TRUELAYER

Navigating SCA: How open banking can help

Speakers: **Jack Wilson** (TrueLayer), **Bobby Chadha** (TrueLayer), **Tim Richards** (Consult Hyperion), **Kristian Sorensen** (Norfico)

24 JUNE, 3-4PM (GMT)

Agenda

- SCA overview and timeline
- Approaches to implementation
- Intro to open banking payments
- Panel discussion
- Audience Q&A

Jack Wilson

Head of Regulation & Policy

TrueLayer

Bobby Chadha

Head of Product

TrueLayer

Tim Richards

Principal Consultant

Hyperion

Kristian Sorensen

Partner

Norfico

Hello!

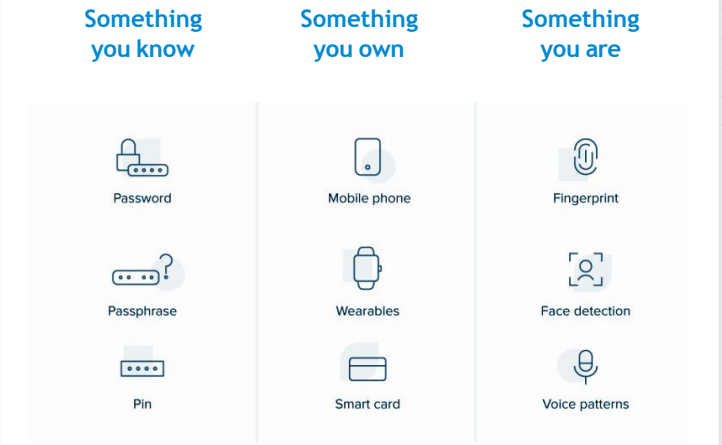
Jack Wilson

Head of Policy @ TrueLayer

jack.wilson@truelayer.com

What is “Strong Customer Authentication”?

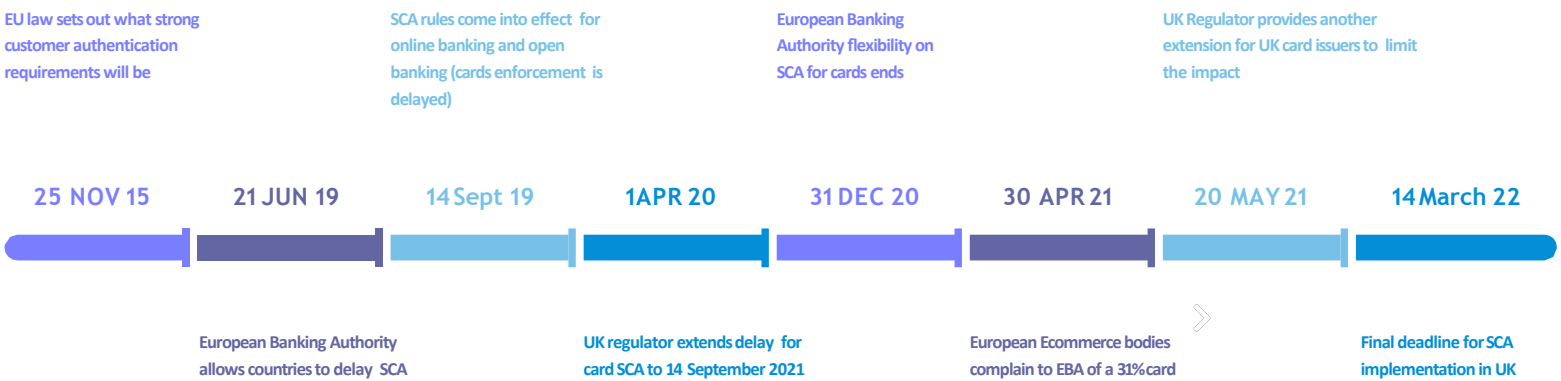
- Customer need to take extra steps to verify identity before they can pay online
- It is a set of requirements under PSD2
- To meet requirements, banks must authenticate their customers using at least 2 of 3 following authentication elements



Why is Strong Customer Authentication required?

There were over **2 million cases** of card fraud in the UK in 2020, **valued at £574m**.

