**OPEN BANKING**

Open Banking Implementation Entity
Dawson House
5 Jewry Street
London, EC3 2EX

**10 January 2023**

Daniel Gordon
Competition and Markets Authority
The Cabot
25 Cabot Square London
E14 4QZ

By email – daniel.gordon@cma.gov.uk

Dear Daniel,

Following my update on 8 August 2022, I am writing to provide you with the latest status on the final approved Roadmap (the Roadmap) and my recommendation with regard to Roadmap completion. An updated status report is attached for your information.

I am pleased to confirm that the Roadmap has been implemented by the OBIE and six of the CMA9.

I have a responsibility under sections 17 (a)(i) and (ii) of the Agreed Arrangements to ensure implementation of the Roadmap and to update you on timelines for its implementation. I have sent regular updates to you on the status of items in the Roadmap.

**Trustee Roadmap update**

In your letter of 18 August 2022, you stated that, in order for you to determine the implementation of the Roadmap to be complete, the following conditions would need to be met:

a.  Implementation of the remaining Roadmap items would need to be achieved by at least a majority of the CMA9, such that VRPs for sweeping (item A10) and access dashboard changes required as part of version 3.1.10 of the Open Banking standard (item A2(b)(iii)) were available for general use by third party providers, to enable open banking services incorporating the remaining items to be introduced across the retail banking markets.

b.  The OBIE must have completed the relevant outstanding items identified in the Status Update dated 8 August 2022.

I can confirm that the OBIE has completed the remaining outstanding items outlined in paragraph (b) above and will continue to implement and fulfil ongoing requirements required by the Order, Agreed Arrangements and Roadmap.

I can also confirm regarding the two Roadmap items listed in paragraph a above:
- VRPs for sweeping (item A10) six of the CMA9 (i.e. Lloyds Banking Group, Barclays, Nationwide Building Society, NatWest Group, Santander, and HSBC UK Bank plc) have completed the implementation of this item
- Access Dashboard Changes (Item A2(b)(iii)) seven of the CMA9 (Lloyds Banking Group, Barclays, Nationwide Building Society, NatWest Group, Santander, HSBC UK Bank plc and Allied Irish Bank) have fully implemented this item for their main brands

For VRPs for Sweeping (Item A10), Danske Bank is in currently in the MRO process and progressing through the validation stages for both Personal and Business. The two remaining CMA9 (Bank of Ireland and Allied Irish Bank) have yet to start their implementations and commence the MRO process.

For Access Dashboard Changes (Item A2(b)(iii)) Danske Bank and Bank of Ireland have remaining actions to complete to achieve full compliance. Santander subsidiary Cater Allen and NatWest Group brand Mettle also have outstanding actions to complete this item.
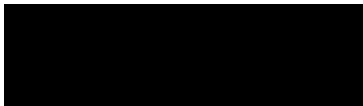
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As noted, there are several requirements that are ongoing and will continue to apply. These include monitoring of existing standards' conformance, usage MI, performance and availability, and enforcement where necessary; maintenance of the standards; maintenance of the Directory; and making the standards widely available through reasonable promotion of Open Banking in the retail banking markets, including support for industry adoption. Ongoing Roadmap items are outlined in the updated status report.

**Trustee Recommendation**

I am therefore satisfied that enough progress has been made and recommend that the Roadmap is substantially complete. If you require further information in support of your decision please let me know.

Yours sincerely,

**Charlotte Crosswell OBE**
Chair and Trustee, Open Banking Implementation Entity

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Roadmap Progress – Outstanding Items

January 2023

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**Summary of Roadmap Requirements**

1. **Remaining Roadmap items with CMA9 implementation requirements**
   - *A10 – Sweeping -* VRPs for sweeping incl. MRO exit has been successfully completed by the largest banks with one more CMA9 (Danske) currently in the process. Two remaining CMA9 (Allied Irish Bank and Bank of Ireland) have yet to start their implementations and enter into the MRO process.

2. **Other items**
   - *A2(c)(ii) – MI – Enhanced MI Submission Mechanism* (MI automated delivery). CMA9 progressing delivery of Enhanced MI Submission mechanism to reduce future operating costs. Delivery is not mandated under the Roadmap.

