has been validated by TPPs. **EC** explained that the actual standards enable the account holder name to be returned in multiple places and only one of those enables some of the use cases – it works well with some use cases and TPPs are happy, but not for others. **EC** added that this does not mean that the CMA9 have not provided account holder name, for those that have not provided account holder name, this is imminent. **IG** asked if it is possible say which of the two broad versions is the most useful – addressable account holder name or legal entity.
- 1.23. **CM** stated that the most useful place is the party's end point because that allows for the full addressable user name(s) which can meet a wide number of use cases. **CM** stated that the challenge is that many CMA9 and non CMA9 allow for twenty five characters which can be limiting for people with a long surname, joint account holders or company names. **CM** added that it would have been useful if what was required in this regard was clarified in the regulation.
- 1.24. **GL** stated that he has taken this to some of the most capable technology leaders in the TPP community, many of whom sit on the Technical Design Authority (TDA) and they are stating that of the sixteen brands, two-thirds are providing the name of account holder. **GL** stated that he was unsure of the permutations for this analysis.
- 1.25. **IG** asked for comments from the CMA9. **CA** commented that it would be good to have transparency as there has been some confusion around which end point is needed for the Barclays brand. **CA** stated that if this was on the transparency calendar or if it is possible to see a summary of what people are seeing, then the fact base can be worked through. **GL** explained that in the case of Barclays, the TPPs are saying that there is no evidence of name of account holder and if Barclays are claiming to have delivered this and there is a conformance tool, then the view needs to be more transparent using the conformance suite.
- 1.26. **IG** stated that on this topic, the regulation points the team in the right direction and perhaps there is some communication that needs to be figured out, but added that this is not the right forum to figure that out.

- 1.27. **HP** stated that the short form of name of account holder for release 3 in March 2019 and the feedback from main TPP using it (Credit Kudos) has been incredibly positive, with their view being that it does not really matter whether the short or long name is being used for personal customers because the key is the surname has to be consistent. For businesses, **HP** stated that the long name has to be used as company names can be quite long. On this basis, **HP** agreed that the direction of travel is right and agreed with **CA**, stating that often things are delivered but there are integration issues, etc. and the feedback would be valuable for addressing those points.
- 1.28. **IG** referred to **EC** – this seems like something that ought to have been picked up by the service desk, the testing team or the transparency calendar. **EC** stated that the update in the transparency calendar by the CMA9 has been historically problematic, especially when change has been delivered or slightly delayed; it is not a real time live transparency calendar as it tends to be updated reasonably infrequently and in that context, the process through testing validates post implementation with one or more TPPs. **EC** added that there is a timing point because when evidence was collected from an OBIE point of view vs. an FDATA point of view, there was disparity in when the view was received. **EC** stated that when conversations were held with the main TPPs creating the volumes, they consistently argued that the party's end point and the detail is what is needed, however, this is not consistent with regulation.
- 1.29. **IG** stated that the best way forward is a report on a provider / brand basis explaining where the account holder name is being provided and to what daily quality and consistency. **IG** stated that this should also be allowed to be shared with each of the providers for them to assess and provide input and also to be clear on which TPPs the OBIE has used to get the information from and share with **GL**. **IG** stated that a view would then be taken as to whether this can be shared at the next IESG on 17 December 2019. **CM** suggested that a table of brands have got which data will be provided, transaction ID should be included as this is a concern and many of the CMA9 are beginning to deliver this in one form or the other. **EC** stated that this should be separated because of timescales.
- ACTION – IESG\_2019\_301\_331 - Programme Update - Name of Account Holder - EC to prepare a one-page update on the status of account holder name by provider. This will be an update at the December IESG. Due Date – 17 December 2019**
- 1.30. In terms of the analysis, **FR** stated that it would be helpful to understand the use cases and what the impact is on the consumer and SME. **IG** agreed that this is a good point, however, the first analysis should be simple and should TPPs be happy for their input to be publically available, then this can be taken further as to what this is being used for and whether it is fit for purpose. **MCH** stated that the context is important because whilst HSBC is doing it one way - the short version, while for SME consumers, the long version seems to be necessary. **MCH** reiterated the importance of seeing how this plays out for end users because this is not just about getting to a point where the CMA9 do something, but it is getting to a point where they do something which can be consumed effectively by TPPs in first stage adoption which creates propositions that can be adopted by end users. **MCH** stated that this needs to be looked at from an individual consumer point of view as well from an SME point of view.
- 1.31. **IG** stated that the aim would be to clarify the ambiguity first; therefore, this will be an agenda item at the December IESG and at that point, a view can be taken on whether this is fit for purpose, whether the PSD2 regulation enables the requirements being sought by the Order.
- 1.32. **IG** drew a line under this topic and removed from AOB, stating that the discussion was valuable with a clear actionable take-away; **IG** moved the agenda along.
- 1.33. **EC** stated that the key point to note on slide 27 is that the Red RAG status blocks are down to BOI (App to App) and Santander (Cater Allen had implementation issues) not meeting the deadline set in the revised Directions issued by CMA and discussions are in progress about that delivery. **EC** stated that everything else is tracking to plan, albeit there being pending details from some firms regarding implementation of 3.1.2.



