

6th June 2023

By Email

Dear Henk and Marion,

1. We thank you for your ongoing engagement, work in open banking and the JROC process, and look forward to continue to working with you on the deliverables set out in the report we published in April.
2. The PSR and the FCA are committed to delivering on the key themes and priorities identified in that report. As you know we have tasked Open Banking Limited (OBL) to lead and coordinate the progress of a number of actions.
3. In particular, we have asked you to lead the delivery of the following pieces of work:

Theme	Activity	Timeline
Levelling up availability and performance	Design a data collection framework for API availability and performance and submit to FCA and PSR for approval	End Q2 2023
	Conduct the data collection and analyse data following FCA and PSR approval	Q3 2023
Mitigating the risks of financial crime	Design a data collection framework for financial crime and submit to FCA and PSR for approval	End Q2 2023
	Conduct the financial crime data collection and analyse data following FCA and PSR approval	Q3 2023
	Together with Pay.UK, implement the use of open banking based data sharing in Faster Payments to reduce fraud	Q4 2023
	Implement effective financial crime prevention tools for TPPs and ASPSPs (e.g., TRIs)	Q1 2024
	Together with Pay.UK, consider how API based data sharing can be broadened out beyond authorised push payment fraud and report findings to FCA and PSR	Q1 2024
Developing proposals for dispute processes	Perform a gap analysis of dispute processes	Q4 2023
Improving information flows to TPPs and end users	Together with Pay.UK, perform a gap analysis of consistent and definitive payment statuses in Faster Payments and open banking and of the consistency and granularity of error codes with recommendations on improvements	Q3 2023

4. To ensure effective oversight against the activities set out above, we are asking you to report progress and risks to delivery of the actions set out above to the JROC and, specifically, to provide a monthly update to the JROC members at the JROC meetings. We expect OBL to put in place appropriate governance models to achieve this. We will continue our regular engagement and discussions with you, both at working and more senior levels, to ensure timely progress and discuss any possible challenges to delivery.

5. We expect the CMA9's support in ensuring OBL, as a delivery partner, meets our expectations and can successfully lead the activities outlined above.
6. For a number of these activities, OBL should work closely with Pay.UK where relevant.
7. We expect OBL to deliver the activities at pace and provide early drafts to the FCA and the PSR ahead of formal submissions.
8. In all the activities led by OBL, we expect OBL to consult widely to ensure that the views of all ecosystem participants, including consumers and businesses, are reflected.
9. In addition, we are setting up two working groups for the other themes identified in the roadmap where the delivery will be led by JROC. Specifically:
 - A VRP Working Group (VRP WG), chaired by the PSR, whose primary objective will be to develop a blueprint for the implementation of non-sweeping VRP by the end of September 2023.
 - A Future Entity Working Group (FE WG), chaired by the FCA, whose primary objective will be to analyse and develop the options and design for the future entity, including recommendations in relation to the role, the structure, funding and governance of the future entity. It will also consider and propose operational arrangements for the successful implementation of said entity.

Further details are set out in the two sets of terms of reference as attached.

10. To ensure the working groups can deliver against the outputs described in their respective terms of reference, we are asking for a representative from OBL to be a member.
11. The OBL representative for each working group should be willing and able to commit sufficient time and resources to working group activities from June until October 2023 and possibly beyond. All members will need to support and/or lead the development of specific pieces of work as highlighted in the terms of reference.
12. A first meeting of each working group will take place in June. I would be grateful if you could provide the name(s) of your representative by noon, 12th June by email to jroc@fca.org.uk.

Yours sincerely,

Jane Moore
Head of Department, Payments and Digital
Assets, FCA

Kate Fitzgerald
Head of Policy, PSR