

Meeting Minutes

Meeting details

Meeting date: 28 April 2021

Meeting name

Implementation Entity Steering Group (IESG)

Meeting time

10.00 – 13.00

Meeting location

Microsoft Teams Virtual Video Conference

Scribe

Sally Chiwuzie

Classification

Public

Name		Role	Attendance
Alan Ainsworth	AA	OBIE – Head of Policy	Yes
Anoushka Thompson	AT	OBIE – Head of Monitoring	Yes
Bill Roberts	BR	Competition and Markets Authority (CMA)	Yes
Caroline Ambrose	CA	Barclays Bank	Yes
Carly Nimmo	CN	HMT	Yes
Chris Michael	CM	OBIE – Head of Technology	Yes
Daniel Ehreich	DE	Bank of Ireland	Yes

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Ed Colley	EC	OBIE – Programme Director	Yes
Faith Reynolds	FR	Independent Consumer Representative	Yes
Fiona Hamilton	FH	Head of Standards – OBIE	Yes
Gary Sheen	GS	Tesco Bank	Yes
Gavin Littlejohn	GL	Fintech Representative	Yes
Ghela Boskovich	GB	Fintech Representative	Yes
Hetal Popat	HP	HSBC	Yes
Ian Major	IM	TPP Representative	Yes
Imran Gulamhuseinwala	IG	OBIE – Trustee/Chair	Yes
Kate Frankish	KF	PSR	Yes
Mark Chidley	MCH	Independent SME Representative	Yes
Matt Cox	MC	Nationwide	Yes
Nicola Patricia McCleery	NPM	Danske Bank	Yes
Phillip Mind	PM	UK Finance	Yes
Richard Mould	RM	OBIE (Guest)	Yes
Richard Newman	RN	OBIE – Chief of Staff	Yes
Robert White	RW	Santander	Yes
Roy Hutton	RH	Allied Irish Bank	Yes
Sally Chiwuzie	SC	OBIE IESG Secretariat	Yes

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Thaer Sabri	TS	Electronic Money Association	Yes
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Apologies

Name		Role	Delegate
Daniel Globerson	DG	NatWest Group	Stephen Wright (SW)
Helene Oger-Zaher	HOZ	FCA	Tabitha Rendall (TR)
Simon McDougall	SMD	Information Commissioners Office	Jenny Vega Destello (JVD)
Stephen Smith	SS	Lloyds Banking Group	Richard Rous (RR)

No. Agenda item

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

- 1.1. **IG** welcomed IESG members to the Microsoft Teams virtual video conference.
- 1.2. **IG** stated that there are AOB items – EBA Guidelines re AML and another is future of the transition process, which **BR** and **PM** would be briefing IESG members about.
- 1.3. **IG** stated that **FR** is leaving and will recuse herself of any payment discussions as it is her last IESG before she moves on to the PSR. **FR** thanked IESG members for her time spent working as part of the group.
- 1.4. With regard to the minutes, **IG** stated that there were non-contentious comments received from **RR** and last-minute comments from **FR** which were being reviewed by **SC**. **IG** approved the minutes, asking **SC** to ensure that **FR**'s comments were in line with the recording.

APPROVAL – IESG_APR_LOG_097 – March IESG Minutes - IG approved the minutes from the March IESG.

- 1.5. **IG** moved on to the actions on slide 20.

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- 1.6. **IG** informed IESG members that actions #488 and #491 (*OBIE Status Report - EC to think about how payment growth can be reported (potentially through the reporting dashboards). This will be taken through PMG, discussed with the CMA9 and brought back as a proposal to IESG*) are duplicates with apologies from SC.
- 1.7. **IG** stated that action #490 (*EURC - AA to advise on appropriateness of the frequency of the End User Risk Committee (EURC)*) was included in the pack as a verbal update.
- 1.8. **IG** informed IESG members that actions #492 (*Roadmap forecast as at March 2021 - AA to put together a consolidated view of the outstanding Trustee actions to enable visibility of the current implementation activities*) was in the pack for discussion and on this basis, the action could be closed.
- 1.9. Regarding action #493 (*VRP Proposition and OBIE Standards v3.1.8 – This was approved at the March IESG with IG asking that consideration is given to ensuring that there is a link or page that takes account of known issues*), **IG** informed IESG members that this had been resolved by **FH** and could, therefore, now be closed.
- 1.10. Finally, regarding action #494 (*VRP Proposition and OBIE Standards v3.1.8 - Clarify the voting with TDA on this to ensure that Santander's position was not misrepresented*), **IG** explained that this had been clarified and could be closed.

ACTIONS

Action Number	Date Raised	Owner	Description	Notes	Target Date	Status	Date Closed
IESG_2020_301_483	25/11/2020	EC / DF	A2(c)(ii) Timely-Provision/High-Frequency MI Requirements for ASPSPs – A cost impact analysis to be prepared by the CMA9 detailing the complications of the architecture and resources required. An agenda item detailing a cost impact of the as-is state MI to be added to the December bilaterals. This should be brought back to IESG in December 2020 or January 2021.	<p>Update 28/04 - Closure agreed.</p> <p>Update 21/04 - This is included in the April IESG pack for discussion. Propose to close.</p> <p>Update 10/02 – Based on the IA from action #479 and further feedback, IG has written to the CMA9 to confirm the requirements. OBIE is now progressing with the evaluation of a range of options to be brought to IESG in March 2021. Carry forward to the April IESG.</p> <p>Update 19/01 – Impact Assessments have been completed by the CMA9 and on this basis, and further feedback, IG has written to the CMA9 to confirm requirements. OBIE is</p>	28/04/2021	Closed	28/04/2021