- 1.34. **IG** moved the agenda on to discussions about the MI stating that this is not the full suite as there were issues with collation. For the KIPs, **IG** explained that there is not much improvement; availability and success rates are down this month in comparison to last month; JIRA tickets are up which means that either there is a lot of work going on to sort out performance or performance is going backwards. With regards to demand, **IG** stated that this is increasing; API volumes indicate that real customers and volumes going through this, therefore performance has to improve. **IG** added that this has been a major topic on in the status report (agenda item 2.d) and has been in discussions with the CMA.
- 1.35. **EC** flagged two issues / notes:
- 1.35.1. In terms of the performance numbers, this has been excluded because one of the CMA9 could not provide all the data; the part data would have impacted the measure of the core response time. **EC** assured IESG members that as soon as the data is made available, it will be distributed amongst IESG members as usual. In terms of the detail, **EC** advised that the response times are included on slide 34.
- 1.35.2. With regards to version 3 data, there was an intention to share the data, however, the CMA9 were all upgrading their MI to 3.1.2 which has caused a delay in the quality; this will also be circulated as soon as it is available.
- 1.36. **IG** asked if the upgrade to 3.1.2 is a one off issue. **EC** agreed and explained that one of the 9 was fairly close, another has resubmitted and others are promising to correct the deficiencies in their reporting – it is a timing issue with the brand new MI and not a systemic problem. **IG** concluded – in the challenge process, **EC** took the view that the numbers are incorrect, the CMA9 individual providers concurred with that and this is now going through an iteration, which should be corrected by December. **EC** agreed, adding that this is also reliant on the CMA9 providing the data within the SLA's as this has always been a pressure point.
- 1.37. **IG** encouraged all the CMA9 to do their utmost to ensure that they get good quality, timely data to the OBIE to ensure that the last IESG of the year captures a decent snapshot of where we are. **IG** added that there are many consumers of that information, including the CMA.
- 1.38. **BR** commented that the numbers indicate an increase in volume and wanted to understand the connection between this increase, the decline in performance and the upgrades. **IG** invited the CMA9 to respond. From an HSBC point of view, **HP** stated that release 3.1.1 was a big release that changed a lot in the back end and in the figures it shows that open tickets have gone up significantly as a lot of resource were put in to ensure that it delivered on time. **HP** added that they are working on resolving this and getting back on track and that every firm will have a unique, varying story regarding their status. **HP** noted that stretching change requirements can have an adverse impact on stability and performance of the live channel, this is something to be mindful of.
- 1.39. **GL** asked:
- 1.39.1. Is there a technical difference between compliance with the CMA order in performance and PSD2 requirements?
- 1.39.2. Can there be two different figures and still be compliant?  
**IG** responded by stating that OBIE have tried to align fully with PSD2, particularly on elements related to KPI's, there is no fundamental requirement that would mean that the CMA Order's target level of performance is the same as the FCA's target level of performance.
- 1.39.3. Is the CMA level higher or lower than the FCA performance?  
**BR** stated that there is nothing specifically in the Order about levels of performance, however, the position taken by the CMA is that the benchmark is performance of other platforms that the banks have.
- 1.40. **GL** asked if it is possible to go ahead and buy an analytics tool that measures the quality of the APIs as has been done for the security profile and the functional test suite that simply gives a redirect of the answer without constantly asking everyone to provide the answers to the questions. **GL** stated that this data will be extracted from the ASPSPs.
- 1.41. **GL** stated that some of the TPPs or the relatively modest size of user numbers are currently topping out and cannot get a daily refresh and members of the FDATA community in other markets have got 250 million + API

calls per month, yet in the OBIE ecosystem, there are 180 million between all the banks and TPPs; therefore this is in its infancy. **GL** explained that if the pipe is not adequately architected to let through reasonably modest volumes in a daily refresh, it calls into question the quality of the architecture and design as this is coming up to two years post go-live. **IG** stated that this is a good point, adding that there has been similar representation from a material TPP.

- 1.42. **IG** invited a comment from **HOZ** who confirmed the FCA position with regards to FCA requirements under PSD2 - the requirements are in comparison with the performance of the customer interface and this cannot be determined just by looking at availability and performance data of the API, the FCA would need to know what has happened on the customer interface side. **GL** stated that the information is still missing.
- 1.43. **IG** stated the concept of parity is strong in principle, however, a standard customer interface does not face off to hundreds of thousands of customers for software accounting package either, response times may mean a different thing from response times for an API, therefore it is a helpful principle but under the CMA Order, OBIE can codify some of these principles, but have to stay as aligned as possible with the FCA but still paying attention to the OBIE objectives.
- 1.44. **CA** referred to **GL**'s points regarding pipe size, stating that each of the nine will architect for the size and scale, but also ensure that the right capacity exists in the right places. **CA** stated that one of the complexities is to guess what that capacity looks like because this is dealing with hundreds of TPPs with different business models and types of calls being made at varying times of the day. **CA** explained that they have been trying to get visibility of what this might look like in the TPP community so that the picture would be clearer. **CA**'s suggestion and / or ask is what steps could IESG take to get that level of transparency from the TPP community, even if it is at an OBIE level to assist with the planning. **EMB** stated that this has been discussed in the past; an understanding of the forecast from the TPP community would be helpful.
- 1.45. **CA** added that this is not all about growth levels, but about the patterns. **CA** gave an example – if all hundred TPPs decide to do four data pulls per day, all at the same time periods, this will change the capacity level vs. if the times were spread differently; the insight would help as a collective and would be a valuable exercise to facilitate. **IG** agreed to think about this.
- 1.46. **SS** stated that LBG will not agree or recognise the numbers for their brands as during this month, there were planned maintenance on core banking systems that took down the APIs and direct channels and these were communicated to TPPs seven days in advance as required. **SS** explained that the reporting has to be right because this places LBG at a low of 99.77 and a high of 99.9 if the planned maintenance is taken out; it gives the wrong impression that LBG has gone backwards. **IG** pushed back on this stating that while this is right from a PSD2 perspective, it needs to be understood from a requirement of the Order, which is that the API should be continuously available. **SS** explained that as a principle, this cannot be right because maintenance has to be done on core banking systems as long as the rules are followed – TPPs and customers were informed a week in advance of the likelihood of apps being down during those periods – there should be questions about whether maintenance is reasonable, but there has to be parity and it seems that the wrong metrics are being targeted. **IG** asked if this maintenance was done out of core hours, **SS** confirmed. **IG** explained that there is no one KPI that will tell the whole story satisfactory; clearly core hours is a very important metric, as is non-core hours which is why they have been split out. **SS** stated that even though maintenance is done outside of core hours, there is always the risk of spillage and the principle of parity is an important one, especially as the maintenance time has not been excessive. **SS** referred to average availability by brand on slide 32 explaining that there are big differences that will have a big impact on the overall performance. **IG** explained that to some extent, maintenance can be scheduled outside core hours and these metrics help to demonstrate that this is the case; the data shows that the core hours are looking good and on that basis, the issue is unclear.
- 1.47. **DG** asked if the measurement is ultimate availability out of 100% or potential availability which will subtract out the maintenance windows; if mobile apps are down, banking apps are down. For comparison, **IG** asked if availability was down for two months with planned maintenance, if 100% availability would be given; the answer is no. **IG** recognised that the FCA might be looking at different numbers, but cannot give a pass just because the

core banking system is down – customers still exist with balances in their accounts. **IG** added that there is sympathy towards the point on which numbers are to be focussed on but not understanding the point about the numbers being wrong. **SS** stated that there should be a difference between an outage out of hours and planned maintenance as otherwise, the information can be misconstrued.

