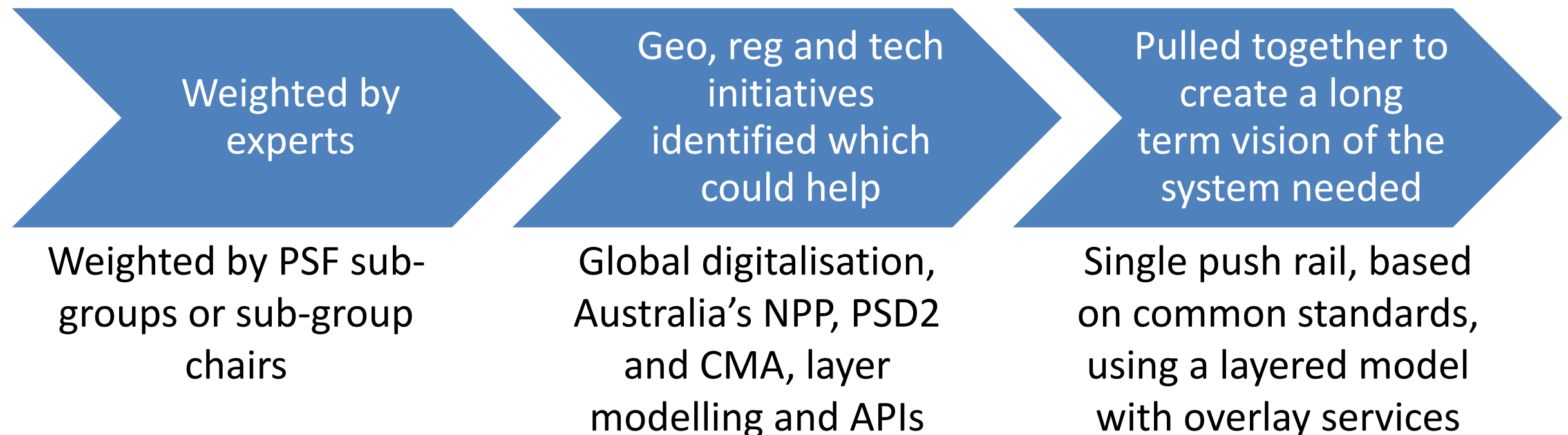


Enhanced data framework and capability

Background

- Payments Strategy Forum prioritised the detriments (Feb 2016) outlined by the Payments Community (Oct 2015)
- Solutions were developed (Apr 2016) by 4 different working groups, including 3 (HSWG, FC and EUNWG) which converged on desired capability of sending more data with payments and 2 which focussed on simplifying access (HSWG and SAM)
- CMA are supportive of modern API approach to Open Banking
- The Payments Strategy Forum agreed it would further develop the concept of an enhanced data framework and capability, including
 - Request to Pay
 - Customer assurance (misdirected payments)
 - Richer / Enhanced Payments Data (taking on board the requirements of both End User Needs and Financial Crime)
- **The role of this group is to write the data framework and enhanced capability solution document**

What happened to the detriments?



So what's the problem?

- What are the options for achieving the enhanced data framework and capability?
- What are the principles that should underpin the API approach?
- How does the API approach connect with the Simplified Payments Platform or existing PSOs?

API Strategic Solution Description

1. Technical Standards for a data framework

- CMA and PSD2 legislative underpinning
- Modern Web Services
- Transparent API
- Open for all PSPs
- Based on ISO
- Flexible to enable future use cases
- Fast, efficient (near real-time), secure, guaranteed, ubiquitous and interoperable

