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**Summary of the 23rd Meeting of the
API Evaluation Group**
8 November 2018, 10h00-17h00 CET
Sheraton Brussels Airport Hotel, B-1930 Brussels
(Approved by the API EG Members)

1. Welcome

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

J. Whittle informed that the focus of today's meeting would be threefold, i.e.:

- Agree on the publication of the recommended functionalities. Some further finessing still needs to be done and the introduction section should explain how the document should be understood.
- Review the "eIDAS and third-party provider (TPP) identification" document prepared by the dedicated working group in order to publish it on the EPC website.
- Prepare the meeting with the European Commission's (EC) Vice President (VP) Dombrovskis on 29 November 2018 to which the API EG co-Chairs are also invited.

2. Approval of the agenda

The agenda was approved without any comments.

3. Updates as relevant from EBA and EC

The EBA is continuing work on its Final Guidelines on the conditions to benefit from an exemption from the contingency mechanism which are expected to be published before the end of 2018. Progress is being made in relation to the Q&A tool and a document is also expected to be finalised before the end of the year on the use of eIDAS certificates under the RTS on SCA and CSC. The format of the latter is however not yet known.

The EBA representative also reported on the EBA's roundtable to which thirteen API initiatives (APIIs) had been invited. This roundtable had provided helpful information for example in relation to the differences that currently exist between these APIIs. A discussion had also taken place on how to try to align the different standards and the APIIs had been invited to explain what actions they had taken to involve TPPs. Moreover, it was reported that several APIIs are considering what else they can offer beyond what is legally required (e.g. technical support).

Following a question from the group, the EBA representative informed that the objective of the Final Guidelines is to ensure a level of convergence in the assessment of an exemption to ASPSPs for having a fallback in place. The EBA may also look to further

support the implementation of those guidelines once they are published and the RTS more generally. The way in which this may take place is not at this stage known.

TPP representatives commented that even though in some cases they had been involved with APIs they did not always feel that their input was taken into account. J. Whittle commented that this was troubling input in particular as this could potentially result in having sub-optimal APIs.

The EC representative confirmed that it would be important for the API EG – in preparation of the meeting with the EC's VP – to take stock of what it has achieved and agree on what the common threads are as in essence the objective of this meeting is to raise the profile of the work that has been done by the API EG.

4. Approval of the eIDAS certificates document

An updated version of the "eIDAS and TPP identification" document prepared by the dedicated working group had been circulated to the API EG prior to the meeting.

The document focuses on technical aspects (in a non-exhaustive manner) to ensure neutrality and hence does not include recommendations. It represents the outcome from the discussions within the working group and is largely based on input provided by the technical experts.

The EBA representative commented on the technical and neutral nature of this document and confirmed that it anticipates publishing a clarification in this area before the end of 2018.

It was suggested to include a background section to give context and provide examples on how it could be used. Also, it should clarify what question the document tries to answer.

The dedicated working group was invited to incorporate the above suggestions and to provide an updated version of the document by 23 November 2018. Next, the API EG will receive a couple of days to perform a final review in order to be able to publish the document in the first week of December 2018.

5. Finalisation of the draft internal recommended functionalities document (taking into account the input from the API initiatives) and agree the next steps and timing to take it external

An updated version of recommended functionalities had been provided to the API EG prior to the meeting.

J. Whittle informed that the goal would be to get this document approved during today's meeting in order for the EBA to be able to distribute it to the national competent authorities (NCAs) and for the EPC to publish it on its website. The group should also think about what type of overlay would be needed and about the factual headlines to be communicated at the November 2018 meeting with the EC's VP.

It was agreed that in the introduction section it should be clarified that the document represents the view of the API EG at the time of publication. The group also discussed the most efficient way of presenting the heat map to the public (e.g. via use of different

colours). J. Whittle emphasised that the key message should be that there are important functionalities that are currently not supported by all the APIs.

The ECSA and TPP representatives expressed different views in relation to the description of column 5 (see Annex IV). TPP representatives argued that some functionalities for which there is an 'N' (No) in column 5 could however be seen as implicit legal requirements in the context of having to avoid obstacles and to ensure the provision of a good working API. ECSA representatives however informed that it would not be within their mandate to change this description at this late stage as the greenlight to publish provided by their constituencies is based on the current understanding. The EBA representative reiterated that the decision of providing an exemption to the fallback solution will be taken by the NCAs in line with the Final Guidelines that are currently being developed. It is for NCAs to assess whether the legal requirements have been met by ASPSPs. The API EG reached consensus to include the word "explicitly" in the description of column 5 (see Annex IV).

The following additional comments and conclusions related to the recommended functionalities (RFs) were noted:

- RF: "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".

Following a remark from a TPP representative in relation to the feedback from APIs on the above it was agreed to include a comment in the market facing column 6 which states that this RF would benefit from further investigation as to the extent this RF is supported by three APIs.

- RF: "upon request, immediately provide payment initiation service providers (PISPs) with a confirmation in a simple 'yes' or 'no' format, whether the amount necessary for the execution of a payment transaction is available on the payment account of the payer".

