

Meeting Minutes

Meeting details

Meeting date: 23/04/2018

Meeting name

Implementation Entity Steering Group (IESG)

Meeting time

10.00 – 13.00

Meeting location

Beaumont Suite, Grange Tower Hotel,
45 Prescot Street, London

Scribe

Julie Mitchell

Classification

Public

<i>Name</i>	<i>Role</i>	
Alan Ainsworth	OBIE – Head of Policy	Yes
Andrea Melville	Lloyds Banking Group	Apologies
Andrew Laidlaw	FCA	Phone
Andrew Slough	HSBC	Apologies
Andy Booth	Barclays	Apologies
Anne Macadam	HM Treasury	Yes
Bill Roberts	CMA	Yes
Caroline Ambrose	Barclays Bank	Yes
Chris Michael	OBIE – Technical Delivery	Yes
Daniel Ehreich	Bank of Ireland	Yes
Daniel Globerson	Royal Bank of Scotland	Apologies
David Baldwin	Head of Programme Management OBIE	Apologies
Doina Nicolici	NPSO	Phone
Dora Guzeleva	Payments Systems Regulator	Apologies
Ed Colley	Prog Director OBIE	Yes
Faith Reynolds	Customer Representative	Yes
Gavin Littlejohn	Fintech Representative	Phone
Hetal Popat	HSBC	Yes

Meeting Minutes

Ian Major	TPP Representative	Yes
Imran Gulamhuseinwala	OBIE - Chair	Yes
John Hutton	Nationwide	Yes
Kunal Jhanji	OBIE and Oliver Wyman	Yes
Mark Chidley	Consumer Representative	Yes
Mark Mullen	Atom Bank	Apologies
Matthew Perks	Nationwide	Apologies
Paul Horlock	NPSO	Yes
Phillip Mind	UK Finance	Yes
Richard Lindsay	OBIE - Comms	Yes
Richard Rous	Lloyds Banking Group	Yes
Robert White	Santander	Phone
Roy Hutton	Allied Irish Bank	Yes
Ruth Mitchell	Electronic Money Association	Phone
Stephen Smith	Lloyds	Yes
Stephen Wright	Royal Bank of Scotland	Yes
Thaer Sabri	Electronic Money Association	Apologies
Vickie Hassan	Danske Bank	Apologies

No. Agenda item

1.a MINUTES

- 1.1. **IG** opened the meeting, introduced Alan Ainsworth, the new Head of Policy for OBIE and reviewed the action log and the minutes.
- 1.2. **AL** advised he had some changes to the minutes of the 28th March and would forward them to JM. **FR** also advised via email that she had some changes. **IG** confirmed the minutes can be accepted as final, once the amendments have been incorporated.

ACTION: IESG_2018_301_81 23/04/2018 - JM to incorporate amends from FR and AL into minutes and recirculate as final version.

1.b ACTION LOG

Action Log:

IESG_2018_301_40	As part of #39, Richard to compile a list of FAQs from TPPs following the WebEx	CLOSED
	<i>RL provided an update and advised that the FAQ had changed direction slightly and would be a guide for the TPPs. It is going to be included in additional section on the website. Content is being prepared this week. IG requested that if any members had further comments they should contact RL directly.</i>	
IESG_2018_301_53	EC to have discussion with DE @BOI on how will BOI enter the ecosystem and what controls will be available.	CLOSED
IESG_2018_301_57	KJ to organise discussion with GL / PH and include Bill Suglani to discuss concerns around insurance and liabilities. KJ also to provide IG with details on the deal.	CLOSED
	<i>KJ advised that a meeting had taken place, and a follow up is due to cover the last few and final points around the Risk Register. IG suggested if any others had comments or questions they should contact KJ directly and request to be included in the meeting.</i>	
IESG_2018_301_60	EC to provide options on how to increase the PIS on board. Provide a memo detailing OBIE options and recommendations that lay out pros/cons.	CLOSED
IESG_2018_301_62	RL to draft letter from Trustee to CMA9 confirming intention to build Confirmation of Payee. Letter to include/or be sent with initial analysis of resource requirements and design. KJ and ME also to review	CLOSED
IESG_2018_301_63	KJ to produce document which rationalises governance that takes in to account the views expressed at IESG and what the proposed changes are. There should be a cover note to the amended document which identifies what has changed. Should also re-state the purpose of PMG.	CLOSED
IESG_2018_301_64	RL to devise Comms plan for end of MRO, building on operational plan documented by Simon Waller.	CLOSED
IESG_2018_301_65	KJ and Caroline Ambrose to liaise regarding, gathering views and forging consensus around P2. KJ to report back with a view to restating the proposition.	CLOSED
IESG_2018_301_66	<i>KJ and CA to meet and KJ to provide an update in AOB.</i> Transition from MRO: EC to write up the MRO proposal into an operational document (aka Launch Support)	CLOSED
	<i>EC advised that a working draft is in place and will be completed in the next two weeks. EC to circulate the Launch Support Document ahead of the next IESG. (new action# 78)</i>	