2. Request for payments

- Rules and standards
- Central storage of data

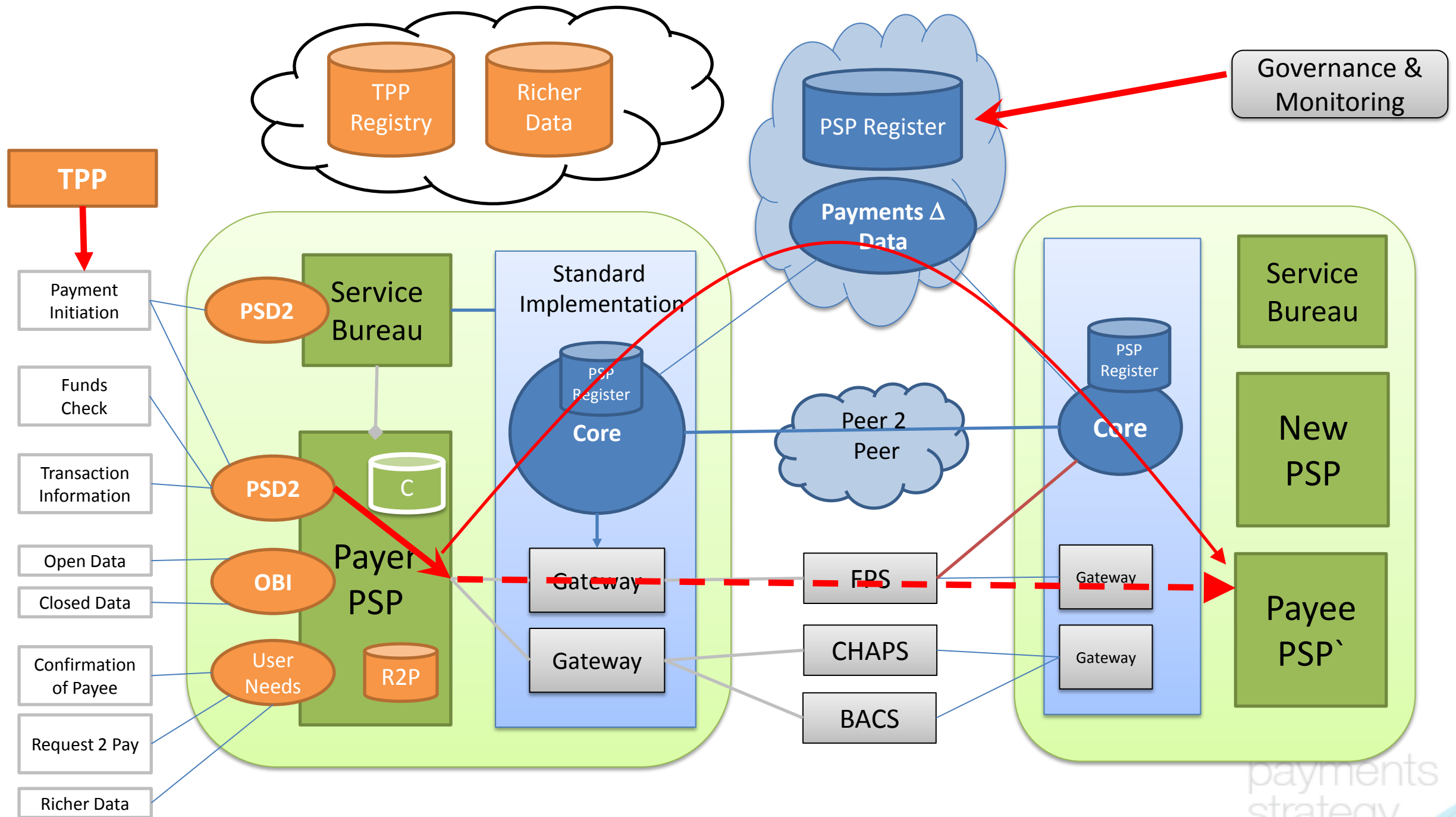
3. Assurance Data (customer id and status)

- Payee PSPs to provide messages to Payer PSP regarding receipt, final settlement
- Confirmation of Payee prior to execution