3. **BAU/maintenance**
   - *A3 - Functional and CEG Conformance -* Conformance and performance monitoring (including consent success tracking)
   - *A2(c) – Customer Evaluation Framework* - CEF ongoing reporting via open banking impact report.
   - *A2(d) – Evolving Standards on COP/CRM* - Ongoing dialogue with FCA and PSR on CoP/CRM impact on open banking, and possible implementation of TRIs.

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**Section 1**: Items from Current Roadmap that Require Updating (A2)

| Reference | Roadmap Scope Item | Original Roadmap Item | Description & Work Activity | STATUS UPDATE |
|---|---|---|---|---|
| A2 (a)(i) | Two way notification of revocation | P2 | **Initial Evaluation:**<br>• Completed.<br><br>**Standards Development:**<br>• Completed.<br>• Standards already incorporate aggregate polling and push notifications.<br><br>**CMA9 Implementation (deferral possible):**<br>• Mandatory CMA9 implementation of aggregated polling to be no later than the end of June 2020 (Subject to any Deferrals approved by the Trustee).<br><br>**Follow-on Evaluation:**<br>• Follow-on three month Evaluation, to assess whether push notifications should be implemented, to take place at the earlier of:<br>  a) Once 25% of TPPs by API volume have implemented aggregated polling, but no earlier than 6 months post Crisis Impact Period; or<br>  b) 15 months post Crisis Impact Period.<br>• Follow-on Evaluation to consist of:<br>  a) **OBIE preparatory work**: for one month starting min six/max 16 months after the end of the Crisis Impact Period.<br>  b) **Industry consultation (with CMA9 Participation)**: for one month, to commence min seven months /max 16 months after end of the Crisis Impact Period.<br>  c) **Final Report**: to be completed within one month of the completion of the industry consultation. If the report recommends the implementation of push notifications, such a recommendation would be a matter for consideration by the CMA. | **Complete** |
| A2 (a)(ii) | Trusted beneficiaries | P8 | **Preliminary Evaluation:**<br>• Completed.<br><br>**Standards Development:**<br>• Completed.<br><br>**CMA9 Implementation (deferral possible):**<br>• Mandatory CMA9 implementation to be no later than end of October 2020 (Subject to any Deferrals approved by the Trustee).<br>• If the ASPSP already provides parity of customer experience with respect to exemptions with its direct channel, no action is required. | **Complete** |

| Reference | Roadmap Scope Item | Original Roadmap Item | Description & Work Activity | STATUS UPDATE |
|---|---|---|---|---|
| A2(a)(iii) | Reverse payments | P7 | **Preliminary Evaluation:**<br>• Completed.<br>   - Initial evaluation of options and recommendations submitted to IESG for discussion on 19 November 2019.<br>   - Trustee Actions published end of November 2019.<br><br>**Standards Development:**<br>• Completed.<br><br>**CMA9 Implementation:**<br>• **Implementation Phase 1 (single immediate payments using Faster Payments)** – mandatory implementation to be completed by end June 2020 (subject to any deferrals agreed by the Trustee). In parallel, Implementation Trustee to liaise directly with the ICO to confirm, or otherwise, the integrity of the mandated standard. Such confirmation to be shared with the CMA9 prior to launch of this functionality.<br>• **Implementation Phase 2 (other payments) –** mandatory implementation to be completed within six months after the end of the Crisis Impact Period. Banks can voluntarily choose to implement these items during the CIP.<br><br>**Ancillary activities:**<br>• Data privacy and security:<br>   - Implementation Trustee to convene and chair working group of open banking stakeholders, to explore how other elements of this Roadmap, such as the TPP code and the CEG, could be further strengthened in future updates to the OB standards to address concerns around data security.<br>   - Implementation Trustee to advise the CMA on the timing of this work group and the timeframe for developing a plan to address the concerns around data security.<br>   - Progress report to CMA by end of June 2020.<br>• PIS customer protection:<br>   - Implementation Trustee to convene and co-chair with the Payment Systems Regulator a working group, to identify options for addressing consumer protection concerns when using FPS including PIS within the open banking ecosystem. Progress report to CMA by end of August 2020. | **Complete** |

