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Summary of the 19th Meeting of the API Evaluation Group

24 September 2018, 10h30-17h00 CEST EPC, Cours Saint-Michel 30A, 1040 Brussels

(Approved by the API EG Members)

1. Welcome

The co-Chairs, J. Whittle (NPSO Ltd) and O. Berglund (Trustly Group AB) welcomed the participants to the nineteenth meeting of the API Evaluation Group (EG). Please see Annex I for the list of attendees.

2. Approval of the agenda (API EG 051-18)

The agenda was approved.

3. Updates as relevant from EC and EBA

The EBA is planning a workshop around mid-October 2018 to which several API initiatives (as well as the API EG co-Chairs) will be invited in order to get a better understanding of a range of existing API initiatives, their approach and plans. The EBA representative also informed that responses in the context of the EBA Q&A tool are published every Friday afternoon. Currently one PSD2/RTS related Q&A has been published. In addition, the EBA is continuing its work on the draft Guidelines on the conditions to be met to benefit from an exemption from contingency measures under Article 33(6) of Regulation (EU) 2018/389 (RTS on SCA & CSC).

The European Commission (EC) representative informed that they are still trying to fix a date for a high-level meeting with the Vice President of the EC, Mr Valdis Dombrovskis.

4. Report on the 11 September 2018 supervisory convergence workshop with the national competent authorities (NCAs)

The API EG co-Chairs had attended the morning session of this meeting and their internal read-out had been shared for information with the API EG members. J. Whittle said it had been a good meeting in particular as it began to clarify, in dialogue between the NCAs and market, where the issues are.

An editorial update to the internal read-out was made following a comment from an API EG member. It was reiterated that this read-out should not be distributed outside the API EG.

5. Finalisation of the draft internal recommended functionalities document

An updated version of the recommended functionalities had been provided to the API EG prior the meeting. J. Whittle explained that the focus of today's meeting would be

on 'column 3' which contains the market facing commentary and also on prioritising the most sensitive topics. He highlighted the following three principles the API EG should take into account:

- Try to publish this document as soon as possible (with as much clarity as possible).
- Avoid creating destabilisation in the market.
- Ensure appropriate positioning of the document (to avoid misinterpretation).

The EC representative communicated its proposal to reformat the document as follows:

- Firstly, provide context in the introduction section to explain that this exercise should help the market to realise a smooth transition to an API based access method (as this was the context in which the API EG had been established).
- The first column should flag the functionalities.
- The second column should explain why it is an important functionality and what the related issues are.
- In the third column a reference should be made to the legal requirements.
- In the fourth column, the view of the market participants should be included. Here a state of play can be provided. It could also include an indication on whether there is a consensus among the market participants or whether there is potentially a need for a review by the regulator. Divergent views can be included.

The EC representative added that this document could be published as a living document which can be updated when needed for example following a publication in the Q&A tool or any other important relevant development.

One member questioned if including all the different views would be helpful or rather create more unclarity. The EC representative commented that there are currently already many topics on which the group has reached a consensus. In case of divergence, a question could be submitted for arbitration via the EBA/EC or alternatively it could be stated that this topic would need to be assessed based on implementations or to be decided by the legislator. The EBA commented that as a first step a link should be made to the API initiatives. The EBA agrees with including the different statuses to better manage the expectations as well as different views of market participants.

The BEUC representative agreed with the idea of including the different views of the market participants in particular as there are some topics (e.g. access to balances by payment initiation service providers (PISPs) with which BEUC does not agree.

J. Whittle reiterated that the role of the API EG is to provide recommendations on what a good API should look like and that it is not within its mandate to judge what constitutes a legal requirement. He added that the EBA is expected to give further clarity on legal topics via its Q&A tool. However, where some clarification has been provided (e.g. the method of access to carry out strong customer authentication (SCA)), the concern or difference should be dealt with as a market topic.

A TPP representative pointed out that the document will be based on today's knowledge and since this knowledge will evolve over time it would indeed be a good idea to be able to update the document whenever needed. The ESG representative however remarked that the account-servicing payment service providers (ASPSPs) are building APIs as we speak and that they hence need to know now what they need to deliver. J. Whittle concurred and added that if the API EG would identify functionalities that ASPSPs have

not anticipated then there is still some time to resolve this and hence another argument in favour of getting the document out as soon as possible.

The EACB representative concurred that the proposal of the EC representative could be a way forward to allow the API EG to publish something. Because for the time being, continuing on the list as we are with some of the content in it where banks think it should be a 'N' and TPPs would see a 'Y', makes it impossible for EACB to agree on all topics. The EC proposed document would allow a mere description of the different views of the market. On the other hand, we could do this as well in the present list if we refer areas of disagreement to EBA for providing clarification through the guidelines/Q&A.

The EC representative reiterated that the reformatting idea was indeed proposed in order to expedite the publication process, also in view of the fact that the document would accommodate the different views of the stakeholders.

The EACB representative informed that in general a review by its Executive Committee would take a minimum of two weeks.

