



**AUSTRALIAN BANKERS'
ASSOCIATION INC.**

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Review into open banking in Australia

ABA submission

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22 September 2017





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Terms of Reference

1. The review will make recommendations to the Treasurer on:
 - 1.1. The most appropriate model for the operation of open banking in the Australian context clearly setting out the advantages and disadvantages of different data-sharing models.
 - 1.2. A regulatory framework under which an open banking regime would operate and the necessary instruments (such as legislation) required to support and enforce a regime.
 - 1.3. An implementation framework (including roadmap and timeframe) and the ongoing role for the Government in implementing an open banking regime.
2. The recommendations will include examination of:
 - 2.1. The scope of the banking data sets to be shared (and any existing or potential sector standards), the parties which will be required to share the data sets, and the parties to whom the data sets will be provided.
 - 2.2. Existing and potential technical data transfer mechanisms for sharing relevant data (and existing or potential sector standards) including customer consent mechanisms.
 - 2.3. The key issues and risks such as customer usability and trust, security of data, liability, privacy safeguard requirements arising from the adoption of potential data transfer mechanisms and the enforcement of customer rights in relation to data sharing.
 - 2.4. The costs of implementation of an open banking regime and the means by which costs may be imposed on industry including consideration of industry-funded models.
3. The review will have regard to:
 - 3.1. The Productivity Commission's final report on *Data Availability and Use* and any government response to that report.
 - 3.2. Best practice developments internationally and in other industry sectors.
 - 3.3. Competition, fairness, innovation, efficiency, regulatory compliance costs and consumer protection in the financial system.



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1. Overview

ABA members intend to fully participate in the Open Banking regime in response to the needs of customers and the opportunity to provide more innovative and personalised banking products and services.

The ABA's key belief is that the success of open data will rely on placing customers' interests and voices at the centre of the delivery of open data. The ABA's members support the Government's objective of open data announced in the Budget to "provide customers with greater choice and also support competition." If delivered properly, open banking will fuel competition in banking that will benefit customers by enabling them to choose the most appropriate products and services to meet their circumstances.

This submission discusses issues and possible solutions necessary for Australia's banks to implement a successful open banking regime in a timely and low cost way which encourages competition and places the needs of Australian customers first.

In this submission we:

- Highlight that the customer must be placed at the centre of the delivery of open banking to ensure its success and note lessons that can be learned from the UK experience.
- Outline the ABA's principles that would underpin a successful open data model for the Australian banking industry.
- Call on the Government to set the economy-wide framework to underpin data sharing across the economy with minimum standards on customer protections like privacy, liability and security. We also believe the Government has a role to play to assist industry in educating Australians on how data sharing will work. The Government should also complement open banking by enabling Australians more convenient access to publicly-held personal information.
- Propose an industry implementation working group structure which includes stakeholder involvement so industry-specific issues not addressed by the government's regulatory framework can be solved in a timely and thorough way.
- Propose an open banking operational structure through the establishment of an industry accreditation utility which is monitored by an economy-wide regulator responsible for data sharing to address participants' appeals and complaints.
- Commit, in principle, to providing data within set timeframes subject to regulatory framework being addressed.
- Provide a visualisation of a well-designed informed customer consent model that will be underpinned by the work of the industry implementation working group and the industry accreditation utility.

The ABA's members are committed to continuing to work as an industry with regulators, government and other stakeholders to progress open banking in Australia as soon as possible, subject to the resolution of outstanding issues.

The ABA's members have demonstrated their commitment to resolving these issues in a timely and thorough way through their engagement with regulators including submissions to relevant inquiries and involvement in industry-initiatives like the ABA's Open Data symposium held in April. They are committed to assisting the Farrell Inquiry, where appropriate, to ensure that open banking in Australia is successful.



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2. The customer experience

The key lessons from the UK experience is for the need to place customers' interests at the centre of the development of open banking. One important insight from the UK's Open Data Institute (**ODI**) at the ABA's Open Data Symposium was that too much of the open banking debate had centred on technology rather than what the customer wants and needs, as well as educating customers on open data so they can realise its full benefits. The ODI noted that input from customers was sought very late in the development of the UK Open Banking Standard.

The ABA notes that customers' expectations of how they wish to use data has been evolving and Australia's banks have been continuously innovating, both in anticipation and in response to changing customers' needs. The ABA supports the Productivity Commission (**PC**)'s recommendation of creating a Comprehensive Right to data for the consumer to enable greater access to their data across all industries.