1.c PROGRAMME UPDATE OBIE & CMA9

- 1.3. **HP** asked what the pressure points were for Release 3. **EC** confirmed that timing is tight and there is a new Plan on a Page (PoAP). It's important to keep to the governance points and timelines and pressure comes from very little contingency in the plan, rather than a specific problem.

1.4. **IG** asked what are the critical dates, and asked what the publication dates were. **SW** stated that he felt the go live dates didn't make sense, in relation to PSD2. **KJ** advised that a six month window to work back from would be August, which is the Release 3 date for OBIE and allows for testing and implementation. **IG** asked **EC** if there were any risks to the Programme. **EC** responded that as the evaluation concludes, any work generated by that process could cause an issue on timing so OBIE need to be clear and understand any potential knock on effect. **IG** asked had this been considered in the evaluation process. **EC** confirmed it had.

1.5. **GL** asked where the TPP funnel diagram was in the pack. **EC** advised that this originally formed part of the Manged Roll Out pack, and would ensure this was included in packs in the future.

ACTION: IESG_2018_301_67 - JM to obtain funnel chart from Simon Waller and circulate to IESG members. Chart should also be included in future Programme Update packs – UPDATE: slide circulated on 24th April, and agenda tracker updated to capture this request for future meetings.

1.6. **EC** advised that since the April IESG only a couple of permissions had been granted and the majority were still pending FCA approval. **IG** asked if one per week was the frequency. **EC** advised that they were less than one per week and all were AIS. **PH** asked if he EC was referring to the rate applying or approved. **EC** confirmed it was the approved rate; the application rate was higher. **PH** asked what was on the backlog. **EC** confirmed there were approximately 66 waiting for permission. **RH** asked about the action at a previous meeting, which was to support the TPPs. **IG** advised that OBIE are continuing to support the TPPs in all areas and referred to a recent memo provided by **EC**.

1.7. **BR** asked if the back log was with the FCA. **EC** confirmed it was. **KJ** stated that OBIE were helping with the application process, but once the application has been submitted, there is nothing further the OBIE can do.

1.8. **PH** asked **AL** what was causing the delay; was it the quality of the forms submitted or a capacity issue at the FCA. **AL** responded that he had provided the OBIE with recent feedback on issues the FCA had encountered with TPP applications, but doesn't believe there are delays and the speed with each firm going through the process is dependent on the quality of the application. **PH** stated that optically it looks like an issue, but if the root of the problem is that application quality is poor, the OBIE needs to know what to do to help. **AL** would be happy to take suggestions and feedback.

1.9. **GL** advised that TPPs have also experienced problems with getting PSD2 compliant, liability insurance. **FR** asked if there were any statistics that could be used to demonstrate the speed of items going through, would different business types or sizes take a different length of time to process and is there any way to prove or document the timescales? **AL** advised he was not aware of any.

1.10. **RH** suggested that OBIE were missing an opportunity to support the TPPs through the process. **EC** advised that there has been a lot of helpful material woven into the ongoing OBIE communications and support programme.

1.11. **IG** advised that TPPs have informed him that it can take a very long time to be allocated a case officer, is there any issue in that regard. **AL** could not comment on this specific point, however advised that a case officer is only allocated once an application has been completed. He stated he would need to look into this further. **GL** commented that he had received a communication from David Bloxage approximately three weeks ago, advising it can take up to six weeks to get a case officer after the original application has been completed, with the expectation of a "good application with good answers" complete between three – three and a half months. So as a "rule of thumb" assume it can take three months from start to finish.

1.12. **AL** advised he felt there was a gap in expectations between applications and how the TPP expects the process to be, versus the amount of FCA scrutiny given to the applications. **GL**'s assessment is incorrect and the FCA work to a 12 month process.

1.13. **RH** asked would firms' passporting in from another country get through the process any quicker. **EC** advised that not all countries had transposed yet, but additionally he hadn't observed a quicker process

either. **FR** stated that the authorisation process needs to be robust to protect consumers and therefore may take time.
~~4.13.~~

- 1.14. **IM** referred to PH comment on optics, and that the application authorisation is only part of the process and building propositions should be done in parallel.
- 1.15. **EC** advised that for non-authorised entities, OBIE are developing a directory sandbox that will go into production capability mid-May, there will then be a transition for participants three to four weeks after that, which will include producing the additional Technical Service Provider validation checks as discussed at a previous meeting.

