Meeting Minutes

OPEN BANKING

Meeting details
Meeting date: 30 April 2019

Meeting name
Implementation Entity Steering Group (IESG)

Meeting time
10.00 – 13.00

Meeting location
Etc. Venue, 8 Eastcheap (Monument), London

Scribe
Sally Chiwuzie

Classification
Public

Name		Role	Attendance
Alan Ainsworth	**AA**	OBIE – Head of Policy	Yes
Bill Roberts	**BR**	CMA	Yes
Candy Ma	**CMa**	OBIE – Office of Trustee	Yes
Caroline Ambrose	**CA**	Barclays Bank	Yes
Chris Michael	**CM**	OBIE – Technical Delivery	Yes
Daniel Ehreich	**DE**	Bank of Ireland	Yes
Daniel Globerson	**DG**	Royal Bank of Scotland	Yes
Ed Colley	**EC**	OBIE - Prog Director	Yes
Faith Reynolds	**FR**	Independent Consumer Representative	Yes
Gavin Littlejohn	**GA**	Fintech Representative	Yes
Hetal Popat	**HP**	HSBC	Yes
Huw Davies	**HD**	OBIE	Yes
Ian Cox	**IC**	OBIE – Head of Monitoring	Yes
Ian Major	**IM**	TPP Representative	Yes (Phone)
Imran Gulamhuseinwala	**IG**	OBIE – Trustee/Chair	Yes
Laura Mountford	**LM**	HM Treasury	Yes
Mark Chidley	**MCH**	Independent SME Representative	Yes
Phillip Mind	**PM**	UK Finance	Yes
Richard Rous	**RR**	Lloyds Banking Group	Yes

Robert White	**RW**	Santander	Yes
Roy Hutton	**RH**	Allied Irish Bank	Yes
Sally Chiwuzie	**SC**	OBIE IESG Secretariat	Yes
Thaer Sabri	**TS**	Electronic Money Association	Yes
Vicki Hassan	**VH**	Danske Bank	Yes
Will Curley	**WC**	Tesco Bank	Yes (Phone)

Apologies

Name		Role	Delegate
Andrew Laidlaw	**AL**	FCA	Rebecca Langford **(RL)**
John Hutton	**JH**	Nationwide	Matt Cox **(MC)**
Paul Horlock	**PH**	Stakeholder Engagement, Standards and Strategy	Doina Nicolici **(DN)**

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 in the middle of FinTech week in which Open Banking were a core component.

1.2.   **IG** acknowledged receipt of AOB items – Article 10, the Attestation Process (to be led by **RH**) and a European update by those involved in Committee meetings on 29 April 2019.

1.3.   **IG** stated that with regards to the March IESG minutes, comments were received and incorporated accordingly. **IG** approved the minutes.

         APPROVAL - IESG_APR_LOG_039 – Comments received from the March IESG Minutes have been incorporated, minutes approved.

1.4.   **IG** informed IESG that a supplementary sheet had been provided alongside the pack. **SC** advised IESG members the stand-alone paper was the updated action log which contains action #184 as the only material change. **IG** walked IESG members through the actions, there were updates to some, while others **IG** proposed to close. There were no objections. (*Note – please refer to the action log on page 4 for more details and captured discussions are noted below).*

1.5.   With regards to action #170 – RJID and app-to-app, **IG** advised that the action would remain open while **EC** and **IC** work out next steps on showing demos – either live or through videos. **EC** suggested that a demo is possible, however, only some of the CMA9's app-to-app journeys would be available in the short term. **EC** suggested that perhaps a subset of the CMA9 initially or if there is a request for a specific bank, this could be picked up in the bilaterals. **GL** asked if Redirection Journey Implementation Document (RJID) was finished, to which **EC**, supported by **IC** responded that the vast majority were closed and there is an update in the pack. **IG** stated that **GL**'s point is that where the majority of a particular piece is finished, the OBIE can showcase that. **EC** said all the RJIDs will be seen, however the app-to-app will not be seen.

1.6.   By way of an update to action #172 on Resilience, **CM** advised additionally that a paper was being produced with ASPSPs and TPPs with specific focus on ensuring that consents and access are not switched off and breaking changes are minimised. **EC** suggested this action should also focus on ensuring that PISP use cases are not disabled by unavailability or issues. **IG** suggested that the genesis and scope of the action should be picked up offline and as there are moving parts to this, IESG could note an update before formal publication which will be after this is discussed at TDA.