A Retailer representative asked whether strong customer authentication (SCA) would be required in the above scenario and how this would work in practice. In his view the need for SCA would depend on whether or not there is an SCA exemption. A comment will be added in the market facing column 6 which states that the assumption of the Retailers and TPPs is that no SCA is required for such a request.

- RF: "Should enable the ASPSP to support a mixed AIS/PIS journey in one communication session, implying three scenarios: 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)".

A comment will be added in column 6 to indicate that BEUC disagrees with this functionality.

- RF: "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)".

A comment will be added in column 6 which states that TPPs disagree - in view of the non-discrimination principle - that this RF is always subject to a market facing agreement.

Based on the above input the recommended functionalities document will be finalised (including a final sanity check). The API EG agreed that this finalised version can be published on the EPC website and that it can be sent to the EBA (for distribution to the NCAs), the EC and ECB.

6. Evaluation of testing of representative APIs

The API EG agreed that it is too early to focus on the evaluation of API testing even though it is an important topic (also for 'confidence building'). Some account servicing payment service providers (ASPSPs) already have APIs but most likely these will not be the same ones that will be used in the context of PSD2.

It was questioned whether a coordinated approach would be required in relation to testing and in which areas this could bring added value (e.g. ensuring consistency in test cases).

The EBA representative informed about the differences between the APIs. For example, some provide testing support whereas others do not or are only looking at testing scenarios. In view of this she was of the opinion that there is indeed room for the industry to coordinate PSD2 related testing.

7. Approach EC VP meeting

The API EG was invited to think about the narrative that needs to be conveyed as input to the 29 November 2018 meeting with the EC's VP.

J. Whittle initiated the discussion via sharing the following conclusions:

- The API EG has a clear view of the recommended functionalities that should be supported by the APIs but not all APIs support all recommended functionalities.
- There are still a number of functionalities for which further legal clarification is required. This will be provided via the publication of Final Guidelines and the EBA's Q&A tool.
- APIs could be challenged by the publication of this anticipated clarification.
- The API EG participants have different views of what "good" looks like.
- It is a complicated exercise because not everything is clear as yet from a legal point of view, time is short and there is also a dependency on how the recommended functionalities will be implemented. This could have a profound impact on the market and focus should be on how to mitigate issues.

An ECSA representative commented that the API EG cannot go beyond the aforementioned conclusions. He added that the API EG would need to give the 'independent' co-Chairs a mandate to provide answers to the EC's VP as the co-Chairs can only represent the views of the API EG.

J. Whittle stressed that market facing implementation will be quite challenging for several reasons. The suggestion would be to present the best way forward via providing recommendations for example in relation to the need for pan-European implementation coordination to help the market solve the identified issues (this should not necessarily

be the API EG). He added that a good outcome for the market by September 2019 would seem unlikely.

An ECSA representative commented that in her understanding PSD2 would be part of the agenda of the meeting with the EC's VP and high level ASPSP representatives will attend this meeting, which would hence need to be prepared internally by the ECSAs. As a result, she was of the view that the API EG should focus on trying to define the process going forward (taking into account that further legal clarification from the EBA is anticipated by the end of this year).

The ECSA representative also commented that readiness will also depend on the anticipated legal clarification and how much it will deviate from the current legal position. If there is a lot of deviation, then it would for example make sense to delay the deadline with an extra three months. J. Whittle questioned whether extending the deadline would be a possibility and what the impact would be on the market. The question would hence be whether the EC would be willing to have a discussion to make this happen. The EC representative noted that only the NCAs can grant an exemption in case there are no obstacles and added that if this group thinks that asking for an extension of the implementation date is a way forward then this should be discussed at the 29 November 2018 meeting with the EC's VP.

A TPP representative added that the highest priority would be for the APIIs to step up their game and suggested for national regulators to help ensure that the recommended functionalities are being accommodated in a way that there are no obstacles for TPPs. In his view the only way to detect obstacles would be via testing with real data.

An ECSA representative reiterated that there are still a number of unknowns i.e. what will be the impact of the anticipated legal clarification from the EBA and will APIIs still be able to update their API specifications in accordance with this clarification. Once this is known a time analysis needs to be prepared to see what has to be done and whether it can be done by September 2019.

The co-Chairs agreed to write up a narrative which will describe the difficulties in relation to what the API EG has discovered. Moreover, they will send an email to the APIIs to inform them that the recommended functionalities have been published and ask them to share their plans (and timing) to achieve alignment to support these. In addition, they will be informed that the group stands ready to discuss further this topic if required (before the 29/11 meeting with the VP).

The EC representative informed that the EC is also thinking of inviting a couple of APIIs to the 29 November 2018 meeting with the EC's VP.

8. Summary and way forward

J. Whittle is convinced that the market is better off now than if the API EG had not existed but the group has now completed the majority of its mandate and hence it comes to a natural closing. The question is however if there is more that the group can achieve. For example, as discussed earlier the group has not finished the topic of testing.