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				<p>progressing with the evaluation of a range of options to be brought to IESG in March 2021</p> <p>Update 14/12 - Carry forward to January IESG.</p> <p>Update 11/12 - OBIE expecting further information during the bilaterals. Verbal update to be provided at IESG. Propose to close.</p>			
IESG_2020_301_488	25/03/2021	EC	<p>OBIE Status Report - EC to think about how payment growth can be reported (potentially through the reporting dashboards). This will be taken through PMG, discussed with the CMA9 and brought back as a proposal to IESG.</p>	<p>Update 28/04 - Closure agreed.</p> <p>Update 16/03 - An agreement was reached at PMG and will be presented to next IESG. Carry forward to the April IESG. Propose to close.</p>	28/04/2021	Closed	28/04/2021
IESG_2020_301_490	25/03/2021	AA	<p>EURC - AA to advise on appropriateness of the frequency of the End User Risk Committee (EURC)</p>	<p>Update 28/04 - Closure agreed.</p> <p>Update 21/04 - Verbal update to be provided at IESG. Propose to close.</p> <p>Update 16/03 - This will be discussed at the next EURC meeting in April. An update will be provided at the next IESG. Carry forward to the April IESG</p>	28/04/2021	Closed	28/04/2021
IESG_2021_301_491	25/03/2021	EC	<p>OBIE Status Report - EC to think about how payment growth can be reported (potentially through the reporting dashboards). This will be taken through PMG, discussed with the CMA9 and brought back as a proposal to IESG.</p>	<p>Update 28/04 - Closure agreed.</p> <p>Update 21/04 - This is included in the pack for discussion. Propose to close.</p>	28/04/2021	Closed	28/04/2021
IESG_2021_301_492	25/03/2021	AA	<p>Roadmap forecast as at March 2021 - AA to put together a consolidated view of the outstanding Trustee actions to enable</p>	<p>Update 28/04 - Closure agreed.</p> <p>Update 21/04 - This is included in the pack as an agenda item. Propose to close.</p>	28/04/2021	Closed	28/04/2021

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			visibility of the current implementation activities.				
IESG_2021_301_493	25/03/2021	FH	VRP Proposition and OBIE Standards v3.1.8 – This was approved at the March IESG with IG asking that consideration is given to ensuring that there is a link or page that takes account of known issues.	Update 28/04 - Closure agreed. Update 21/04 - As this is now published, the normal channels for raising tickets are available to all to report issues. In addition, FH has added a specific agenda item at TDA for feedback and discussion on 3.1.8. Propose to close.	28/04/2021	Closed	28/04/2021
IESG_2021_301_494	25/03/2021	FH	VRP Proposition and OBIE Standards v3.1.8 - Clarify the voting with TDA on this to ensure that Santander's position was not misrepresented.	Update 28/04 - Closure agreed. Update 21/04 - FH revisited minutes and confirmed that all banks voted to approve this at TDA. Propose to close.	28/04/2021	Closed	28/04/2021

1.c PROGRAMME UPDATE

1.c.i OBIE STATUS REPORT

- 1.11. **IG** moved IESG members on to the programme update on slide 22, inviting **EC** to give highlights.
- 1.12. **EC** stated that the overall status remains the same as the last month, pointing out that the forecast activities that were shared last month are still on track and despite the red status, there is no deterioration.
- 1.13. **EC** stated that a couple of items are being presented during this meeting and would be addressed at their appropriate time slots.
- 1.14. **EC** stated that the Sweeping update is outstanding and will be presented at the May IESG with follow up activities in June.
- 1.15. **EC** stated that the CMA consultation conclusion is being awaited.
- 1.16. **IG** stated that a best view of the timelines against the reviewed Roadmap was not included because there is no change.
- 1.17. **MC** asked about an update on High Frequency, wondering if this is on track for the May IESG. **EC** hoped for a consensus during this discussion, stating that in that case, it should be fairly straightforward.
- 1.18. **MC** asked if the plan is to close up the recommendations on the two options at the May IESG. **EC** stated that any refinement will be reached during the course of May.
- 1.19. **FR** requested more detail on the Customer Evaluation Framework as there are no EAG's diarised. **EC** stated that the second phase report is being finalised and needs to be agreed internally before establishing an EAG to progress the work throughout. **EC** stated that the next publication is due in September. **FR** stated that it looks like it should be quicker. **EC** stated that it is being progressed with no definitive time just yet.

1.c.ii CMA9 CERTIFICATION UPDATE

- 1.20. **IG** moved on to the conformance dashboard on slide 23 and invited **AT** to provide highlights.
- 1.21. **AT** stated that as part of the OBIE conversations the majority of banks have confirmed they do not require an uplift to be implemented for 3.1.7 and therefore will only need pass conformance in order to move to completion
- 1.22. **AT** called out some of the progress made this month: Nationwide have now completed 3.1.5 having closed their MI gaps. Cater Allen have now completed 3.1.5 having been certified as conformant for CBPII and there is now have a delivery plan in place for the remaining items. Bol – the team have now had sight of a lower level plan which is understood and the firm will be sharing with the CMA imminently. Barclays – the final RJID action relating to joint accounts is on track to be resolved this week.

1.c.iii CMA9 CERTIFICATION DASHBOARD

- 1.23. **AT** called out some updates: AIB have brought forward their date for AIS conformance at 3.1.6 to next month with PIS and FAPI tracking to an end of June timeline. The CEG 3.1.5 evidence has been validated and **AT** confirmed this is now closed / complete also. LBG – verbal overlay on their FAPI date – since publication/submission – the firm have experienced some further delays and are now targeting end of May though this timeline is yet to be finalised shortly. Nationwide – a recent FAPI update is that they've now been certified for their non-TTP facing production environment.

- 1.24. On the subject of FAPI recertifications, **AT** stated that Cater Allen are in the process of completing their annual process, HSBC is coming up shortly and NatWest are in the process also, which is ahead of schedule.