1.7.   **IG** advised that both actions #173 and #174 relate to the NESTA Open Up Challenge. #173 would remain open with the Global Open Finance Centre of Excellence (GOFCE) Sandbox Meeting scheduled for 16 May 2019. **IG** added that a proposal letter was shared with IESG members and Heads of Retail accordingly. **GL** commented that he had sent a response to the letter querying the credibility of decoupling the access to data, which **IG** acknowledged, but reiterated that there is a good opportunity for the data item to be addressed, particularly with the proposed GOFCE Solution Sandbox, therefore the meeting would go ahead and all potential solutions would be proposed to the CMA9 for determination. **FR** expressed concerns about the lack of data but stated that this was a good opportunity to proceed, despite the timing issues, to which **IG** responded that there is now a live production environment and available data, adding that the OBIE would be supportive of anything required to incorporate the sandbox. **IG** stated that this would therefore not be delayed in spite of conflicting perspectives expressed by the CMA9 who like the idea conceptually, but recognised there are legal and technical challenges. **IG** added that this version of the NESTA challenge is not part of the CMA Order and would be interested in the output from the meeting that is scheduled for 16 May 2019. **IM** added that due to the amount of overlap in regulation, the NESTA objective needs to be considered before endorsement. **RH** commented that funding is not part of the CMA Order; **RW** reminded IESG members that NESTA is not mandatory and therefore needs to be understood better in terms of structure from a programme point of view, he also thought the Heads of Retail would be involved too. **IG** closed the conversation by stating that a letter to the Heads of Retail was sent and was expecting that these responses would be triggered. **IG** advised IESG members to encourage their Heads of Retail to respond and he will have offline conversations where required.

1.8.   **IG** advised that #181 (Article 10) would be covered in AOB. **RW** requested that the action should remain open *(Note: this was discussed in AOB)*.

1.9.   **GL** requested the inclusion of an action around producing a one page overview of the whole programme, which would clarify the scope of the specification. **EC** commented that the first part of this would be progress relative to the CMA9, the other would be a pictorial portrayal of the programme which links into ASPSP and the transparency calendar relative to PSD2 – a TPP one stop shop. **FR** agreed that it would be a useful tool for IESG members. **IG** reiterated that there is no need to complicate the document with a transparency calendar, but a timeline shown from an ASPSP point of view, **GL** could consult with **EC** where required.

ACTION - IESG_2018_301_185 - Programme Update - Plan on a Page - EC to produce a one page document to include what will be delivered and when.
Due Date – 23 May 2019

ACTION - IESG_2018_301_186 – Transparency Calendar - EC to conduct a review of how well populated the transparency calendar is. This should be included in the housekeeping section of the agenda for May IESG.
Due Date – 23 May 2019

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ACTIONS

Action Number	Date Raised	Owner	Description	Notes	Target Date	Status	Date Closed
IESG_2018_301_150	31/01/2019	**IG**	**Articulating Success: IG**/**FR** to figure out the next steps – working with **AA**, craft a memo how to do this, what is going to be addressed and obtain feedback.	**Update 30/04** – This can now be closed. **Update 21/03** - This is being progressed, C/F to April as an agenda item **Update 06/03:** Fingleton/ODI paper being commissioned and broader plan from ecosystem commissioned and un-commissioned research to follow at April IESG. C/F **Update 06/03: AA**/**FR** to schedule time to discuss and update ahead of IESG **Update 20/02**: Further discussion and work required on this item. Item rolled and **AA** to follow up for March IESG.	30/04/2019 ~~28/02/2019~~ ~~21/03/2019~~	Closed	30/04/2019
IESG_2018_301_158	28/02/2019	**CM**	**Operational Guidelines:** Update Operational Guidelines regarding deprecation of previous versions.	**Update 30/04** – This can now be closed. **Update 21/03: EC** has agreed criteria with PMG. This was discussed in OBIE update section of IESG. Further actions will be marked as new. This can be closed **Update 12/03:** There are two parts to this: 1. IC is discussing the timing of deprecation of V1 with each individual CM9 in our bilaterals. 2. Ed tasked **CM** with defining generic criteria for deprecation to go into the operational guidelines. **Update 05/03: EC** advised this is in hand with Ian Cox. It is going on the agenda for the bilateral meetings. Meetings have been held with HSBC and AIB so far	30/04/2019 ~~21/03/2019~~	Closed	30/04/2019