ACTION: IESG_2018_301_68 - EC Reference directory sandbox to be included in Programme Update at May IESG

CMA9 STATUS UPDATE

- 1.16. **IG** asked the CMA9 about Release 2 and the focus to move to credit cards; what learnings/lessons are being addressed in the CMA9 from the customer account process. Is it the same teams involved and are there any internal comms issues.
- 1.17. **SW** advised that it would depend if the credit card service was outsourced or not and commercial discussions would be required how that provider would deliver the API standard. **EC** asked is there anything the OBIE can do to assist the debate. **SW** replied that he had only been in discussion with one processor who had developed their own API and it was a “take it or leave it” approach. **SW** confirmed they are checking their API matches OBIE requirements. **IG** stated that this could be a potential issue and were they factored into the RAG status, or are they discussions yet to be had. **SW** advised they were discussion in progress.
- 1.18. **CA** added that Barclays have worked in parallel with credit cards and PSD2 requirements and are aligned.
- 1.19. **RR** stated that Lloyds were not aware of any issues. **HP** advised that HSBC would not be looking at credit cards until Q1 2019. **JH** confirmed that Nationwide were aligned internally and **RH** stated that AIB were familiar with the requirements, but will take a while to thrash out.
- 1.20. **IG** advised the CMA9, if any issues emerge; please involve OBIE and the Trustee.

~~1.21. **FR** observed that she is aware that credit card implementation is going on in the background without the same rigorous analysis that current accounts are receiving. But what does the implementation mean for the customer. Is there going to be a way to flesh out what is going on with credit cards. What is the best approach to functionality for the consumer?~~

~~4.21. **FR** observed that she is aware that credit cards are going on in the background, but what does it mean for the customer. Is there going to be a way to flesh out what is going on with credit cards. What is the best approach on functionality?~~

- 1.22. **IG** stated he sensed there was a requirement for a specific session on non-current accounts and consumer related impact from the APIs. **IG** asked what would be the best entity to lead on that; should it be OBIE or another group e.g. consumer, another stakeholder or the CMA9. It should be an open meeting however numbers should be managed carefully. **FR** advised she would be happy for OBIE to take this on board, and suggested PAG as a possibility, which AA supported.
- 1.23. **EC** suggested adding this to the agenda of the consumer forum to obtain their input, as their concerns on credit cards and other PSD2 based products, have not had the opportunity to be aired.
- 1.24. **PM** asked if OBIE has the reach to the cards community. **IM** advised he will liaise with AA to ensure coverage. **IG** advised the intent should be to have one session at PAG and bring in colleagues from the card community. **FR** advised she would liaise with AA and work with the consumer forum to address some of the issues and bring representatives to the meeting.

- 1.25. **JH** suggested that topics need to be agreed in advance. **IG** would also like the team take time and reflect and consider if International Payments should be included, or would it be wise to keep them separate. **IG** reaffirmed the process for setting up the meeting and that **FR** and **AA** should meet, create the format for the meeting; address the topics for discussion and engage with **PAG** and then set date in the diary for four to six weeks' time. **AA** advised there was a **PAG** in early May and suggested that thoughts should be shared at this meeting. **IG** suggested to keep it open ended and post the meeting take time to look at lessons learned and take stock.