- 1.48. **EC** confirmed that planned and unplanned maintenance is captured and the gaps can be explained. **IG** stated that this could be taken away. **IG** reminded IESG members that they have been encouraged to feedback inconsistencies, suggestions and improvements to **EC**, adding that **SS**'s feedback would be noted. **IG** asked **EC** if his team could mock up what this chart might look like for review and consideration for inclusion in future packs.
- 1.49. **DG** added that in terms of a systemic risk, there was a tysis (credit card app) outage in the third week of October for RBS and anyone who is on tysis should have noticed the outage. **IG** stated that this is a dot point for the narrative and cannot create metrics to cover all of these.
- 1.50. **GL** stated that three things are needed:
  - 1.50.1. A written description of what is being measured as agreed between the FCA and OBIE as the common language for a particular measurement. **IG** stated that an agreed description between both institutions is not possible. The measurement can align as much as possible but the FCA take their steer directly from PSD2 and OBIE take from the Order. **GL** explained that this is required to separate the three parts - the first being a description of what is availability.
  - 1.50.2. Have an independent service that is monitoring this.
  - 1.50.3. Causality – everyone should be able to say that the reason for the change in number is because of this causality.
- 1.51. **IG** stated that no further input would be taken on this; written representations can still be made to **EC** and in the meantime, all contributions have been minuted. **IG** stated that a view will be taken on this and the points will be responded to and where appropriate, the pack will be refreshed.
- 1.52. **IG** skipped over the next few elements of the MI, especially the JIRA tickets and the funnel. **IG** explained that the team will continue to work hard on this and proposed that this will be considered in more detail at the next IESG on 17 December.

***ACTION - IESG\_2019\_301\_332 - Programme Update - Availability - planned / unplanned maintenance - EC to produce an availability chart that shows planned and unplanned maintenance.  
Due Date - 17 December 2019***

## **2.a COUNTER-FRAUD ACTIVITY UPDATE**

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- 2.1. **IG** introduced the paper for noting, stating that it had been promised as an update and **EC** would walk IESG members through. **IG** decided to use the topic of fraud to introduce a new issue that has arisen in the last couple of days, to raise alertness - how Open Banking is represented in the media and how some elements of the media hone in on the fraud issues. **IG** explained that at the Open Banking Expo on 14 November 2019, the Daily mail portrayed some of these issued poorly. **IG** added that the perception of Open Banking by the media is very important at the moment, explaining that one of the CMA9 was picked up in that report and **HP** would be saying a few words about this.
- 2.2. **BR** reiterated **IG**'s sentiments, explaining that the incident is unfortunate - the general point is that everyone needs to be careful about what is said in public because the interpretation can be negative.
- 2.3. **HP** explained that a direct quote from him about fraud which was nothing to do with Open Banking was linked to Open Banking. **HP** explained that this is unfortunate and does not represent his personal / HSBC's perspective and wanted to reassure stakeholders that these sentences are untrue. **HP** added that HSBC is working with the help of OBIE and the CMA media and expo teams to try and get the Daily Mail to change what they have written which was based on their recording; the hope is that the article will be revised online. **HP** explained that

everything possible is being done to resolve this issue and he has taken some humbling lessons from it, and would be happy to discuss any questions offline.

- 2.4. **IG** reiterated how important it is to manage the messaging and the media reflection on Open Banking over the course of 2020 in particular, as it becomes more mainstream and adoption comes up. **IG** explained that there is a lot of work that goes on behind the scenes with the various press offices to shape what is being said and ensure that OBIE is not misrepresented, adding that stakeholders are getting pulled in many directions to speak at various speaking events, and quote for the press, and while that is exciting and a direct function of the fact that Open Banking is intended to be transformative with good traction, stakeholders need to be careful to be as unambiguous as possible when making statements in a public forum. **IG** stated that even though all stakeholders are aligned, many participants out there are looking for gaps in the way Open Banking is described – the request from the Trustee to IESG members is: do not conflate other elements to whatever the content is, especially when it comes to the fraud points as Open Banking has not introduced any new elements of fraud, account take over and similar scams already exist at the moment. **IG** invited IESG members to check in with the OBIE press team regarding rehearsals or to review any materials prior to any public appearances if they wish, adding that there is no obligation to do so. In the event that the press pick up something, **IG** requested that IESG members inform the OBIE team as the teams work closely with the CMA and HMT press team. In summing up, **BR** pointed out that some of the push back seems to have had an effect as the article published today does not seem derogatory. **IG** stated that it is very unusual for online articles to be changed but if they have applied new articles, then that would be good, adding that HSBC, OBIE and CMA have been working hard to effect that change. **IG** added that 13 January 2020 is an important date for the press as it marks the two year anniversary of the release of version 1 and incoming requests are already coming in from journalists who are covering stories around this already.
- 2.5. **PM** asked if the team could circulate the key messages and FAQs held by the OBIE press office. **IG** stated that though it is a sensible request, there is a reluctance to put out official OBIE FAQ – this is an iterative, evolving and responsive document which changes regularly depending on incoming enquiries. **IG** stated that this is an internal document and if anyone would like a briefing on it, they can approach **AA**.
- 2.6. Going back to the agenda item 2.a, **IG** stated that there is good consensus on the consultation and expressed keenness to understand the next steps around this. **IG** went straight to issues of clarification from around the table.
- 2.7. **FR** stated that this is a great paper, but wanted to make a bid for some fraud analysis for upcoming versions of the decoupled scope in terms of analysing other elements that were not finished the first time around. **IG** asked that this should be taken offline with **EC** as the Security and Fraud Working Group might have thought about it and it may be a case of sharing the information. In the context of decoupling, **EC** explained that this would have been done with the original P4 evaluation, but could not confirm all of the aspects at that moment and asked to pick up with **FR** offline.
- 2.8. In terms of housekeeping on the counter fraud, **DG** stated that contact information from TPPs has not been great, explaining that there have been scenarios where individual emails rather than group emails were used, emails not in use, out of office responses pointing to other out of office responses, etc. On this basis, **DG** stated that there is something on ‘Best Practices’ in that space that would be useful. **IG** stated that the OBIE directory should contain this information; **DG** confirmed that this is from the OBIE directory and the standard for what is in there needs to be raised. With regards to the Consent dashboard, **DG** stated that some of the ‘on behalf of’ information is problematic. **EC** stated that the OBIE team is working with TPPs and TSPs across the ecosystem to try and improve that. **IG** asked whether this is where software statements are not reflecting the on-going relationships from TPPs to others. With regards to software statements, **FR** noticed a variation in implementation by ASPSPs as during the expo there was an opportunity to use the PIS service to donate money to children in need and what appeared on one side is ‘OB TPP’ and on another bank, it was displayed as ‘Children in Need’. **FR** stated that the information was passed through but not implemented by the ASPSP, therefore, there is some variation in the way some banks are implementing what they see on the software statements which does not create good consumer outcomes. **FR** noted that this was not a dashboard issue but related to how PIS