Strong customer authentication timeline

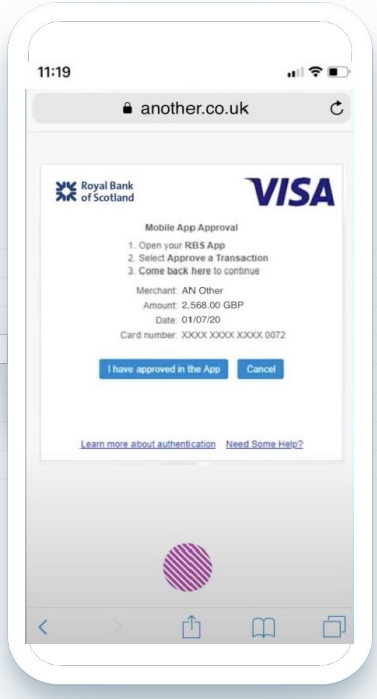


How is the card industry dealing with the requirements?

- Lobbying for delays
- Building new technology
- Looking at exemptions from SCA

What does the SCA card payment flow look like?

10+ steps…



Impacts of SCA on the card payment flow

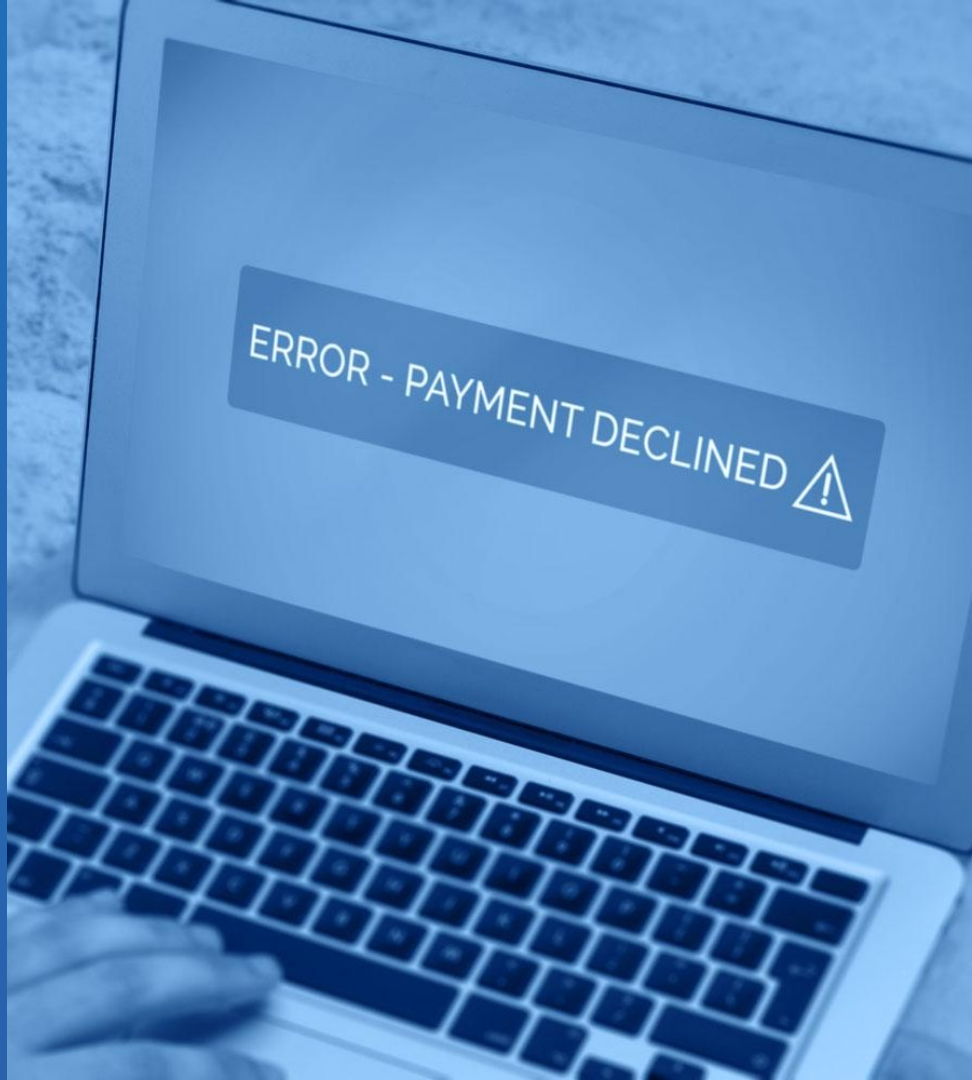
More steps for customer to go through

Slower payment process, between 4-8 minutes

Transaction failure rate up to 31%

According to European Ecommerce bodies there are structural problems with SCA compliance for cards:

