

UK SCA Implementation Roadmap - v1.0

July 2020

UK Industry SCA Implementation Plan



Introduction

In the context of the UK rollout of Strong Customer Authentication (SCA), the Financial Conduct Authority (FCA) announced and agreed to a managed rollout for SCA with UK Finance to give the payments and e-commerce industry extra time to implement SCA with minimum customer impact.

In light of the impact of Covid-19 on key stakeholders, and to minimise the impact on both consumers and e-merchants, the FCA has updated their Strong Customer Authentication page to give an additional six months to implement SCA for e-commerce, to a revised date of 14 September 2021. This can be found [here](#).

The FCA statement clearly expects momentum to be maintained but recognises that additional time may be needed due to the impacts of Covid-19.

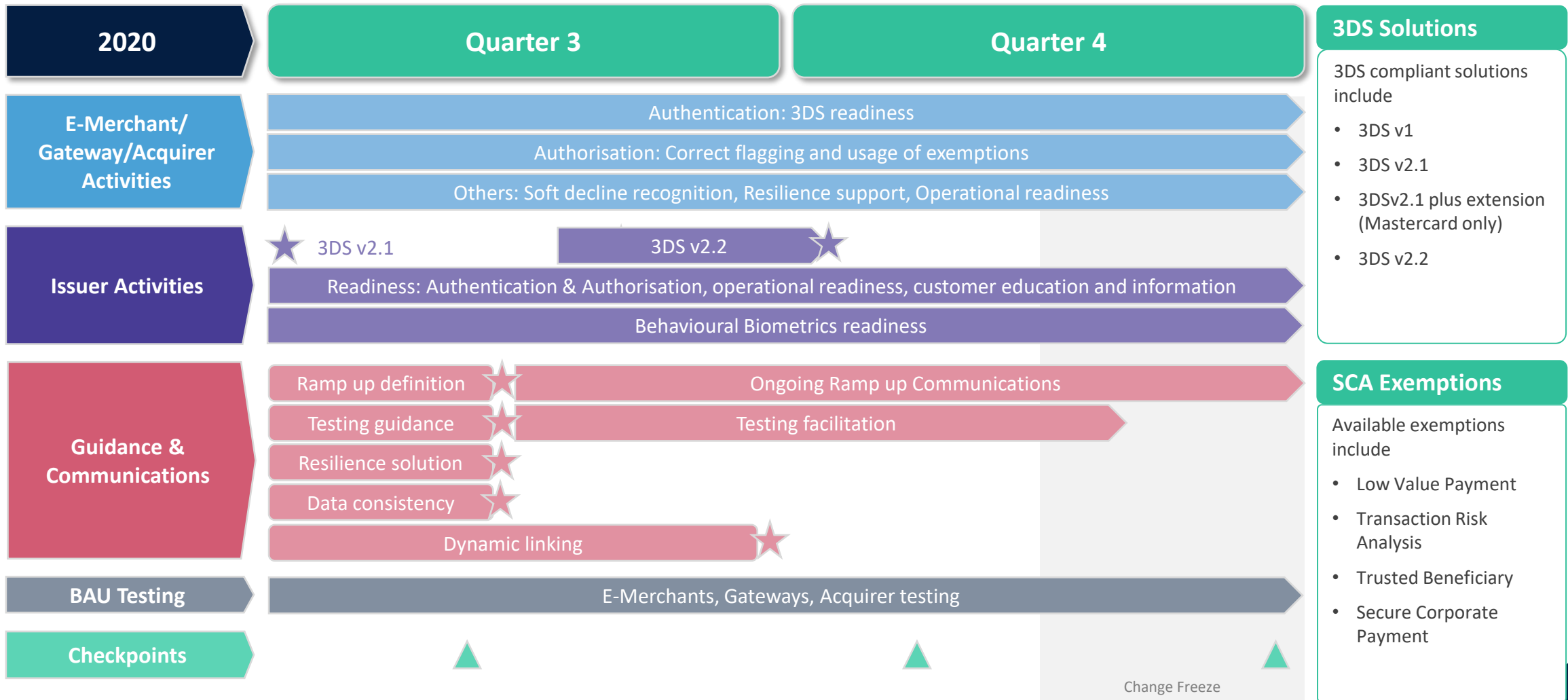
The UK Finance SCA Programme Team has developed this revised detailed implementation plan and the high-level plan. We urge all stakeholders active in e-commerce to take note of the various deadlines and the introduction of a gradual SCA ramp up which will require all parties to be ready by the end of May 2021.

This plan is structured in 3 key phases and focuses on SCA compliance based on scheme-based payments solutions in order to cover the majority of card-based transactions. The focus of this roll out is a technology called 3DSecure which will help to facilitate the authentication of the majority of card-based transactions.

