

What are we looking to understand in Sprint Phase 2?

- The first phase of SWG sprints has provided JROC with a broad base of evidence and opinions from across the open banking ecosystem. The interim report highlights stakeholder views on what the gaps are in current guidance and standards, as well as identifying immediate priorities, future use cases and desirable capabilities, and why these are required.
- The objective of the second phase of sprints is to enable the **development of a future roadmap** (noting that there may be differing views).
- We expect participants to consider what is feasible in terms of short-term solutions and longer-term solutions, the prioritisation of those, the evidence that underpins each recommendation as well as the role of the future entity and other actors in delivering those changes and the time and resources needed.

1

What do we need more evidence on?

Where further evidence is required to assess the state of play today and how this changes as open banking+ use-cases develop, e.g., levels of APP fraud in open banking payment channels

- What data and evidence (e.g., case studies) should be considered and provided?
- How should this be operationalised to enable us to move at pace? (e.g., external expertise to provide QA)

2

What can we do in the short-term?

Are there areas where progress can be made with minor change / intervention?

- Which area(s) should be prioritised and why?
- What are the costs and benefits associated with it?
- What are the possible timelines?

3

What are the longer-term changes?

What are the areas that we / ecosystem may wish to see changes to, but this requires significant work to implementation?

- Which area(s) should be prioritised and why?
- What are the costs and benefits of the solution?
- What is an appropriate timeline for the solution?

4

Which actor(s), including the Future Entity, should play a role in operationalising the items outlined (1-3)?

How do we operationalise these arrangements and what are the industry structures that need to be in place?

- What is the role of the future entity in supporting the delivery of changes, including how does it coordinate with other actors in the ecosystem? What is the role of different actors in the ecosystem (e.g. Pay.UK)
- What is the role of regulators? What is the appropriate level of regulatory intervention?

Additional note for all sprints:

- We would like to understand from participants whether they agree with the allocation in terms of short-term and longer-term solutions and whether there are particular solutions that should be prioritised over others in the future roadmap. We also seek information on estimated time, resources, costs and benefits and whether any key changes are missing

Sprint Phase 2 – Ecosystem Sprint

1 What do we need more evidence on?

- a) Primary research with consumers and businesses, with a particular focus on vulnerable customers and small businesses, to explore key issues in relation to trust, consumer behaviour, understanding and awareness of Open Banking. What questions should be included? Who could deliver this and what are the best methods to follow (e.g., survey, focus groups)?
- b) In relation to API availability and performance, including down time, response time, reasons for API failures, etc.
 - i. What metrics and from whom should data in relation to conversion rates/consent success rates/ failed journeys be collected, to ensure a consistent picture across the ecosystem?
 - ii. How should this be operationalised, including who should take this forward, in the short-term and on an ongoing basis as open banking+ develops?
 - iii. Should this insight be shared across ecosystem and what is the best way to do this?

2 What can we do in the short-term?

- a) Should TPPs and non CMA9 ASPSPs be required to adhere to the Customer Experience Guidelines/the rest of the Open Banking Standard? What are the costs to TPPs/non CMA9 ASPSPs to implement this? What are the pros and cons and what are the mechanisms for delivery?
- b) To build trust and a broader understanding of open banking, what are the key aligned messages that all participants in the ecosystem should provide throughout the user journey when consumers and business are opting for Open Banking services, e.g., when users are providing consent or initiating a payment? Should there be consistent messages on safety of data and connection? What are the costs and benefits?
- c) What use cases cannot operate without a dispute resolution system? Does this system have to be centralised or can it be decentralised and located in multiple places, depending on the use case and the functions that should be supported by the system? Why or why not?
- d) In terms of information sharing in times of crisis (e.g., a significant breach), should the future entity or another actor assume the role of a facilitator and coordinate necessary information sharing and any necessary remediation across ecosystem? What detailed information should be shared?
- e) Under the current standards, what are the fields / guidance that is currently optional should be adopted by all ASPSPs? And what information should TPPs pass on to ASPSPs that they are not obliged to today?
- f) For response messages and error codes, the lack of granular error information was mentioned as a concern by many TPPs in Sprint 1.
 - i. TPPs and TSPs: please provide details of the priority additional data you would like to see, and when?
 - ii. All participants: are there any challenges to implementation (e.g., timelines, costs)?
- g) Enhancing transparency for end users emerged as a priority from Sprint 1. Which of the following options do you prefer to ensure that end users are clear on who they are paying or sharing data with:
 - i. Keep existing software statement model - no change needed
 - ii. Enhance existing software statement model to reduce barriers, for example by ensuring correct completion
 - iii. Move to identification of parties in consent flow

In your answer, please provide implementation considerations, including timescales and potential costs, and any required regulatory intervention.

Sprint Phase 2 – Ecosystem Sprint

3 What are the longer-term changes?

- a) How would the implementation of delegated authentication improve consumer outcomes? What structure would need to be in place to support the delivery of this, if this were to be prioritised? What does it mean in terms of liability arrangement? What are the use cases that will benefit from delegated authentication and what are the barriers and costs to implementation? Please consider international examples that could be a good reference point.
- b) Multilateral agreements – Different options were proposed by members, in particular in relation to the degree of regulatory intervention needed to enable multilateral agreements and commercial solutions to take off. If regulatory intervention is advocated, should an approach such as the one adopted in Australia be considered where regulation provides high level principles for multilateral agreements to be followed? What are the pros and cons of your proposed model?
- c) We have received feedback from Sprint 1 and directly that a single AIS/PIS authentication could improve customer experience. Do you agree and what are the key considerations, including costs and challenges to implementation?
- d) What changes would need to take place to enable multiple authentications for SMEs, and what use cases would this support?

4 Which actor(s), including the Future Entity, should play a role in operationalising the items outlined (1-3)?

- a) What is the role of the future entity in supporting ongoing evidence collection (outlined in section 1) and the delivery of any of the changes highlighted under the short term and long term categories (sections 2 & 3)?
- b) Where will regulatory and legislative changes be required in supporting the delivery of the proposed solutions? In what other ways can JROC facilitate progress, e.g., roundtable, industry sprints?
- c) What in your view are the top 3 short-term priorities and top 3 longer-term priorities to be addressed in a roadmap for the future development of open banking+?
- d) Should the future entity assume the role of a central standard setting body to develop, maintain and monitor future open banking standards or do more/less? If not the future entity, whom? How is competition best ensured?
- e) How should a central standards body be funded, for example tiered membership, regulatory levy, annual fees or a pay-for-use model? Should fees be based on market size, API numbers, customer base or other metrics?
- f) We received several responses regarding the way in which trust services (currently the OBIE Directory, including provision of certificates and NCA/FCA permissions checking). Which model of delivery do you prefer: i) a single centralised model ii) a federated model, whereby certificates can be provided by approved actors, or iii) another option (please explain). Please explain your reasoning e.g., evidence from other jurisdictions.
- g) To deliver the vision of open banking+, what other functions should a future entity carry out (if any), apart from concerning standards setting and trust services? (e.g., development of multilateral frameworks, monitoring, participant support, ecosystem development and promotion). How should these be funded?