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Action Number	Date Raised	Owner	Description	Notes	Target Date	Status	Date Closed
IESG_2018_301_168	21/03/2019	RH/IC	**CMA9 Attestation Process:** With regards to the CMA9 attestation process, RH to provide thoughts on lessons learnt (communications before and after) ahead of the next release to IC.	**Update 30/04** - IC to discuss with RH. C/F to May IESG. **Update 10/04:** Verbal Update to be provided by IC.	23/05/2019 ~~30/04/2019~~ ~~21/03/2019~~	Open	
IESG_2018_301_169	21/03/2019	EC	**OBIE Programme Update:** Action on EC / SC to restructure the programme update – A one pager for Release, followed by one page on Performance Reporting. Other supporting materials will be moved to an appendix at the end of the housekeeping section. This will be reflected in April IESG.	**Update 30/04** - This can now be closed **Update 26/04** - This has been implemented. Propose to close. **Update 10/04** - This is on the radar for April IESG	30/04/2019	Closed	30/04/2019
IESG_2018_301_170	21/03/2019	EC	**RJID and App2App -** EC to present this to PMG as a conversation with the CMA9 to see if a workshop can be arranged for anyone who is interested in seeing the results of how the RJID and app-to-app journeys work; especially for people who do not have access to the developer zone. EC to also consult with PMG re whether we would share videos of the RJID and app-to-app journey, including whether some or all would be shared on the OBIE website.	**Update 30/04** - EC suggested that a demo is possible, however, only some of the CMA9's app-to-app journeys will be available in the short term, therefore perhaps this is done with a subset or if there is a request for a specific bank, this could be picked up in the bilaterals. This will be confirmed after the first showcase. CM to provide a link in the certificates to videos through the certification process. **Update 18/04** - A workshop is not feasible at this juncture but IESG members wishing to view CMA9 journeys should contact CMA9 reps bilaterally for demonstrations once App to App has been deployed, noting the Directions recently issued. Propose to close.	30/04/2019	Open	
IESG_2018_301_171	21/03/2019	FR/IC	**Customer numbers -** FR to arrange a meeting with IC re how customer numbers are collected, and update to be included in May IESG.	**Update 30/04** - IG advised at IESG that there is still some ambiguity on this which the team are working through. C/F to May IESG. **Update 23/04** - Meeting held on 11/04 with DJ/IC/MCH. Propose to close	23/05/2019 ~~30/04/2019~~	Open	

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Action Number	Date Raised	Owner	Description	Notes	Target Date	Status	Date Closed
IESG_2018_301_172	21/03/2019	CM	**Resilience** - CM to take recommendation to TDA to address the issue of resilience and subsequently report back to IESG.	**Update 30/04** - CM to discuss what levers are required to address the gaps at the next TDA. C/F to June IESG. Update 23/04 - CM advised that this is an on-going action. C/F until full update is available.	20/06/2019 ~~23/05/2019~~ ~~30/04/2019~~ ~~21/03/2019~~	Open	
IESG_2018_301_173	21/03/2019	MCh	**NESTA** - MCh and GL to meet with NESTA and CMA9, GL to explain how the Centre of Excellence Sandbox could work. Ideally, the session should be held before we progress with the new NESTA challenge**.**	**Update 10/04:** Meeting set up for 16/05. Aiming to provide an update by May IESG.	23/05/2019 ~~30/04/2019~~	Open	
IESG_2018_301_174	21/03/2019	MCh	**NESTA** - MCh to update the document to provide clarity on the sandbox requirement decoupling CMA9 commitment to providing this any anonymised data from NESTA challenge itself.	**Update 30/04** - This can now be closed. Update 12/04: Updated paper shared with IESG and Heads of Retail. Propose to close. Update 10/04: This will reflect in update in May IESG	30/04/2019	Closed	30/04/2019
IESG_2018_301_175	21/03/2019	AA	**Umbrella Document** - Any specific comments on copy to be provided to AA, a memo of changes made to be circulated with a revised copy.	**Update 30/04** - This can now be closed. Update 05/04 - The finalised version of the OBIE Standard Document was shared with IESG. Propose to close**.**	30/04/2019	Closed	30/04/2019
IESG_2018_301_176	21/03/2019	AA	**VRP Sandbox / Test Plan** - With regards to the VRP Sandbox, the Test Plan is being drawn up within the next 3-4 weeks. AA will present this back to the April IESG.	**Update 30/04** - This can now be closed. Update 17/04 - This will be a verbal update at April IESG. Propose to close. Update 10/04 - This will include an update on the FCA's sandbox decision on the inclusion of VRP. This will be a high level overview and next steps. HD will ask the FCA in an update meeting on 15/04 whether it is ok to share any papers, in which case, the paper will make tranche 2. Otherwise the main decision will not be made until 29/04 - a day to IESG. The plan is to write in a verbal update into tranche 2 agenda and circulate test plan out-of-cycle	30/04/2019	Closed	30/04/2019

