

HSBC UK Bank plc

From: Dipesh Shah
*Director, Remedies, Business and
Financial Analysis*

19 January 2023

HSBC UK Bank plc breaches of Part 2 of the Retail Banking Market Investigation Order 2017

I am writing to you on behalf of the Competition and Markets Authority (CMA) concerning breaches by HSBC UK Bank plc (HSBC) of Part 2 of the [Retail Banking Market Investigation Order 2017 \(the Order\)](#).

Part 2 of the Order requires the nine largest banks in Great Britain and Northern Ireland to ensure accurate, comprehensive and up to date Read-only product and reference information is continuously available through Open Banking Application Programming Interfaces (APIs).

The breaches

HSBC breached Article 12 of Part 2 of the Order by publishing inaccurate information, or not publishing required information, through its Open Data APIs on more than 50 occasions. In summary, a number of Personal Current Accounts (PCAs), Business Current Accounts (BCAs) and SME lending products were affected. The incorrect information related to fees, charges and rates, as well as to eligibility criteria and features and benefits of accounts and loans. The failures varied in length, with the longest lasting from 2017 to 2022.

Each of these breaches was a breach of either Article 12.3 of the Order, which requires information made available through Open Banking to be as accurate and up to date as reasonably practicable, or Article 12.1.2, for those instances where the information that should have been released was not in fact released at all.

HSBC notified the CMA of the breaches on 13 June 2022.

The CMA's concerns

The failure to make accurate, comprehensive and up to date product and reference information continuously available through Read-only Open Banking APIs, or failure to release required information at all, may result in consumers taking decisions that they would not have taken if they had access to the correct information. For example, third parties can use information from Read-only Open Banking APIs to comment on banks' accounts and loans. If the information is not accurate, or is not released at all, customers can have an incorrect or incomplete understanding of the products available to them.

HSBC has taken action to put things right

I note that these breaches were self-reported by HSBC following a review of its compliance with this part of the Order, and that it has taken proactive steps to end the breaches and to prevent a recurrence:

- It will more clearly define responsibility for completion and oversight of the information to be published through Open Banking, mitigating the risk of actions falling on individuals who then move on/are absent.
- It will improve control processes to check information before it is made available through Open Banking, and to check published information for errors so they can be identified quickly.
- It will deliver training and guidance notes on the requirements of Part 2 of the Order, including through written reminders and enhanced user guides.

CMA assessment and next steps

The CMA notes that HSBC has breached Article 12 of Part 2 of the Order previously.¹ This context makes the breaches outlined in this letter especially disappointing. HSBC must ensure that it complies with the Order in full. The CMA has powers to issue Directions to businesses that fail to comply with its Orders. However, given the action that has been, and is being, taken by HSBC, the CMA does not consider it appropriate to take further formal enforcement action in relation to these breaches at present. The CMA will monitor HSBC's future compliance closely.

The public version of this letter has been copied to the Financial Conduct Authority.

¹ The CMA wrote to HSBC about breaches of Part 2 of the Order on [28 April 2022](#).

Yours sincerely

Dipesh Shah

Director, Remedies, Business and Financial Analysis