2.a CONFIRMATION OF PAYEE UPDATE

- 2.1. **IG** advised that the paper was a formalisation of what was discussed at the March IESG, which was that the **OBIE** would support the **NPSO** in the preparation of confirmation of payee and the teams have looked at what the cost implication would be. **IG** advised that he wrote to the **CMA9** on this matter to propose this is undertaken and it was an additional item to the scope of the **CMA** order or **PSD2** requirements, it is an exceptional item and to date he has not received any feedback. **IG** confirmed the teams are now working on the discovery phase and there fortnightly update meetings being scheduled.
- 2.2. **FR** welcomed the delivery of CoP, this but asked how it fits into the authentication journey for a PIS journey. **HP** advised that it should not be an issue if everything is in place first. **FR** also suggested it was important to understand the full length of the journeys and look at them in realistic terms, **PH** advised that it was important to get the standards right first. **IG** advised that both he and **PH** need to ensure they receive regular updates from the combined teams during the discovery process. PH advised there would be a lot of expectations to manage.
- 2.3. **RW** advised he supported the **CoP**, but wanted to clarify a point on the additional cost, he asked if the £600K, £100K of it relating to appointing an external resource, was coming out of existing budget or does this require extra funding. **IG** advised it was always considered to be an addition to the existing programme mandate financing. **RW** asked about the resources and said it was implied at the last meeting that the resources needed were in place. **IG** confirmed that although the people and the knowledge were there, there was a need to utilise more of their time in order to complete this plus there are two more hires in the pipeline. **JH** asked if the funding call would go to the **NPSO** or would it be **OBIE** to the **OBIE** stakeholder groups. **IG** confirmed it would be the latter. **IG** confirmed that the letter states what **OBIE** believes there is agreement to do and when **OBIE** present the budget packs to the Heads of Retail for funding there will be this additional item.
- 2.4. **RW** reiterated that he thought the resources were in place and was not expecting the extra funding request and stated that once he had seen the budget pack, it might help clarify matters.
- 2.5. **IG** stated that the letter referred to governance around funding and which forum it should be debated in - the **IESG** was not that forum. If there are specific concerns around the **OBIE** funding, the Heads of Retail should contact **IG** directly. **IG** confirmed that the intent of the letter to the **CMA9** was to provide transparency to all stakeholders on what **OBIE** is intending to do now. **IG** advised that as he had not received any feedback, the wheels were now in motion in terms of supporting the **NPSO** and if there are any objections they should be fed through to **IG** directly and would expect a communication from **RW** on his concerns.

2.b MRO COMMS PLAN UPDATE

- 2.6. **IG** confirmed that the end of Managed Rollout was executed on Tuesday 17th April; the paper submitted was a detailed overview of that communication.
- 2.7. **RL** provided a market update, advising there were some follow ups on the horizon, particularly as focus shifts to **TPPs**. A couple of key points: a) **OBIE** worked closely with **Clydesdale Bank**, **Yorkshire Bank** (**CYBG**) in their adoption of Open Banking and their initial application package. B) 2nd May – The Times are publishing a feature on Open Banking, with an interview with **IG** and c) The Economist are running a feature on Open Banking in July. All went well, there were no difficulties and he viewed it as a success.

2.c OPTIONS FOR INCREASING PIS PARTICIPATION

- 2.8. **IG** stated at the last IESG it was discussed about how OBIE could establish some real PISP activity in production. **EC** has provided you with the potential solutions as documented in this memo and feedback was requested by the 18th April.
- 2.9. **EC** stated that the vast majority of the CMA9 had responded and had chosen Option 3, with the exception of one. Nobody wanted Option 1, which was that the OBIE acts as a PISP; one of the CMA9 wanted Option 2. **IG** stated he was a little disappointed that Option 3 had been chosen, as this was the “do nothing” option and that OBIE wait for a PISP to come along and fulfil that role. As it stands, there is very little chance of that happening in the near-term.
- 2.10. **IG** stated his preferred outcome would be Option 2, although not mandatory for the CMA9. He asked **EC** what could be done to support the “One” through the process. **EC** stated that the OBIE would treat them as a TPP coming on board and work with them in exactly the same way. **EC** also stated that it would be unlikely to work first time. **IG** asked the CMA9 that as a recipient of another CMA9 member, trying to act as a PISP, would it cause any issues – whether technical or competition.
- 2.11. **RR** advised that LBG could not foresee any problems, as it was not much different to the solution offered in Option 3. **RH** agreed, stating that AIB were keen to test. **HP** confirmed HSBC would welcome the opportunity. **IG** confirmed that as no objections received, OBIE should encourage the CMA9 member to progress and **EC** advised he will keep **IG** updated.
- 2.12. **GL** stated that Option 1 looked to be the best path forward, and asked if the CMA9 could explain why they didn't choose this option. **CA** stated that Option 2 was easier than Option 1. **SW** expressed his concerns around Option 2, stating that there would be too many parties involved: security, legal etc. **GL** believed that Option 1 would have been a good opportunity for OBIE and their technical team to learn about the journey and iron out any kinks experienced during the process. **HP** asked **GL** if there were any potential volunteers in his stakeholder group. **CM** advised that the PISP needs to be regulated which could be a blocker. **IG** suggested taking this feedback to non CMA9 stakeholder groups and seeing what appetite there is. He also stated that OBIE takes Option 1 to the TPP community and progress with Option 2.

ACTION: IESG_2018_301_70 - EC to have discussion with Thae Sabri, Gavin Littlejohn, and Ian Major to ascertain if there is a volunteer in the TPP community who could act as a PIS for testing purposes.