1.c.iv. Performance Improvement Plans (PIPs) Dashboard

- 1.25. **AT** had a couple of call outs on this slide with regard to items that had progressed since last month: For Danske, their engagement with TPPs item has been closed. For HSBC business, AIS response times has moved to completed, and they have entered their 3 months monitoring in March. For Santander, there was verbal update since the slide was produced - their AIS response times have now achieved benchmark for the first month and entered in the monitoring period for March also.
- 1.26. **MCH** picked up on balance visibility, asking for an update on this. **AT** responded by stating that LBG believe that this step in the process is positive friction and having undertaken some research and shared with OBIE, this is being looked at.
- 1.27. **MCH** did not want to lose track of balance and asked also if the LBG research can be shared. **IG** stated that the team is looking at how to bring things back into proper governance and so the first step is to critique the work that has been done. **IG** stated that this would then result in queries and clarifications and then if there is sufficient weight behind the claims, it will come back into the OBIE process.
- 1.28. **MCH** reminded IESG members that he made representations on this and asked for timeline. **IG** stated that the 3rd party have reviewed the work and is now in discussions before it comes into full governance or not.
- 1.29. **IG** stated that the **AT** and monitoring team working with the banks is trending in the right direction. **IG** thanked the monitoring team and the CMA9.

1.c.v KPI DASHBOARD

- 1.30. **IG** moved the agenda on to the KPI dashboard on slide 26. **EC** stated that the key highlight is that the average API availability has dropped by over 7%. **EC** drew IESG members' attention to the appendix which contains the new management information. **EC** stated that the availability was affected by HSBC's very low volume endpoint, which was down for majority of the month, but the impact was comparable to all the other ASPSPs and so this was negligible to the ecosystem.
- 1.31. **EC** asked IESG members to note a significant jump in API call volumes.
- 1.32. With regard to service desk tickets, **EC** stated that these have increased, although there is general improvement.
- 1.33. In terms of the growth of TPP and ASPSP growth, **EC** stated that this continues to grow.
- 1.34. **HP** stated that a disservice is being done by reporting this way since everyone is reporting poor performance for immaterial things and asked that this reporting method is reconsidered. **HP** stated that it is extremely low usage and does not impact customers at all and what is seen here is unintended consequence of a reporting methodology.
- 1.35. **IG** stated that it would continue to be monitored. **IG** was happy for this to be noted for the minutes. **IG** stated that there is strength in measuring availability in various ways. **IG** was happy with seeing where endpoints go down and thought that even though it is a low usage endpoint, it is good for visibility and is a strength of the approach.
- 1.36. **GL** stated that he wrote to OBIE and spoke to **HP** on this. **GL** stated that **IG's** comments make sense. **GL** talked about different hats worn in different environments including trying to talk to UK authorities. **GL** stated that he advocates high quality APIs, and this looks like the ecosystem is doing poorly when the opposite is true. **GL** stated

that whether it is possible to use the weighted version publicly so as the ecosystem does not look bad or worse than the current state.

1.37. **IG** thought **GL**'s point was good as not arguing that we should look at different measures of availability but which we should promote publicly. **SW** stated that he agrees with **GL** and **HP**.

1.1. **IG** thought that this is a good point and wanted to start by trying to identify where the visibility around the availability metrics are (Social Media and website), collate the data and think about how that can be modified, either to introduce a new metric or to substitute it.

ACTION – IESG_2021_301_495 - EC to collate social media and website data around availability metrics and determine whether they can be modified to introduce a new metric or substitute it in a way that aids transparency, but also maintains credibility in the ecosystem.

Due Date – 27 May 2021

1.2. With **IG**'s initial agreement, **EC** wanted IESG members to understand that this will be published, and iterations will be in future.

1.3. **GL** challenged that the numbers are misleading. **IG** stated that in that case, ecosystem has been misled for a couple of years. **IG** was nervous about setting a precedent for publishing numbers just because IESG members do not like them. **GL** understood but stated that it would look like the ecosystem is falling to bits.

1.4. **HP** stated that this is a good opportunity to re-base this. **IG** was sure that many of the CMA9 were uncomfortable with the weighted average metric and thought this was like a knee jerk reaction.

1.5. **MC** agreed with **GL** and stated that the FCA's metric which aligns to PSD2 should be considered. **IG** stated that it is not a weighted average. **MC** stated that it is a form of weighted average. **RR** echoed the comments. **SW** agreed with **GL** but added that if what is being published cannot be agreed, it should be accompanied with a footnote.

1.6. **EC** suggested a pause in publication whilst reassessing how best the ecosystem is represented.

1.7. **IG** stated that he would figure out with **EC** how to present the information for transparency and also maintain credibility in the ecosystem for what is a low usage endpoint, albeit the low user endpoint allows consumers to revoke their consent.

2.a Dashboards Naming (*Approval*)

2.1. **IG** turned to slide 27.

2.2. **AA** stated that there is a good case for a uniform naming convention and good progress had been made on the dashboard review. **AA** stated that customers are not regularly using dashboards and so a lot of the responses we received are based on hypotheses.

2.3. **AA** stated that there was a good case for making dashboards tidier and easier for customers to use.

2.4. On agreeing a naming convention for PIS payments, **AA** stated that from a customer point of view, PIS is not the easiest term to use. **AA** stated that for the proposal is to replace this with a category term i.e. "open banking payments". **AA** stated that if this is used consistently across the ecosystem, then customers will get used to the new term.

2.5. **IG** stated that using the term "open banking payments" is non-compulsory but with regards to dashboard naming, the recommendation to use the terms "open banking connections", "open banking services" and "open banking accounts" would be compulsory for the CMA9, if deemed to be a requirement by the Trustee. **IG** stated that whilst

the EAG have managed to meet nine times, and people believe there is merit to harmonise naming, there is a difference in opinion about whether to go with recommendation 1 (an agreed mandatory single set of terms) or 2 (a set of alternative options, which would be mandatory to choose from).

