

# SCA Regulatory Working Group

## Terms of Reference

<b>Name of Committee / Group</b>	Strong Customer Authentication Regulatory Working Group
<b>Group status</b>	This is a project group, with an expected lifetime until the end of March 2021
<b>Reporting to</b>	This group will report to the Programme Steering Group (PSG). The group consists of representation from regulated industry stakeholders accountable to the PSG for the successful delivery of the technical elements of the SCA Roadmap agreed on 13 <sup>th</sup> August 2019.
<b>Business Owner</b>	Eric Leenders
<b>Date Terms of Reference agreed</b>	30 <sup>th</sup> October 2019
<b>Date Terms of Reference to be reconsidered</b>	Annually, or sooner if required
<b>Expected completion date</b>	31 March 2021
<b>Objectives</b>	<p><b>High Level Objective</b></p> <p>Following agreement to the managed rollout plan, the FCA stated “At the request of the FCA, UK Finance worked to co-ordinate an agreed industry plan to implement SCA for card-not-present transactions for e-commerce as soon as practicable”</p> <p>This means that the programme high-level scope is specifically relating to e-commerce transactions.</p> <p>It also means that it is specifically relating to card-not-present transactions.</p> <p>Card-not-present transactions must be capable of authentication for all segments of consumers including those without access to technology such as smart phones. The FCA defines these as segments as vulnerable, less digitally engaged or located in areas with limited digital connectivity. This means that the workstream will need to consider technical solutions that enable authentication for all segments.</p> <p><u>Specific Objectives</u></p> <p>Validate and confirm agreed positions on industry issues log and build a work plan to resolve outstanding issues</p> <p>Identify key requirements necessary to produce a clear strategy for “magstripe”</p> <p>Work out what guidance is required for the business workstream to identify appropriate solutions for dealing with consumers without mobile banking.</p> <p>Explore vulnerabilities/exploitation/circumvention of the RTS and provide guidance to other workstreams.</p>

	<p>Consider exemptions and exclusions and consider wording.</p> <p>Produce Regulatory Working Group Communications along with cascading SCA Programme Communications.</p> <p>Produce a High-level process map covering the scope of the programme.</p> <p>Clear responses/decision to the issues tackled by this working group.</p> <p>Recommendation on Legal Liability.</p> <p>Provide expanded and clarified regulations.</p> <p>Link with other European Roadmaps.</p> <p>There will be period review of the effectiveness of the group and whether it continues to be of value, and in addition it's constitution and Terms of Reference to ensure it is operating at maximum effectiveness.</p>
<b>Membership</b>	<p>The group will consist of nominated Issuers, Acquirers, Scheme, Gateways, ACS Providers and Legal Advisors. Members of the working group will be expected to participate actively and represent the interest of the whole community of impacted stakeholders.</p> <p>Stakeholders outside of this group may be invited to attend ad hoc meetings to receive high level briefings or to contribute as appropriate on sector specific or other subjects as required by the working group.</p>
<b>Chairman</b>	<p>The Working Group will be chaired by Caroline Birchinall, who may appoint a deputy in her absence.</p> <p>In the absence of the Chair and/or an appointed deputy, the remaining members present shall elect a chair from the groups participants who would qualify under these terms of reference.</p>
<b>Quorum</b>	<p>The quorum necessary for the transaction of working group meetings should be at least 51% of the group's total membership.</p>
<b>Alternates</b>	<p>Alternates may be proposed with specific agreement of the chair and any alternates must be fully briefed by the person they are representing.</p>
<b>Method of Working</b>	<p>The mode of decision making will be by consensus. In the event that there is a matter of contention or a decision cannot be reached, then escalation is to the Programme Steering Group (PSG).</p> <p>The appointed secretariat will provide an agenda and papers normally 5 working days in advance of meetings, unless otherwise agreed. Minutes will include the names of those present and in attendance. Draft minutes will be circulated to all members of the group and will include an action list.</p> <p>The Regulatory Working Group may direct the PMO to run ad hoc events or workshop sessions to consider specific issues, made up of either a subset of working group members or with additional experts drawn from the other Working Groups or the Special Interest Groups.</p> <p>Observers or subject matter experts may be invited to attend the working group meetings and/or provide advice to it.</p> <p>Participation in person is preferred, with teleconference facilities provided where strictly necessary.</p> <p>The Regulatory Working Group will operate in accordance with industry best practice (where applicable) in its method of working, to ensure that it is compliant with UK competition law and that commercially sensitive matters are not discussed.</p>

	Appropriate steps will be taken to preserve and maintain confidentiality as necessary in any of its workings.
<b>Meeting frequency</b>	The Regulatory Working Group will usually meet monthly and otherwise as required.
<b>Secretary</b>	UK Finance will provide the secretariat services to the group.