The ABA's members have already enabled more ready access to data via arrangements like cloud accounting packages as well as API developer portals. These innovations have drawn on a range of technologies to provide customers with innovative products and solutions within a secure environment.

Open banking will lead to further innovations that benefit customers. We note that some of the most innovative bank data sharing solutions are currently being developed in the US. This is being driven by customer demand, and not a government mandate which is the driver in the less innovative jurisdictions of the UK and Europe. The ABA therefore believes Australian customers will be best served by an open data and open banking framework that establishes strong customer protections but avoids specifying highly prescriptive customer use cases or technological solutions, which should be determined by the participants themselves. The approach needs to be technology neutral.

Customer education will be a key component to ensure the benefits of open data are realised across the economy. The ABA believes that government, industry and consumer groups will need to ensure customers understand the opportunities and implications of an open data environment.

Finally, the full implications of open banking need to be considered, especially understanding how open data may affect vulnerable customers through product access and predatory lending.

3. Open banking principles and framework

The ABA strongly backs the direction of the PC in its final report on *Data Availability and Use*. The open banking framework presented in this submission has been developed by members following the principles outlined by the PC.

The ABA believes Australia's open banking model should meet some core principles:

Place customer interests first

- Open banking must enable easier sharing of bank product and consumer data necessary to meet the Government's objective to "provide customers with greater choice and also support competition" (2017 Federal Budget, Budget Paper 2, p161). As such the industry should focus on establishing data sharing rules to ensure the duration, scope and purpose of use is limited to achieving the above objective.
- An economy-wide data sharing regulatory framework must ensure data use meets minimum data security, privacy and consumer protection standards. Open banking should only be the first phase of data sharing before it is rolled out to other industries across the economy.
- Data should only be shared with licensed third parties who meet accreditation standards determined by both economy-wide government regulation as well as industry-specific safeguards developed by industry implementation working groups.
- An informed customer consent regime must be a central part of the data sharing process.



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- Data sharing must be underpinned by a strong liability regime based on the principle that the entity responsible for any breach is able to compensate affected customers. Banks should not be held responsible for third party breaches.

Competition is enhanced and productivity gains unlocked

- The right model should provide incentives for participation by all market players.
- Consideration should be given to a model that permits reasonable charges for the data accessed to recover costs of accreditation and to maintain investment incentives in technologies and data collection.
- Third parties are likely to range from small and local fintechs through to some of the world's largest multinational technology companies. The regulatory regime should be crafted in a way that recognises the differences between participants and protects customers in all circumstances.
- Involvement will naturally occur if the system is based on a principle of reciprocity, in other words any participants that wish to seek access to consumer data must also be set up to provide that data when requested. The ABA's expectation is that most members will be involved from the start, reflecting competitive pressures to offer innovative products and services. All ADIs should not be mandated to participate however. Entry requirements should give consideration to the size of the institution and a model of phased accreditation could be considered using a sandbox mechanism.
- Accreditation has the productivity benefit that any participant will only need to receive clearance once and then will be enabled to request access (with informed customer consent) from any other open banking participant.
- The regime should not be highly prescriptive, e.g. should remain technology neutral. Industry should be able to determine the most appropriate data delivery mechanism for each data circumstance. Mandating one mechanism over others could constitute a significant opportunity cost of diverting investment from emerging technologies that may be more effective for data sharing.

Designs should prioritise security

- Accreditation criteria should focus on meeting agreed security standards and ensuring adequate security and organisational capability within an organisation.
- Technology should be used that places security first. For instance, an insecure API framework can present a vulnerability because, once compromised, external actors can then extract large amounts of data. The customer-initiated transfer process proposed in this submission removes this risk.
- Data sharing should be subject to regulatory oversight administered by an economy-wide regulator that is responsible for monitoring data sharing across the economy and deals with appeals and complaints. The choice of the appropriate regulator will become more apparent once the regulatory regime is designed.
- The timeframe and implementation milestones developed between the implementation working group and regulators should be carefully framed so that progress draws on the lessons learned in the UK. The ABA has, in principle, support from members to share general product data within one year and customer data within two years. This is discussed further below.



The ABA proposes an initial iteration of an industry accreditation model that encompasses the principles raised in the submission. This framework can be developed and advanced even against an uncertain legislative and regulatory backdrop using the industry implementation working groups outlined in this submission. The framework is best encapsulated in Figure 1.

Industry, together with relevant stakeholders, would develop the data sharing technical standards, data sharing rules and accreditation rules. An accreditation body would then be established for the operational role of accreditation and monitoring as per standards designed by industry. An economy-wide regulator would take an enforcement role on appeals and complaints relating to the accreditation utility. The appropriate regulator would become more apparent once the regulatory framework was in place, and may be the Office of the Australian Information Commissioner (**OAIC**) or the Australian Consumer and Competition Commission (**ACCC**).

