

Update on actions to enable the next phase of open banking in the UK

Joint Regulatory Oversight Committee

December 2023

Contents

1	Vision	3
2	Background	4
3	Progress update across all themes	6
	Workstream 1: Levelling up availability and performance	6
	Workstream 2: Mitigating the risks of financial crime	7
	Workstream 3: Ensuring effective consumer protection if something goes wrong	8
	Workstream 4: Improving information flows to TPPs and end users	9
	Workstream 5: Promoting additional services, using non-sweeping VRPs	11
4	The long-term regulatory framework	15
5	Next steps	16
Annex 1		17
	Open banking roadmap	17

1 Vision

- 1.1** As the pioneer of open banking, the UK is an established global leader in the field. To maintain this international leadership, the Joint Regulatory Oversight Committee (JROC, 'the Committee') is taking steps to move to the next phase of the UK's open banking journey.
- 1.2** Achieving the Committee's vision for open banking involves building on current successes while moving open banking safely forward. The Committee envisages that the further growth of open banking will be supported by the creation of an economically sustainable future entity with independent governance and the continued development of innovative new services that will recover their cost in the long run. Over time, this will allow open banking to grow and scale beyond the current requirements set out in the CMA Order.¹
- 1.3** To facilitate this evolution, the Committee, in April 2023, published its detailed report titled Recommendations for the next phase of open banking in the UK ('the Report'). The Report built on the joint statement published by the Committee in December 2022, the Strategic Working Group (SWG) report, the Trustee End of Implementation Roadmap report and submissions and engagements from a significant number of stakeholders. The Report set out the Committee's views and recommendations, and the joint actions required to realise the next phase of open banking.
- 1.4** The Committee, with support and leadership from across the open banking ecosystem, has made progress on various workstreams since publishing the Report in April 2023. Since the April publication, Joe Garner published the Treasury-commissioned Future of Payments review. The conclusions of this review endorsed the key role that open banking can play in financial services, and underlined the importance of the work that JROC and stakeholders have underway.
- 1.5** It is encouraging to see momentum on open banking being sustained and actions being progressed at pace, but there is more work to be done to realise the Committee's vision for open banking. Realising the Committee's vision will take time to deliver and require adequate funding and commitment from ecosystem participants.
- 1.6** In line with the Committee's commitment to publishing a progress update by the fourth quarter of 2023, this document provides an overview of the progress made since April 2023 and identifies the key next steps as we continue to work with the ecosystem to prepare open banking for the future.

¹ The Competition and Markets Authority's (CMA) retail banking market investigation in 2016, which introduced the Retail Banking Market Order 2017 (CMA Order).

2 Background

2.1 To ensure that the benefits of open banking are fully realised, and momentum is sustained, the Committee in its April Report identified a roadmap of 29 actions² that will progress open banking in a three-phased delivery approach over the next two-and-a-half years. In addition to transitioning from Open Banking Limited (OBL)³ to a future entity that is expected to play a central role in the development and improvement of new and existing open banking propositions, the roadmap categorised each of these 29 actions into five key themes:

- levelling up availability and performance
- mitigating the risks of financial crime
- ensuring effective consumer protection if something goes wrong
- improving information flows to third-party payment service providers (TPPs) and end users
- promoting additional services, using non-sweeping variable recurring payments (VRPs) as Phase 1 of the rollout

2.2 The Report set out the Committee's vision for the future entity in the interim state. In line with its March 2022 and December 2022 statements, the Committee expects that, subject to the CMA's consent, open banking will transition from the current model, in which the open banking implementation entity (OBIE) is overseen by the CMA for obligations under the CMA Order, to an interim state, in which a future entity will be overseen by the Committee (in respect of non-Order activity) and by the CMA (in respect of Order activity), prior to the establishment of a long-term regulatory framework for open banking. The Future Entity is expected to play a central role in the development and improvement of new and existing open banking propositions.

2.3 The Report also laid out the Committee's emerging thinking on the governance, structure, and funding of the future entity once it is fully established under a long-term regulatory framework. The Committee is working closely with the ecosystem to develop detailed proposals on the design of the future entity, and the government to develop a long-term regulatory framework once the legislative foundations for the next phase of open banking are in place.

