

Charlotte Crosswell
Chair and Trustee, OBIE
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24th June 2022

By Email

Dear Charlotte,

On 25 March, the Financial Conduct Authority (FCA), the Payment Systems Regulator (PSR), the Competition and Markets Authority (CMA), and HM Treasury published a [joint statement](#) on the future of Open Banking. It announced the creation of a new joint regulatory oversight committee (the Committee), which will consider the vision and strategic roadmap for the continued growth of Open Banking.

There is a strong potential to build on the success of Open Banking to date and to realise further benefits for consumers and businesses and maintain the UK's position as a leader in innovation. In particular, we see opportunities in unlocking the potential of Open Banking payments, enabling end users to share data and manage access, and developing further data sharing propositions.

We are keen to work closely with industry and other key stakeholders to build on this vision. To help us achieve this objective, the Committee have decided to convene a Strategic Working Group (SWG). To this end, we are writing to you in our capacity as co-chairs of the Committee, to request your support in convening the SWG (and relevant sub-groups if appropriate), including by providing the secretariat for the SWG and securing the necessary funding for its operation to commence, the remuneration of the Chair and where certain SWG members require funding to participate.

The SWG, in accordance with the considerations set out in the annex, will provide the mechanism for industry to input into the vision and strategic roadmap for further developing Open Banking. The SWG will be comprised of representatives of the industry, subject matter experts and other stakeholders such as end users, and will have an independent Chair, who will be appointed by the FCA and PSR.

The SWG will not have decision-making powers – it will act as a consultative forum and will collate stakeholder views to bring to the Committee for consideration to enable it to build on its vision for Open Banking.

Meetings will take place from July 2022 until December 2022. The Committee will consider whether further stakeholder engagement is required in 2023.

We look forward to your response and your confirmation once you have received the necessary approval to take on this role.

Sheldon Mills
Executive Director, Consumers and
Competition
FCA

Chris Hemsley
Managing Director
PSR

Copy to:

Henk Van Hulle, CEO, OBIE
Laura Mountford, Deputy Director Payments & Fintech, HM Treasury
Daniel Gordon, Senior Director Markets, CMA

ANNEX: STRATEGIC WORKING GROUP CONSIDERATIONS

Objectives:

The SWG will:

- a) Consider the priorities of a Future Entity (FE) and convey industry and other stakeholder views in writing to the Committee. These will focus on the priority areas¹ outlined in the joint statement:
 - Unlocking the potential of Open Banking payments e.g. through account-to-account retail transactions.
 - Enabling end users to share data and manage access.
 - Developing further data sharing propositions, including for greater consumer protection and to ensure Open Banking remains interoperable with any possible future open finance initiatives.
- b) Input on the long-term governance and funding model for the FE to ensure the entity is set up on a sustainable basis for the future.
- c) Address any other requests the Committee may have.

Any ongoing activities (including transition planning and monitoring requirements) under the CMA Order are the responsibility of the CMA and will not sit within the scope of the SWG.

Deliverables:

The SWG will:

- Regularly engage with the Committee and provide updates about the progress of the SWG, including details of topics being covered, progress on plans, emerging recommendations, and potential challenges.
- Engage with interested stakeholders and reflect their views to the Committee.
- Write to the Committee two months after its establishment setting out initial stakeholders' views on the strategic priorities and expected deliverables of the FE, including views on:
 - where common standards, further guidance or rules may be needed to achieve the objectives set by the Committee and to support innovation and greater competition in Open Banking.
 - whether there are situations where activities should be taken forward by organisations other than the FE to achieve the objectives set by the Committee.

¹ Other roadmap items may be raised provided that there is industry consensus and that focus on such areas will not unduly shift focus away from the priority areas set out in the joint statement. The SWG should also be able to respond to requests from the Committee and take consideration of new developments as Open Banking evolves, including concerning Smart Data initiatives and inter-operability with any possible future open finance initiatives.

- Set out revised views by the end of 2022, taking into account the Committee's feedback and consider a detailed roadmap with corresponding timelines and associated funding / resource requirements and governance model for the FE.
- Consider the need for establishing or using existing expert groups that sit below the SWG, to discuss relevant areas in more detail and feed into the SWG.

Membership / composition of SWG:

- Membership will comprise representatives of the following stakeholder groups:
 - Consumer and business representatives, including for SMEs.
 - Other end-user representatives, e.g. merchants and other AIS users
 - Representation for AISPs, PISPs and TSPs.
 - Representation for account providers.
 - Representation for OBIE.
 - Payment ecosystem general representation e.g. acquirers, and payment facilitators.
 - Data sharing ecosystem general representation e.g. lending firms using open banking data.
 - Representation for Pay.UK
 - Subject matter experts where relevant (e.g. open data, Open Banking payments and consumer protection).
- Committee's members or their representatives may choose to attend as observers.
- Members must support the objectives and deliverables of the SWG and set out views of their respective stakeholder groups in a representative manner.

Role of the Chair:

Once the SWG has been set up and the Chair has been appointed by the Committee, the Chair should:

- Appoint SWG members, assisted by the secretariat, and with the Committee's oversight.
- Regularly discuss views and progress with the Committee and provide updates when requested.
- Convene and facilitate SWG meetings, ensuring that all views are taken into account and represented to the Committee.
- Fairly represent SWG members' views in the deliverables.
- Agree the schedule, structure and sequencing of SWG meetings with the SWG members, including input of Expert groups.

- Consider the approach to wider industry updates in relation to SWG work and deliverables, both to seek views from the industry and ensure that the industry is engaged on the progress of the SWG.

Role of the secretariat:

The secretariat's role is to help facilitate discussions and deliverables of the SWG. Once the SWG has been set up and the necessary funding has been secured, the secretariat should:

- Gather and prepare relevant information to help the SWG members discuss and progress topics.
- Organise regular SWG meetings.
- Work with any associated Expert Panel to ensure their views are presented to the SWG where and if applicable.
- Prepare updates for the Committee.
- Support SWG members in engaging with wider stakeholder groups.

Further requirements:

- We expect all SWG participants to actively contribute in working group sessions, prepare effectively ahead of meetings and make themselves available from now until December (and appoint substitutes where necessary).
- We expect the Chair, secretariat and each individual SWG member to adhere to competition law at all times in the SWG discussions.