A TPP representative commented that follow-up should be ensured and that new 'surprises' should be resolved as soon as possible. The EMA representative commented that the API EG has contributed to the dialogue and identified gaps, but it is not yet

clear if it can meet future challenges under its current mandate e.g. support by NCAs. It was questioned what the added value of the API EG could be in the period up to September 2019.

The BEUC representative is of the view that a single API should still be the end goal for consumers. He added that he will continue to push for the need for explicit consent from the payment service user (PSU) in order to get access to its data. A Retailer representative commented that having a clear customer journey is essential.

The EBA representative expressed the view that a degree of pan-European coordination on industry level (including testing) and on regulatory level (NCAs) will be needed to support the implementation by September 2019.

In view of the fact that the API EG agreed that coordination is important, J. Whittle suggested to recommend amending the API EG's mandate as this would allow a continuous basis for coordination (in lieu of anything else being developed to address this need). The API EG would however need to reflect on what it is it wants to achieve if it continues. Possible examples could be the creation of greater harmony among the standardised API specifications and reducing the risk that standards would have unintended consequences for the market. The EC representative supported the suggestion to continue the API EG's activities (subject to having revised the mandate) as there is still a lot of work ahead. It was however agreed that the API EG should await the outcome of the 29 November 2018 meeting with the EC's VP prior to taking any further steps in this regard.

The next meeting of the API EG will be scheduled for 3 December 2018 to provide a debriefing on the 29 November meeting with the EC's VP and to conclude on next steps.

The recommended functionalities will be published tomorrow on the EPC website.

9. AOB

No other business was discussed.

10. Closure of the meeting

The co-Chairs closed the meeting around 16h30 CET and thanked the participants for the constructive meeting.

Annex I: List of attendees

Category	Name	Institution	Attendance
Co-Chairs	James Whittle	Pay.UK	Yes
	Oscar Berglund	Trustly Group AB	Yes
TPP Members	Joan Burkovic	Bankin'	Yes
	Aoife Houlihan	Klarna	
	Ralf Ohlhausen	PPRO	Yes
ASPSP Members	Marieke van Berkel	EACB	Yes
	Gijs Boudewijn	Dutch Payments Association (representing EBF)	Yes, via dial-in (11.30-16:30)
	Anni Mykkanen ¹	EBF	Yes, via dial-in (10:00-11:30)
	Emil Johansson	Swedbank (representing ESBG)	Yes
PSU Members	Jean Allix	BEUC	Yes
	Juliette Beaulaton ²	Ecommerce Europe	Yes
	Pascal Spittler	IKEA (representing EuroCommerce)	Yes
Other Members	Dimitrios Markakis ³	EMA	Yes
	Peter Cornforth	Paysafe (representing EPIF)	Yes
Observers	Ralf Jacob	European Commission	
	Remo Croci	European Commission	Yes
	Helene Oger-Zaher	EBA	Yes, via dial-in
Linking pin with technical experts	Arturo G. Mac Dowell	Eurobits	Yes
Guest	Lorenzo Gaston	Gemalto (Convenor ISO TC 68 / SC2 / SG1 TPP)	
Secretariat	Etienne Goosse	EPC	Yes
	Christophe Godefroi	EPC	Yes

¹ Alternate to Gijs Boudewijn

² Alternate to Just Hasselaar

³ Alternate to Thaeer Sabri

Annex II: Action points of the 23rd meeting of the API EG

Item	Action	Owner	Status / Deadline
23-01	Publish the recommended functionalities on the EPC website	EPC secretariat	9 November 2018
23-02	Provide to the API EG an updated version of document "eIDAS and TPP identification"	Dedicated working group	23 November 2018
23-03	Publish document "eIDAS and TPP identification" on the EPC website (following approval by the API EG)	EPC secretariat	5 December 2018

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 30 October 2018 (10:30-12:00 CET) – Conference call
November	8 November 2018 (10:00-17:00) – Sheraton Brussels Airport
December	3 December 2018 (10.30-16:00 CET) – EPC, Brussels

Annex IV: Recommended functionalities header (based on version 9 November 2018 which was published on the EPC website)

1. EBA Opinion Table 1 Main requirements	2. Relevant articles	3. Recommended Functionality description	4. Common recommendation to be supported by API initiatives to achieve cross market consistency and harmonisation between specs (y = Yes should be supported)	5. Functionalities specific to ASPSPs seeking to meet the conditions for an exemption (Y = Yes should be implemented as explicitly legally required and as such to meet the conditions for an exemption / N = Not explicitly required to meet the conditions for an exemption but relevant to good market facing outcomes	6. Market facing commentary to inform considerations for implementing a good API for customers (specific comments attributed to ECSAs = European Credit Sector Associations (EBF, ESBG, EACB), BEUC = the European Consumer Organisation, TPPs = AISP and PISP providers, Retailers = EuroCommerce and Ecommerce Europe)	7. Coverage of recommended functionalities (RF) by API Initiatives (Berlin Group / NISP, Open Banking UK, STET, Polish API Initiative) (Note: number indicates how many out of a maximum of 4 API initiatives support the individual functionality based on their input to the API EG)
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