However, there are other SCA compliant solutions available in the market, such as those provided by Payment Initiation Services (e.g. through Open Banking), Apple Pay, Google Pay as well as other potential solutions.

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UK Only – 2020 activities (The enforcement date is 31 December 2020 across the rest of the EU)

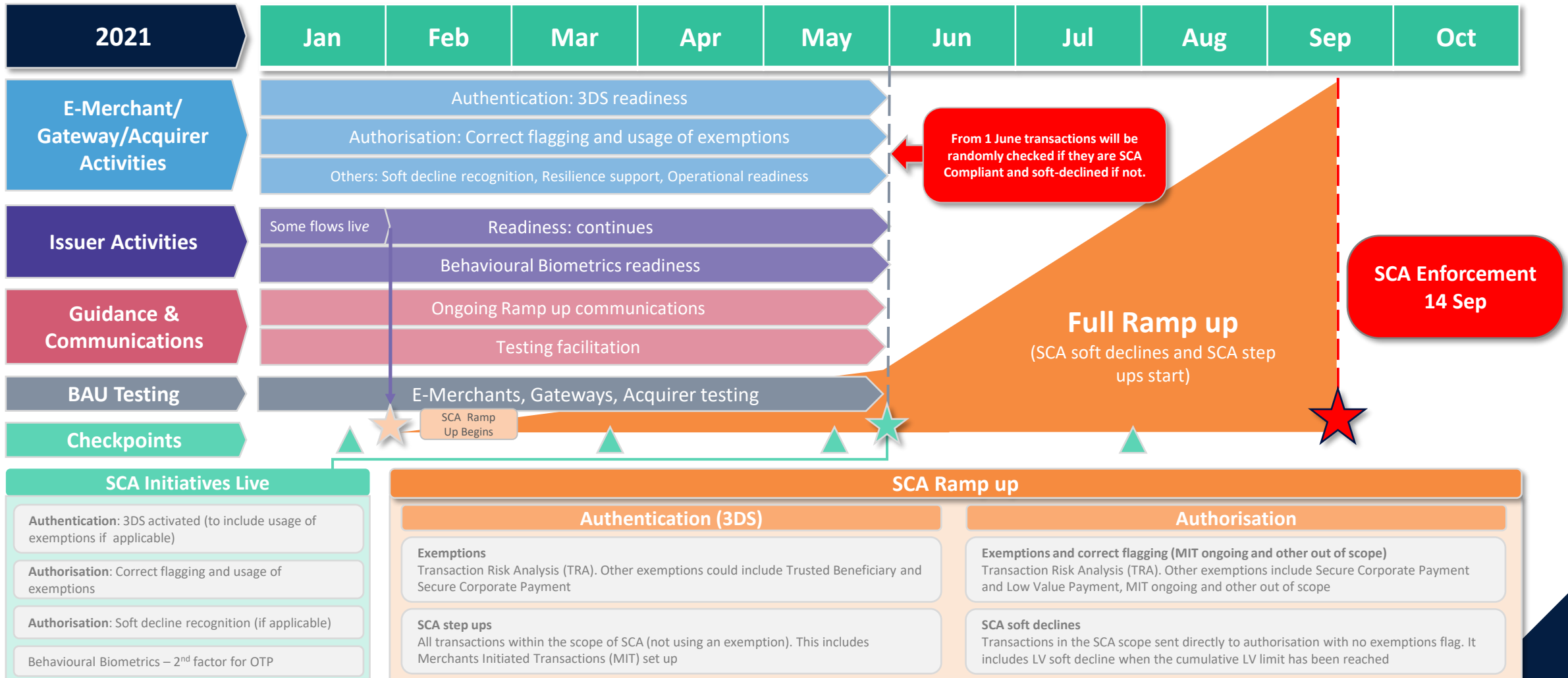


★ Denotes Delivery Milestone

Through out the period, Issuers will continue challenging transactions as per their decisioning strategies