transactions were displayed by banks on consumer financial statements. Nevertheless the display of information across dashboards and statements needed tidying up. **IG** stated that this element will be captured in one of the P numbers – P15 under access dashboards. **EC** explained that this is a compliance point with the standard both from TPPs and the way they are constructing software statements and in terms of ASPSPs and the CMA9, the concept of how they are creating their dashboards. From **EC**'s perspective, this is a defect against the standards and will be picked up bilaterally with the CMA9 if they are not consistent and the OBIE is working with TPPs to improve the quality of the software statements.

- 2.9. **TS** stated that there is some work going on looking at sharing of information with regards to fraud and typologies and wanted to know if some help could be given to the typology development process – the process is orchestrated under the cyber fraud information exchange. **EC** stated that there is a knowledge sharing platform available; knowledge sharing is about the modus operandi of the fraud, and not the individual fraud cases, the individual fraud case is dealt with by the Dispute Management System.

## 2.b P7 – REVERSE PAYMENTS UPDATE

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- 2.10. **IG** introduced two papers - reverse payments and 90 day re-authorisation, stating that both of these went out to consultation and were comprehensively concluded; the team have come back with one option in both elements of functionality, with the idea being that they will go on and publish the standards in December 2020.
- 2.11. With regards to P7 – Reverse Payments, **IG** stated that following the comprehensive consultation, the team came back with option A, which in some regard, is delivering most of the functionality but with the least impact across the implementations by ASPSPs.
- 2.12. **IG** added that this is a compromise and expressed interest in views across the table. **IG** invited points of clarifications or objections.
- 2.13. **RH** stated that the idea is to do the one with the least technical requirements, asking if the GDPR aspect of this flagged will be mandated from a regulatory point of view. **IG** stated that this can be picked up at bilaterals. **IG** asked **AA** to confirm whether GDPR was taken into account, stating that nothing in this piece of work would put anyone in breach of GDPR. **AA** stated that a legitimate interest assessment was done by the team with the Data Protection Working Group which suggested that there is legitimate interest in this. **CM** added that there is an obligation on PISPs to gather the customer's consents and it is between the PISP, the customer and potentially a merchant as to whether that information is captured and what is done with it.
- 2.14. **FR** stated that the risk they identified for Option A could be dealt with in the guidelines, but stated that option C was preferred because it reduced the risks. **FR** explained that as unauthorised fraud drops, authorised scams increase. Fraudsters collect information about consumers (like account number and sort code) and use that information to con consumers into thinking that they are in a position of authority because they know this information about them **FR**'s concern was that in option A, information gets passed one step further and thus increases the risk of that information being passed to fraudsters. **FR** thought that places where information can be stored and amount of time it can be stored for should be limited as this poses a security risk. **IG** stated that this is a compromise because if implementation were not a factor, then the team would not be considering option A; some of the things that TPPs need to do, though cannot be mandated, will be captured and incorporated as guidance.
- 2.15. **CM** stated that the TPP / Customer Experience Guidelines will be going out to consultation imminently to be included as part of the standards in December. **CM** stated that a fixed deadline will not be mandated or defined, but a principles based approach can be taken around storing information only when necessary. **CM** added that there will be no mandate or definition of a fixed deadline other than is necessary for the use case. **FR** explained that things that hit the headlines includes a merchant getting their system hacked and wanted IESG members to be wise to this compromise; for example, there should be a security analysis of these options. **CM** disagreed, but suggested that the discussion should be taken offline.