The EBF representative concurred that there might be merit in moving to the newly suggested format but proposed to first continue with reviewing the content in the current version and then at a later stage the content could be transposed into the new format. J. Whittle also welcomed the suggestion made by the EC representative which the API EG should keep in mind but suggested that the API EG as a first priority would start with reviewing the sensitive topics.

The EBA informed that its Q&A tool will address the recommended functionality "provide or make available to the PISP the current balance of the payment account prior and/or after the initiation of the payment in case such balance is shown to the payment service user (PSU) directly". The BEUC representative reiterated that in his opinion the PISP does not need to see the account balance.

It was noted that the EBA's Q&A tool will also provide further clarity on the following recommended functionalities:

- "Should support ASPSPs to - prior to initiation of the payment- provide or make available to the PISP the IBANs (or equivalents)."
- "Should support ASPSPS to provide or make available to the PISP and to the account information service provider (AISP) the name of the PSU (payer / AISP user)."

ECSAs are of the view that there is no logic in providing the name of the PSU to third-party providers (TPPs). The BEUC representative however sees no problem with sharing the name of the PSU.

- "Should provide data granularity in terms of data elements and time range covered (e.g. account statement data for a particular account over a certain amount of time) to ensure that there is an efficient way to access the appropriate data as per the PSU consent. Data minimisation principles apply."

The EACB representative informed that one ASPSP's system and data provision might differ from another ASPSP and that ASPSPs will provide the same granularity to the TPPs as what they provide to their PSUs but that there is no flexibility for TPPs to choose what they want. The EBA representative remarked that the ASPSP cannot give for example 2 years' worth of data if the TPP is only asking for 6 months (related

to GDPR). The EBF representative commented that the ASPSP will not know how much info the TPP is asking for (as consented by the PSU). The EC representative suggested that a workaround solution could be to give the TPP consent to get all information (but TPP will only use the info it needs). J. Whittle concluded that more work is needed and that it should be investigated how an ASPSP decides to implement an API in a way that is compliant with PSD2/RTS and GDPR.

- “Should provide access to the trusted beneficiary list to the AISP.”
- “Should Provide access to the trusted beneficiary list to the PISP.”

For BEUC there is a huge difference between having access to the trusted beneficiary list versus having the ability to add a new contact.

- “Should allow for the payee for a PISP-initiated payment to be added to the trusted beneficiary list as part of the PIS flow.”
- “Should enable the ASPSP to support an AIS journey where the PSU goes through SCA using the ASPSP issued credentials during initial consent and subsequent renewal after 90 days would be carried out in such a way as to not to burden the PSU [providing PSU’s explicit consent is obtained every 90 days by the AISP].”
- “Should enable the ASPSP to support a mixed AIS/PIS journey in one communication session: One SCA to allow the PISP to initiate a payment, and immediately thereafter in the same session to allow the AISP to access AIS-regulated information (one-time view only).”

The API EG reviewed the list of recommended functionalities until item 13. Members that wish to include their views in the market facing commentary column were invited to provide their input by 28 September 2018 cob following which an updated version of the draft recommended functionalities document will be distributed to the API EG.

6. Next steps for the API EG

Invitation of API initiatives

As a next step the five¹ API initiatives will be invited to engage on the draft baselined version of the recommended functionalities and also to learn about how they plan to support the user community implement, test and conform to their specifications.

Testing representative APIs

The technical experts of the API EG could potentially be involved in the evaluation of testing of representative APIs. For example, the API EG could invite the experts to evaluate the testing (sandbox) performed by the ASPSPs that were involved in the 11 September 2018 supervisory convergence workshop and one or more TPPs.

EBA guidance and Q&A issues

J. Whittle envisaged a process in which the API EG would help in surfacing issues faster than the EBA can. The EBA saw merit in such a process and added that the coordination and mutual support between the EBA and API EG was seen as helpful.

¹ Berlin Group; Open Banking UK; Polish API initiative; Slovak API initiative; Stet.

eIDAS and security

See section 7 below.

Market facing agreements

The API EG will need to decide whether it wants to tackle this topic. This could for example take the shape of general comments on how the market could develop such agreements.

The EACB representative asked for further clarification on the time horizon towards the end of the year in order to be able to plan resources. J. Whittle responded by saying that although the mandate of the API EG had been extended until the end of the year it would not automatically mean that the API EG needs to continue until the end of the year. He suggested to take it step by step, also depending on the outcome of the meeting with Mr Valdis Dombrovskis.

7. Immediate next steps on eIDAS and security

A status update was provided in relation to the activities of the dedicated taskforce working on eIDAS. Following some discussions with technical experts it was concluded that TPP identifications towards the ASPSP can be done either in the communication layer or the application layer. The taskforce was invited to summarise their findings in a written report.

A TPP representative commented that TPPs that wish to reach out to ASPSPs in Europe should be prepared to have two types of certificates as it is up to ASPSPs to identify TPPs. The EBA representative clarified that under PSD2/RTS an AISP/PISP has to identify itself to the ASPSP and for this an eIDAS certificate is needed (QWAC or QSeal) and that the requirement for eIDAS was only for the identification and not secure communication. It was questioned whether for the purpose of securing communication, the two layers could be combined. This was seen as possible via transport layer security (TLS) but it would be up to the market to decide.

