

TERMS OF REFERENCE

openFinance ADVISORY GROUP & BOARD

Log of Changes

Release	Date of Change	Change summary	Changed By	Validated by
1.0	9 July 2019	Initial Creation	NextGenPSD2 Advisory Group and TaskForce	NA
2.0	1 st March 2021	Scope change to move from NextGenPSD2 to Open Finance	NextGenPSD2 Advisory Board & TaskForce	NextGenPSD2 Advisory Group & openFinance Task Force

Overall Objectives & Scope of Work

In order to further promote enhanced interoperability and future evolution of the openFinance Framework and making openFinance work for the benefit of all stakeholders, the scope of the NextGenPSD2 Advisory Group & Board is being expanded in line with the evolution of the Berlin Group NextGenPSD2 Taskforce into its succeeding openFinance Taskforce. The openFinance Advisory Group (and consequently also the Advisory Board) continues to offer a balanced multi-stakeholder representation from the market demand-side with other stakeholders represented as observers in the Board.

The openFinance Advisory Group & Board are instrumental in guiding the overall future strategic and business direction of Berlin Group's openFinance Framework. The openFinance Advisory Group will prioritise the key topics for future development, positioning, communication, cooperation, enhanced interoperability, and alignment of the core PSD2 and extended value-added openFinance Framework services. Technical/operational matters can be included as long as they are considered to have a strategic/business impact as well. To strengthen the cooperation between the openFinance Taskforce and the openFinance Advisory Group & Board it was agreed to hold regular joint meetings between representatives from both sides. This may evolve into representatives from either side joining the internal meetings of the other side if deemed beneficial and mutually agreed.

In accordance with Berlin Group governing principles and guidelines, full market transparency will be provided, i.e. the conditions for stakeholder participation, the actual participation as well as membership to the openFinance Advisory Group & Board will be published.

Deliverables

The openFinance Advisory Board is to establish with its members in the Advisory Group, and representing the interests of its stakeholders, an agreed list of strategic/business topics that openFinance should potentially undertake in the future. From this list of potential ways forward an actual 12-months rolling priority workplan, that is realistic given limited resources, shall be agreed and then revised on an ongoing basis by the openFinance Advisory Group & Board. This will guide the work and make public the future expectations of the group.

All members of the openFinance Advisory Group, including any sub working groups, may suggest topics that it sees of particular relevance to the openFinance Taskforce for consideration amongst its strategic and business priorities.

Within the scope of work, the openFinance Advisory Group may decide on any further written deliverables that it deems relevant.

At its own discretion, the openFinance Advisory Group may establish temporary, time-limited, specifically dedicated sub tasks or working groups on narrow matters where it requires advice before forming an opinion.

Membership and participants

The openFinance Advisory Group & Board shall provide a balanced representation and composition of relevant stakeholders. Primary stakeholders in the openFinance Advisory Group are from the market demand-side (TPPs, FinTechs / IT Solution Providers, merchants/retailers/corporates, consumers and other (e.g. Industry Associations- FS or Non FS) with stakeholder representation from the market supply-side (a small delegation from the openFinance Taskforce) and preferably regulators, both as observers, added to the openFinance Advisory Board. Selected consultancies or other specialists (e.g. mobile network operators, security organisations) may be asked to join on a case-by-case basis for expert advice.

There are two classes of Members:

- Voting Member (in Advisory Group & Board): a party from the following market demand-side community: TPPs, FinTechs / IT Solution Providers, merchants/retailers/corporates/SMEs, consumers and other (e.g. Industry Associations- Finance Services or Non Finance Services/Consultancies)
- Non-voting Member (in Board only): a party from the market supply-side and regulators as observers

Membership applications to the openFinance Advisory Group can be addressed to the openFinance Secretariat who checks whether the applicable criteria have been met or not and if yes, informs the openFinance Advisory Board (see the following section).

The openFinance Advisory Group will meet physically or by conference-call, on an as-needed basis but at least 2 times a year. Costs shall be borne by the members themselves and they shall take turns to host meetings. The costs of the secretariat shall be borne by Berlin Group.

Calls for meetings and agendas will be issued at least two weeks in advance and meeting papers will be provided at least one week in advance.

For the sake of efficiency and effectiveness of the Advisory Group, the need for a openFinance Advisory Board with a leadership role in the decision-making process appeared (see section below). The openFinance Advisory Group elects their constituent representatives in the Advisory Board and the Advisory Board co-chairs.

openFinance Advisory Board member roles

i. Individually:

openFinance Advisory Board members will be engaged in Advisory Group work teams and will take responsibility for either leading a work team during their term or serve as a liaison to a work team.