| Reference | Roadmap Scope Item | Original Roadmap Item | Description & Work Activity | STATUS UPDATE |
|---|---|---|---|---|
| A2 (b)(i) | Variable Recurring Payments | P5(b) | **FCA Regulatory Sandbox Execution**<br>• Execution of FCA Regulatory Sandbox including provision of Report, with a particular focus on consumer protection, by end of October 2020.<br><br>**VRP Standards Development**:<br>• Including functional specifications, Customer Experience Guidelines, consumer protection framework / rulebook, and dispute management.<br>• **First Draft Standards**: commenced March 2020, to complete by end of October 2020.<br>• **Industry consultation (including CMA9 Participation) on first Draft Standards**: for two months, to commence four months after end of the Crisis Impact Period.<br>• **Second Draft Standards**: for one month, six months after the end of the Crisis Impact Period.<br>• **Industry consultation (including CMA9 Participation) on second Draft Standards**: for one month, to commence seven months after end of the Crisis Impact Period.<br>• **Final Standard & Report:** to be published nine months after the end of the Crisis Impact Period. | **Complete** |

| A2 (b)(iii) | Evaluation of Efficacy of Consent and Access Dashboards | P15 | **CASS Standards Development:** | **Completed as part of implementation of Standards Release 3.1.10.** |
|---|---|---|---|---|
| | | | • Incorporate CASS proposals into OB Standard, including technical specifications, Customer Experience Guidelines and Operational Guidelines. This work to include: | |

**CASS Standards Development:**

- Incorporate CASS proposals into OB Standard, including technical specifications, Customer Experience Guidelines and Operational Guidelines. This work to include:
    - **OBIE preparatory work**: for one month in April 2020.
    - **Minor industry consultation** (including CMA participation, not considered to be significant due to low level of complexity), during the month of May 2020.
    - **Standard:** to be published at the end of June
- If the OBIE preparatory work on the CASS requirements results in the need for a more complex solution, consultation to be deferred until one month after the end of the Crisis Impact Period.

**CASS Standards CMA9 Implementation:** within six months of end of Crisis Impact Period.

- Mandatory CMA9 implementation of the new OB Standard.

**Dashboards review:** from beginning of July 2020 to five months after the end of the Crisis Impact Period.

- Compare and contrast the consent and access dashboards that are live in the market, and where necessary recommend changes to the Customer Experience Guidelines:
    - **OBIE preparatory work**: from the beginning of July 2020 to the end of August 2020.
    - **Industry consultation (with CMA9 Participation)**: for two months starting two months after the end of the Crisis Impact Period.
    - **Report**: dashboard review report to be published five months after the end of the Crisis Impact Period.

**Dashboards Standards Development:**
- If changes to the Customer Experience Guidelines are necessary following Evaluation, then the Customer Experience Guidelines shall be updated to incorporate those changes:
    - **OBIE preparatory work:** for one month starting five months after the end of the Crisis Impact Period.
    - **Industry consultation (with CMA9 Participation):** for two months starting six months after the end of the Crisis Impact Period.
    - **Standard:** to be published nine months after the end of the Crisis Impact Period.

**Dashboards CMA9 Implementation:** to be completed within 15 months after the end of the Crisis Impact Period.

- If there is an update to the Customer Experience Guidelines, the CMA9 shall implement those updated guidelines.