- 2.16. **SS** stated that this started out as a consensus to enable approval of the scope, which has now jumped straight into discussions regarding options A to C. For the purposes of clarity on minutes, LBG does not agree that this is something that the Trustee should be mandating as it is outside the scope of what the Order is trying to achieve. **SS** understood that it is the Trustee's discretion to take a decision but wanted to reflect the fact that the LBG response on this is that P7 should not be mandatory and this was clearly stated in their response. **EMB** explained that by embracing these types of new functionality that may expose information, there is a high risk that there will be TPPs mishandling this data. **EMB** added that it is very important that the controls on the TPP community are framed strongly before embracing this kind of functionality. **FR** stated that the issue is that refund functionality is needed, but it has to be something secure.
- 2.17. **IG** explained that this is a real world situation; the time and budget to build are limited. **IG** stated that the view taken is that in order for Open Banking to meet the requirements under the Order, PIS has to work, which means that customers must be able to get hold of the refunds they are entitled to. **IG** added that a lot of this has been included in the Trustee letter that preceded this, and at the end of this discussion, the idea is to give permission to the standards team to go ahead with one of the options. **IG** stated that he is minded to approve option A, taking **FR**'s points about the additional risk vs. option C, however, there are AISP's who are not just taking sort code and account number, but also taking other information. **FR** stated that the issue is the merchants and where this information stops – if it goes from PISP to merchant, then that creates a different level of risk and at the moment, this does not preclude that happening. **IG** explained that it does not preclude that happening in an AISP situation either, therefore this is a fundamental construct and as long as it meets the requirement for GDPR, it should be used in other contexts; **IG** added that this should be consulted upon and thought should go into what TPP Guidelines are put in the Customer Experience Guidelines. **IG** added that the approach should be pragmatic, as in the real world, nothing can be mandated on the TPPs. **IG** added also that over time, the document becomes an interesting candidate for the ICO to take on as a code for TPP conduct, although no commitments can be made to that at the moment.
- 2.18. **CA** agreed with **SS**, adding with regards to the fact that no standards can be put around third parties, IESG members are at a point where this can be done under agreement. **CA** stated that if it is agreed within the ecosystem that refunds are required, there is no legal or mandatory requirement under PSD2 for anybody to provide refund functionality, therefore, the guise under which TPPs have PISP and refund capability is something that could be set out by this group. **CA** added that standards can be put around it that protect the broader ecosystem, consumers and also from a security perspective. **CA** stated that three banks are concerned because this amounts to something that creates significant risk without any controls around it. **IG** asked why this amounts to a greater risk than AISP. **CA** explained that this is being pushed towards a channel being built with less protection, but there could be some form of mandated guidelines that mitigates against the risks.
- 2.19. **IG** stated that the alternative is to go for option C and make it comprehensive. **CA** stated that the general view is that a refund capability is not necessarily required as set down and there is no evidence to suggest the contrary. **CA** made two points:
- 2.19.1. What is the evidence?
  - 2.19.2. Is there a solution?
- IG** explained that 'the why' was comprehensively addressed in the Trustee paper.
- 2.20. **SS** understood **IG**'s point, but in terms of documenting this discussion, there is no consensus. **SS** added that the Trustee has discretion to go ahead as required. **SS** wanted to point out two issues:
- 2.20.1. Is this within the scope of what the programme should be doing?
  - 2.20.2. Option A vs. Option C.
- IG** acknowledged **SS**'s comments, stating that it was minuted.
- 2.21. **GL** reiterated the concern about lack of controls on TPPs and was interested in understanding better – by definition, TPPs are regulated actors who have controls over their behaviour and what they do, there is a line of supervision just like all the banks. **GL** stated that he is not sure this is moving into ICO territory, as with regulated actors, if there is a requirement for some rules to be put around how the data should be handled, this should be done by the FCA.



- 2.22. **MC** agreed with **SS** and **CA**'s points as an in-principle conversation, adding that the specific functionality being talked about is a scheme which is accompanied by a lot of unintended consequences of thinking about this as just a technical capability.
- 2.23. **HP** spoke from a different / practical perspective, stating that the conversation earlier was around improving stability and performance and it is not clear that having independent functionality dropped into the channel will lead to the outcomes for TPPs (particularly after the adjustment period). **HP** stated that the in-principle conversation has been had, the respective letters have been written, the 'why' have been agreed, and in terms of the 'what' and 'how', HSBC is supportive of 'what'. In terms of when – the mandating point - there has been a period of six monthly drops that has given some structure, and even that has been challenging for the CMA9 as during a major release, the performance of the live channels deteriorate which drives the programme into a more sporadic series of releases. **HP** added that option A would be the preferred approach and the six month time line would need to be discussed at the bilaterals with a co-ordinated view of what the long term strategy is for managing this.
- 2.24. **TS** agreed that the points on the operational side make sense and agreed with **FR**'s comments about security, but stated that if there is merit to having a refund functionality, he is not sure that these concerns cannot be dealt with and the data protection rules already provide this information, and so PISPs will struggle to provide that to a merchant on a regular basis without there being a refund in the first place. **TS** added that rules can be created around this, so the specific issue can be solved.
- 2.25. **IG** thanked all for comments and proposed that this is closed by Trustee instructions to the OBIE to continue to develop the standard for publication in December, with an update to be provided at the December IESG; this development should be based on option A.

**APPROVAL – IESG\_APR\_LOG\_059 - P7 (Reverse Payments) - This functionality is approved to be included in version 3.1.4 of the Standard (due for publication on 23 Dec 2019). Option A should proceed, implementation will be mandatory for the CMA9, with implementation completed six months from the publishing date of the standard.**

**ACTION - IESG\_2019\_301\_333 - P7 (Reverse Payments) - Following approval of the functionality to be included in version 3.1.4 of the Standard (due for publication on 23 Dec 2019) - Option A, an update to be provided at the December IESG.**

**Due Date – 17 December 2019**

## 2.c 90 DAY RE-AUTHENTICATION

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- 2.26. **IG** introduced the 90 day re-authentication paper, stating that this was discussed at the API Evaluation Group leading to a recommendation of functionality. **IG** stated that the decision is that in order to have a comprehensive standard, the recommended functionality needs to be embraced. **IG** stated that this was followed by a comprehensive consultation to figure out which makes the most sense and the team has come back with a proposal of option 3 as the preference. **IG** stated that the team is in a position to publish in December, but unlike P7, this is not an item for mandatory implementation, but to ensure that the standards are comprehensive and would meet the requirement of any other participant that wanted to meet their PSD2 obligations.
- 2.27. **IG** opened the floor to points of clarification and points of concern.
- 2.28. **DG** sought clarification from a statistics point of view - this paper is talking about the success of getting through a 90 day re-authentication when majority the CMA9 have not met the Customer Experience Guidelines; it is hard to pull a statistic out if there is no uniform standard, then hearing about the success of re-consents is confusing and is a concern – a view based on numbers that does not have a lot of meaning. From a cost benefit analysis

point of view, **DG** stated that this is an investment in something that is not required. **DG** confirmed that this is a question about the 'why', not the 'how'.

- 2.29. **CA** stated in response to **DG**'s point that it is too early to understand why customers are not re-authenticating; adding that a piece of research was started that showed that the biggest indication from customers is that they are not interested in the propositions, and are therefore not starting the 90 day re-authentication.
- 2.30. **GL** stated that this is a competition glitch and competition remedy, adding that there is a situation where SCA and option 3 on behalf of the ASPSP which is wrong as the customer has consented to share the data. **GL** stated further that the regulation has got the language wrong and it needs to be fixed.
- 2.31. **MC** stated that the advice given by the legal teams is that PSD2 is clear and that there are reasons for the 90 day re-authentication and the SCA RTS standards that wrap around it. **GL** stated that RTS does not say that the ASPSP should conduct the 90 day re-authentication – it is only in the clarification that came after that signalled that it is the ASPSP given the role which is wrong.
- 2.32. **IG** stated nonetheless the team has to work with the regulation as it currently is, pending any changes to it. **IG** stated that the team has always sought to ensure that the Open Banking standards appeals to as broad a range of the ecosystem and with 70-80 non CMA9 adopting the standards, this shows that it is comprehensive, hence the reason for the decision that the recommended functionalities seen by some banks as a good to have / required functionality to build are important. On this basis, **IG** stated that the view was taken that Open Banking should take those standards. **IG** stated that given the work that has been done thus far in figuring out the options, there is no down side to finishing the job and publishing the standards for option 3 as an optional item.
- 2.33. **IG** instructed the OBIE to complete this piece of work in time for publication in December, and have an update presented at the December IESG.