A key productivity benefit with the model is that once a third party organisation receives accreditation, they are able to then participate in open banking without having to recertify with every other bank. Furthermore, customers will have assurance that all participants within the system have met certain minimum standards. Customers will also have greater transparency under this model around data sharing protections.

Figure 1: ABA member model on open data

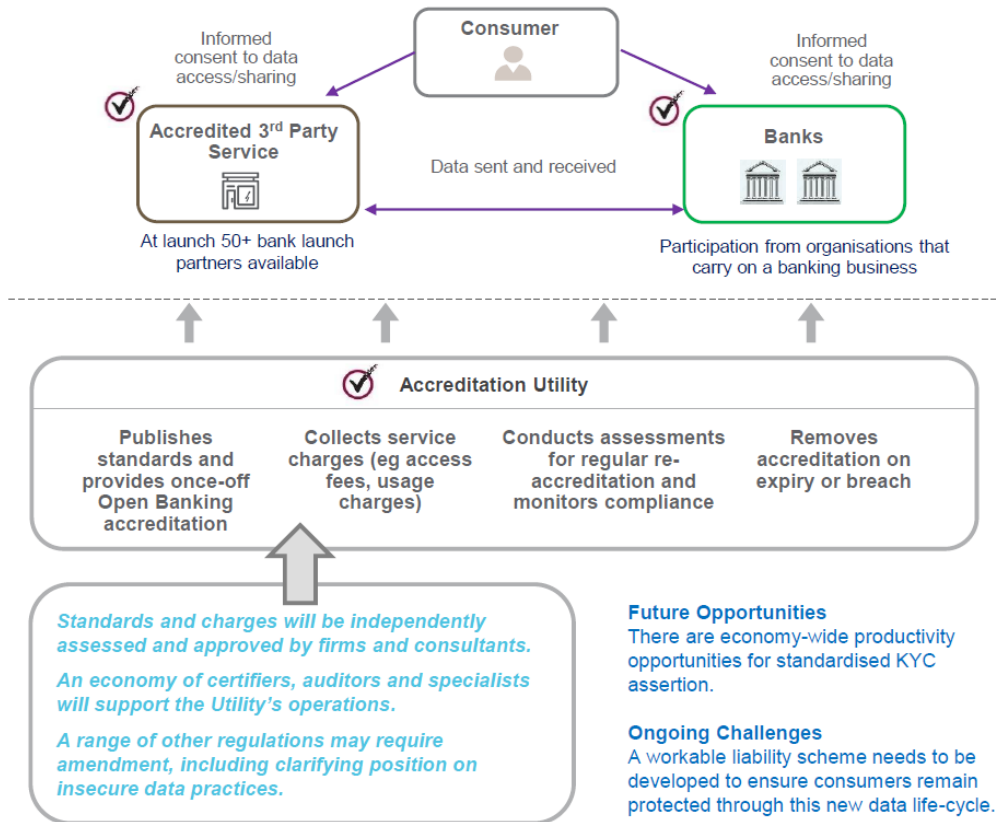
A sustainable operating model overseen by Government

ANTICIPATED GOVERNMENT OVERSIGHT AND ACTIONS

New Legislation:
PM&C passes new Data Access and Sharing Act establishing a Comprehensive Consumer Right to data.

Ministerial Order:
Treasury issues an Order directing banking sector to implement 'open banking' under compulsory industry guideline.

Regulator Monitoring:
An economy wide regulator appointed as the responsible regulator for appeals and complaints.



Source: ABA



4. Implementation and timeframes

4.1 Implementation phasing

As the PC report laid out, open data is an economy-wide change in the way individuals are able to access and use data about themselves, both from the private and public sectors. Open banking is the first private sector application of the principles laid out in the PC report. Given this, many of the economy-wide issues associated with sharing data are yet to be resolved. For example, the ABA's members await draft legislation on the consumer's Comprehensive Right to data that the Government is working on.

The ABA believes that a well-considered sequencing of reforms is vital to ensure that successful data sharing across the economy and within banking is delivered in a timely way.

The ABA believes that the most appropriate sequencing of reforms would be:

1) **Establishing an economy-wide framework**

The Government should put in place an economy-wide regulatory framework to deal with the consumer's Comprehensive Right to data, and with it, privacy, liability and minimum security standards. Following the PC's recommendation, this should be applicable to all industries but retain sufficient flexibility to enable industries to develop solutions that are appropriate to their particular circumstances.