2.4 This work is progressing at pace. To drive this work forward we established a Future Entity Working Group, chaired by the Financial Conduct Authority (FCA), which ran over summer and autumn to develop ecosystem recommendations on the capabilities, governance and funding model of the future entity. The Future Entity Working Group submitted its recommendations to the Committee at the end of November 2023, and the Committee is carefully considering the report along with other inputs. The future entity will be instrumental for the future success of open banking in the UK, and the Committee will make a decision as to its recommended structure, governance and funding model early next year. In Q1 next year, the Committee will publish this decision and the immediate steps which will be taken to establish the future entity. The Committee thanks the

² See Annex 1 for more information.

³ Open Banking Limited is the corporate entity carrying out the role of the Open Banking Implementation Entity.

members of the Future Entity Working Group for their thoughtful and carefully considered contributions to the workstream.

2.5 Similarly, a VRP Working Group was established to progress the delivery of VRPs on a commercial basis. As set out below, the Committee has carefully considered the blueprint produced and has published alongside this update the next steps to deliver commercial VRPs. The Committee thanks the members of the VRP Working Group for their valuable contributions to this workstream.

2.6 Delivering on the roadmap requires collaborative efforts from all members of the ecosystem, including the Committee, the individual regulators, account servicing payment service providers (ASPSPs), receiving payment service providers (PSPs) in Faster Payments, third-party providers (TPPs), OBL, the future entity (once it is formed), Pay.UK,⁴ and businesses, and this year we have seen the various members of the ecosystem come together to deliver the JROC's recommendations. As the workstreams progress, collaboration and funding from across the ecosystem will be paramount.

⁴ Pay.UK is the operator and standards body providing the payments networks for Bacs, Faster Payments, and the Image Clearing System. Pay.UK is supervised by the Bank of England's Financial Market Infrastructure Directorate and regulated by the Payment Systems Regulator (PSR).

3 Progress update across all themes

Workstream 1: Levelling up availability and performance

- 3.1** The objective of this workstream is to develop an ecosystem where open banking application programming interface (API) availability and performance is consistently high across all ASPSPs. Improved availability and performance will allow consumers and businesses to build trust in open banking services, so that the market for services can scale and grow.
- 3.2** To support this objective, the Committee assigned OBL an action to design a data collection framework it can use to collect and analyse API performance and availability data. This collection is supplementary to the mandatory regulatory requirements under the SCA-RTS. The data collection exercise is intended to consider the performance of the ecosystem, as well as helping the FCA to evaluate whether and how existing technical requirements should be amended to improve open banking API availability and performance.
- 3.3** The framework has been designed and approved by the Committee, and OBL is now making arrangements for the data collection. The data collection started in the fourth quarter of 2023 with data being collected from ASPSPs and TPPs on a voluntary basis. The data will be aggregated and anonymised before it is provided to the FCA and the Committee to be used for future policy considerations.
- 3.4** There is no intention at present to impose additional regulatory reporting requirements on firms in the ecosystem. All ecosystem participants (including TPPs) are requested to voluntarily submit their monthly data on API availability and performance to OBL in line with the [published framework](#).

Theme	Activity	Owner	Delivery	Status
Levelling up availability and performance	Design a data collection framework for API availability and performance and submit to the FCA and the PSR for approval	OBL and ecosystem	Q3 2023*	Complete
	Conduct the data collection and analyse data following FCA and PSR approval	OBL	Q4 2023* (first collection)	Ongoing
	Consult, if needed, on changes requiring reporting additional data for API availability and performance	FCA and PSR	Q2 2024	Ongoing

* Originally Q2 2023 for designing the framework and Q3 2023 for data collection and analysis. The amended timeline has been agreed by the JROC.

Workstream 2: Mitigating the risks of financial crime

Design a data collection framework for financial crime

- 3.5** The objective of this workstream is to design and implement a mechanism for collecting data that provides an informed view of the nature and extent of economic crime occurring in open banking payments. All those involved in open banking need to effectively mitigate risks and ensure consumers are safe. By better understanding the levels of financial crime, including fraud and money laundering, we can improve the tools used and information exchanged between open banking participants to mitigate fraud and financial crime risks.
- 3.6** We asked OBL to design a voluntary data collection framework to advance this objective and to use the data generated to compare open banking-related fraud and comparable fraud within banks' own channels across time. This will inform appropriate regulatory action to tackle financial crime within the open banking ecosystem in the longer term.
- 3.7** OBL is proposing to start by focusing on the voluntary collection of data relating to open banking fraud and to explore other types of financial crime at a later stage. Data relating to financial crime beyond fraud is less readily available from ASPSPs and TPPs, and the Committee encourages ASPSPs and TPPs to collect and monitor this data.
- 3.8** The data collection framework builds on existing reporting requirements and covers monthly data on the:
- total number of open banking payments by volume and value
 - total number of open banking fraud incidents by volume and value

Looking ahead to the end of this year and into the next, we look forward to receiving proposals on the implementation of open banking-based data sharing in Faster Payments to reduce fraud, and on the implementation of financial crime prevention tools for TPPs and ASPSPs, as well as considerations of broader API-based data sharing beyond authorised push payment (APP) fraud.