- 2.6. **AA** stated that changing the name is not necessarily a simple activity for ASPSPs. The flip side of this is that this is not a source of any competitive advantage and different banks use different terms, even within their own organisations. In the event that there is no agreement to recommendation 1, **AA** hoped that recommendation 2 could be taken forward.
- 2.7. **RH** was concerned about the dashboard renaming because terms and conditions that have gone out to customers may need to be re-sent. **RH** wanted to be cautious that this can be managed at a time that is suitable as opposed to a restricted date to save costs; especially if this only affects a limited number of customers.
- 2.8. **KF** suggested that a mandatory naming convention should be considered as if consumers do not recognise a term because it is not used repeatedly, how do they get bought into the service?
- 2.9. **AA** stated that the difficulty with making it mandatory is that a lot of rules have to be followed and therefore it may be easier to encourage the market to move more naturally to this consistency in terminology.
- 2.10. **TS** stated that the benefits of uniting on a single message in the long term would outweigh the difficulties of making the changes and on that basis, **TS** was in favour of developing a single set of naming conventions.
- 2.11. **FR** agreed with recommendation 1, and that there should be simple and singular terms that should be recognisable across the industry. **FR** thought that recommendation 2 will be complex and dilute the benefit for consumers. **FR** concluded that naming and simplification are very important - recommendations 1, 3 and 4, thumbs up and recommendation 3, thumbs down.
- 2.12. **FR** wanted to see this moved through without further debate.
- 2.13. **IG** stated that recommendation 1 feels logical and common sense from a consumer's point of view and asked if there is a way to get that implemented in a way that does not cause the CMA9 too much disruption.
- 2.14. **SW** stated on the dashboards, he could see the benefits of recommendations 1, but given that Santander own the open banking as a trademark, is it future proof?
- 2.15. **SW** agreed with **RH**, stating that that terms and conditions are expensive.
- 2.16. **AA** stated on trademark, that the advice is that the terms "open banking payments" and "open banking" are generic and not covered by trademark rules. This applies both to dashboards and payments.
- 2.17. **DB** explained that this is a bit before his time and would have to get advice. **DB** was happy to take an action regarding the implications of Santander owning the term 'Open Banking' and its trademark. **DB** was happy with recommendation 1 to promote consistency as long as the correct terminology is used.

ACTION - IESG_2021_301_496 - DB took an action on the implications of Santander owning the term open banking and its trademark.

Due Date – 27 May 2021

- 2.18. **MC** was supportive of recommendation 1, stating that changes should be clear so that they are not drip fed. **MC** wanted to be clear on the additional scope of work for recommendation 2. On payments, **MC** understood the challenge, stating that the feedback from his team is that Open Banking is not a new type of payment, bank to bank payment is a type of payment. It is a new way of initiating a new type of payment.

- 2.19. **MCH** was supportive of **FR**'s comments but wanted to talk about remedy efficacy. There is very little that can be done about trust in the ecosystem but during the FCA's latest output shows that there continues to be distrust in data sharing. **MCH** encouraged IESG members to go with this as it is simple.
- 2.20. **GL** was in favour of recommendations 1 and 4, not in favour of 2, and 3 is separate as it is about education as opposed to naming convention. Referring to **RH** and **SW**, **GL** stated that people can only use Open Banking if digitally enabled and wondered if there was a way of focussing on people who can use the digitally enabled.
- 2.21. **IG** thanked **AA** and the EAG for working through nine iterations of this, there has been a constructive dialogue and a good degree of consensus.
- 2.22. **IG** wanted to progress with recommendation 1 and ensuring that it recognises the considerations that have been discussed at this meeting (terms and conditions and costs). **IG** wanted to find a way of referencing **MC**'s comments which is – before recommendation 1 starts, recommendation 4 must be completed. Recommendation 4 is not mandatory but would like to see what the artefacts are so they can do this as a one-off exercise. Recommendation 2 will be struck and recommendation 3 is a non mandated recommendation (a request to the CMA9).
- 2.23. On PIS, **IG** accepted the recommendation as is.

CONCLUSION:

Approvals: IESG_APR_LOG_098

The Trustee agreed with OBIE Recommendations 1 and 4 and dismissed OBIE Recommendation 2. Recommendation 3 resulted in no specific actions.

As a result, the following should be recorded as agreed Actions:

A2021/4 1. The CMA9 must use the term "Open Banking connections" to refer to their consent and access dashboards.

A2021/4 2. The CMA9 should use the term "Open Banking connected services" when acting as a data sharer (i.e. ASPSP) and the term "Open Banking connected accounts" when acting as a data recipient (i.e. a TPP), in conjunction with a clear explanation.

A2021/4 3. Non-CMA9 ASPSPs and TPPs should use the terms referenced in actions A2021/4 1-2.

A2021/4 4. The OBIE must amend the Customer Experience Guidelines (CEGs), to reflect actions A2021/4 1-3, and A2021/4 8. This action must be completed alongside other CEG changes resulting from the dashboards review, timescales to be agreed and dependent on FCA review of 90-day reauthentication.

A2021/4 5. Timescales for implementation of actions A2021/4 1-4 to be agreed through the usual OBIE governance, and after the conclusion of action A2021/4 6.

A2021/4 6. The OBIE must consult on the creation of a common terminology reference document which would aim to reduce the use of jargon in the open banking ecosystem and improve consumer understanding. This work must be completed by the end of June 2021.

2.24. **AA** covered this in detail in conjunction with 2.a above.

APPROVAL – approved as is.

CONCLUSION:

Approval: IESG_APR_LOG_099

There was broad consensus amongst IESG members that a single name for PIS Payments would be helpful, and there was broad support for the recommendation that “open banking payments” was the appropriate term. As a result, the following should be recorded as agreed Actions:

A2021/4 7. The term “open banking payments” should be used by the OBIE and participants as the category name to refer to “PIS payments”, or payments enabled through open banking APIs. For the avoidance of doubt, this is not a brand name and providers of open banking payments may continue to use their own brand. This is subject to confirmation by Santander that there are no issues relating to ownership of the “Open Banking” name.