**APPROVAL - IESG\_APR\_LOG\_060 - 90 Day Re-authentication - approval of the development of option 3 in version 3.1.4 of the Standard (due for publication on 23 Dec 2019). Implementation will be optional.**

**ACTION - IESG\_2019\_301\_334 - 90 Day Re-Authentication - 90 Day Re-authentication - Following the approval of the development of option 3 in version 3.1.4 of the Standard (optional implementation due for publication on 23 Dec 2019) , an update is to be provided at the December IESG.  
Due Date – 17 December 2019**

## 2.d CONSULTATION ON REVISED ROADMAP

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- 2.34. **IG** introduced the paper, giving context as follows to ensure IESG members / stakeholders understand. **IG** explained that two months prior, there was a meeting held with some of the Heads of Retail of the CMA9; the meeting was constructive and aired some of the accomplishments and issues in Open Banking – issues were particularly relating to performance payments and adoption. **IG** explained further that discussions centred on driving factors behind the statistics, following which the CMA asked for the Trustee to write a status report which was delivered at the end of September. **IG** informed IESG members that one of the requests was an update to the roadmap to reflect the status of the programme, including the things that are train as well as yet to be delivered. **IG** stated that this status report is included in the pack (confidential for IESG members) and contains a lot of information on accomplishments and pending deliverables. **IG** did not think that this would be a surprise to any of the IESG members, especially in light of the regular updates via the Steering Group meetings. **IG** explained that this introduces a framework which has been helpful in trying to articulate a status to the Heads of Retail and the CMA; this was looked at in terms of assisting the implementation, growing the ecosystem and customer adoption. **IG** split the implementation into two categories:
  - 2.34.1. The status of pending build; and
  - 2.34.2. Performance.
- 2.35. In terms of growing the ecosystem, **IG** stated that there are two parts to this:



2.35.1. The actual sign off of TPPs and non CMA9 ASPSPs, both of which have exceeded expectations with a healthy spread of innovative use cases and propositions.

2.35.2. Customer adoption.

**IG** stated that this shows that there is traction and good growth, but there is still a long way to go (for example, PIS which makes up less than half a percent of overall API volumes. **IG** added that the roadmap exercise is intended as a revised version as many would be familiar with as a schedule to the CMA Order. **IG** explained that the intention of this paper is to announce the start of the consultation process. **IG** stated that it is necessarily quick because:

2.35.3. The CMA want it to be quick because it appears that the programme is operating without a roadmap and therefore, it needs to accurately reflect the status of the programme; and

2.35.4. This roadmap only refers to the objectives of the Order, and therefore it clarifies the items that have been debated.

**IG** explained that the request here is to notify IESG members of the consultation process, to request active contribution (there are meetings being set up regarding the consultation), and to request support. **IG** stated that the document includes a short memo which talks primarily about the consultation process; the appendices to the document include the Open Banking Status Report to the CMA, some elements of which have been redacted. **IG** explained that the paper also includes the CMA's response which is an instruction to carry out this consultation.

2.36. **IG** paused to open for broad questions or clarification, stating that this would be followed by a discussion led by **AA** on the actual process.

2.37. **GL** asked why there is a need for a consultation. **IG** explained that in one respect, it is pretty clear and well laid out where the gaps are and what is required to fix those, nonetheless, the ecosystem is open and therefore, it is right that all stakeholders get the opportunity to input into what will govern activities over the next six to nine months. **IG** added that it is also CMA best practice to consult, therefore, a quick consultation is the right approach. **GL** asked if this is consultation on timing or activities that will be undertaken. **IG** stated that the consultation process that will be distributed immediately after IESG involves sending out two artefacts to the wider community of stakeholders:

2.37.1. Artefact one - a more detailed description of all items that were identified in the report to the CMA

2.37.2. Artefact two - a revised plan on a page.

**IG** stated that the consultation will be asking for comments as detailed below:

2.37.3. Do you agree with the items included and are they detailed correctly?

2.37.4. Do you agree with the timing and prioritisation?

2.38. **AA** explained that the consultation will be published after the IESG meeting, the response time is quite short – 06 December 2019 is the deadline for responses. **AA** explained that the proposed roadmap will include a list of questions for stakeholders to respond to, including questions regarding timing and scope. **AA** added that the consultation does not include anything that has not been mentioned in the IESG pack. **AA** added that consultation events have been scheduled for Thursday 21 November 2019 - the morning event is aimed at TPPs, while the event in the afternoon is for ASPSPs. **AA** understood that there are competing requirements on IESG members' time for that afternoon and was interested in thoughts on merging one session with the UK Finance event which is scheduled for Friday 22 November 2019 as most of the people going to the Open Banking event will also be invited to the UK Finance event. **AA** encouraged the various trade bodies associated with the ecosystem – FDATA, EMA, PIF, EBA and UK Finance to reply either as a joint association or as an individual organisation to respond speedily, especially as time is required to process the information so that IESG members will receive feedback on 13 December 2019 ahead of the next IESG meeting on 17 December 2019. **AA** added that there will be opportunities to feed in after because OBIE will be discussing with the Trustee and the CMA for conclusion on the revised roadmap in January 2020.

2.39. **IG** reiterated the structure for clarity - the CMA requested a revised roadmap from the Trustee which they will approve with the Trustee's recommendation; and the Trustee has instructed the OBIE team to run that consultation. **IG** explained that the process elements will sit with **AA** and his team, they will not be making any subjective interpretations of the consultation, the intent is to relay this back in an as effective manner as possible to enable the Trustee to make an interpretation and arrive at a conclusion that has the best level of consensus.