Implement the use of open banking-based data sharing in Faster Payments to reduce fraud

- 3.9** In addition to our recommendation to develop a data collection framework, and in line with the conclusions of the SWG and the Trustee End of Implementation Roadmap reports, we asked OBL to continue its existing work on transaction risk indicators. We asked it to consider how API-based data sharing could help identify high-risk payments and consequently reduce fraud.
- 3.10** To help reduce fraud for Faster Payments specifically, we asked Pay.UK to work closely with OBL on this assessment to ensure its existing work on developing an Enhanced Fraud Data (EFD) sharing API was taken into account. Pay.UK continues to work on the development of the EFD. It holds a fortnightly coordination meeting with the PSR and chairs other industry groups alongside UK Finance. Pay.UK is targeting delivery of directory services for the EFD by the second quarter of 2024. The PSR and the FCA will continue to closely monitor progress.

Theme	Activity	Owner	Delivery	Status
Mitigating the risks of financial crime	Assess conformance with the FCA's existing guidance in relation to payment limits	ASPSPs	Q2 2023	Complete
	Design a data collection framework for financial crime and submit to the FCA and the PSR for approval	OBL and ecosystem	Q3 2023*	Partially complete
	Conduct the financial crime data collection and analyse data following FCA and PSR approval	OBL	Q4 2023* (first collection)	Ongoing
	Implement the use of open banking-based data sharing in Faster Payments to reduce fraud	Pay.UK	Q4 2023	Ongoing
	Implement effective financial crime prevention tools for TPPs and ASPSPs (for example, TRIs)	OBL/future entity	Q1 2024	Ongoing
	Consider how API-based data sharing can be broadened out beyond APP fraud and report findings to the FCA and the PSR	OBL and Pay.UK	Q1 2024	Not started
	Consult, if needed, on mandating data sharing, on the use of financial crime prevention tools (including data sharing) and/or on additional tools or requirements for high-value payments	FCA and PSR	Q2 2024	Ongoing

* Originally Q2 2023 for designing the framework and Q3 2023 for data collection and analysis. The amended timeline has been agreed by the JROC.

Workstream 3: Ensuring effective consumer protection if something goes wrong

- 3.11** The objective for this workstream is to ensure that consumers remain safe and protected when using current and future open banking products and services. This includes open banking having dispute resolution processes in place for when something goes wrong, and appropriate protections for consumers.
- 3.12** The Committee requested that OBL perform a gap analysis of dispute resolution processes for open banking, covering both payments and data services.

3.13 OBL has submitted to the JROC a report that highlights six gaps in dispute processes, including between ASPSPs and TPPs, and consumer protection, alongside some potential solutions to address the gaps. The six gaps identified by OBL’s report are:

- the lack of a common dispute management process between ASPSPs and TPPs for technical and operational faults
- the lack of additional purchase protection offered by open banking payments
- the lack of additional insolvency protection offered on purchases made via open banking payments
- the lack of underlying processes between ASPSPs and TPPs to support fraud protections offered on open banking
- unclear obligations on ecosystem participants when there is a data breach by TPPs or contracted businesses
- challenges for consumers when exercising data protection rights against multiple ecosystem participants

3.14 The FCA and the PSR are considering the findings of OBL’s report, along with the related work on consumer protection and dispute resolution in the VRP Working Group, including the call for the establishment of a formal dispute resolution framework.

Theme	Activity	Owner	Delivery	Status
Ensuring effective consumer protection if something goes wrong	Perform a gap analysis of dispute processes	OBL/future entity	Q4 2023	Complete
	Consult, if necessary, on additional dispute process or protection requirements in open banking	FCA and PSR	Q2 2024	Ongoing

Workstream 4: Improving information flows to TPPs and end users

3.15 To build trust in open banking systems and increase open banking service quality, the Committee is looking to support improvements to information flows, including ensuring that parties follow relevant pre-existing common standards and achieve consistent application of error and payment-status messaging. This will help TPPs to quickly identify and understand issues and improve customer experiences.