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Action Number	Date Raised	Owner	Description	Notes	Target Date	Status	Date Closed
IESG_2018_301_177	21/03/2019	AA	**VRP Sandbox / Test Plan -** FR suggested AA to include Kathryn Hardy of the PSR in these conversations to ensure coherence and connectivity.	**Update 30/04 -** This can now be closed. Update 10/04 - An update will be provided as part of the action #176. Propose to close.	30/04/2019	Closed	30/04/2019
IESG_2018_301_178	21/03/2019	AA	**Articulating Success for Customers -** Articulating Success for Customers to be presented at the next IESG, including the Fingleton proposal.	**Update 30/04 -** This can now be closed Update 17/04 - This will be an agenda item for April IESG. Propose to close. Update 10/04: Paper awaiting sign off by EC and AA.	30/04/2019	Closed	30/04/2019
IESG_2018_301_181	21/03/2019	CM	**Article 10 SCA issue for Open Banking AIS -** If CM update is not published before the April IESG, RW requested that this should be an agenda item**.**	**Update 30/04 -** This can now be closed. Update 02/04 - OBIE published a paper re this issue. Propose to close.. Update 21/03 - SC to check with CM if this has been done because update at IESG suggested this would be sent 'in the next few days	30/04/2019	Closed	30/04/2019
IESG_2018_301_184	21/03/2019	EC	**RJID and app-to-app -** EC to consult with PMG re whether the OBIE would share videos of the RJID and the app-to-app journey, including whether some or all would be shared on the OBIE website.	**Update 30/04 -** Merge with #170. This action can be closed. Update 10/04: Verbal update (Linked to action #170)	30/04/2019	Closed	30/04/2019

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1.c	PROGRAMME UPDATE

1.c.i *OBIE STATUS REPORT*

1.10. **IG** thanked **EC** and team for updating this section in the structure prescribed at the March IESG, proposing to walkthrough in the new order – a 3 paged document, followed by the appendices within the update (OBIE general update, CMA9 Release Summary, KPI Performance). **IG** advised that it would be a discussion by exception only, i.e. any specific discussion points by IESG members.

1.11. **IG** requested an update on forecast for completion. **EC** advised that completion would be before the May IESG. R3.1.2, for example, is currently green and presented at this forum for endorsement, and therefore would be complete by the next IESG, adding that all items (P numbers) had been through evaluations and subsequent pieces of work would be opened as new items. There were no questions from IESG members.

1.c.ii. *CMA9 RELEASE SUMMARY*

1.12. **IG** stated that there is a decent view of status, but added that through the bilaterals, a forecast for Release 4 implementation should become clearer. **MC** wanted an ETA on a trackable implementation plan. **IG** advised that the timeline for completion of the standards needs to be understood first; therefore expectations on timings are fluid at the moment. **MC** added that in the absence of a timeline, tracking would be premature, but a clearer governance schedule would be helpful. **IG** suggested that timelines would be firmer over the next few months. **EC**, in response to **GL**'s question on what Release 4 entails, confirmed that Release 4 includes the items in R.3.1.2, and for the CMA9, there were a range of activities which were due for completion between March and September depending on individual firms for deployment dates. **RW** suggested that in the absence of a plan and governance, the Release 4 section should be exempt from the pack. **IG / EC** would discuss offline. There were no further questions from IESG members.

1.c.ii *API PERFORMANCE*

1.13. **IG** thought the robustness of the metrics was settling down, adding that the update was clear on the highlights and lowlights of individual institutions. In terms of average availabilities, this month was down – only 7 of 16 brands were 99% and upwards, requiring attention.

1.14. **CA** suggested that people are struggling with the difference between availability and stability. Barclays have had unplanned incidents where they have not been as stable – stability being not getting the response (200 or 400) due to failure at Barclays' end – without meaning that the full availability of the system is down. **CA** explained if 95% of calls in an hour are getting through, the ecosystem are informed of the 5%, which means that the incident is classed as unavailable whereas it is available, but not performing at the right level of stability.

1.15. **DG** added that the PSD2 definition of availability is different from the TPP's interpretation and communication to the industry, the ecosystem, TPPs and other banks needs to be thought through. **IG** commented that it is worth distinguishing between telling the TPPs there is a problem coming and looking back to assess the performance – these are two separate things. **EC** advised that the R3.1 MI should start coming through over the next few days and the granularity should answer these questions as the MI will be more aligned with the TPPs interpretation of unavailability and stability, however, this would not be available until June IESG.

1.16. **HP** stated that this information needs to go on the public domain as HSBC received a series of journalists' calls stating that they were going to publish a story that suggested that the overall availability from the CMA9 was catastrophically low. **HP** suggested that there needs to be an official set of MI that tells a factual story. **IG** agreed, but stated that he had requested feedback from the CMA9 on where they thought the MI was not working as there is a keenness to get to a robust set of MI which does not need to be restated after the event. **IG** asked if the CMA9 are saying that there are still issues or will this be fixed by the new set of MI? **RR** responded stating that **EC** had been helpful, however, the additional observation on this month's MI had never occurred before - failed API calls should be distinguished when it is not the fault of the bank. **IG** directed **RR** to page 38 where the

commentary is covered; however, **RR** said it was not enough to avoid a misinterpretation. **GL** suggested that an automated service may be the best tool to prevent complications. **IG** thought it would be a good idea, however, that might lead to shifting the subjectivity to another party.