**IG** explained that this activity will be undertaken between December and January, following on from which it will be presented to the CMA in January 2020. **IG** stated that if further meetings are required following the December IESG, then those would be approached at that time, but the intent is to pull as much information before that. **IG** also asked about situations where ASPSPs are acting as TPPs with regards to which of the sessions they will attend. **AA** stated that the team is relaxed about this, and is thinking that it might end up being one session only while the CMA9 and other ASPSPs join the session being organised by UK Finance.

- 2.40. **IG** stated that IESG members might have expected to see the future of OBIE incorporated as part of this discussion; however, this is an implementation-only based document. **IG** added that representation on that would be sought in the future and would be debated at IESG, but not for the purpose of this roadmap; the requirement from the CMA is singular and functional.
- 2.41. **BR** reiterated **IG's** point and added that this document is required to be able to understand the status of the programme and put a timeline to a point at which the Trustee will be able to sign off that there is a sustainable Open Banking ecosystem and therefore, the job is completed. **BR** stated that this will feed into other discussions about the governance and the broader data sharing ecosystem.
- 2.42. **MCH** understood the context in which this is coming through from and welcomed it. **MCH** sought to understand whether in pulling this together, a piece of work had been undertaken to ensure that nothing that was in the original roadmap that might be relevant has been left out – for example, status of payment which was big at one point. **AA** stated that exercise was done as part of the update to the CMA, however if anyone feels like something has been inadvertently missed, it should be raised via the consultation.
- 2.43. **MCH** asked, relating to 2 of the items - *A4 (Performance Improvement Plans)* and *A5 (Improvement of API Performance)*. **MCH** stated that a lot of time has been spent in this meeting discussing MI and the underlying performance and with 14 March 2020 (the next important date) being imminent, there is a need to ensure that the team does not deviate from the fact that there could be another cliff edge regarding peoples inability to cease screen scraping and start using APIs. **MCH** stated that meaningful customer adoption cannot be contemplated unless and until there are good TPP propositions, which can only happen if the quality of the information flowing through the APIs is consistently high enough. **MCH** added that this has been discussed at each of the last few IESG meetings (i.e. a plateau in the underlying performance in the MI), but this has to be discussed to ensure the CMA's remedy is effective in improving competition in financial service in the interest of consumers. **MCH** compared the entire exercise to a laundry cycle – A4 and A5 being the duvet covers, explaining that MI and underlying performance are akin to the pairs of socks that should not be lost in the process. **IG** thought it fair to say that not a lot of thought has gone into the 14 march date and it is a point that should feature with assisting the prioritisation of the roadmap. **MCH** added that the Customer Evaluation Framework should be of high priority, not low and asked for an adjustment to this effect on the roadmap.
- 2.44. **SS** stated (directly to **IG** and **BR**) that an immediate response is not expected as it might be one to reflect on, explaining that his immediate reaction to the roadmap is a disagreement with the fact that future of OBIE governance was excluded. **SS** explained that it has been five years since the final report with this being one of the fifteen remedies (and the other fourteen have been delivered), adding that this is adding another year to build, including significant costs. **SS** stated that the final CMA report estimated no more than £20M, and Open Banking stands at £175M (and counting), build costs to the bank is north of £1B against the total cost of £20M; therefore if this is going to be sustainable, the elephant in the room must be addressed – how this can be moved away from more build and add-on functionalities and how does the programme move away from funding. **IG** stated that this introduces the idea of lessons learnt and if this could have been done quicker / cheaper, adding that many factors across all the stakeholders would underpin that. **IG** stated that this would be reflected upon. **IG** explained that the question to IESG members in this forum is how the future of OBIE can be solved in a consultation process such as this - what question should be asked? What level of consensus should be expected? What approach / model should be taken? **IG** explained that the breakdown of all of this will lead to a finish line and ability to announce to the CMA that the Trustee requirements have been met.

- 2.45. **SS** explained that it is about taking the foundation discussions when the CMA remedies were invented, what it was meant to deliver vs. what has been delivered and how this information can help to come up with a governance and funding model that ensures success. **IG** agreed with **SS**, stating that there have been a few attempts at drawing up the future of OBIE, but because these have not been sufficient in consensus, it has not been included in the pack. **BR** commented that the first part of considering the future of the OBIE process is to consider whether it has completed its job; and given that a huge amount has been accomplished, the pending deliverables need to be clarified in order to define what the role of the OBIE is in the next few months and then look at the options. This is, therefore, a very narrow question.
- 2.46. **FR** expressed an interest in **SS**'s comments, explaining that many around the table would be happy to sit and discuss the future governance of Open Banking, and one of the underpinning elephants in the room is the tension across the ecosystem and the level of trust between ASPSPs and TPPs and some of the reassurance that comes from having an implementation entity with powers to ensure that if something was not commercially viable, then it could be mandated as without this, the ecosystem would not work. **FR** wondered whether there is merit in talking about the principles / criteria against which one might suggest that there was an opportunity for a new kind of governance to come – what would be the principles upon which the ecosystem could be moved to a new governance model.
- 2.47. **PM** stated that UK Finance is setting up a discussion similar to the one being suggested by **SS** and **FR** and hoping to bring that together with not just UK Finance members, but other participants. **PM** referred to a meeting with the FCA which has been scheduled for 22 November 2019 to this effect. **PM** stated that thinking about what follows OBIE is a challenge as there will be lots of views around the table regarding the development of the design principles against which options can be assessed. **PM** explained that his team has determined three things:
- 2.47.1. It needs to be independently chaired,
  - 2.47.2. It needs to be independently supported; and
  - 2.47.3. It requires the involvement of a wide range of stakeholders to build consensus.
- 2.48. **IG** stated that this consultation is the forum for addressing the future of OBIE, and it will be a separate workstream to this, and one of several contributing factors into the final assessment that the CMA will make.
- 2.49. **GL** contributed to the discussion by adding that FDATA has begun a process of developing a blue print of what happens next, with the proposed format going through Treasury and the FCA, followed by a wider stakeholder base thereafter. As a community, **GL** stated that discussions regarding thoughts on different funding models and changes to the governance structure would be supported. **GL** called out that there is now a handful of people around the IESG table who have attended this meeting since mid-2016 and the journey so far has been complicated, with there being a range of things that possibly could have done differently; the outcome has not been uniform – all of the delivery (not just by subject) has not been at the same level. **GL** stated that for example, some of the qualities of the technical standards may have been of a high quality, while some elements of the customer redress have not been of the same level. In looking at the delivery of output, **GL** stated that not every institution has hit the same level and there have been some subjects where there has been an inordinate amount of resistance all the way through to the outcome of a delivery that has landed exactly as it was set out. On that basis, therefore, **GL** commented that in terms of the self-induced friction of getting to better customer outcomes, there have been arguments over finicky items which just needed to be delivered a bit faster. **GL** stated that given the opportunity to look back, the friction could have been reduced because some of the deliveries have landed quite well. **IG** thought the point on self-induced friction was helpful, stating that the cost of implementation is now being benchmarked for some non-CMA9 members and it is a fraction of what it cost the CMA9.
- 2.50. **IG** concluded by formally requesting OBIE to start the consultation as soon as possible and try to hit the timelines proposed in the paper.

