

Update on the retail banking market investigation

This update sets out the key developments on the retail banking market investigation since the last [update in May 2016](#).

We published the retail banking [final report](#) on 9 August 2016. This set out our adverse effects on competition (AEC) findings and our decisions on the measures we are requiring be put in place to remedy the AECs we found. We are now in the process of implementing our remedies. The [administrative timetable](#) for this phase of the investigation can be found on our case page. Today we have published a number of documents associated with the implementation of our remedies.

We received [proposals](#) from the nine providers specified in our [final report](#) for the structure, membership, governance and funding arrangements of the Implementation Entity which we required them to produce as part of our open banking remedy. These proposals set out the membership of the Implementation Entity's Steering Group, which, in addition to the nine specified providers, will comprise representatives of financial technology companies (FinTechs), smaller 'challenger' banks and other stakeholders, including companies providing products within the scope of the Second Payments Services Directive (PSD2) but outside of our [terms of reference](#). The Implementation Entity will act as the forum for the discussion and agreement of the application program interface (API), data and security standards which form our open banking remedies. Any comments on the proposals from the nine providers should be provided to the CMA (retailbanking@cma.gsi.gov.uk) by **Friday 21 October 2016**.

In our [final report](#) we also said that we would require the banks to appoint an Implementation Trustee, to work to a mandate from the CMA, to chair and oversee the work of the Implementation Entity and with the ability to impose a solution on participants in the event that a consensus could not be reached. The CMA has approved the appointment of Andrew Pinder as the Implementation Trustee and he took up his role on 3 October 2016.

We have received a proposal from banks, through the BBA for common information and evidence requirements for opening a Business Current Account (BCA). This forms part of the measures in our small and medium-sized enterprise (SME) remedies package, making it easier for SMEs to open a BCA and switch providers. A copy of this proposal will be published shortly.

Our service quality remedy will require banks to collect and publish information on their service quality to enable customers to more easily compare providers. In our [final report](#) we said that we would conduct research to inform the requirements we will put on banks in terms of the presentation of the service quality information. We commissioned [Research Works to undertake this customer research](#). This report also includes the findings from parallel customer research conducted to inform how banks should describe the monthly maximum charge (MMC) remedy we are putting in place for unarranged overdrafts. We will take account of this report when drafting the 2017 Retail Banking Order.

Any comments on the proposal from banks, through the BBA for common information and evidence requirements for opening a Business Current Account (BCA) or the [Research Works customer research presentation](#) should be provided to the CMA (retailbanking@cma.gsi.gov.uk) by **Monday 31 October 2016**.

Along with the publication of our [final report](#), we published our final decisions from our parallel reviews of the [2002 SME banking undertakings](#) and of the [2008 Northern Ireland Personal Current Account Order](#) (2008 NI PCA Order).

On 10 August 2016, we notified our [intention to release the parties from the Transitional Undertakings](#) and our [intention to release parties from the Switching Undertakings and certain obligations in the Behavioural Undertakings](#). We received three responses to our consultation on our intention to release parties from these undertakings. Having considered these responses we have published notices of our decision to [release parties from the Transitional Undertakings](#) and [the Switching Undertakings and certain provisions of the Behavioural Undertakings](#).

On 10 August 2016, we notified our [intention to revoke the 2008 NI PCA Order in its entirety](#), with the revocation being staggered such that certain articles remain in place until certain of our retail banking market investigation remedies come into effect. We received two responses to our consultation on our intention to revoke the 2008 NI PCA Order. Having considered these responses we have published a notice [revoking Articles 4, 5, 6 and 8.1 to 8.6 of the 2008 NI PCA Order](#).

We have also this week begun an informal consultation exercise on our draft 2017 Retail Banking Order and Undertakings with those parties directly affected by the remedy requirements contained in our [final report](#). We will follow these informal consultations with public consultations, expected to be in November 2016. These have statutory consultation requirements of at least 30 days for our consultation on the draft Order and at least 15 days for our consultation on the draft Undertakings. We have a statutory requirement to make our Orders and to accept Undertakings within six months of our final report, though we may extend this deadline by no more than four months if we consider there are special reasons for doing so.

14 October 2016