Treasury should also issue a directive on data sharing in the banking industry aimed at increasing consumer choice through greater competition.

The Government should also complement open banking by enabling Australians more convenient access to publicly-held personal information.

2) **Industry implementation working group designs banking data and technical standards**

If the Farrell Inquiry deems it appropriate, the banking industry can establish an Industry Implementation Working Group (**IIWG**) to address industry issues while the economy-wide legislation is being passed. The ABA's proposal for the IIWG is outlined later in this submission, drawing on both the UK Open Banking Working Group and the New Payments Platform (**NPP**).

The IIWG could work with the Government and regulators to devise an appropriate roadmap, timeframes and proposed implementation framework. This could feed into the Farrell Inquiry over the remainder of 2017 if the Inquiry found it helpful.

The IIWG would be responsible for addressing and devising industry solutions on data and technical standards to share data within banking. It would address industry-specific issues relating to liability and security for areas not covered by the economy-wide regulation.

The IIWG would also work with regulators, notably the ACCC, to establish the industry accreditation utility outlined below, including an appropriate economic model underpinning this framework.

3) **Establishment of the industry accreditation model to operationalise data sharing**

The open banking model and technical standards devised by the IIWG would then be implemented using the model outlined in Figure 1. This involves the establishment of the Industry Accreditation Utility platform to implement the IIWG agreed industry standards.

A panel of accredited auditors and data experts would accredit those entities wishing to join the utility.



This utility would be established in consultation with regulators and once established, appeals and complaints around access and use would be subject to regulatory oversight.

The ABA's members propose a two-phase data sharing approach to enable a timely implementation of data sharing. We propose starting with general product and service data to enable customers to make product comparisons. Data sharing would then extend to sharing elements of customer transaction data.

The lessons around the establishment of accreditation utility could be leveraged by other industries as data sharing is mandated across the economy. The IIWG continues to work on further iterations of the open banking model and continued investments in technical solutions.

4.2 Timing

While the EU's second Payments Service Directive (**PSD2**) and the UK's open banking regime are scheduled to commence in 2018, the legislative framework and preparatory work are much more advanced in those jurisdictions than here. Those jurisdictions are still working through a number of outstanding issues.

The ABA understands that the UK is unlikely to meet its January 2018 deadline to share elements of customer transaction data given key aspects of issues like liability remain unresolved.

The high-level implementation plan in the UK's Open Banking Working Group is informative of the work required to establish an open banking regime in Australia (see Appendix 1).¹ Australia sits at the beginning of Phase 1: Framework Creation with significant work yet to be completed to establish the correct framework.

4.3 Data commitments

Data sharing should be limited to easier sharing of bank product and consumer data necessary to meet the Government's objective to "provide customers with greater choice and also support competition". As such the mandatory regime should include data sharing rules to ensure the duration, scope and purpose of use is limited to achieving this objective.

Broadly speaking, data can be divided into two groups: general product and service attribute data and customer data.

General product data

General data on product and service attributes can be used for the purposes of product comparisons. Subject to competition law, it can be shared among institutions without the need for a new informed consent, security and liability infrastructure, or the development of any new sophisticated technological solution. Sharing this data would require institutions to standardise how they report this data.

Once data has been standardised and presented in agreed fields, the IIWG would agree the best and most appropriate format to provide the data.

ABA's members have, in principle, support for a 12 month commitment on sharing general product data on the basis that reporting of product information is standardised and that the technical method for sharing is to be determined by the IIWG.

Customer data

The scope and duration of data to be shared should be determined by the need to meet Treasury's objective of encouraging competition. The ABA's view is that data in scope should be elements of directly-captured basic transaction data only. Data that draws on the proprietary insights of the

¹ <https://theodi.org/open-banking-standard>



institution holding the data, i.e. data that has been enriched or derived by the institution such as credit scoring models or other forms of intellectual property should remain out of scope.

The ABA's strong view is that any customer data can only be shared once customer protections are in place through an economy-wide regulatory framework and that industry-specific issues have been addressed. Only once the issues around relevant privacy, security and liability issues have been resolved should ADIs provide access to a consumer's financial information to third parties (at the customer's request and under an informed consent regime outlined in this submission).

Customer transaction data would be made available to accredited third parties via a 'safe data sharing' capability that gives customers control over how their data is shared and used. This is in addition to the existing frameworks such as access regimes under the Privacy Act.

The ABA's members commit, in principle, to sharing elements of customer transaction data within two years once the regulatory framework issues underpinning open banking are resolved.