2.d APPROVAL OF PROPOSITION PAPERS: P5, P6 AND P10 FOR DELIVERY

- 2.13. **IG** provided an update on what was enclosed in the pack and the memo setting out the process that the papers have been through. **IG** believes this represents a consensus and in **principle is minded to approve the scope**. In order to meet the timeline it is critical that this item receives IESG's full attention.
- 2.14. **FR** referred to wording on page 50, relating to P2 and P9, and to change “could” to “should” or “must”. **CM** advised they might be a “must” or a “should” under P9 or P2. **RH** stated he supports P5A, but asked about P5B and advised his concerns around the evaluation, and if endorsed as documented impact on delivery of PSD2 critical elements and ability for AIB and industry to deliver.
- 2.15. **RR** was happy with P5A, but felt that the P5B sweeping use case was still contentious based on serious concern around customer, around strategy for OBIE, and variable recurring payments and would like to see those addressed. Also some of the use cases are contentious in what they mean for the CMA Order.
- 2.16. **IG** requested that bi-lateral conversations take place for P5B with the CMA etc. and the paper delivered to the meeting was purely for P5A.
- 2.17. **FR** referred to item 16 on page 49, stating she was not happy to have an overall product where you could not revoke, cancel or amend an arrangement on the financial management tool without having to go via

the ASPSP and would expect to see a solution for this to work with the PISP. **RR** agreed and in January he referred to this point. LBG believe that PSD2 doesn't require this and doesn't prohibit it and took on board FR's point on financial management tools as it makes complete sense from a customer perspective. The LBG programme has put forward concerns around what a PISP needs to do, under what cover they can do this, does it count as payment initiation under PSD2 how it sits with the FCA etc. **RR** would prefer to see those concerns worked around separately from variable recurring payments. **FR** asked RR if it was something that should be amended here or go into P5B.

2.18. **FR** asked the OBIE to look at liability models and what needs addressing, then articulate and document. **IG** asked what specific risk FR was referring to. **FR** advised if a PSU cancels a future dated payment and the TPP has to communicate that to an ASPSP, but the ASPSP still sends the payment anyway, who is at fault.

2.19. **CM** advised there could be a number of reasons - is it allowable or prohibited under PSD2, there could be arguments both ways. PSD2 doesn't specifically say it cannot be done, but it does refer to initiation of a payment order not about subsequently changing a payment order – there are different interpretations. Also the ability of a Future dated payment to be edited by a PISP, there are some negative use cases; what happens if a TPP requests or deletes a payment, the payment may still get made, which can still raise some challenges around liability and for these reasons it becomes challenging to deliver something that isn't a PSD2 requirement. OBIE is looking at a concept of a minimum compliance product and if the customer wants flexibility, single immediate payment provides that. If they want the opposite where the customer initiates the payment, then it is down to the ASPSP to make the payment, being able to edit it, puts the customer in a "half way house" position and it's not a minimum viable product approach. As P5B is coming this item can be reviewed then and look at the potential negative use cases.

2.20. **IG** stated that P5A needs to happen as the clock is ticking; but the door is left open for further discussions on variable payments and the additional items of amend or edit. However for the purpose of the meeting, IESG needs to make sure the programme has time to carry out the basics - as OBIE is trying to progress something that is a requirement under PSD2.

~~2.21.~~ **FR** stated that she was only happy to accept P5a on the basis that the specific ability to cancel, edit and amend payments at the PIS was a separate and distinct consideration of P5b which did not rely on whether P5b in total was accepted. Even if VRPs are not introduced consumers must be able to cancel, edit or amend FDPs and SOs via the TPP.

~~2.22.~~ **FR** also stated that there was a need to look at liability before getting to P5B. The lack of clear liability is often used as an argument against P5b, but surely a liability framework can be developed for consultation in advance of or in parallel to P5b delivery.

~~FR stated that there was a need to look at liability before getting to P5B.~~

~~2.21-2.23.~~ **MC** also stated that there was a need to look at broader, regulatory space e.g. GDPR and revocation. He is worried that PSD2 was the main focus and the other areas are not getting as much attention.

~~2.22-2.24.~~ **GL** stated there are strategy implications for OBIE when moving to P5B – advising it's important to remember TPPs in the market are sweeping only between CMA9 companies and doesn't enable the competition driver that was set up to allow TPPs to work with non CMA9 providers. There needs to be a policy brought to bear on a UK and European level to move everyone from P5A to P5B otherwise a difficult path lies ahead.

~~2.23-2.25.~~ **IG** stated that there was appetite in the room to have further discussion on P5B and this will be brought back to the IESG on 30th May. **IG** asked the members that in the interim period, if there were any comments to feed them back directly to him.