***APPROVAL - IESG\_APR\_LOG\_058 - Consultation on proposed roadmap - This paper contains further detail on the Proposed Revised Roadmap and the consultation process. The Consultation Process is to take place over***

*the period of a month (starting from 19 November 2019), in order that the Trustee can present a final proposal to the CMA in January 2020. IG approved this paper.*

## **2.e OPEN UP 2020, P14 AND THE GLOBAL OPEN FINANCE CENTRE OF EXCELLENCE (GOFCOE) (EXTERNAL)**

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- 2.51. **GL** stated that there are two aspects to this paper:
- 2.51.1. The broader context of the Global Open Finance Centre of Excellence (GOFCoE) and what it aims to achieve; and
  - 2.51.2. Near term objectives relating to some of the outputs that are being worked on right now.
- 2.52. **GL** contextualised as follows:  
The team set out on a mission to create capabilities needed within the industry with no pushback from any parties. These capabilities include things like looking at harbouring bias and discrimination, developing anti-money laundering and fraud tracking on the stripper computer with diverse data sets. **GL** stated that people have come forward with ideas with a variety of useful ideas. **GL** explained that the work that went into the recent grant submission had support from **FR** and **MCH**'s community of consumer representatives in financial institutions - mental health, debt advice and a variety of consumer agenda items. **GL** went on to explain that it had written support from regulatory authorities, CEO support from people in fund management and banking community at very large companies – a broad range of stakeholders have been involved in conceptualising this. **GL** stated that the governance arrangements are being worked on at the moment. **GL** explained that one of the capabilities that was being looked into, in addition to the economic conservatory (the longitudinal study of how human kind earns, allocates their income to savings) was the idea of creating a data training set which is a significant barrier to adoption and innovation. **GL** added that the work that was provided by the working group led by Miles Cheetham in developing the Open Up Challenge 2020 identified that the lack of a data training set was fed back as the single biggest barrier to innovation – the ability for firms to train their algorithms and models leads to faster prototyping, better innovation, better regulatory supervision and that leads to trying to create something to support Open Up 2020, while the second part was to potentially support P14 and the account switching. **GL** added that this would be a perpetual set that would open up to all parties in the ecosystem that have a good cause for using it, as well as providing the capabilities for other forms of research.
- 2.53. **GL** stated that in the short term, there has been engagement with the CMA9 and other institutions, with the levels of engagement varying to whether or not there is a sponsor at a senior enough level within the institution in question. **GL** explained that following approval to commence investigation at the May IESG, two things now need to happen:
- 2.53.1. An acceptance (which has already been signed off by some institutions) of the process of anonymisation and pseudomysation of data; and
  - 2.53.2. Proper context on how this is going to be orchestrated and funded in order to move from conversations about whether to do it and how it should be done, to moving into execution.
- 2.54. **IG** thanked **GL** for the update, adding that nothing in the Order mandates the OBIE or CMA to do this; but there is some benefit to some adjacent activities (P14 and the Open Up Challenge 2020). **IG** explained that when GOFCoE is ready, there will be discussions to ensure that there are no duplicate builds / functionalities or inefficiencies. **IG** wanted to know what was required from stakeholders around the table and / or OBIE. **GL** stated that the approach would be to try and make this less of an adhoc discussion and bring it into a more centralised discussion instead. **GL** hoped that OBIE would be able to provide more co-ordination.
- 2.55. **DG** added that he visited the University of Edinburgh - GOFCoE and it is innovative, unique and interesting; adding that it would be good to be part of something that would grow the UK fintechs presence and OBIE ecosystem (albeit there being leverage points for things like P14). **DG** stated that understood that this cannot be mandated by the CMA or OBIE, but it is worth paying attention to. **FR** stated that she had attended a panel discussion about data and fintechs where the Chinese representative stated that there is ambition in China for making work in a way which was unlike elsewhere. **FR** thought it was interesting that consumer groups are interested in this and a consumer roundtable is being scheduled for November where GOFCOE will be discussed. **FR** explained that this would include other conversations such as ethics and privacy, security, etc. and one of the key things worth realising is that for there to be effective and consumer friendly data portability

and mobility, there has to be a sandbox and better testing for algorithms and bias – therefore, something akin to GOFCoE is required. **FR** added that one charity has said that a data-based ecosystem cannot be ready until the facilities for testing are available. This would ensure products do not have algorithmic biases that have been seen recently in products..

- 2.56. In wrapping up, **IG** asked if IESG members are supportive of the GOFCoE approach through **GL** and also supportive of the OBIE exploring ways of working more closely with what FDATA, maybe playing some kind of a co-ordination role. **HP** explained that HSBC will not be supportive of this as OBIE's focus should be on completing the build phase and supporting a transitional plan or institutional arrangement to create an industry body to take this forward. **HP** added that the funding being provided by the CMA9 is in excess to what was expected at the start of this journey, therefore, to add on deliverables on the grounds that they are interesting seems inappropriate.
- 2.57. **IG** suggested that this would be kept as a live conversation and its development would continue to be monitored.

### **3.a AOB – IMPACT OF SCA ON CONSUMERS**

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- 3.1 This was not discussed (*carry over to IESG meeting scheduled to hold on 17 December 2019*).
- 3.2 **IG** asked if there were any closing comments round the table or on the phone, there were none.
- 3.3 **IG** closed the meeting.