Other data sharing issues

Sharing of customer data must always be on the basis of a reciprocal sharing arrangement between two parties, and it will only take place once the economy-wide data sharing regulatory framework has been put in place.

The ABA's members intend to fully participate in the Open Banking regime in response to the needs of customers and the opportunity to provide more innovative and personalised banking products and services. The ABA does not believe that open data should be mandatory for all ADIs given the competitive and customer considerations will vary by institution as will the ability to deliver against a regime of mandatory data sharing.

Participation in the NPP provides a good example of a voluntary model where industry participants can work together and with regulators. This model has delivered a well-designed open access payments infrastructure in a way that is most appropriate to them and with enough flexibility. The success of the NPP implementation is evidence that a well-resourced industry implementation group can deliver successful reform that ultimately benefits customers and is delivered in the most efficient and low cost way.

5. Industry Implementation Working Group

5.1 Working group structure

The ABA's members have demonstrated through initiatives like the NPP that industry-led solutions are the best path to serve customers' needs in a timely way.

This is why we would encourage the Farrell Inquiry to establish the IIWG, drawing on the successful elements of the UK's Open Banking Working Group and Australia's NPP to guide the introduction and progress the milestones of open banking.² If the Inquiry is open to this suggestion, the industry is able to establish this working group immediately and coordinate its efforts with the Inquiry's efforts to allow the working group's initial activities to feed into the Inquiry's final report due to the Treasurer by the end of 2017.

The IIWG would be first tasked with advising government and regulators on an appropriate roadmap and timeframes and proposed implementation framework.

Once set, the IIWG would have responsibility for the implementation of specific recommendations regarding data sets, technical transfer mechanisms and ensuring customer needs are met.

²

<https://www.paymentsuk.org.uk/sites/default/files/Implementation%20Entity%20Steering%20Group%20-%20Oct%202016%20Update%20to%20CMA.pdf>



The IIWG should consist of three main components and follow the UK's implementation entity closely with a:

- Steering group;
- Specialist working groups or subgroups; and
- A body of advisory groups.

The **steering group** would be the decision making body. It should have representation of each of the majors and regionals with credit unions, building societies and mutuals represented as a collective with one seat. The steering group would also have representatives responsible for convening advisory groups, two customer representatives (one consumer, one small business) and six regulatory observers (ACCC, APRA, ASIC, OAIC, RBA and Treasury). This group would first develop timeframes for delivery of key milestones and then be answerable for delivery.

Advisory groups would be opened to all interested parties in their constituency to contribute to standards development. They would be represented on the steering group by their Chair.

Possible advisory groups include:

- fintechs;
- data aggregators;
- credit unions, building societies and mutuals; and
- providers of other financial services products such as insurers and superannuation funds.

The specialist working groups would be populated by banks, and where appropriate fintechs, to develop open banking in classifications listed below. They would report to the steering group which would be the final decision making group.

- **Customer experience**

Ensure that open banking was focused on customer outcomes including encouraging greater choice and ensuring a good customer experience while respecting their privacy. Would also be responsible for customer education.

- **Data**

Responsible for addressing data types, scope, duration and permitted use to be included in open banking (including a roadmap for inclusion over time).

- **Information security**

Responsible for devising standards to ensure security and authentication including identity management.

- **Legal and regulatory**

Legal and liability implications, including the yet-to-be resolved issues around liability of data sharing in a banking environment.

- **Standards**

Establishing standards for data transfer mechanisms drawing on the experiences of the UK.

- **Technical delivery**

Technical design and delivery of the open banking platform to support open banking and mechanisms for data sharing.

- **Operations and commercial**

Establishing governance on the industry accreditation utility together with the ACCC.