2.c Dashboards review Trustee Action 8 re. error codes and two-way notification of revocation (Approval)

2.25. **AA** introduced slide 32, stating that this is a finalisation of Trustee actions coming out of the dashboard review.

2.26. **AA** stated that this arose out of a series of EAG meetings over a short period. **AA** stated that the recommendation is not to take any specific actions to change the standards, and instead to look at error codes in the round. **AA** stated that this work has already started under Roadmap Item A7.

2.27. **IG** asked **AA** to walk through the 4 recommendations in the paper. **AA** talked through all 4.

2.28. **MW** clarified – recommendation b does not rule out d. Recommendation b should say ‘at this time’ as it does in recommendation a.

2.29. **FR** was concerned that there is a standard that is open to interpretation and wanted it tidied up, especially where banks have had conformance signed off when they have not conformed. **FR** asked for an update on the specific error code created for when customers switch accounts. **AA** confirmed that this had been implemented by the CMA9. **IG** stated that when banks have conformed and have met the requirements of the tool, they are deemed to have complied. If the difficulty is due to an oversight with the error codes, then a change request is required as opposed to a wholesale change.

2.30. **IG** did not think this was a contentious set of recommendations. **IG** thought it was a good and proportionate approach. **IG** approved the recommendation subject to a write-up consistent with the discussions at IESG being put into the minutes.

CONCLUSION:

Approvals: IESG_APR_LOG_100

The Trustee agreed that the OBIE recommendations did not lead to any specific requirement for a change to the Standard regarding error codes, or any new actions for the OBIE. The Trustee also noted that there is an

overlap with work on error codes already being progressed under actions agreed following the conclusion of Roadmap Item A7 Root Cause Analysis of Consent Success.

Specifically, the Trustee determined, following broad consensus at IESG, that:

A2021/4 8. The OBIE Monitoring Function may include conformance by the CMA9 of elements of the Standard relating to error codes within the scope of its bilaterals.

A2021/4 9. No additional error code or message needs to be added to the Standard to deal with revocation of access by a PSU through an access dashboard, at this stage, and pending the conclusion of the detailed review of error codes being carried out under Roadmap Item A7.

A2021/4 10. Roadmap Item A2(a)(i), the follow-on evaluation of two-way notice of revocation, should proceed as planned in October 2021 (or earlier if the threshold condition is met).

2.d A2(d)-Open Banking Standards Relating to Confirmation of Payee and Contingent Reimbursement Model Code (Approval)

- 2.31. **IG** introduced agenda item 2.d – slide 52, which had been discussed at the last IESG.
- 2.32. **AA** stated that a key component of this work will consider transaction risk indicators that can be passed from the TPP to the ASPSP to improve risk scoring and the identification of potential fraud.
- 2.33. **AA** explained that his team has been working with Pay.UK, PSR and LSB to ensure that the journeys are not unnecessarily impeded by interventions. **AA** stated that the concern has always been that there could be a request for a CoP where it is unnecessary because the payee has already validated the payee account.
- 2.34. **RK** explained that the consumer research was presented to IESG in February and the summary of consultation responses presented in March. 5 recommendations have been drawn up for consideration by the Trustee.
- 2.35. **IG** stated that this is one of the workstream items that has been through a comprehensive engagement with the ecosystem, including great interaction with Pay.UK, LSB and PSR which is important because they are responsible for CoP and CRM.
- 2.36. **IG** thought the recommendations were sensible and was minded to approve and was interested to hear if there are any concerns, questions or recommendations. **IG** wanted a consolidated version of recommendations as these are difficult to follow in the paper.
- 2.37. **IG** wanted to ensure that the draft standards cover CoP integration by TPPs for consideration by Pay.UK and the integration of CRM effective warnings by TPPs, to inform the considerations of the LSB in this area. **IG** instructed OBIE to ensure the inclusion of an additional open banking payment model that incorporates a background CoP call, the result of which is provided to the TPP, but not to the PSU, which could be used in “Merchant Initiated” open banking payment journeys, where the PISP has a contractual relationship with a merchant.. **IG** wanted to confirm that once the LSB and Pay.uk have determined the approach to Open Banking journeys, that the draft standards would be updated and become a mandatory requirement of the CMA9. **IG** stated that this is a requirement of the Roadmap.
- 2.38. **IG** reminded the CMA9 that they had agreed to not implement CoP into open banking payment journeys until Pay.UK have concluded their formal process and agreed an approach for Open Banking journeys. **IG** stated that the write-up needed to clarify that this is a requirement on the CMA9 under the Order.

- 2.39. SW stated regarding sweeping and variable recurring payments, that this has been discussed internally as to whether CoP should be implemented, SW stated that the timings work if the implementation of VRP and CoP went into 2022, that would work.
- 2.40. IG asked that this is minuted to ensure that this is incorporated – due consideration should be given to sweeping and CoP.
- 2.41. It was agreed that, subject to these modifications the recommendations should be considered approved.

CONCLUSION:

Approval: IESG_APR_LOG_101

The IESG reached agreement to the OBIE approach on this Roadmap item, and the Trustee determined the following were agreed:

A2021/4 11. The OBIE must develop standards for publication in draft by end June 2021. These standards must include:

- 1. Technical standards to address the identified models set out in the OBIE Final Report dated April 13th, 2021. These must address the development of 'flags' to provide the ASPSP with certainty as to which model was being used, who was performing the CoP check and potentially the result of that check. This to include consideration of circumstances where a bilateral agreement may be in place between participants governing the application of effective warnings.**
- 2. Technical standards for an additional open banking payment model that incorporates a background CoP call, the result of which is provided to the TPP, but not to the PSU, which could be used in "Merchant Initiated" open banking payment journeys, where the PISP has a contractual relationship with a merchant. (For the avoidance of doubt, these are draft standards only, and would only become final standards following the outcome of Pay.uk and PSR work, and following consultation).**
- 3. Customer Experience Guidelines, supporting all of the identified models and the additional model described in A2021/4 11 (2), with a greater focus on unhappy paths where there is no CoP match. This will include suggested approaches to the presentation of warning interventions for both CoP and CRM that emerged from the consumer research undertaken, and to assist the LSB.**

A2021/4 12. When the activities being undertaken by the Lending Standards Board to review the CRM Code are finalised, OBIE should consult on revisions to the standards (including Customer Experience Guidelines) to enable the CMA9 to implement customer warnings in such a way that does not create obstacles to the provision of payment initiation services.