~~2.24-2.26.~~ **IG** then confirmed that P5A, P6 and P10 were **proposed to enter formally into scope for delivery**. **EC** confirmed that his team would be focused on delivering P5A and was reluctant to commit too much of their time to P5B at present.

ACTION: IESG_2018_301_71 23/04/2018 - IG - P5B to be discussed at May IESG meeting and reviewed from a governance perspective

2.e EVALUATION WORKING GROUPS UPDATE

~~2.25-2.27.~~ **IG** asked the IESG if they had any comments on the papers from AA as feedback is due on the 27th April.

~~2.26-2.28.~~ **AA** requested comments should be forward via email or phone. **AA** stated he was aware it is a tricky subject and wants to ensure the right conclusions are reached. **IG** reiterated that EWG A was at a preliminary stage and there will be a second stage where it can be reviewed and representations made.

~~2.27-2.29.~~ **GL** asked if this document could be shared with a wider constituency. **IG** agreed it could, but asked GL to be mindful of the follow up documents and the careful balance on feedback and timelines required, suggesting he liaise closely with AA during the process for timing.

~~2.28-2.30.~~ **AA** asked GL if it was possible to meet the TPP community and attend any of their meetings. He also suggested a summary document rather than bombard the teams with multiple documents.

~~2.29-2.31.~~ **FR** stated the feedback process is not working, **for all constituencies, other stakeholders had remarked that they some of her member's feel they** are not getting the information whilst others are overwhelmed and not able to get the information cascaded; in some cases giving up altogether. Some of the documents received are lengthy and not easy to read, it needs to be made clear to the representatives of the working groups that they must engage with their constituents otherwise work is being repeated in PAG which is not good use of that's group's time and is not that meeting's purpose.

~~2.30-2.32.~~ **IG** agreed these were fair points, and AA is addressing these. The meetings need to be more productive, the papers more concise and the team need to be remodelled. **FR** asked if feedback can be given via Confluence. **AA** advised that this was being considered.

~~2.31-2.33.~~ **IG** asked where P14 was being covered in the evaluation. **AA** could not answer that particular question, but advised the IESG that Evaluation Working Group C was being set up and it will be included in that.

~~2.32-2.34.~~ **FR** referred to page 131, shows a slide about the next steps. IG proposed that EWG A is brought to the May IESG. It will cover off two items: the concept and content of EWG C and the feedback received for EWG A and how the recommendations and questions that will enable preliminary conclusions to be refined.

ACTION: IESG_2018_301_72 - AA to provide an update at May IESG on EWG A and present plans for future evaluations.

2.f PROPOSED 2018/19 PLAN ON A PAGE

~~2.33-2.35.~~ **IG** provided an update on the content advising that EC and the team were using this to determine near term activity and then the longer term view to land on what the updated Plan on a Page (PoaP) looks like to enable discussions with the CMA/HMT regarding incorporating it into the Order. There is no specific deadline for this, but it is good governance for the OBIE to have the amended items in the Order as it reflects what the programme is trying to deliver.

~~2.34-2.36.~~ **FR** asked if the changes made were good or bad, was it better than the original or a compromise. **IG** stated that during this activity, nothing has been removed or taken off the table. It has reprioritised items.

FR asked the CMA9 if they felt it was a good position. **HP** advised that in his opinion, it reflected slippage on Release 2 which put pressure on Release 3. He felt there was more delivery risk by back ending the process but the proposed revisions alleviate some of this and the key focus being able meet industry

requirements for PSD2 specifications in a timely manner impact. **CA** agreed with HP and stated they were concerned but are being realistic in their approach. It's important to have clarity about what PSD2 requires.

| ~~2.35-2.37.~~ **AM** asked if GL and IM had reviewed this from a TPP perspective. **IM** advised it was hard to evaluate something if it didn't exist. He had no major concerns with pace and is monitoring the pipeline. **GL** advised he was less worried about pace, and appreciated that items are being prioritized and had more concerns about damage caused by things not being done correctly.

| ~~2.36-2.38.~~ **IG** confirmed the paper had been socialised with PAG, TPP stakeholders etc. **IG** asked EC and the CMA9 about P3 and P4, on page 114, the CMA have an important role and need to be assured that the API user journeys are being well delivered. The dark green bar doesn't apply to the CMA objective. The wording needs amending to reflect that.

| ~~2.37-2.39.~~ **BR** asked what assumptions EC made about the probability of individual banks going for exemption. Does this diagram mean that different companies will be crossing the finishing line at different points and will it affect how it plays out in the market. **EC** advised that P3 and P4 require the same journey as some other products in PSD2, and there will be different timeframes across products, CMA9 and other providers.