1.17.   **MC** stated that the headline number published in the pack needs to align with the PSD2 publication.

1.18.   **FR** commented that failed connections and re-authentication of apps means consumers will not use them. **CA** agreed, adding that that having APIs available impacts whether the app on the TPP end is available to the customer. Having stability means that the customer will see a view, albeit a view that is not updated. **IG** suggested a need for the CMA9 and other interested parties to discuss concerns around MI and come back with an aggregated process. **EC** suggested that the right forum would be PMG, but emphasised that this should be based on R 3.1 MI as it will be materially different from what has been provided to date and the cycle (pulled on the 5th working day) would not make the May IESG. **IG** suggested a slot in the PMG that follows the next IESG.

> *ACTION - IESG_2018_301_191 – Programme Update - V3.1 MI - EC to take new MI feed to the PMG which is just after the IESG in May. The new MI will be published in the June IESG pack.*
> *Due Date – 20 June 2019*

1.19.   **RW** raised a CMA9 concern around the 'failed calls' MI not being articulated appropriately in terms of presentation. **EC** agreed to insert a comment to show technical vs. business failures before publishing the MI.

> *ACTION - IESG_2018_301_190 - Programme Update - API Performance - EC to show the splits between the technical failures vs. business failures.*
> *Due Date – 23 May 2019*

1.20.   **IG** suggested that further comments on MI should be taken offline. IESG members had no further comments on Housekeeping.

2.a   DISPUTE MANAGEMENT SYSTEM

2.1.   **IG** introduced the Dispute Management System (DMS), reminding IESG members that this is a core requirement of the CMA Order and that this capability is a workflow tool for opening and tracking cases. **IG** added that the tender process last year was robust and informed IESG members that it was agreed with the Resolver that it maintains flexibility for future modifications. **IG** added that no decision has been made on pricing because the objective is to ensure adoption across the ecosystem. **EC** reiterated **IG**'s point in terms of pricing back into the ecosystem, stating that it is not yet at a point where a commercial outcome can be delivered. Upon agreement, interested parties could reconvene to conclude. **EC** mentioned two elements to the costs:
2.1.1. The build and the licence to be able to use the service; and
2.1.2. A user cost from the provider that needs to be picked up by the industry as a whole without penalising the smaller TPPs.

2.2.   **HP** asked how the CMA9 would be close to contracts and the commercial piece as the new working group does not allow for contracts and finance discussions, to which **EC** reminded IESG members that the contracts will be circulated to the CMA9 and then decided at PMG while Heads of Retail deal with costs. **GL** raised concerns about the original issues not being handed over before going into the technical build. **IG** was satisfied that there had been continuity and a lot of work was done in a consensual manner when dealing with detriment. **BR** added that the Order specifies that it has to be a Consumer Redress Mechanism, which is different from a Case Management System and therefore the relationship between the two needs to be considered. **BR** was sure there is a connection between the two, though distinct.

2.3.   **FR** added that the process flow with regards to redress has gaps. **FR** asked about situations where the consumer falls outside the FCA perimeter, asking what the customer redress would be in the event of a data breach outside FOS jurisdiction, for example. **CA** stated that PSD2 and FCA Regulations are clear on breaches. **EC** added that pre January 2018, the underlying work was done in developing DMS1.0 which was a communications mechanism,

within which all the rules were covered. **EC** added that it is worth a reflection on new lessons learnt over the year, however, the fundamental principles on law and engagements with banks is clear. DMS1.5 is to automate the agreed system, while DMS2.0 is doing no more than systemising the communications between different parties. **RH** reiterated that there was no further work required on customer complaints as this is covered by the FCA, unless there was prima facie evidence that restitution is required, while **FR** asked whether the rules address customer redress adequately. **IG** reminded IESG members that DMS is different from customer redress. **CA** commented that customer complaints would be set out by the banks using the law as-is today. For example, in a refund dispute, the customers will be reimbursed while the banks request that refund back from the merchants should they believe them to be at fault. **MCH** agreed with all points, adding that the technical solution should still be focussed on delivering the right redress for customers.

2.4. With regards to the MasterCard solution, **RW** commented that this was a discussion as opposed to a consultation. There are multiple payment recovery processes in the industry for cards and faster payments, cards and direct debits and the discussion was around bringing all of these into one place and there was an interest in this. **GL** added that TPPs would have to understand how this solution would be used in the market and that the gaps are policy issues, requirement for ubiquity and putting the customer at the centre. **GL** suggested that these need to be solved at IESG. **IG** stated that DMS may not meet all the requirements at the moment; however, it is a tool that underpins the communications mechanisms between the authorised entities within the ecosystem, and as such does not have any less value than when it was determined originally. **IG** gave full support to the development of the concept of DMS; but stated that there is a need to also resurrect some of the contextual elements by the OBIE team to ensure that any ambiguity is addressed, especially for end customers, any conversations around determinants of ubiquity and if pricing is a key component of that, it needs to be fleshed out sooner than later.