3.16 The Committee anticipated that OBL might need to support firms to make these technical improvements through updating open banking standards. Pay.UK’s support, as the entity responsible for the operation of Faster Payments and the development and operation of the New Payments Architecture (NPA), would also be key in ensuring that payment systems support provision of accurate information flows.

3.17 Consequently, the Committee requested that OBL and Pay.UK perform a gap analysis of consistent and definitive payment statuses in Faster Payments and open banking. OBL and Pay.UK have submitted to the Committee a report on gaps in payment statuses and error messaging between ASPSPs and TPPs.

3.18 The report identified four key gaps and mitigating recommendations. The identified gaps are:

- accuracy of payment status information
- lack of information on reasons for payment failures
- lack of specificity in error messages
- lack of consistency in error messages

3.19 To mitigate these four gaps, OBL and Pay.UK’s report recommended that:

- the open banking standard be updated to improve information on payment statuses
- the open banking standard be updated to improve handling of error messages
- payment systems be updated to improve mapping of open banking messages as well as a review of qualified accept and end state confirmations

3.20 A further recommendation was made for regulatory support to drive consistent implementation of the other recommendations across all ASPSPs.

3.21 The Committee recognises the need to address the gaps identified in OBL and Pay.UK’s report and calls on both organisations to commence the process of updating open banking standards where appropriate, in accordance with best practice guidelines, in order to address these gaps, achieve conformance with the existing regulatory framework and also explore improvements that can be made to payment systems.

3.22 OBL and Pay.UK must consider the technical and cost implications of providing improved information flows to ensure that any changes required from ecosystem participants, and the timeframe over which they are delivered, are proportionate.

Theme	Activity	Owner	Delivery	Status
Improving information flows to TPPs and end users	Perform a gap analysis of consistent and definitive payment statuses in Faster Payments and open banking	OBL and Pay.UK	Q3 2023	Complete
	Consult, if needed, on changes to error code requirements	FCA	Q4 2023	Ongoing*
	Consider whether further alignment between open banking and Faster Payments error messages is needed	PSR	Q4 2023	Ongoing
	Consult, if needed, on whether to require consistent and definitive messaging regarding the payment status	FCA and PSR	Q2 2024	Ongoing

* The FCA is considering whether regulatory changes to error code requirements are needed.

Workstream 5: Promoting additional services, using non-sweeping VRPs as a pilot

Introducing premium API economic model principles

- 3.23** The provision of premium API services⁵ by ASPSPs and TPPs needs to be underpinned by a sustainable commercial model. For this reason, the Committee asked the PSR and the FCA to set out high-level principles for developing a sustainable and safe commercial model that would result in prices that are fair value and transparent and promote competition. These principles should also consider the need to protect consumers and firms from harm, including the effects of cyber and financial crime.
- 3.24** The joint discussion paper [Principles for commercial frameworks for premium APIs](#), published in June 2023, outlines five high-level pricing principles. The paper discusses how to make progress on the development of premium APIs, piloting commercial models and testing new premium APIs.
- 3.25** The Committee has subsequently had discussions with stakeholders on the published pricing principles, including to provide clarifications, and has received feedback that is in broad agreement with the Committee's thinking.

Expanding VRPs beyond sweeping use cases

- 3.26** In line with the April Report, a PSR-chaired, industry-led VRP Working Group was established to develop a blueprint to enable a phased rollout of non-sweeping VRPs. The VRP Working Group has drafted a blueprint for rolling out non-sweeping VRPs, setting out a path to scalability. The blueprint was agreed by the working group on 18 October 2023 and presented to the Committee on 20 October 2023.
- 3.27** The group focused on functional capability, consumer protection and commercial model requirements. It found that the existing requirements are largely sufficient to cover an initial rollout of non-sweeping VRPs, but that a number of enhancements could be made to meet wider consumer and business needs. This includes the creation of a formal dispute resolution mechanism. The Committee acknowledges the diverging views about how a commercial model and participation could be unlocked. The blueprint was also discussed with consumer and business panels in November. More information about the blueprint and the Committee's response to it can be found [here](#).
- 3.28** The recommendations in the blueprint have been factored into the PSR's proposed fourth-quarter [consultation](#) on changes to Faster Payments needed to support non-sweeping VRPs in an initial set of use cases. This consultation focuses on the commercial model for the pilot phase building on the discussions and views shared in the VRP Working Group. It sets out the initial thinking on the commercial model discussions of the VRP Working Group, what interventions might unlock it, and the possible uses of the PSR's powers to achieve a working commercial model. In particular, the consultation seeks stakeholder input on possible interventions on price and ASPSP coverage. The PSR and the Committee will