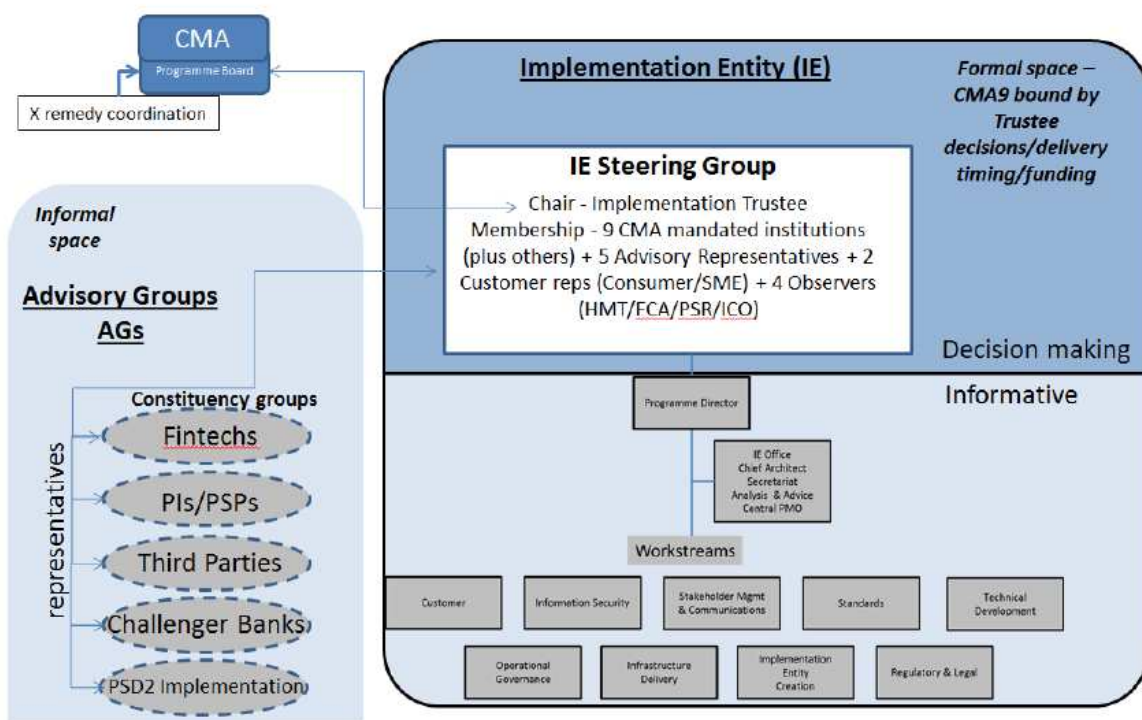
Developing the financial model for open banking, including approach to funding accreditation unit and charge rates for API utilisation.

- **Communications and stakeholder engagement**

Responsible for key messages to media and partners on customer education.

In the background, a secretariat administered by an independent consultant or legal entity similar to the NPP would support the IIWG.

Figure 2: UK implementation working groups



Source: UK Payments

5.2 Working group work program

The exact nature of the work to be done by the IIWG will depend in part on the scope of the economy-wide framework. The ABA would observe that the IIWG’s task of appropriately addressing operational issues with stakeholder feedback to ensure customers are protected is likely to take longer than the design of technical solutions.

For example, at this stage, it is unclear how issues around liability will be addressed in the economy-wide legislation and therefore what issues will need to be addressed within the banking industry specifically. This will become clearer once the legislation is enacted, but as a principle, the ABA believes that any party responsible for a customer data breach should be solely responsible for financially compensating affected customers. Part of the accreditation requirements to be resolved by the IIWG ensure formulating a requirement for participants to hold adequate insurance to compensate in the case of a breach given start-ups may have a limited capital base.

Other issues that are left to be examined include:

- Ensuring that third parties accessing the regime have an appropriate purpose that aligns with Treasury’s objective of enhancing competition in banking;



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- Addressing the onselling of data; and
- Ensuring that customers can effectively revoke consent and what that entails.

6. The ABA informed customer consent framework


Informed customer consent will be a pivotal part of the open banking model. Members have collaborated on a 'safe data visualisation framework', i.e. visualisation of a customer-oriented approach that enables data sharing to approved partners who would be accredited under the utility. The safe data visualisation framework relies on yet-to-be-determined industry standards raised in this submission around data scope and duration, liability and privacy frameworks. Nevertheless it provides a useful consideration of how informed customer consent should be addressed in practice.

The ABA believes that informed customer consent to share data with a third party should be originated on the bank's platform. Banks provide trusted platforms that would circumvent many of the security risks that could eventuate on unknown third party websites. A report by Telstra called *Millennials, Mobiles & Money* found that when asked which platforms or organisations they trust with personal information, 76 per cent of millennials nominated banks.³ No other provider came close to this level of trust, which provides a perfect platform to successfully roll out customers' first interaction with data sharing.

Customer transaction data will be made available to accredited third parties via a 'safe data sharing' capability that gives customers control over how their data is shared and used. The safe data sharing framework addresses consumer concerns around when to share their personal information and financial data.