- Consumer 3DSecure (3DS) enrolment with issuers
- Issues with the availability, usability, or mis-interpretation of the available exemptions - notably those based on transaction risks analysis.
- Access control server providers are failing to address issues
- Timing and latency issues between the issuer's 3DS page and the final payment confirmation page



Hello!

Bobby Chadha

Head of Product @TrueLayer

bobby.chadha@truelayer.com

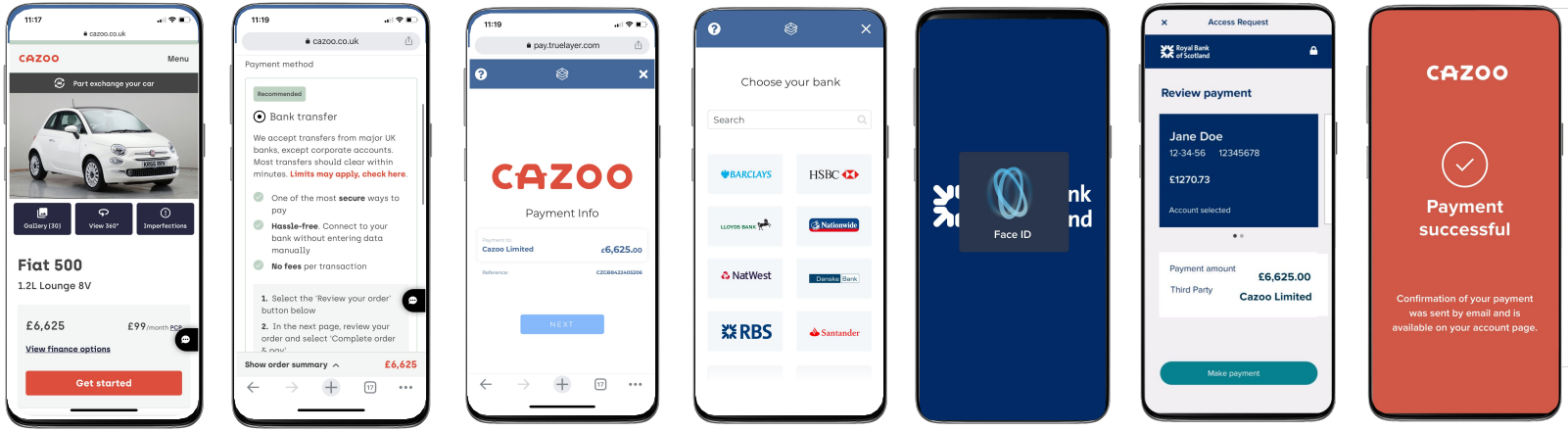
Open banking lets us **connect you directly** to a customer's bank account via open APIs

Open banking payments

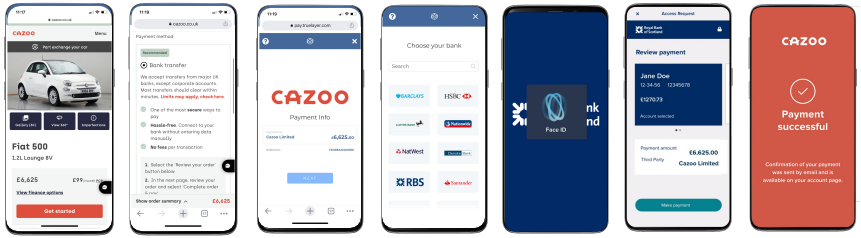
- Built to comply with SCA and PSD2
- Payments convert up to 40% higher than other methods such as cards
- Typically with 95% payment success rates