4. Enhanced or Richer Data for Consumers and Corporates

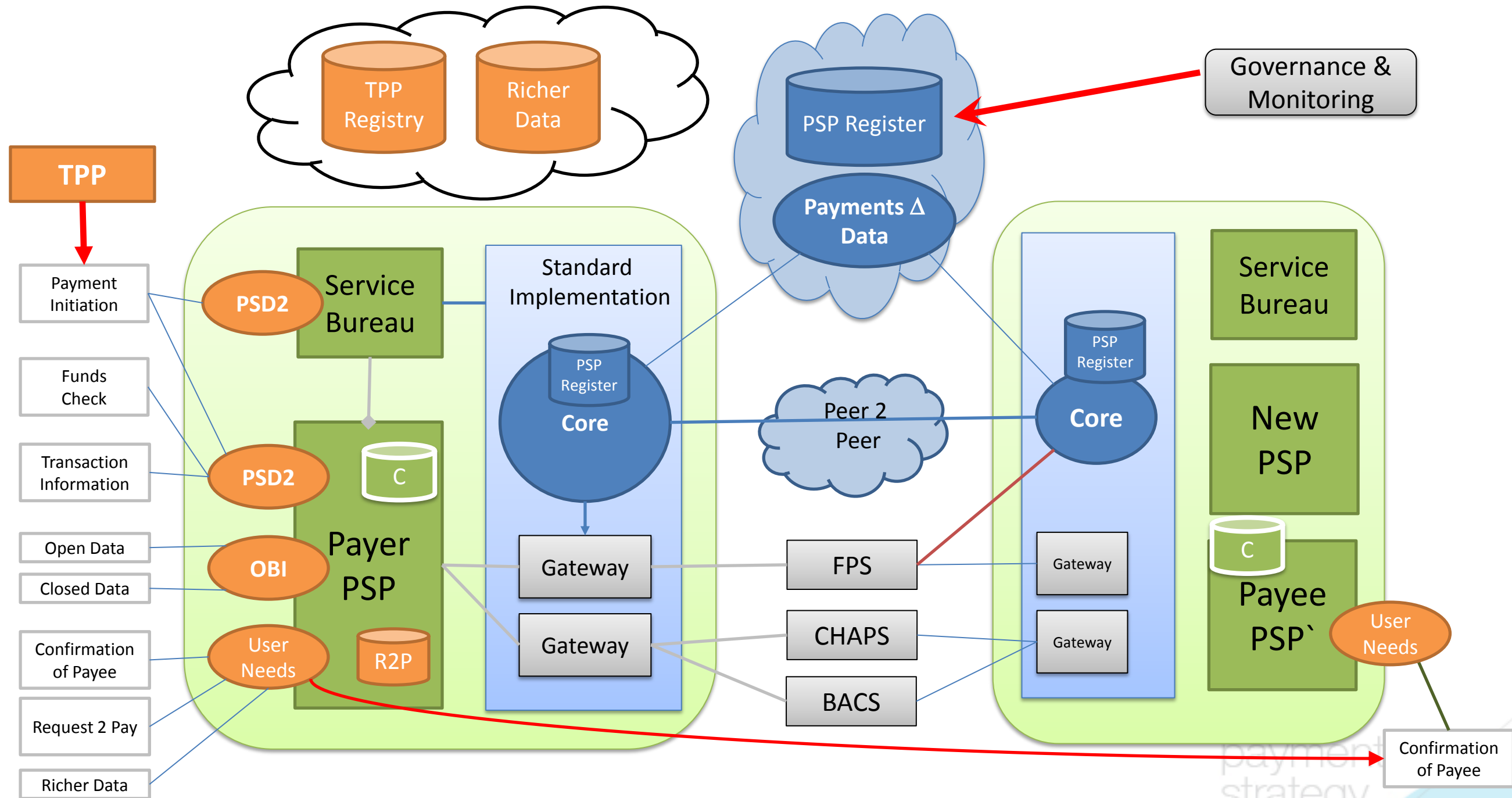
- Tax, Personal data, Remittance, pictures, payroll
- Structures data for accountancy, standard remittance formats, e-invoicing
- E-Invoices by different industries