A2021/4 13. The OBIE must work with Pay.UK and PSR to agree timeline for the enablement of inclusion of open banking payments within Confirmation of Payee rulebook, following which the OBIE must modify the draft standards following consultation so that they are consistent and compatible with the CoP rulebook, and do not create obstacles to the provision of payment initiation services. Final standards will then be published. Implementation requirements must take into account the outcome of Roadmap Item A10 (Sweeping).

A2021/4 14. The OBIE must develop an enhanced risk indicator proposition, with the first step being the production of a report by the end of June 2021. The scope of this report will include:

- 1. An assessment of what can be done without changing the standard, for example improving risk-indicator definitions so that they can be reliably used. It will also include consideration of whether any proportionate steps that can be taken to encourage their wider use.**
- 2. The identification of a range of potential data elements, and an assessment of their value and reliability from a risk scoring perspective.**
- 3. An assessment of mechanisms that could be introduced to realise the benefits of wider use of risk indicators.**
- 4. An assessment of the appetite for enhanced risk data sharing.**

A2021/4 15. The OBIE must provide the outputs of the consumer research, and continue to provide input and support, to the Lending Standards Board in the development of industry best practice guidance in relation to effective warnings. This support may include contributing to the design and execution of any follow-on consumer research that builds on the experimental research that OBIE has undertaken.

A2021/4 16. The OBIE must continue to support Pay.UK in any future evaluation of the options to incorporate CoP into open banking payment journeys. This will include monitoring PISP appetite for direct participation, emerging fraud trends in open banking payments, and regulatory developments that may potentially impact the approach and timing of future development work.

A2021/4 17. The OBIE must contribute to and support the work being progressed by the PSR in the area of APP Scams, the development of CoP, the evolution of the CRM Code, and the risk management of Faster Payment transactions.

2.e Revised Roadmap Follow on Activity (Noting)

- 2.42. **IG** moved on to slide 66, stating that this was a response from **MCH** to pull together all the various actions that various directions and actions that have come up along the way which the team have now put together.
- 2.43. **IG** encouraged IESG members who feel that things are in here incorrect to drop an email. **IG** stated that he would accept emails and out-of-meeting requests.
- 2.44. **IG** stated to **AA** that he would like to see clearer association with the action items that came from Trustee Actions and IESG decisions, with a clear link to the governance source reference.
- 2.45. **SW** stated that in the March IESG Roadmap update, there were implementation dates across the piece stretching into 2021 and 2022 and in this, some of the dates are 'to be defined' – when will there be clarity on these dates? Many banks will be working towards planning for 2022 and nobody knows if to work to the March paper for resource and planning or wait for a decision on the last column of this paper.
- 2.46. **IG's** expectation is that the POAP Roadmap document that was shared at the last IESG is the correct to work through. **EC** agreed, adding that there are some specific points which are unclear what the required implementation date will be until the result of the FCA consultation and created that amended standard and understand the complexity of that. **EC** took the point that there are some dates that will need to be determined but are unknown right now. At the time of the standards publication and once assessment of impact are determined, **EC** explained that this will be determined at that point.
- 2.47. **IG** asked if it would make sense in the next pack to have where there is no certainty regarding the implementation date, if there could be a best estimate date in square brackets.

***ACTION – The revised Roadmap follow-on activity document to be brought back to the May IESG and where there is no certainty of implementation date, this should include the best estimate dates in square brackets.
Due Date – 27 May 2021***

- 2.48. **EC** stated that in general standards implementation would be 6 months from publication. Depending on level of change, **EC** stated that it could be considerably sooner or later.
- 2.49. **EC** stated that another concern is the concentration of change for CMA9 may mean that certain dates are better aligned for such things as channel changes and maybe this could be discussed at PMG.
- 2.50. **MCH** thanked **AA**, **RK** and the team, stating that the conversation has highlighted how important this component is to realise what else needs to be done. **IG** stated that the process described is a good one but wanted everyone to focus on this.

2.51. **FR** was confused as to whether the CEF which will be continuing on a 6 monthly cycle would be continuing. **IG** stated that the Roadmap does not end at a specific point and if that point is waited for, nothing will transition. There will be some things that will not fully be complicated because they are long term, or certain conditions have not been met or they are recurring; **IG** stated that there needs to be some assurance that the future entity will continue with these activities. **FR** cautioned that this item needs to be carefully safeguarded. **IG** stated that at some point there will be a handover ahead of the transition, hence he was keen that this is an ongoing evolving document as opposed to be one that is re-done in future.

2.f A2(c)(ii) Timely-Provision/High-Frequency MI Requirements for ASPSPs (Recommendation)

2.52. **IG** moved IESG members to slide 70.

2.53. **IG** stated that it is important that for the ecosystem to function, there is good MI. **IG** stated that the reasons for this were laid out in a letter written a couple of months back. **IG** recognised that there are challenges in implementing the high frequency MI envisaged by the team, but feedback has been listened to and undergone a comprehensive process which has resulted in 3 options.

2.54. **IG** explained that approval is required, but this is not final, but enables the team to do the work required.

2.55. **FH** stated that following a comprehensive process and consultations with the CMA9, there are 8 different options.