³ <https://www.telstraglobal.com/millennials/assets/gated-content-millennials-mobiles-money.pdf>

Figure 3: Safe Data Visualisation Framework slides 1, 2 and 3


 A consumer orientated approach to data sharing

1 Customers can choose to send data to accredited third parties

Share your data with

Please choose one of the following partners

Xero

MYOB

Acorns

Stockspot

Prospa ✓

Ondeck

NAB

Next

2 Verify your account with **prospa**

To confirm that Prospa have an agreed relationship with you, please provide details that can help us correctly match your bank account & [Prospa](#) profile. [Tell me why.](#)

1. What's your prospa account?

Email address provided to Prospa

Username on Prospa

2. Is the prospa account a shared account? [Why?](#)

Yes No

Customers can nominate a permitted use for their data and also the date range

Next

3 We need your permission

You have agreed to share data with **prospa**

Data from Transaction Account xx 1234 will be shared for the following permitted use:

• Credit decision. [Tell me more.](#)

The duration of historical data provided will be

• 9 months

Prospa would also like to access your data for other additional uses. Do you agree to any of these? [Tell me more.](#)

Ongoing offers

Re-use of data by other 3rd parties

Next

Slide 1: Share your data with

Customers would log into their trusted banking app. They could find the data sharing option, where all the third parties that have been accredited to share data would appear. This would benefit third parties giving them visibility on banking platforms to millions of customers. Only those third parties that have met the standards to be accredited under the accreditation utility would appear, providing customers with protection.

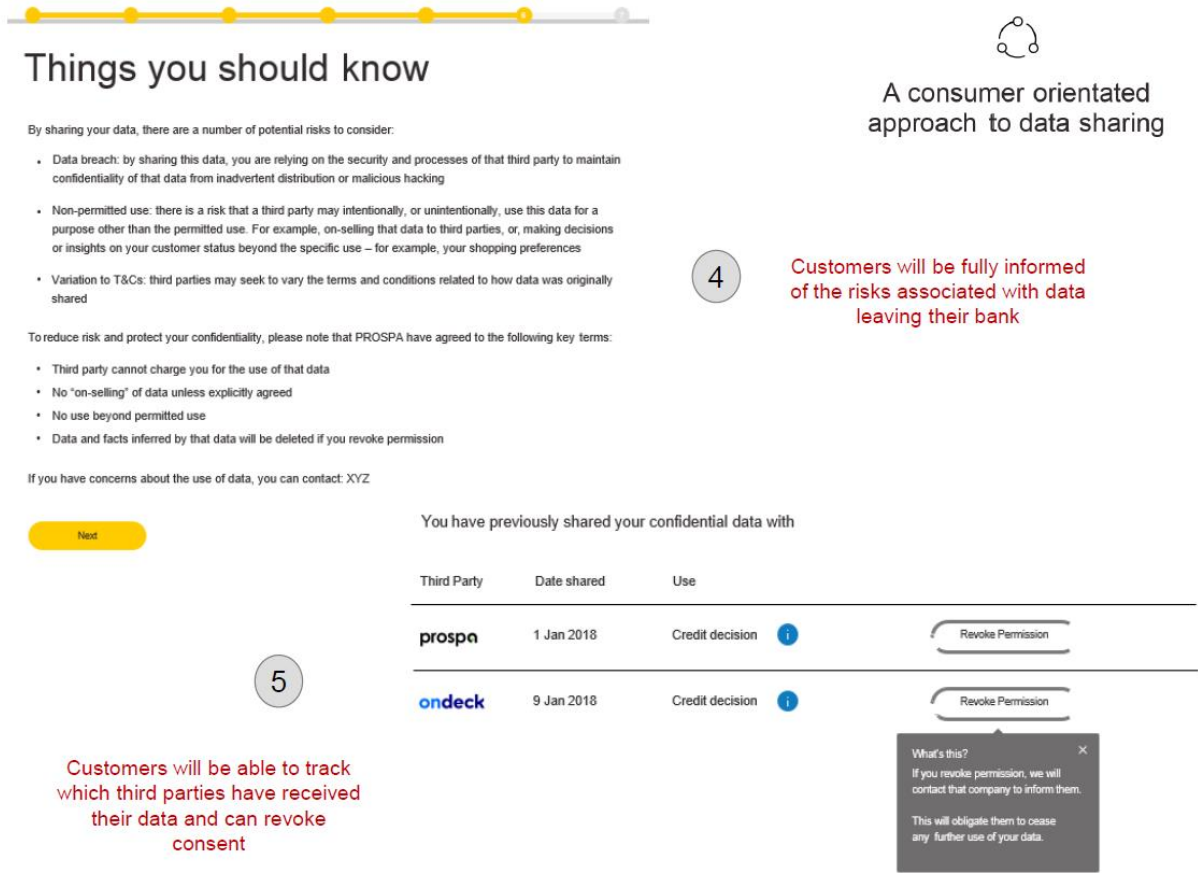
Slide 2: Verify your account with

Verification of the third party would take place on the bank’s secure and trusted platform.