**Completed as part of implementation of Standards Release 3.1.10.**

| Reference | Roadmap Scope Item | Original Roadmap Item | Description & Work Activity | STATUS UPDATE |
|---|---|---|---|---|
| A2 (c)(ii) | MI | P17 | **OBIE Preparatory Activity:**<br>• **Draft Standards**: an OBIE Discovery phase to include design of improved MI provision and reporting, with co-ordination of development with other regulators, to ensure consistent definitions and reporting requirements, commenced March 2020, to complete by end of June 2020.<br><br>**Industry Consultation (including CMA9 Participation)**: for two months, to start at the end of the Crisis Impact Period.<br><br>**Final Standards:** to be published three months after the end of the Crisis Impact Period.<br><br>**CMA9 Implementation:**<br>• Mandatory CMA9 implementation of the OB Standard to be completed nine months after the end of the Crisis Impact Period.<br><br>**Ongoing Monitoring:**<br>• Ongoing monitoring and review of the MI, which may include input from the Customer Evaluation Framework (A2)(c)(iii), to start nine months after the end of the Crisis Impact Period. | **CMA9 progressing delivery of Enhanced MI Submission mechanism to reduce future operating costs.  Delivery is not mandated under the Roadmap.**<br><br>**No additional implementation requirements for CMA9** |
| A2 (c)(iii) | Customer Evaluation Framework | N/A | **OBIE Preparatory Activity -Framework Development:**<br>• In conjunction with the Personal Finance Research Centre (PFRC) at the University of Bristol, work to develop a meaningful framework and consult on the purpose, governance and key components of the framework and the relevant measures, to be completed by end of June 2020 (scope to also include Account Comparison).<br><br>**Industry Consultation (including CMA9 Participation)**: to commence from the end of Crisis Impact Period for two months.<br><br>**Initial Report:** completion within six months of the end of the Crisis Impact Period.<br>• CMA to consider any proposals / actions arising from this workstream prior to being mandated by the Implementation Trustee.<br><br>**Ongoing Reporting:**<br>• Periodic reviews from the start of 2021 (scope to also include Account Comparison).<br>• Consideration of Trustmark if further evidence demonstrate that it would be beneficial for the Open Banking ecosystem. | **CEF Framework completed**<br><br>**Ongoing reporting agreed by IESG and now BAU.**<br><br>**No implementation requirements for CMA9** |

| Reference | Roadmap Scope Item | Original Roadmap Item | Description & Work Activity | STATUS UPDATE |
|---|---|---|---|---|
| A2 (d) | Evolving Open Banking Standards re Confirmation of Payee and CRM Code | P19 | **OBIE Preparatory Activity:** to complete by end of October 2020.<br>• Develop the OB Standards (including CEG and OG), in conjunction with Pay.UK, the Lending Standards Board and the Payment Systems Regulator, to ensure maintenance of low-friction, no obstacle customer journeys that take account of the requirements of the Contingent Reimbursement Model (CRM) code and Confirmation of Payee (CoP).<br><br>**Industry Consultation (to include CMA9 participation):**<br>• Industry consultation (including CMA9 Participation): for two months, to commence four months after the end of the Crisis Impact Period.<br><br>**Final Standards:**<br>Final Standard: to be published seven months after the end of the Crisis Impact Period.<br>The CMA's expectation is that the CMA9 will not implement CoP into any PIS customer journeys until the OB Standards specified in this Roadmap item have been developed and published.<br><br>**CMA9 Implementation:**<br>• Mandatory CMA9 implementation of the new OB Standard to be completed within 13 months after the end of the Crisis Impact Period. | **Completed**<br><br>**No implementation requirement on the CMA9 under Release 3.1.10**<br><br>**Agreed to progress development of Standards to incorporate CRM warning as a BAU activity in response to a change request.**<br><br>**Potential for future requirements dependent on pay.uk and PSR decisions.** |

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**Section 2**: Items that Relate to Conformance, Availability and Performance (A3 – A5)

| Reference | Roadmap Scope Item | Original Roadmap Item | Description & Work Activity | STATUS UPDATE |
|---|---|---|---|---|
| A3 | Functional and CEG Conformance | N/A | **CMA9 Implementation:**<br>• Version 3.1.3. CMA9 conformance required by 23rd March 2020.<br>• Version 3.1.4. CMA9 conformance required by 20th June 2020. (subject to any Deferrals approved by the Trustee).<br>• Version 3.1.5. CMA9 conformance required within three months after the end of the Crisis Impact Period.<br><br>**Ongoing Conformance:**<br>• Ongoing Conformance review to ensure continued conformance with the latest implemented versions of the Standards. | **CMA9 Conformance to 3.1.10 close to complete**<br><br>**Ongoing conformance as part of the CMA Order will become BAU. Includes any deferrals or waivers provided by Monitoring Function.** |
| A4 | Performance Improvement Plans | N/A | **CMA9 Implementation:**<br>• Initial Performance Improvement Plans (PIPs) for relevant CMA9 Providers, to be issued at end of August 2020.<br><br>**Ongoing Review:**<br>• On-going review by OBIE monitoring function. Further Performance Improvement Plans (PIPs) will be issued as and when required. | **Complete** |
| A5 | Improvement in API Performance | | Item deleted<br>• Requirement to develop consistent definitions and reporting requirements incorporated within A2(c)(ii) Management Information. | |