| ~~2.38-2.40.~~ **SW** stated that there was no FCA guidance on P3 and P4 in terms of RTS. **SW** suggested a scenario where some of the operations of the CMA9 are not in the Order. The final guidelines from the CMA will determine the timelines. **IG** stated that it was important to have responsibility to the CMA Order and RTS.

| ~~2.39-2.41.~~ **BR** asked the CMA9 about applying for exemption. **SW** stated that as they did not have all the information, there were not able to make a final decision. **GL** advised that the FCA have a meeting with the CMA9 and other stakeholders on this point. The information is not clear and they are trying to discover what a fall-back position would look like. **GL** has heard the concerns from the smaller institutions that are relying on this and not coming to build the API standards, which would be a bad market facing outcome.

| ~~2.40-2.42.~~ **SW** asked what the FCA would require to grant exemption. **GL** advised that the API standards and the way this is discussed needs to be kept separate from the authentication steps. **AL** stated there was a need to provide clarity on what PSPS need to demonstrate to get exemption but the EBA need to provide clarity from their perspective. **FR** advised ~~AL whether that one stakeholder group asked if~~ the fall-back position is GDPR compliant. **AL** advised he was hesitant to confirm and advised that there could be instances where it might cause concern, although there are provisions around what AIS are entitled to do in their interaction with different type of data they are accessing/taking.

| ~~2.41-2.43.~~ **PM** asked about non CMA9 ASPSPs. The critical point at which they determine whether or not to join OBIE is summer 2018 and Release 2. If that is correct, what activity is taking place in the programme to get more on board? **IG** suggested to hold that topic and cover in the governance item and although not an activity item in the PoaP, and maybe it should be, as there is not a team in place to enrol non CMA9.

| ~~2.42-2.44.~~ **AM** suggested to look at non PSD2 evaluation items and how OBIE tests the wider market for non CMA9 ASPSPs. It would be helpful to consult with them and seek their input. **IM** questioned if it was UK or European companies being referred to, as he felt it was UK only being considered, and viewed there was an opportunity for OBIE to factor Europe in. **IG** confirmed the priority was the UK and the roadmap covers this.

| ~~2.43-2.45.~~ **RH** wanted to know about the T&Cs, methodology and commitment that the non CMA9 banks that are planning on joining are working to and would like this discussed in the future.

| ~~2.44-2.46.~~ **IG** stated the PoaP is not in a place to be taken to the CMA; however there is a sense that IESG is at a stage whereby EC can execute it. **IG** would like the wording adjusted around P3 and P4 to make it clear as to whether it is an FCA or CMA requirement. **IG** requested that iteration is then circulated to the IESG members for final sign off.

ACTION: IESG_2018_301_74 - EC to amend P3 & P4 wording to change to reflect CMA or FCA requirement, once completed circulate amended material to IESG

2.g GOVERNANCE AND DELIVERY AMENDMENT

2.45-2.47. IG confirmed that this item has already been via the IESG in great detail.

2.46-2.48. KJ advised the team have rationalised the way feedback and iterations are managed and as a result DWG's and their representatives have been give more responsibility to manage feedback at every step of the process. EC added that through OBIE and the programme support it will help each DWG member get items out to their constituents. CA asked if there would be any conflicts between the groups. EC responded by advising that the OBIE would help to represent the different views.

2.47-2.49. KJ stated that the team would help facilitate the meetings, assist with conflict management and help coordinate views and come to an agreed position. IM asked if the DWG had recruited from the TPP community. KJ confirmed there was representation and suggested CM and IM catch up to discuss the finer detail.

2.48-2.50. RR suggested it would be helpful if documents could be circulated, without involving a middle man. He also suggested some flexibility on representation, whereby someone holds a strong view and for that particular meeting should be allowed to attend and discuss.

2.49-2.51. IG concluded that it was now time to refine the process around delivery and therefor sensed that the IESG were comfortable and it **would now become the process for the OBIE.**

2.50-2.52. FR suggested that it could be useful to create another wider community event to provide updates to a higher number of cross-sector people who might not be reached through technical workshops, workshop which IG felt was not necessarily the way forward. RL advised that in the summer of 2017 a full day event was held and was widely represented, however the one held in January, there was very little response. He suggested that it may be time to review this again. PH advised he could liaise with RL to get to the wider community.

2.51-2.53. CM advised that there are full day workshops every two weeks, with >700 attendees invited from across the programme with 130 in the room and similar numbers on the phone. There are no detailed minutes but the call is recorded and stored on Confluence. These workshops feed into the specs and proposition papers and in some cases the evaluations too. It is inclusive and transparent, and is important to communicate any updates to stakeholder communities.