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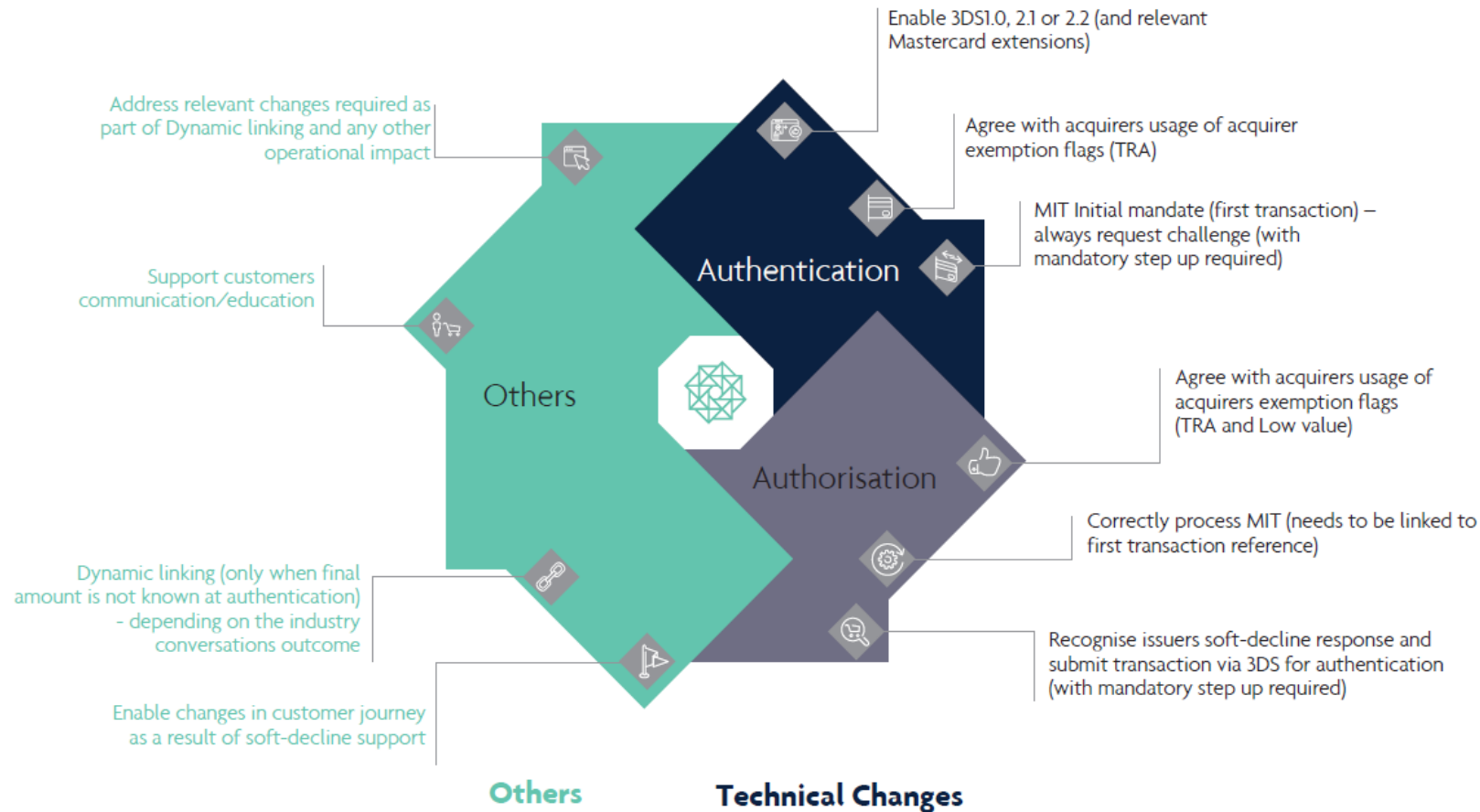
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UK SCA Readiness: e-commerce Merchant

E-commerce Merchants target position to ensure SCA compliance and support of exemptions



Merchants high level target SCA position is comprised of mandated and optional activities. Merchants should speak with their gateways and acquirers to define and agree their specific SCA readiness requirements.

UK SCA Readiness: Issuers Target State

Issuers target position is comprised of mandated and optional activities. Parties are encouraged to define the optional elements they want to support

01

SCA Authentication

- enable 3DS1.0, 2.1 and 2.2 (and relevant Mastercard extensions)
- recognise acquirer's exemption flags (TRA)
- apply issuer exemptions flags (TRA, trusted beneficiaries)
- step up/challenge/authenticate transactions based on SCA rules
- enable dynamic linking requirements

02

SCA Authorisation

- recognise acquirer's exemption flags (TRA and Low value)
- apply issuer low value exemption flag
- identify SCA out of scope transactions
- soft-decline transactions reaching the cumulative low value ecommerce exemption limit
- soft-decline/hard decline non-SCA-complaint transactions or transactions not meeting issuer's criteria

03

Authentication Methods

- authentication via the issuer's mobile app
- second factor for OTP (if applicable)
- authentication solutions for vulnerable customers and customers with no phones/network reception

04

Others

- customer communication and education
- gather relevant customer information to enable authentication
- operational impact assessment and plans in place (i.e. call centre impact, SCA reporting requirements)