2.5. **RR** commented that it would be sensible to overlap DMS with the Trustmark work; **IG** stated that this is a valid point, however, it is prudent to discuss both matters independently. **TS** steered the conversation towards the pros and cons of bundling PIS and AIS, **IG** summarised by stating that this issue could be addressed in next steps.

2.6. **IG** reminded IESG members that a customer redress mechanism is a core requirement of the Order and in time, there will be an implementation requirement for this, and this requirement will be specific and not general, however, there will be no requirement to start the process all over again. **IM** asked if there was an obligation on the CMA9 and other participants to use this particular tool. **IG** responded, stating that as with all elements of the OBIE and the guidelines set, there is an obligation to use whatever is required to enable the success of the project, this is therefore within the mandate of the Trustee.

ACTION - IESG_2018_301_192 - DMS - EC to restate the scope of work, including timelines and next steps. This will be included as an agenda item for May IESG.
Due Date – 23 May 2019

2.b   OB STANDARDS

2.7. **IG** reminded IESG members that the OB Standards relate to updates to the suite of standards including, Read-Write API, Customer Experience Guidelines, Operational Guidelines and MI which have been through relevant governance and do not contain recommendations to implementations or timings as these would be discussed at the bilateral meetings.

2.8. **IG** stated that he was minded to approve these papers as the correct governance process had been applied, but opened the floor to objections or clarification points.

2.9. **RW** asked whether V2.1 is optional and V3.2 incorporates changes. **CM** confirmed the DCR is optional and not all CMA9 implemented it, but that it is considered to be in the best interest of the ecosystem to use it as it saves manual effort and removes obstacles. **IG** added that the DCR is an important factor that should be taken into account when TPPs are trying to figure out if connecting is an obstacle, or not. The FCA would also want to discuss this as well. **FR** commented that this has changed from a full release to a dot piece and is optional for the ASPSPs to implement, but wanted to know when they become required. **CM** responded to state that these are additives to

the standards and in order to implement in a way that minimises disruptions, it was agreed at TDA and PMG that the best way to handle this is in a non-breaking way. **IG** stated that towards the beginning of the programme, the standard was a requirement that the CMA9 had to adopt within 6 months. Now, there are more non CMA9 participants signed up to the terms and conditions of the programme, and they will be taking their own views on what they feel is required. **IG** added that he did not want the OBIE to sit on functionality and standards that other entities may require due to their own interpretation. Getting these out, however, triggers a 6 month implementation for the CMA9 and at the moment, these are handled bilaterally which is a response to a letter from the CMA9 where the accumulation of requirements coming in in September was a reason to consider a stacking order that would be PSD2 compliant. **IG** added that implementing elements that should be in version 4 into version 3.1.2 prevents a breaking change.

2.10. **HP** commented that there has been a lot of feedback on confluence and asked if there would be line by line responses. **CM** advised the responses would be published alongside the standards. This might be in the form of an out-of-cycle publication to IESG members via the secretariat.

2.11. **IG** approved the OB Standards and thanked all colleagues who helped to produce this.

APPROVAL - IESG_APR_LOG_042 – The OB Standards were approved by IG.

2.c   PREMIUM API PRIORITISATION GROUP

2.12. **IG** invited **HD** to present, stating that the OBIE were taken by surprise by the level of interest in this and encouraged the team to go down the path of more instead of less. In parallel to this paper, there are discussions with retail on-going to ensure funding is clarified and a definition of what the API Working Group, EBA Working Group and the ERPB Payments Group would be contributing. As a desire to ensure that this is a full PSD2 solution, the OBIE would take into account outputs from IESG.

2.13. **IG** advised that the key reason for the name change is that the word 'commercial' insinuates that OBIE would take payment which is not the case. Secondly, the Berlin Group have gone down this route and called this premium API, so for sake of convergence, they ought to be consistent.

2.14. **DG** suggested that as this is about setting standards, whether a better name for it would be 'Premium API Standards Group'. **IG** acknowledged the importance of an effective naming convention, but did not want to create duplication and felt that this was a healthy compromise.

2.15. **RL** stressed the importance of allowing banks to figure out what is possible for them to do now as there would be an impact on TPPs from September with regards to accessing non-payments accounts. **RL** wanted to know how difficult it is for banks to use the existing standards to allow continued TPP access to those accounts. **IG** advised that the earlier standards have mortgages and savings covered off in them at a level, but not fully bottomed out, therefore, one of the first thing to consider would be prioritisation. Getting ready for non-payments account should not be a big task.