2.56. **FH** stated that the first is to do nothing (but not an option as the Trustee letter says different). **FH** stated that the CMA9 were interested in the least bad options in terms of impact. **FH** stated that the significant preference was for option 5 (centralised monitoring service) and option 7 (obtaining the data from the TPPs) **FH** stated that of the two, there was a preference for option 5.

2.57. **FH** stated that at the moment, all the options are being acknowledged.

2.58. **IG** stated that there is support for 5 and 7 but asked if significant progress can be made on the feasibility of options 5 or 7 ahead of next IESG, adding that option 8 did not get support because of technical challenges identified by the CMA9. On the assumption that anything in option 8, if used instead of 5 or 7, it will not be collectively imposed on the CMA9, but would be considered in situations where there was long term under performance.

2.59. In terms of the timeline of within a month, **FH** stated that it would be tight, it will take deeper dives with the CMA9 – maybe through a working group under the TDA. **FH** stated that it would have to be something that is workable for the Office of the Trustee and is plausible for the CMA9 and the TPPs. **FH** did not want to set expectations that at the next IESG there will be clear steer on a preferred option.

2.60. **EC** wanted to be clear - option 5 has some requirements that the CMA9 would need to agree to. Option 7 has little to do with the CMA9 but the ability to get that data from TPPs. There is not a timeline issue in determining whether we can get several TPPs to support such a proposition. **EC** did think that there was a timeline issue with getting several TPPs to support such a proposition; **EC** thought that this could come back in May with a recommendation of one of the two options.

2.61. **FH** stated that if going from **IG**'s comment, it is not just options 5 and 7, but also option 8 which requires technical analysis. **FH** thought it was quite important that the process has different people involved, and therefore, by furthering the investigation to option 8 would avoid coming to the end of May and concluding that either options 5 or 7 are not viable.

2.62. **IG** stated that there will be varying degrees of confidence around significant progress by the end of May.

- 2.63. **MC** stated that there are questions of value that have not been answered. **MC** stated that this was meant to be concluded in October 2020 and therefore the progress is disappointing. If there is no feasible solution to be used, **MC** did not see how this could be used in future. **MC** stated that it has significant costs to the organisation.
- 2.64. **SW** had an observation on option 5. When this was done internally, the team had to jump through a lot of hurdles regarding financial crime and operational security and would not underestimate the practical considerations. **SW** encouraged the feasibility study with the CMA9 to start this week to be able to get a feasibility paper for the May IESG. **SW** had a question on option 8 – is that the same as the new MI submission mechanism built by OBIE (as this is still running in parallel to this).
- 2.65. **RR** stated that he keeps reading about how the OBIE will help remediate issues as a result of the MI but continue not to see how that works and therefore, he has to keep talking about benefits. **RR** stated that when they have an issue, the individual CMA9 fixes it and not the OBIE. **RR** stated that the OBIE can enforce banks (at the bilaterals) to provide MI but does not require real time or interface. In terms of the presentation of the paper, **RR** struggled to recognise how these options 5 or 7 have positive support. **RR** did not agree with the scoring and counted LBG out of it. **RR** stated that option 5 is a big deal and was not supportive of it.
- 2.66. **HP** stated that HSBC had supported option 5 in the OBIE questionnaire, but reflecting on the wider discussion option 7 seems to be the most sensible and pragmatic way forward. **HP** was concerned about the level of security and contractual obligations of option 5.
- 2.67. **IG** shared **MC**'s frustration as it seemed at the outset that it was going to be straightforward. **IG** did not think the problem was with the problem statement but with the solution. **IG** stated that all the CMA9 must be monitoring on their own end, otherwise they would not know the problems. **IG** felt that the process was comprehensive. **IG** asked for confirmation that the top-level metrics of 7 out of 10 and 9 out of 10 had support. **IG** also asked if the MI data appliance the same as the internal one.
- 2.68. **FH** stated that the data submission appliance is different – it is a more effective and secure way of submitting exactly the same MI as sending these manually by email is not safe. **FH** stated that this was signed off and the tool has been built and it is now time to find an effective way of moving this forward. In terms of the accuracy of the feedback, **FH** was concerned because the participants from LBG and HSBC are expressing a preference for option 7 as opposed to option 5, however, the feedback given before her time but seemed to be confirmed, especially as this was direct quotes from the banks.
- 2.69. **RR** stated that it could be that the responses might be mixed up.
- 2.70. **IG** stated that there is a lot of confusion around this - the whole point of options 5 and 7 was that they were meant to be low cost and implementation requirements for the CMA9. On the basis of what has been heard at the meeting, **IG** asked **FH** to carry on assessing the feasibility of these. **IG** encouraged discussions on option 8 and encouraged the CMA9 to concentrate on red flag issues to prevent time wasting.
- 2.71. **FH** stated with regard to option 8 that using TDA was a good way to formulate a group to discuss this. **IG** agreed, stating that it would not be IESG – TDA would be appropriate.
- 2.72. **IG** agreed with the recommendations on the basis of the steer provided and asked **FH** to keep this at a high level but with the ability to object on specific grounds.

APPROVAL – IESG_APR_LOG_103 - A2(c)(ii) Timely-Provision/High-Frequency MI Requirements for ASPSPs Recommendations:

- 1. OBIE to carry out detailed specification of option 5 and identify potential providers of the centralised service. Subsequently the CMA9 should provide an impact assessment regarding option 5, specifically on enabling the provision of test accounts in their production systems which can support ongoing access for both AIS and PIS.**

2. *In parallel OBIE should progress discussions regarding option 7 with TPPs who are willing and able to support this. Subsequently the CMA9 should provide an impact assessment regarding option 7,*
3. *OBIE should provide more detailed specifications and a delivery plan for the MI Data Appliance, Subsequently the CMA9 should provide an impact assessment regarding option 8.*

2.g End User Risk Committee (EURC) Update (Verbal Update)

- 2.73. *This was not discussed due to a time lapse but email communication with an update was sent out to IESG members on Thursday, 06 May 2021.*