ACTION: IESG_2018_301_73 23/04/2018 - RL to create an engagement strategy designed to showcase OB to potential participants (both within already active industries and across the wider economy). This will include a joint exercise with NPSO.

ACTION: IESG_2018_301_77 – AA to liaise with PM on international payments/credit cards. Also discuss with RL in case this comes under Showcase day planning and content.

2.52-2.54. IG confirmed that **governance around delivery was now signed off.**

2.h GOVERNANCE LETTER

2.53-2.55. IG advised the IESG that the letter received from the CMA9 was couched to improve governance of the OBIE and this is now an opportunity to have a discussion on that letter and the response which covers what the OBIE has done to improve governance. There were a few minor actions from the letter to OBIE regarding Heads of Retail meetings, a review of customer journeys and if there was appetite, he would be have a separate meeting with IESG to debate the contents of the letter.

ACTION: IESG_2018_301_69 23/04/2018 - IG to write to the Heads of Retail of the CMA9 to arrange quarterly meetings.

2.54-2.56. HP stated the response was helpful and referred to the role of the Trustee and CMA oversight. He requested that IG provide more detail about the proposed structure in the pending CMA9 Retail Heads meeting. IG advised that there was a need for oversight activity and impartiality was required. However things have moved on a stage where OBIE wishes to flesh that out and see the broad objective – what would it look like in practice? That level of discussion has not taken place and IG would welcome input from the CMA9 and all stakeholders.

2.55-2.57. BR stated that as the project moves on its important to monitor what is happening and ensure compliance with the Order. A year on, it should now be reviewed and see what needs to change.

2.56-2.58. IG advised that there was a requirement to go through the build versus BAU components, before transition to NPSO and the link to the CMA9 is still maintained, which doesn't quite sit within the NPSO.

2.57-2.59. FR identified that in the roadmap there is a 90 day review and feels this should be applied to governance and funding of OBIE and IESG. It would be useful to understand how AIS fits into NPSO and what are the funding options in the long term or any other alternative approaches. PH confirmed the CMA9 have a commissioned a piece of work to look at the entity as it currently is and what future options may be. FR asked if stakeholders could provide input. PH suggested FR speak to him sooner, rather than later as a consulting group is just about to start the process.

2.58-2.60. GL also advised that the TPP community is in the process of consultation and drafting a submission to HMT on the same subject. FR asked if there was any way to join those reviews up and stated that there should be an Open Banking Implementation Entity review commissioned by the Implementation Entity and overseen by the Trustee as part of the longer term governance of this body, rather than being decided by the stakeholders around the room. PH advised that nothing had been decided yet, it is all in the planning stage and on-going and a third party is going to review what is in the sandbox today.

2.59-2.61. IG added that the consulting firm is not looking to provide an answer, rather the facts and to look at what activity is being undertaken by the OBIE and layout what the options are. PH confirmed that the firm running this programme is Deloitte's and they will look at all aspects and suggest what it could look like as a BAU function.

2.60-2.62. GL asked if there was any intention to share financial information of the entity with Deloitte's and if so, could he see it. PH confirmed that once the parameters are agreed, he can share the financial information. He also advised there have been several requests of the NPSO about what it could or should do and proper due diligence is required. FR is keen to have a generic review of how OBIE fits with the NPSO and its fit with Europe. IG stated that Deloitte are not providing analysis of all the possible options, they are advising the NPSO on what they are undertaking. FR stated that there was a difference in the due diligence the NPSO need to do ~~and OBIE need to and~~ conduct a generic review on how OBIE fits with the NPSO and Europe; she believes the IESG should be doing its own due diligence. IG advised that a lot of this was discussed in November. FR believes that although those discussions ~~may have taken place with HMT and CMA took place~~, the stakeholders were not able to provide input and items have gone in the roadmap that was not properly consulted on.

2.61-2.63. IG reaffirmed his opinion that this was a good thing to do, but there was also appetite for further discussions from other stakeholders. PH stated that it needs to be clear on what is in the box today, so NPSO can look at future governance.

ACTION: IESG_2018_301_75 23/04/2018 – JM to write to IESG to ascertain appetite for follow up meeting on the content of the letter on Governance in response to correspondence received from the CMA9.

3. AOB

- 3.1. **KJ** advised the IESG that there is a further meeting on P2 on the 26th April and will be able to provide a further update after that meeting.

ACTION: IESG_2018_301_76 - KJ to provide an update to IESG members via email post his meeting on 27/04/20018 on P2.