



First Trust Bank
Executive Office

92 Ann Street
Belfast
BT1 3AY

Telephone (028) 9047 9200
Facsimile (028) 9023 2918
www.firsttrustbank.co.uk

Retail Banking Team
Competition and Markets Authority
Victoria House
Southampton Row
London
WC1B 4AD

6 June 2016

Dear Sirs,

Response to the Provisional Decision on Remedies published on 17 May 2016

First Trust Bank ("FTB") welcomes the opportunity to provide its views on the remedy options set out in the CMA's provisional decision on remedies (the "pdr"). This response is provided on behalf of AIB Group (UK) Plc ("AIBG").

'Larger' Retail Banks

The CMA has proposed additional remedies for the 'larger retail banks' which it has identified, based on shares of supply in the respective GB and NI markets, as comprising RBSG, LBG, Barclays, HSBCG, Santander, Danske, BoI and AIBG. These proposed remedies would require these named banks to:

- adopt and maintain common API standards through which they will share data with other providers and third parties; and
- offer a tool on their websites to enable SMEs to obtain an indicative price quote and indication of their eligibility (up to £25,000).

The CMA is aware that AIBG has separate trading operations in the NI and GB markets, branded as First Trust Bank and AIB GB respectively. We submit that AIB GB's *de minimis* market share is such that it would not be appropriate for it to be considered a 'larger retail bank'.

The cost of implementation of these remedies for AIB GB's business would be substantial and, given its very small GB operations, entirely disproportionate.



The CMA's aim of seeking to ensure that an adequate proportion of the industry is covered would be met without AIB GB's inclusion: it is not necessary to include AIB GB within the scope of these remedies. Further, including AIB GB within scope of the 'larger retail banks' is disproportionate to the AEC that is being addressed by the proposed remedy. Therefore we request that, to the extent that the remedies applying to the 'larger retail banks' are taken forward, the CMA specifies that only First Trust Bank is in scope of these remedies, based on AIBG's regional share of supply in NI. We would ask that you note that the 2002 SME Undertakings apply to FTB only as the competition concern was related to AIBG's activities (and market share) in NI

Implementation timeframes for the open banking standard API

Whilst we are aware of the work undertaken by the Open Banking Working Group and its report to HM Treasury earlier this year, AIBG notes that the technical standards for the API's architecture have yet to be agreed. Furthermore, the CMA has not provided any reason for which it considers that "a few additional months" from Q4 2016 would be sufficient time for providers to arrange for publication of the specific product and reference information.

Our experience of launching IT solutions on the scale envisaged in the pdr strongly points to it being a complex project that must pass through a robust governance process (including testing) before it can be launched. Consequently, pending an agreed system architecture we are unable to make an informed assessment on the timelines for delivering API solutions, but AIBG does not consider the CMA's proposed timeframe within the pdr to be feasible.

In the circumstances we submit that a better approach would be for the CMA to specify that the new implementation body, as will be established to drive an industry solution to this remedy, assesses realistic timeframes for implementation, having first consulted with the designated larger retail banks, following which it reports to the CMA for the purposes of a commencement Order then being issued.

Yours sincerely,

Des Moore

Head of First Trust Bank