Enhanced data framework and capability
Background

- Payments Strategy Forum prioritised the detriments (Feb 2016) outlined by the Payments Community (Oct 2015)
- Solutions were developed (Apr 2016) by 4 different working groups, including 3 (HSWG, FC and EUNWG) which converged on desired capability of sending more data with payments and 2 which focussed on simplifying access (HSWG and SAM)
- CMA are supportive of modern API approach to Open Banking
- The Payments Strategy Forum agreed it would further develop the concept of an enhanced data framework and capability, including
  - Request to Pay
  - Customer assurance (misdirected payments)
  - Richer / Enhanced Payments Data (taking on board the requirements of both End User Needs and Financial Crime)

- The role of this group is to write the data framework and enhanced capability solution document
What happened to the detriments?

Weighted by experts

Weighted by PSF sub-groups or sub-group chairs

Geo, reg and tech initiatives identified which could help

Global digitalisation, Australia’s NPP, PSD2 and CMA, layer modelling and APIs

Pulled together to create a long term vision of the system needed

Single push rail, based on common standards, using a layered model with overlay services

So what’s the problem?

What are the options for achieving the enhanced data framework and capability? What are the principles that should underpin the API approach? How does the API approach connect with the Simplified Payments Platform or existing PSOs?
API Strategic Solution Description

1. Technical Standards for a data framework
   - CMA and PSD2 legislative underpinning
   - Modern Web Services
   - Transparent API
   - Open for all PSPs
   - Based on ISO
   - Flexible to enable future use cases
   - Fast, efficient (near real-time), secure, guaranteed, ubiquitous and interoperable

2. Request for payments
   - Rules and standards
   - Central storage of data

3. Assurance Data (customer id and status)
   - Payee PSPs to provide messages to Payer PSP regarding receipt, final settlement
   - Confirmation of Payee prior to execution

4. Enhanced or Richer Data for Consumers and Corporates
   - Tax, Personal data, Remittance, pictures, payroll
   - Structures data for accountancy, standard remittance formats, e-invoicing
   - E-Invoices by different industries
Use Case 0: Base Standards

- APIs need base standards for PSP interoperability, security and enable competition
- Existing scheme limitations of data transfer will be supported by secure cloud storage
- PSD 2 and Open Banking form a legal and governance basis for API control which can be extended
Use Case 1: Confirmation of Payee

- The Payers PSPs can send Confirmation of Payee request to the Payee PSPs with Sort Code/Account Number and Name, and get a score.
Use Case 2: Assurance Data

- Payee PSP to provide Payer PSP with assurance of receipt, processing and final settlement
- Requires Payer to send unique transaction id and Return URI
Use Case 3: Request To Pay with Payer Control

1. Following URI rules the Payee PSP will call Request 2 Pay at the Payer PSP
2. The R2P will be approved and stored for execution, based on the rules of acceptance
3. **Payee PSP will receive notification of acceptance and any cancellation before execution, Payee can amend R2P**
4. At the correct time to R2P will be executed over the existing schemes – with no special reference other than allowed by the scheme
5. Payee PSP can attempt reconciliation receipt
Use Case 4: Enhances/Richer Data Basic

1. Payer PSP will collect and load Richer Data
2. Payer PSP will send payment with reference URI to Richer Data
3. Payee PSP can use URI to recover Richer Data