Slide 3: We need your permission

Customers would also be able to verify the scope and date range for their data use subject to agreed industry standards.

Figure 4: Safe Data Visualisation Framework slides 4 and 5



Slide 4: Customers will be fully informed of the risks associated with data leaving their bank

Customers would be informed of the risks associated with sharing data, as well as their rights regarding liability and revocation. These issues are to be resolved as outlined above.

Slide 5: Customers will be able to track which third parties have received their data and can revoke consent

Finally, customers could log into see where they have existing data sharing arrangements and where they could revoke permission.

Work underlying the safe data visualisation framework

The IIWG will be required to undertake work that sits behind the safe data visualisation framework which is outlined in this submission, including:

- The underlying technology to enable the sharing;
- Definition of data sets and length of data to be provided;
- The duration of consent and avenues to revoke data sharing permission;
- Scope of permitted use and data sets;



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- Appropriate lengths of data to be provided; and
- Standards that must be met to be accredited to appear on this platform.

These should all be considered within the context of meeting the Treasury data sharing objective.

7. Improving access to government data

The ABA believes the Government has a role to play in the success of open data by enhancing individuals' ability to access the data they hold on them. For example, the Government and regulators can encourage innovation through the introduction of trusted digital identities.

Developing a national strategy for a federated-style model of trusted digital identities was a key recommendation made in the final report from the Financial System Inquiry and more recently by the Payment Systems Board. The banking industry supports this recommendation as a means of complementing financial system innovation, lowering costs and lowering risks for the industry, customers and other stakeholders.

Digital identity relates to how parties, be they individuals, businesses or government, can confirm the identities of other parties for online financial transactions. It relies upon identity verification using attributes such as name, date of birth and address using government-issued, paper-based credentials like drivers' licences and passports. Based on this the individual receives an identity authentication such as login and password, or potentially more sophisticated measures such as e-certificate or biometric data.



Appendix

Figure 6: United Kingdom High-level implementation plan

Phase 1: Framework Creation	Phase 2: Mobilisation and socialisation	Phase 3: Design and funding	Phase 4: Development and implementation
<ul style="list-style-type: none"> • Presentation of an Open Banking Framework - i.e. an outline of requirements (incl. assets, entities, protocols, activities) to operationalise an Open Banking Standard • Development of initial design principles and specifications for the Open Banking Standard and its security protocols • Articulation of requirements across key stakeholder groups including consumers, businesses, account service providers and developers • Presentation of recommendations facilitating implementation compliant with legislation and regulation 	<ul style="list-style-type: none"> • Establishment of an "Open Banking Implementation Entity" mandated to deliver future phases of work and "house" the Open Banking Framework • Agreement with HMT on specific structure, remit and financing of the "Open Banking Implementation Entity" ("OBIE") • Engagement with regulators, government authorities and other institutions to inform and understand implications of related work - including PSD2 RTS, GDPR and the CMA Retail Banking Review • HMT sponsored consultation with industry for feedback on framework • Delivery of community engagement program including developer outreach and consumer awareness campaigns 	<ul style="list-style-type: none"> • Delivery of detailed specifications for the Open Banking Standard • Development of target operating model designs and implementation paths for new entities • Production of resource plans for target operating models - incl. leveraging of existing resources • Detailed costings: Incl. set-up, running and participation costs • Identification of appropriate "ecosystem" incentive schemes • Agreement on "minimum viable product" for the Open Banking system • Securement and ring-fencing of funding (set-up and run) • Procurement participation agreements from data attribute providers 	<ul style="list-style-type: none"> • Phased implementation of the Open Banking Framework, its assets and entities • Phased release of data made available through the Open Banking API - focussing first on available open data and read functionality • Establishment of Standards Governing Body mandated with developing and governing the Open Banking Standard • Establishment of the Independent Authority mandated with overseeing participants in the Open Banking ecosystem and their obligations
Completed	H1 2016		H2 2016 - 2019

Source: Open Banking Working Group



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About the ABA

With the active participation of 24 member banks in Australia, the Australian Bankers' Association provides analysis, advice and advocacy for the banking industry and contributes to the development of public policy on banking and other financial services.

The ABA works with government, regulators and other stakeholders to improve public awareness and understanding of the industry's contribution to the economy and to ensure Australia's banking customers continue to benefit from a stable, competitive and accessible banking industry.