Cazoo

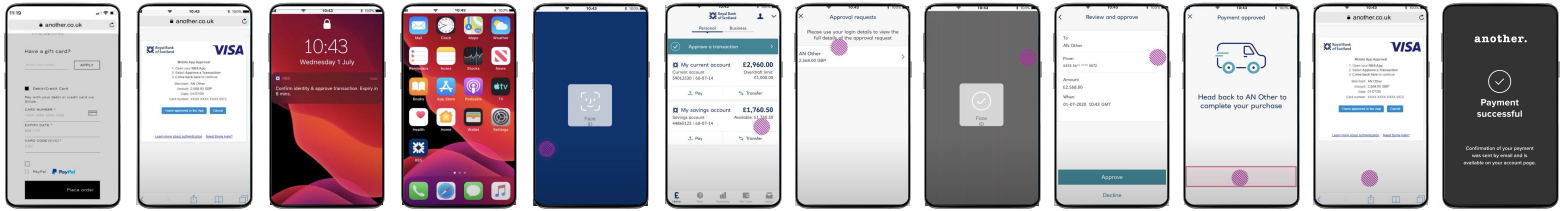
Mobile payment flow with SCA



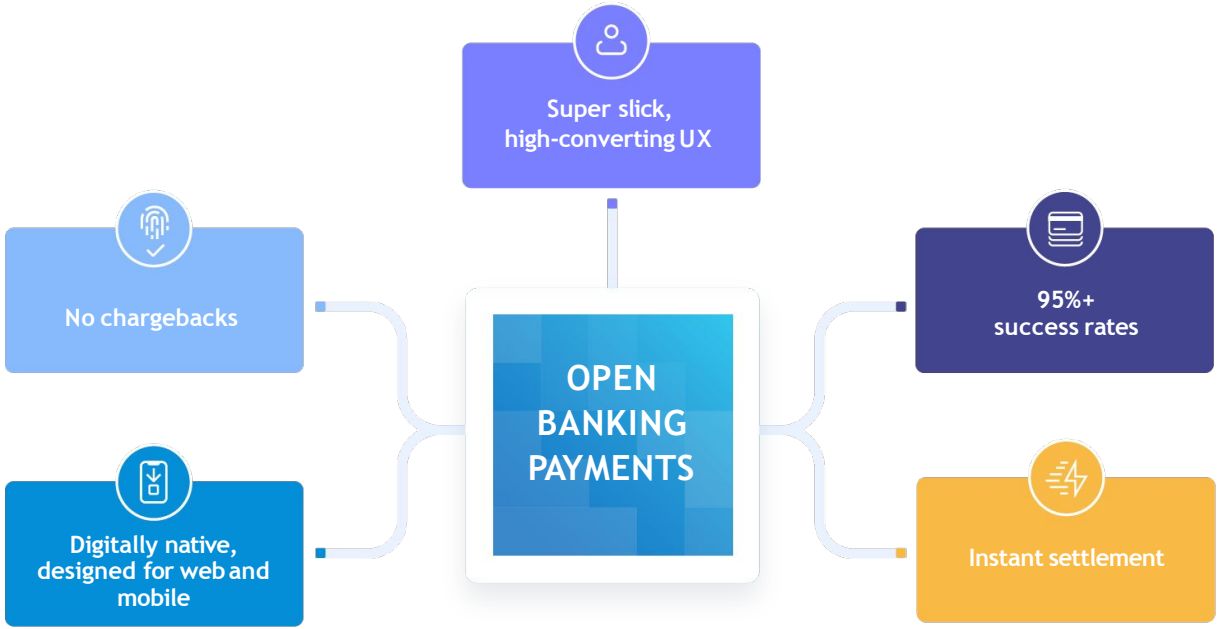
Open banking with SCA



Cards with SCA



Benefits for merchants



Build better financial experiences with TrueLayer

50% +

Of all open banking traffic in UK, Spain & Ireland flows through TrueLayer.

100%

Open API based. No screen scraping, just secure, reliable, permissioned access to financial data and payments.

$180m

Total capital raised from lead investors.

3m +

Businesses and consumers trust TrueLayer to access their financial data.

+22%

Payments through TrueLayer convert 22% higher than other open banking providers.

220+

Growing team with offices in London, Milan, Dublin, Hong Kong, Sydney and more to come.

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Panel discussion

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Q&A