⁵ These are APIs that offer new products and services beyond those developed through the regulatory requirements and funding arrangements of the Retail Banking Market Investigation Order 2017 (CMA Order) and the payment services regulations.

use the evidence gathered through the consultation to further develop policy thinking and publish updated proposals in 2024.

- 3.29** In terms of next steps, alongside the PSR’s consultation, the Committee is asking for an OBL and Pay.UK-chaired implementation group to be established, to be overseen by the PSR and the FCA, which will deliver recommended changes to functional capabilities. In terms of consumer protection, while the PSR and the FCA will continue to consider whether existing regulation and legislation sufficiently identify who bears liability when something goes wrong, the Committee is keen to establish a formal dispute resolution framework and is asking the implementation group to consider how such a framework can be established for the Phase 1 rollout of non-sweeping VRPs.
- 3.30** The Committee is targeting a Phase 1 rollout of non-sweeping VRPs by the third quarter of 2024. This exercise will allow us to learn lessons on how a multilateral agreement or rulebook could be established and implemented for other premium APIs, for which our ambition is still the fourth quarter of 2025.

Consumer research (including for consumers with characteristics of vulnerability)

- 3.31** In addition to monitoring the progress of the implementation group, the FCA and the PSR launched consumer research in the fourth quarter of 2023 to identify critical and future open banking use cases and risks to customers, including those with vulnerable characteristics. For this research, the PSR and the FCA considered vulnerability as applying to consumers with either permanent or temporary poor health, with low financial resilience, or who have experienced a life event such as redundancy or relationship breakdown in the last six months. This aligns with how vulnerability is defined in the FCA’s Guidance for firms on the fair treatment of vulnerable customers and the Financial Lives survey.
- 3.32** The research examines: current UK consumer payment attitudes as they relate to VRP Phase 1 use cases; consumer appetite and concern around behaviour change; and where open banking could be beneficial to consumers’ financial lives.
- 3.33** This builds upon existing research into the needs of consumers, specifically those with vulnerable characteristics, as it relates to their current payment and financial journeys. The results of this consumer research will be shared with the Committee, with a view to publication in early 2024, and will be factored into future workstreams, including those on premium APIs.

Theme	Activity	Owner	Delivery	Status
Promoting additional services, using non-sweeping VRPs as a pilot	Publish terms of reference for a working group on expanding VRPs beyond sweeping use cases	FCA and PSR	Q2 2023	Complete
	Publish a discussion paper on principles for commercial frameworks for premium APIs	FCA and PSR	Q2 2023	Complete
	Draft a delivery plan and framework to enable a phased rollout of non-sweeping VRPs	VRP Working Group	Q4 2023*	Complete

Theme	Activity	Owner	Delivery	Status
	Consult, if necessary, on changes to Faster Payments to enable a phased rollout of non-sweeping VRPs	PSR	Q4 2023	Ongoing
	Conduct consumer research to identify critical and future use cases and risks for (vulnerable) consumers	FCA and PSR	Q4 2023	Ongoing
	Consult, if needed, on requirements to support non-sweeping VRP rollout and/or on whether to adopt a wider multilateral agreement for premium APIs	FCA and PSR	Q2 2024	Ongoing
	Support testing of innovative data sharing, authentication and identification propositions	Ecosystem, future entity and FCA	Ongoing	Ongoing
	Implement a multilateral agreement or rulebook for premium APIs	Ecosystem	Q4 2025	Not started

* Originally Q3 2023. The amended timeline has been agreed by the JROC.