Use Case 0: Base Standards



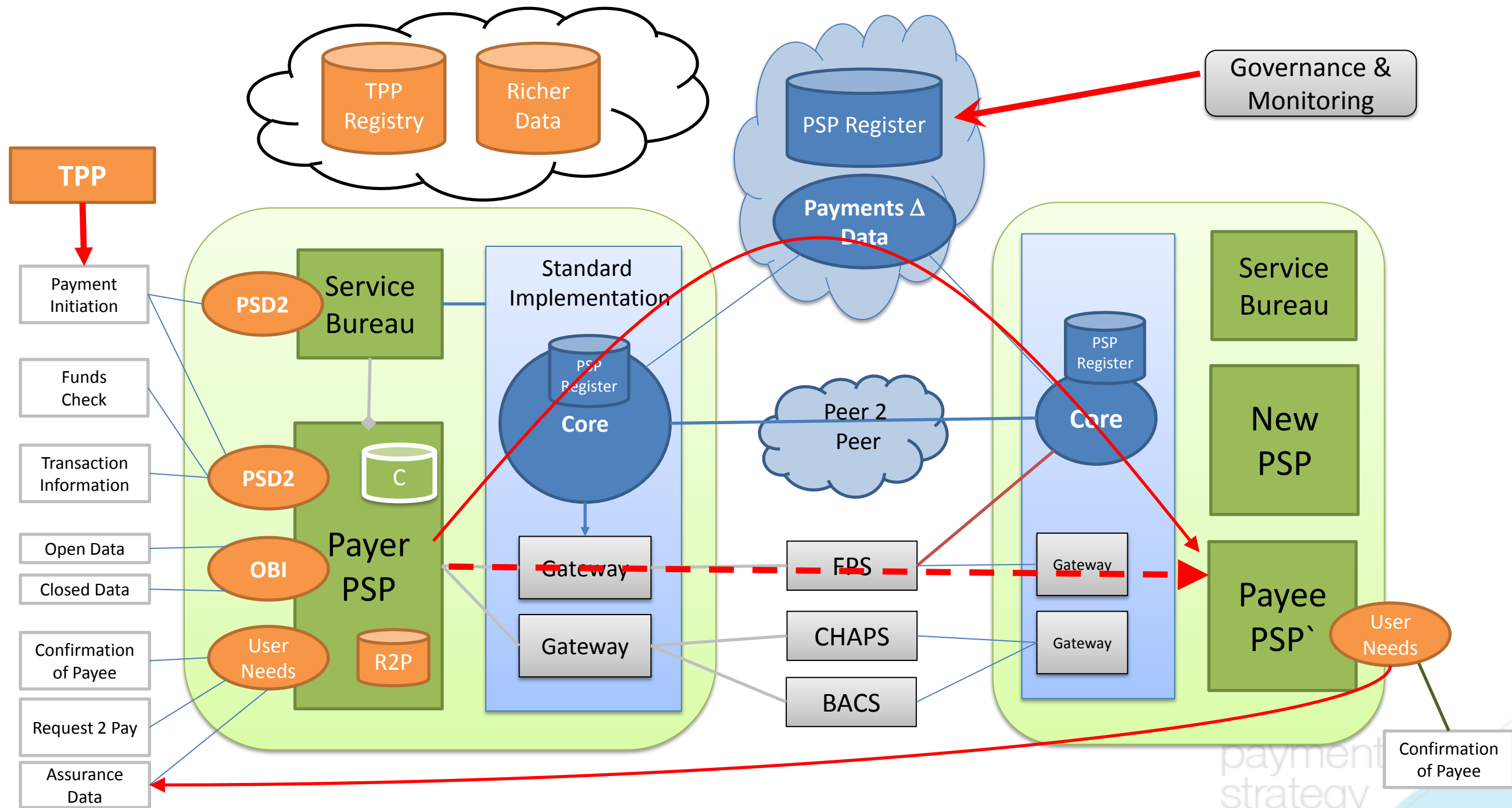
- APIs need base standards for PSP interoperability, security and enable competition
- Existing scheme limitations of data transfer will be supported by secure cloud storage
- PSD 2 and Open Banking form a legal and governance basis for API control which can be extended