2.16. **HD** commented that it is worth reflecting on conversations that have happened over the last 8 weeks since a call for nominations went out post February IESG.
   2.16.1. There is appetite from all parts of the ecosystem. Even around competition, technical providers are enthusiastic.
   2.16.2. This could drive greater adoption and value.
   2.16.3. People want to be involved in a consultative and interactive way.
   2.16.4. Creating premium or additional APIs that go above the regulatory minimum is an obvious conclusion.

2.17. **MC** agreed that this makes sense and the best thing for the group to do would be to write a tight terms of reference that will initiate the right set of governance. **IG** responded, stating that a lot of these standards are out there and are on open licence. **MC** said that there is more to just standards.

2.18. **FR** stated that the filtering process should have a framework that prioritises what it delivers downstream. **FR** also commented that looking at a commercial model that underpins some of this in terms of consumer representation is important, and there are more industry consumer representatives that can speak.

ACTION - IESG_2018_301_193 - Premium API - Action on HD to make sure non-payment account screen saved products are prioritised.
Due Date – 23 May 2019

2.d   CONSUMER OUTCOMES

2.19. **IG** introduced this paper stating that **FR** and **AA** had pulled together existing strands and created a proposal, seeking a consensus to proceed. **FR** reiterated a keenness to ensure a clear narrative about how OB will help consumers and SMEs to enforce their power. It is also important to ensure that IESG members are on the same page and that the right products in the market will be stimulated to deliver the desired outcomes.

2.20. **LM** asked about impact of OB on consumers and stretched the need to have an evaluation framework.

2.21. In the interest of time, **IG** suggested:
   2.21.1.   On the face of it, an approval to proceed to the discovery phase on this paper was sensible**.**
   2.21.2.   With regards to the creation of an on-going evaluation framework, if there are no objections to proceeding, **FR** should obtain feedback to the specifics from the group, but not at this IESG forum.

2.22. **FR** advised that in terms of next steps for positioning, the OBIE needs to take the lead on this to ensure interaction and putting customers at the forefront.

2.23. **IG** stated that this is a fair reflection and invited thoughts and comments on next steps. **CA** agreed with **FR** and stated the first step is the MI and the next step is bringing that back to the consumer.

2.24. **DG** asked if any of the bank journeys are changing for the FCA as this needs to be considered collectively. **IG** stated that OBIE will consider whether a paper is required on **DG**'s point and encouraged other comments to be made by representation to the Trustee. **PM** stressed the need to understand the problem and then convene a discussion about it. **TS** stated that the road to success has challenges. The problem needs to be understood and picked up at the bilaterals.

2.25. **IG** stated that if there is a role for OBIE to play in these discussions, and it needs to be picked up. On the evaluation framework for consumers and policy point, **IG** asked **AA** to consider an onus to think about the TPP perspective.

ACTION – IESG_2018_301_194 - Open Banking Consumer Strategy - IG approved the paper with the suggestion that FR gets feedback on the creation of evaluation framework outside of the IESG forum.
Due Date – 23 May 2019

APPROVAL - IESG_APR_LOG_040 - Open Banking Consumer Strategy - IG approved the paper with the suggestion that FR gets feedback on the creation of evaluation framework outside of the IESG forum.

2.e   TRUSTMARK – UPDATE

2.26. **IG s**uggested that a full update would be provided at the May IESG.

2.f   VRP SANDBOX – REFRESH

2.27.   **IG** suggested this is carried forward to May IESG if there is no time at the end. The primary reason for including it is because it was successfully included in the FCA Sandbox.

3.a   AOB – P7 UPDATE

3.01   **IG** advised at the March IESG, reverse payments and a pragmatic approach to progressing was discussed. The approach was trying to accommodate a key risk: the write API had a fundamental flaw which would not be solved if the threshold for PIS payments was set too high. Using backstop as a mechanism to ensure that if no payments were coming through, a step would be taken to review it. **IG** advised also that **AA** reviewed the idea of what a sensible trigger event and backstop should be.

3.02   **IG** expressed surprise at the complaint letter received from AMEX, especially after a lot of work went into making PIS and the right API work, they had decided to down tools largely because their largest potential clients saw no value to the right API unless reverse payments were included. The letter has been included because there are other PISPS who are informally stating that they are also struggling to use the API.

3.03   **IG** stated that **AA**'s recommendation was to explore the potential solutions. **AA** stated that a further analysis was conducted on the PISPs and there is consistent feedback. Some PISPs are fine without the ability to make standard refunds, however, certain merchants are looking for reverse payment functionality, to be able to see the sort code and account number because merchants are moving across the ASPSP domain – customers do not want to remember the sort code and account number, which is a problem that renders the customer experience non-viable. The proposal by **AA** is to move into discovery in order to create a specification and a consistent standard. The question to the group and Trustee is the point at which the standard becomes a mandatory element.