Finalising the design of the future entity

- 3.34** In the Committee's April Report, the FCA and the PSR committed, with the CMA's support, to work with open banking participants and broader stakeholders on the design of the future entity. A Future Entity Working Group consisting of ecosystem participants was established to consider the design of the future entity. Following initial engagement over the summer, the Committee agreed to amend the delivery date for Future Entity Working Group's work on the future entity from September 2023 to November 2023, to ensure that all members of the working group were able to input into this work stream.
- 3.35** The Future Entity Working Group, chaired by the FCA, set up three subgroups (on capabilities, funding, and governance) to put forward proposals for the future entity to the Committee in the form of a report. The report has been prepared by industry and consumer representatives and has been informed by surveys of the ecosystem and select international comparisons. In doing so, the subgroups developed models and scenarios to test options based on design principles set out in the JROC's April Report.
- 3.36** The Future Entity Working Group submitted its final report to the Committee at the end of November 2023. The Committee is in the process of considering the recommendations within the report on the governance, legal structure, funding, and capabilities of the future entity. To support this, economic modelling of the options proposed in the Future Entity Working Group report is being undertaken and will be presented to the Committee for decision. The Committee will make a decision as to its recommended structure, governance and funding model for the future entity early next year. In Q1 next year, the Committee will publish this decision and the immediate steps which will be taken to establish the future entity.

3.37 Once the Committee’s decision around the design of the future entity, including an appropriate structure for the future entity during the interim state, is published, OBL will prepare its ongoing operations, staff and assets for transition as is their responsibility under the CMA Order. The CMA will consider its consent to transition once it is satisfied with the terms of the transition, that adequate preparations for transition have been made, and that open banking will transition to a financially stable and well-governed future entity.

Theme	Activity	Owner	Delivery	Status
Finalising the design of the future entity	Establish alternative governance arrangements for non-Order activities for OBL	FCA, PSR, CMA, OBL	As soon as possible in Q2 2023	Complete
	Develop a market pricing framework for non-Order functionality	OBL	Q2 2023	Complete
	Finalise the design of the structure, governance, and funding of the future entity	FCA, PSR, ecosystem	Q1 2024*	Ongoing
	Expected start of the transition from OBL to the future entity (subject to the CMA’s consent)	OBL, CMA	Q2 2024**	To commence once FE design work is completed and an appropriate corporate structure for FE is identified.

* Originally Q3 2023. The amended timeline has been agreed by the JROC.

** Originally Q4 2023. The amended timeline has been agreed by the JROC.

4 The long-term regulatory framework

- 4.1** In the Committee's recommendations of April 2023, the government set out its intention to legislate to create a long-term regulatory framework for open banking and detailed the principles that will underpin that framework.
- 4.2** This included the government's intention to create a smart data scheme using powers to be provided by the Data Protection and Digital Information Bill, since withdrawn and replaced by the Data Protection and Digital Information (No.2) Bill (DPDI Bill). The government has subsequently amended DPDI Bill to ensure compatibility with its vision for open banking and to deliver the principles set out in the recommendations of April 2023. The DPDI Bill is currently progressing through Parliament.
- 4.3** In its 2023 Autumn Statement, the government committed to unlocking the full potential of open banking-enabled payments and confirmed it will seek to legislate next year to support this. The government's intention is for the new regulatory framework to require firms beyond the largest banking providers to participate in a sustainable and equitable commercial model through which the technology and necessary consumer protections will be developed, with appropriate regulatory backstops. Accordingly, the government's intention is to legislate in 2024 to support the long-term regulatory framework for open banking, including using the new powers provided by DPDI Bill. The government will set out further details in relation to the proposed smart data scheme for open banking in due course.

5 Next steps

- 5.1** The Committee has made important progress in its completion of Phase 1 of roadmap actions. These actions, which were to be completed by Q4 2023, were considered as the most urgent issues as they provide a full picture of the current state and create the foundations for the future state of open banking in the UK. This achievement was made possible by our various engagements with industry participants, consumers, and business stakeholders including the Future Entity Working Group and the VRP Working Group.
- 5.2** In the first quarter of 2024, the Committee will commence Phase 2, which should reach completion by the end of the year, and Phase 3 within the next two years, with each phase building on the last. Phase 3 actions may also require support from the long-term regulatory framework, and/or other FCA or PSR regulatory intervention.
- 5.3** The Committee is working at pace to meet the published roadmap timelines and will provide updates where necessary if they need to be adjusted based on the work that has been completed. The Committee values the feedback that has been received so far and is committed to continuing these discussions on the future of open banking and beyond. We plan to hold various types of engagements and are interested in hearing from all participants in the open banking ecosystem. For those wishing to get in touch, please contact jroc@fca.org.uk