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**Section 3:** Items that Relate to Customer Adoption (A7 – A13)

| Reference | Roadmap Scope Item | Original Roadmap Item | Description & Work Activity | STATUS UPDATE |
|-----------|--------------------|-----------------------|----------------------------|---------------|
| A7 | Root Cause Analysis (RCA) on consent success (including consideration of alternative authentication mechanisms such as decoupled/ embedded/ delegated SCA) | P4 | A root cause analysis of the low rate of consent success, identifying underlying problems and potential solutions to increasing consent rates, separating AIS and PIS, and to include a review of the impact of polling.<br><br>**OBIE Preparatory Activity:** including consultations with TPPs, to be completed by the end of June 2020.<br><br>**Bilateral investigations with CMA9:** to start at the end of the Crisis Impact Period, for five months.<br>• To identify specific problems and solutions at a CMA9 provider level, and to understand if there any problems and solutions at an all-CMA9 level<br>• Reasonable requirements on individual CMA9 providers may be issued, as part of a Performance Improvement Plan, following the bilateral investigations.<br><br>**Report:** to be completed by eight months after the end of the Crisis Impact Period:<br>• Dependent on recommendations from the root cause analysis, the Report will review alternative mechanisms for authentication such as decoupled, embedded or delegated SCA.<br>• The Report may include recommendations for CMA implementation, which will be considered by the Trustee in consultation with the CMA.<br>• Any implementation requirement for an alternative authentication method arising from this item will not be mandated unless and until the CMA is satisfied that its adoption would be proportionate. | **Complete** |

| A10 | Sweeping | N/A (linked to P5b) | **OBIE Preparatory Activity:** April 2020 – end October 2020 | **Substantially complete with most firms successfully completed the Sweeping MRO** |
|---|---|---|---|---|

**OBIE Preparatory Activity:** April 2020 – end October 2020

- **Review**: to include a formal definition of "sweeping", and consideration of existing payment methods to deliver sweeping such as Open Banking Single Immediate Payments, card-based continuous payment authority, and variable Direct Debits, and Variable Recurring Payments (aligned to the A2(b)(i) Evaluation), to be completed by end October 2020.
- **OBIE Report**: to be presented for industry consultation.

**Industry consultations (to include CMA9 participation):**

- Industry consultation (including CMA9 Participation) on OBIE Report: for two months, to commence four months after end of the Crisis Impact Period.
- Industry consultation (including CMA9 Participation) on Draft Standard: for one month, to commence seven months after end of the Crisis Impact Period.

**Standards Development:**

- Draft Standard: to be completed seven months after the end of the Crisis Impact Period.
- Final Standard and Report: to be completed nine months after the end of the Crisis Impact Period.
- Should the Report recommend that VRPs should be the preferred or default method for sweeping, CMA to be satisfied that adoption would be appropriate and proportionate prior to approval of any implementation.

The above activities shall, as a minimum:

- Determine how consumers should be protected and disputes managed, including implications for DMS.
- Review the proportionality of any recommendations for implementation.
- Consider how such functionality could be enabled in the market.

**CMA9 Implementation**: to be completed within six months of publishing the Standard starting from nine months after the end of the Crisis Impact Period.

**Substantially complete with most firms successfully completed the Sweeping MRO**

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| Reference | Roadmap Scope Item | Original Roadmap Item | Description & Work Activity | STATUS UPDATE |
|---|---|---|---|---|
| A12 | TPP Side Customer Protection | N/A | **OBIE Preparatory Activity:** From beginning of April 2020 until the end of October 2020.<br>• Build on the existing TPP Guidelines to develop standards that address all aspects of consent and permissions, in particular the codification of purpose of data sharing.<br>• Review best practice related to operations, security, counter fraud, data management, data ethics, privacy policy and testing.<br>• Explore the feasibility and design of capturing consent and enabling traceability and auditability.<br>• Explore the potential of developing relevant best practice guidance with the ICO.<br><br>**TPP consultation**<br>• Industry consultation with TPPs, for two months, to commence at the beginning of July 2020.<br><br>**Voluntary TPP Implementation:** to commence in November 2020.<br>• TPP-facing OB Standard to be implemented by TPPs (on a voluntary basis, supported by ICO Code if possible and if appropriate). | **Complete** |