Use Case 1: Confirmation of Payee



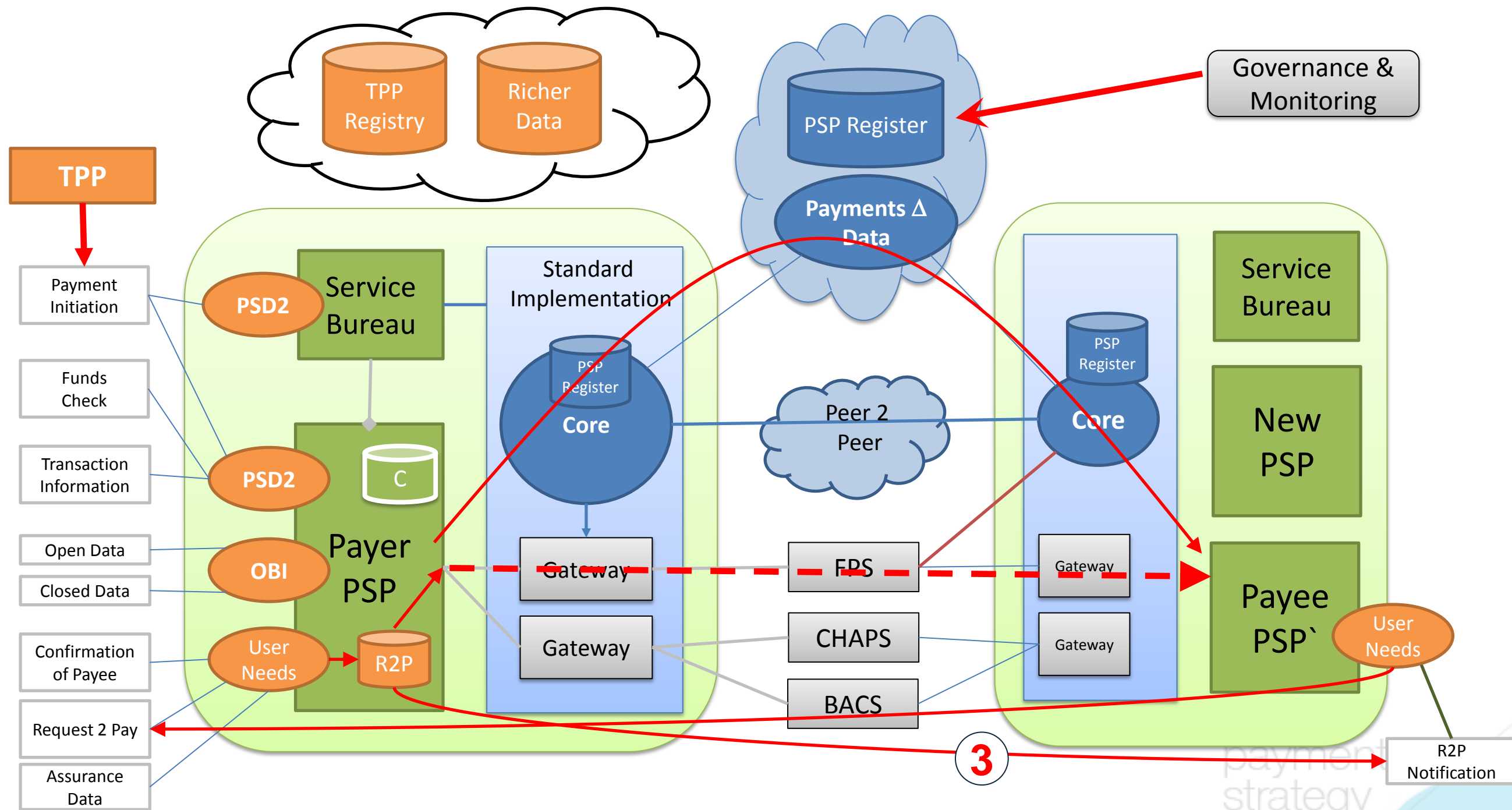
- The Payers PSPs can send Confirmation of Payee request to the Payee PSPs with Sort Code/Account Number and Name, and get a score