Annex 1

Open banking roadmap

Theme	Activity	Owner	Delivery	Status
Levelling up availability and performance	Design a data collection framework for API availability and performance and submit to the FCA and the PSR for approval	OBL	Q3 2023* (first collection)	Complete
	Conduct the data collection and analyse data following FCA and PSR approval	OBL	Q4 2023* (first collection)	Ongoing
	Consult, if needed, on changes requiring reporting additional data for API availability and performance	FCA and PSR	Q2 2024	Ongoing
Mitigating the risks of financial crime	Assess conformance with the FCA's existing guidance in relation to payment limits	ASPSPs	Q2 2023	Complete
	Design a data collection framework for financial crime and submit to the FCA and the PSR for approval	OBL and ecosystem	Q3 2023*	Partially complete
	Conduct the financial crime data collection and analyse data following FCA and PSR approval	OBL	Q4 2023* (first collection)	Ongoing
	Implement the use of open banking-based data sharing in Faster Payments to reduce fraud	OBL and Pay.UK	Q4 2023	Ongoing
	Implement effective financial crime prevention tools for TPPs and ASPSPs (for example, TRIs)	OBL/future entity	Q1 2024	Ongoing
	Consider how API-based data sharing can be broadened out beyond APP fraud and report findings to the FCA and the PSR	OBL/future entity and Pay.UK	Q1 2024	Not started
	Consult, if needed, on mandating data sharing, the use of financial crime prevention tools (including data sharing) and/or additional tools or requirements for high-value payments	FCA and PSR	Q2 2024	Ongoing

Theme	Activity	Owner	Delivery	Status
Ensuring effective consumer protection if something goes wrong	Perform a gap analysis of dispute processes	OBL	Q4 2023	Complete
	Consult, if necessary, on additional dispute process or protection requirements in open banking	FCA and PSR	Q2 2024	Ongoing
Improving information flows to TPPs and end users	Perform a gap analysis of consistent and definitive payment statuses in Faster Payments and open banking	OBL and Pay.UK	Q3 2023	Complete
	Consult, if needed, on changes to error code requirements	FCA	Q4 2023	Ongoing
	Consider whether further alignment between open banking and Faster Payments error messages is needed	PSR	Q4 2023	Ongoing
	Implement recommendations identified in the gap analysis**	OBL and Pay.UK	Q2 2024	Ongoing
	Consult, if needed, on whether to require consistent and definitive messaging regarding the payment status	FCA and PSR	Q2 2024	Ongoing
Promoting additional services, using non-sweeping VRPs as a pilot	Publish terms of reference for a working group on expanding VRPs beyond sweeping use cases	FCA and PSR	Q2 2023	Complete
	Publish a discussion paper on principles for commercial frameworks for premium APIs	FCA and PSR	Q2 2023	Complete
	Draft a delivery plan and framework to enable a phased rollout of non-sweeping VRPs	VRP Working Group	Q4 2023	Complete
	Consult, if necessary, on changes to Faster Payments to enable a phased rollout of non-sweeping VRPs	PSR	Q4 2023	Ongoing
	Conduct consumer research to identify critical and future use cases and risks for (vulnerable) consumers	FCA and PSR	Q4 2023	Ongoing
	Consult, if needed, on requirements to support non-sweeping VRP rollout and/or on whether to adopt a wider multilateral agreement for premium APIs	FCA and PSR	Q2 2024	Ongoing

Update on actions to enable the next phase of open banking in the UK

Theme	Activity	Owner	Delivery	Status
	Implement a multilateral agreement or rulebook for premium APIs	Ecosystem	Q4 2025	Not started
	Support testing of innovative data sharing, authentication and identification propositions	Ecosystem, future entity and FCA	Ongoing	Ongoing
Finalising the design of the future entity	Establish alternative governance arrangements for non-Order activities for OBL	FCA, PSR, CMA, OBL	As soon as possible in Q2 2023	Complete
	Develop a market pricing framework for non-Order functionality	OBL	Q2 2023	Complete
	Finalise the design of the structure, governance, and funding of the future entity	FCA, PSR, ecosystem	Q1 2024*	Ongoing
	Expected start of the transition from OBL to the future entity (subject to the CMA's consent)	OBL, CMA	Q2 2024*	Not started
Across all themes	Publish a progress update and set out refined views on the design of the future entity	JROC	Q4 2023	Partially complete

* Originally Q3 2023. The amended timeline has been agreed by the JROC.

** New action in the JROC roadmap.

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