

I am writing in response to the consultation below.

<https://www.gov.uk/government/consultations/future-oversight-of-the-cmas-open-banking-remedies/the-future-oversight-of-the-cmas-open-banking-remedies>

I am a partner at Balderton Capital. Based in London we invest in tech companies across Europe at their early stages. We were the first investors in Revolut and early investors in London fintech success stories such as Gocardless, Zego, ComplyAdvantage, Credit Benchmark, Nutmeg, Primer and Wagestream.

I believe Open Banking, in particular in payments, can be a huge growth enabler for the UK. It helps us break the stranglehold of visa and mastercard and regressive actions such as this proposal to increase interchange on payments between UK and EU: "Visa set to raise fees after removal of EU cap post Brexit" <https://t.co/h3Atx4bguT?amp=1>. (importantly the main financial beneficiaries of this will be the big banks)

Open banking allows payments which are instant, cheaper and can be linked to banking data (for example to verify responsible gambling or in lending decisions).

However, while implementation of AISP has been fairly robust, PISP remains stuck in first gear with low conversion success rates and low adoption. A significant reason for this slow progress in my view is the slow movement of UK retail banks in implementing strong and robust APIs.

Overall I think the consultation is sensible. However I do think it is vital to keep the OBIE as a robust and independent entity with teeth that can ensure we continue to make progress on open banking and payments. Reviewing the consultation document the following questions come to mind:

- How do we put safeguards in place to ensure that the big banks won't just pare back the OBIE to a bare bones service provider
- The banks are arguing for weighted voting rights which would give them effective control.
- States that funding would be at the discretion of the CMA9 rather than as a levy across the industry. This would give the banks more effective control?

I hope this is somewhat helpful.