3.a AOB - EBA Guidelines re AML

- 3.1 **IG** handed over to **GB** who handed over to **HP**.
- 3.2 **HP** stated that AML applies to all payment service providers – PISPs, CBPIIs and AISP all fall within the money laundering regulations. The obligations set out can be summarised thus – the customer due diligence and in some cases simplified due diligence on all business relationships a PSP has with the end consumer (this varies between ASIP and PISP) is reasonably onerous on the TPP and gives little benefits to the ecosystem from a financial crime perspective. **HP** stated that in some instances, PISPs have to undertake full ID & V of the end consumer paying for an item during the journey and if compared with a debit card, there is no reason for the customer / merchant to choose Open Banking.
- 3.3 **HP** stated that the FCA have recognised this and have taken to HMT for review. **HP** stated that the ask is for an update from FCA on what the next steps are, and if there is anything that IESG members here can do to help FCA and to inform next steps.
- 3.4 **TR** stated that that the FCA have conveyed thoughts to HMT and waiting for them to decide. **CN** was happy to have a follow up call and update at the next meeting.
- 3.5 **TS** stated that it is about distinguishing AIS from PIS – from AIS, the relationship is for access to information and there are at least two versions of the story that these were never to be captured. **TS** stated that PSD defines AIS and PIS as payment services and therefore they fall within the scope of AML. On PIS, **TS** stated that it is about having a risk-based approach as requiring the end user to perform a CDD is destructive.

3.b AOB – Future Consultation and Transition

- 3.6 **BR** stated that this extended period for consultation ended on 15 April and they were fairly substantial. **BR** stated that they are in the process of reviewing and analysing / considering what people said and the submissions will be posted on the CMA website next week which usually gives rise to a second wave of comments (**BR** asked IESG members to feel free to comment). Re timing, **BR** stated that this is being considered within the context of the legal powers of the Order, whilst at the same time, trying to be as helpful as possible to other open projects such as smart data and open finance, neither of which are within the CMA power influence.
- 3.7 In addition to reviewing the feedback, **BR** stated that the CMA would be talking to other sponsors. **BR** expected that a decision would be reached in late May / early June 2021. **BR** added that in some cases, clarification of feedback will be sought and also inviting some parties for meetings where required.
- 3.8 **IG** asked if there will be preliminary decision. **BR** stated that the CMA are operating outside of statutory provision of timetables and depends on what the ultimate decision makers will deem appropriate.
- 3.9 **PM** stated that in advance of the CMAs decision, it was agreed that certain transition activities should begin on a no-regrets basis and that the transition should be able to run in parallel to the completion of the Roadmap. **PM**

agreed that the completion of the Roadmap is top priority and it has been agreed with **BR** and **IG** that if there were to be a risk to the Roadmap, the CMA would pause transition activity.

- 3.10 **PM** noted that in order to move the transition process forward, it was agreed that an open banking transition group would be established to provide governance for transition activities, **PM** stated that this is not the board of the future entity, but a delivery group – the purpose will be to guide this transition to an industry successor body and it will have authority delegated to it by the OBL board, and will have a budget and be able to contract with third parties.
- 3.11 **PM** talked about the proposed membership – CMA, Trustee, a senior member of OBIE, two representatives of the CMA9, a representative of the trade body, a CMA9 representative, end user representative and a transition lead. **PM** stated that the transition lead will chair. In terms of the initial no-regrets task, the group will have a delivery focus, and this would be neutral to the outcome. UK Finance have been asked to provide an interim secretariat and asked **IG** for support from the PMO office.
- 3.12 **PM** wanted to send out an invitation for an expression of interest later today (28 April 2021) and will be inviting all to respond to Tessa Lyndon-Skeggs.
- 3.13 In addition to IESG, **PM** stated that an expression of interest will be sent to other relevant trade bodies.
- 3.14 **FR** was interested to hear about the future transition arrangements but was confused because IESG members are still waiting for the CMA to provide its response to the feedback given – secretariat from UK Finance but will be housed in Open Banking. **FR** wanted a clear answer from the CMA on whether permission has been given to progress this. **FR** suggested that this work should be done by OBL itself or an independent group as a feedback to the consultation. **FR** wanted to know what the relationship of the CMA to this group is.
- 3.15 **TS** echoed **FR**'s points and wanted to know the basis under which this is set up. **TS** stated that the idea that it set up by UK Finance, and one trade body membership who is decided upon by the core membership feels like a step backwards.
- 3.16 **MCH** echoed **FR** and **TS** – premature, lacks independence and wholly inappropriate.
- 3.17 **GL** wanted to talk about the timing – IESG members heard from **BR** that the process that he's running will complete end of May / beginning of June and thought that the decision should be awaited. Considering that this has been ongoing since the summer of 2016, **GL** did not think that a few weeks was a long time to wait. From FDATA's perspective, **GL** did not want to miss out but did not think that the design of this is being led by a trade association and FDATA would need to apply as another trade association. **GL** thought that this was unacceptable.
- 3.18 **IG** stated that IESG members have maintained a good working relationship but cannot disregard the comments made but perhaps a call with **BR** after this to discuss would be appropriate.
- 3.19 **BR** stated that the CMA has decided to participate in the group that UK Finance is setting up on a no-regrets basis, the group will not decide what the outcome of the consultation as it is entirely a matter for the CMA.
- 3.20 **IG** reiterated that this is not a decision-making group, rather it is an execution group based on the blueprint that the CMA would provide in due course.

ACTION – IESG_2021_301_499 - IG proposed a meeting with the CMA and UK Finance to decide on the way forward with the transition group and to ensure that this is done correctly taking stock of the feedback from IESG members. Due Date – 27 May 2021

Meeting Minutes

OPEN BANKING

- 4.1 **IG** thanked all for dedicating time to attend.
- 4.2 **IG** gave the floor to **FR** to give a farewell speech.
- 4.3 **IG** closed the meeting.