3.04   **RR** noted that there are active payment TPPs that have managed to build a business over 5 years without any reverse payment capability, however, this is one to consider in the commercial API space. **MC** stated that some ASPSPs capture the sort code and account number so that there is no need to capture this in the refund flow, however, this does not work with use cases. **AA** stated that from feedback, there is a clear indication that this sort of functionality is required to make reverse payments available. **TS** stated that it is odd to build a payment system but not refund, therefore, this needs to be corrected. **RR** added that the existing functionality is a payments scheme, which we have made accessible as required by PSD2 and the Order; additional functionality can be explored on a commercial basis. **CA** commented that from a consumer perspective, protection is imperative. The protection comes with a fee which is paid for by the merchants at the moment. **CA** suggested a need to ensure that all the payment types and mechanisms from that delivers the right outcome for consumers.

3.05   **RH** questioned timelines and expectations. The paper suggests this is immediate and therefore the message has to be realistic.

3.06   **FR** referred to **CA**'s comment with regards to questioning the underlying proposal – should payment initiation services come into the market as they are and do they create fundamental risks to consumers? The risks are identifiable and the contingent reimbursement model should address this because all unauthorised payments will be covered. **FR** suggested that the work on the code for PISPs and the CRM code is brought into this space as it makes more sense to have people skilled in PIS and Open Banking so that it is the equivalent protection provided by the CRM Code. **FR** went on to discuss refunds stating that not having a refund capability is an obstacle because firms are not signing up to PIS, and while there are some consumer protection issues to work out, they are offering value to SMEs and merchants and therefore, there is natural tension in deciding who bears the risk between a merchant and a consumer. **FR** concluded that to ignore the letter from AMEX creates anti-competitive tension because it is an obstacle. **BR** stated that the fundamental issue is whether the functionality is a 'nice to have' or essential. **GL** added that AMEX have made an investment in creating a team to build a capability that theynow deem non-viable. All teams across the ecosystem have invested time and resource into making this work and therefore feels like the AMEX letter is a blocker.

3.07   **IG** stated that the big concern is that the right API is not fit for purpose which is being reflected in the transaction numbers - even compared to AIS usage, it is clear from feedback received from the community and initial verbal feedback from AMEX, followed by a strongly worded letter. **IG** stated that he is confident that there is demand, however, the API may not be fit for purpose and **IG** believed that this was a general consensus – it was always known that reverse payments were going to be a requirement for the functionality to be delivered, however, the question was timescale for figuring out how to create this functionality. **IG** added that at 15 months post the Order, the OBIE should move to try and understand potential solutions to fix that functionality; this means that a discovery process should be initiated while being cognisant of the cost of:

2.27.1.   Developing the API; and

2.27.2.   The implied cost of delivering that functionality by the CMA9 as has always been the case through the life cycle of the programme.

IG thought that the CMA9 should contribute to the process so that the OBIE get the right level of technical functionality and for consistency, the OBIE should be thinking about the implication of liability frameworks and consumer protection for the PIS offering. **IG** approved the start of discovery, which would be followed by a conversation around timely implementation.

APPROVAL - IESG_APR_LOG_040 - P7 Update - Approval commenced to initiate the discovery process

3.08   **DG** commented that apart from consumer protection, this is also facilitating a full or partial deployment and the mechanics of what should be mandated or suggested should be clarified. **IG** stated that no API will provide change to consumer protection, the merchant decides when to make a refund or not and whether to use the API or not, however, it should be discussed. **IG** invited closing comments on this perspective. **CA** asked about consumer protection, whether making it work in the context of PISP means everybody is offering a payment API to do it and how would this be dealt with from a TPP perspective as there is no mandatory reason why non CMA9 ASPSPs would provide this service. **IG** stated that the reason why AMEX is interested is because 90% of the population is covered.

3.09   **RW** requested the FCA's opinion in terms of consumer protection side of it, because if it is to be mandated, it needs to be understood for future reference. **RL** stated that she is supportive of the refund functionality. Payment is a matter to be discussed within the OBIE. With regards to consumer protections, **RL** stated that the protections need to be clear.

3.10   **IG** requested that a discussion of Article 10 should be rolled over to the May IESG. **VH** requested an out-of-cycle update. **CM** commented that the paper published is not a regulatory opinion, it defines how the standards can be used. It is not an opinion, it is a technical paper. **CM** added that there are different opinions across firms in Europe about what Article 10 implies; therefore the EBA thought clarification was required. **HP** added that the publication from OBIE is well understood and all firms should read the guidance. **HP** also suggested that an element to be explored in the Bilaterals is ASPSPs' interpretation of Article 10.

ACTION - IESG_2018_301_196 - Article 10 SCA issue for Open Banking AIS - EC to use the bilaterals to determine ASPSPs' interpretation of article 10.
Due Date – 23 May 2019

3.11   **IG** thanked IESG members in the room and on the phone for attending; **IG** closed the meeting.