Use Case 2: Assurance Data



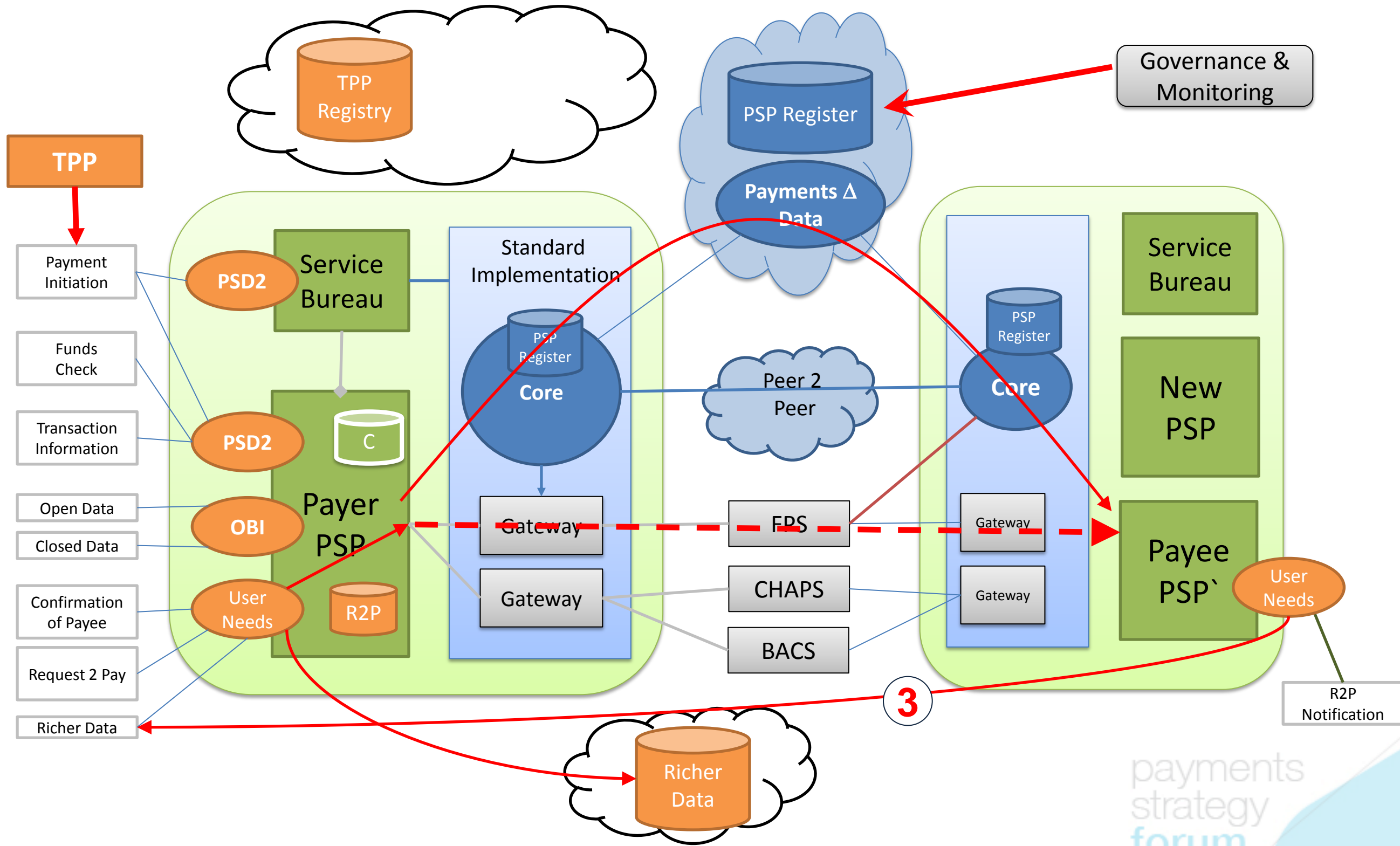
- Payee PSP to provide Payer PSP with assurance of receipt, processing and final settlement
- Requires Payer to send unique transaction id and Return URI

Use Case 3: Request To Pay with Payer Control



1. Following URI rules the Payee PSP will call Request 2 Pay at the Payer PSP
2. The R2P will be approved and stored for execution, based on the rules of acceptance
3. **Payee PSP will receive notification of acceptance and any cancellation before execution, Payee can amend R2P**
4. At the correct time to R2P will be executed over the existing schemes – with no special reference other than allowed by the scheme
5. Payee PSP can attempt reconciliation receipt

Use Case 4: Enhances/Richer Data Basic



1. Payer PSP will collect and load Richer Data
2. Payer PSP will send payment with reference URI to Richer Data
3. **Payee PSP can use URI to recover Richer Data**