J. Whittle commented that eIDAS is linked to the topic of directory services. The EBA representative informed that there are ongoing discussions on this topic with the NCAs and that there have been discussions with ETSI. This is also the part where the qualified trust service providers (QTSPs) come into play which according to J. Whittle is another missing element. He also wondered whether it could be helpful for the NCAs to engage with QTSPs and if a specific session with the key actors should be organised.

8. Summary and way forward (post September 2018)

The five API initiatives will be invited to an API EG conference call on 11 October 2018 (14-15.30 CEST) to share their views on the draft baselined version of recommended functionalities. This document will be sent in advance to the API initiatives to allow them to prepare their views. In addition, they will be asked to explain how they plan to support the user community implement, test and conform to their specifications.

The next face to face meeting will be scheduled on 3 October 2018 (10-17 CEST). A conference call facility will be foreseen for members that are unable to attend in person. The main goal of this meeting is to finalise the list of draft recommended functionalities.

9. AOB

A TPP representative informed about a scenario in a specific country whereby the tokens used for access to payment accounts through the user interface can also be used to access non-payment accounts.

10. Closure of the meeting

The co-Chairs closed the meeting at around 17h00 CEST and thanked the participants for the constructive meeting.

Annex I: List of attendees

Category	Name	Institution	Attendance
Co-Chairs	James Whittle	NPSO Ltd	Yes
	Oscar Berglund	Trustly Group AB	Yes
TPP Members	Joan Burkovic	Bankin'	Yes
	Aoife Houlihan	Klarna	Yes
	Ralf Ohlhausen	PPRO	Apologies
ASPSP Members	Marieke van Berkel	EACB	Yes
	Gijs Boudewijn	Dutch Payments Association (representing EBF)	Yes
	Emil Johansson	ESBG	Yes
PSU Members	Jean Allix	BEUC	Yes
	Just Hasselaar	Ecommerce Europe	
	Pascal Spittler	IKEA (representing EuroCommerce)	Yes
Other Members	Thaer Sabri	EMA	Yes
	Peter Cornforth	Paysafe (representing EPIF)	Yes
Observers	Ralf Jacob	European Commission	Yes
	Krzysztof Zurek	European Commission	Yes
	Remo Croci	European Commission	Yes
	Helene Oger-Zaher	EBA	Yes
	Larisa Tugui	EBA	Yes
Linking pin with technical experts	Arturo G. Mac Dowell	Eurobits	Yes
Guest	Lorenzo Gaston	Gemalto (Convenor ISO TC 68 / SC2 / SG1 TPP)	Yes
Secretariat	Etienne Goosse	EPC	Yes
	Christophe Godefroi	EPC	Yes

Annex II: Action points of the 19th meeting of the API EG

Item	Action	Owner	Status / Deadline
19-01	Provide input as applicable for the market facing commentary column (recommended functionalities document)	API EG members	28 September 2018
19-02	Invite the 5 API initiatives to the 11 October 2018 API EG conference call and explain context and expectations	API EG co-Chairs EPC secretariat	26 September 2018
19-03	Finalise report on TPP identification towards the ASPSP	eIDAS taskforce	In due course

Annex III Meeting Calendar

2018	API EG Meetings
January	29 January 2018 (11:00-16:00 CET) EPC, Brussels
February	22 February 2018 (10:00-12:00 CET) Conference call
	27 February 2018 (13:30–18:00 CET) – preceded by lunch as from 12:45 CET EPC, Brussels
	28 February 2018 (9:00-10.30 CET) 28 February 2018 (11:00-16:00 CET) API Evaluation Workshop with 5 API initiatives EBF, Brussels
March	27 March 2018 (09:00-17:00 CEST) Brussels – EPC
April	12 April 2018 (10.00-11.00 CEST) - Conference call 23 April 2018 (10.30-17.00 CEST) - EPC, Brussels
May	14 May 2018 (10.30-18.00 CEST) - EPC, Brussels 24 May 2018 (11.00-12.00 CEST) – Conference call with API initiatives
June	8 June 2018 (10.30-17.00 CEST) – Hotel Warwick, Brussels 25 June 2018 (10:30-17:00 CEST) – EPC, Brussels
July	11 July 2018 (11:00-13:00 CEST) – Conference call 18 July 2018 (11:00-13:00 CEST) – Conference call 30 July 2018 (10:30-17:00 CEST) – EPC, Brussels
August	24 August 2018 (12:00-14:00 CEST) – Conference call 28 August 2018 (15:00-17:00 CEST) – Conference call 31 August 2018 (11:00-13:00 CEST) – Conference call
September	3 September 2018 (10:30-17:00 CEST) – EPC, Brussels 18 September 2018 (15.30-17:00 CEST) – Conference call 24 September 2018 (10:30-17:00 CEST) – EPC, Brussels
October	3 October 2018 (10:00-17:00 CEST) – EPC, Brussels 11 October 2018 (14:00-15:30 CEST) – Conference call with API initiatives