If an openFinance Advisory Board member is unable to attend a meeting due to unforeseen circumstances, he/she may appoint another representative of his/her organisation to participate and vote on its behalf by a written (including via email) proxy.

However, as regular participation is key to the effectiveness of the Advisory Board, if a Board member is absent for more than two successive openFinance Advisory Board calls and/or meetings and does not attend two of the Advisory Group meetings/video conferences in a row, the openFinance Advisory Board has the authority (without obligation) to remove the member from the Advisory Board.

ii. Collectively

The openFinance Advisory Board shall:

- Develop and maintain the overall Advisory Group strategy and timelines
- Work with the openFinance Taskforce
- Create work teams to respond to or drive specific initiatives
- Ensure regular communication to the Advisory Group Members to update and engage them through various mechanisms to increase awareness of on-going global activities and to solicit participation in the discussions and work groups
- Provide leadership in resolving conflicts

In consensus with the openFinance Taskforce, the openFinance Advisory Board will decide on publication of its deliverables on the openFinance website. The openFinance Advisory Board shall hold regular scheduled teleconferences to monitor progress, discuss issues and will meet in person in conjunction with Advisory Group meetings and BerlinGroup openFinance conferences.

The openFinance Advisory Board shall be supported by a secretariat from BerlinGroup to support the chair(s), minute sessions, track actions, research/compose/share documents for the group and publish selected files after release for publication as a matter of transparency to the market.

Governance

Decision-making is generally achieved through consensus, which is defined as approval without sustained opposition. Unless specified otherwise, a quorum of 50% is necessary.

More than one individual can represent a Voting Member within the Advisory Group; however, each Voting Member is only allowed one (1) vote in any ballot or election activity.

For the avoidance of doubt, in this TOR the term “e-ballot” shall mean any electronic means of voting including (without limitation) by email or via an online community room.

In circumstances where such consensus is not achievable, and the matter is appropriate for the conduct of a vote, a vote may be taken and, for this to be binding, a 3/4 majority on the basis of a quorum of 2/3 of the openFinance Advisory Board (excl. non-voting observers) must be obtained.¹ In the event of a serious divergence of views, reference will be made to the openFinance Taskforce for advice and guidance. When reporting the outcome of discussions in meeting minutes, reference will be made to both majority and minority positions.

Election of the Advisory Board

Nomination for the openFinance Advisory Board voting members occurs every 2 years. Candidates have to be part of the Advisory Group and will self-nominate. At the time of nomination, the Advisory Group Secretariat ensures that the criteria as detailed above are met and that not more than one candidate per Voting Member has self-nominated.

If there are more candidates than positions to be filled, the candidates shall be elected by the present Voting Members from the same constituency. The candidates with the highest preference score are selected for the Advisory Board.

The openFinance Advisory Board membership applies to the elected individual of the Voting Member and not to the Voting Member as an organisation. If an individual Advisory Board member leaves his/her current Voting Member and joins another Voting Member, he/she may remain a member of the openFinance Advisory Board if the Voting Member he/she has joined belongs to the same constituency, agrees to support his/her engagement in the framework of the governance and does not already have a sitting openFinance Advisory Board representative.

All openFinance Advisory Board members must be able to speak for their stakeholder group and be represented by individuals with sufficient experience and knowledge of related regulatory frameworks, seniority, communication skills and strategic outlook to fulfil the mandates of these Terms of Reference. They should have the ability and mandate to properly represent their institutions and their stakeholder groups and be proficient in English as the working language. Each member can be represented by an alternate if this member is unable to attend a meeting.

The openFinance Advisory Board shall be co-chaired by market demand-side members with the appropriate strategic and business insight, standing in the wider industry and moderation/organisational skills to drive the group forward and build consensus across groups with potentially divergent interests. Advisory Board Co-Chairs can self-nominate and are elected by the Advisory Group and then ratified in common consensus by the openFinance Advisory Board and the openFinance Taskforce. The Co-Chairs will be appointed for a term of 2 years.

The total number of members shall be a balance between representing stakeholders fairly and keeping the openFinance Advisory Board sufficiently small to be workable.

The openFinance Advisory Board shall consist of a maximum of 20 members, including the Co-Chairs, representing the openFinance Advisory Group stakeholder groups as follows:

¹ In case of a tie, the Co-Chairs cast the final votes

- Market demand-side:
 - Registered TPPs: 3 member representatives
 - FinTechs / IT Solution Providers: 3 member representatives
 - Merchants/retailers/corporates/SMEs: 3 member representative
 - Consumers: 1 member representative
 - Other (e.g. Industry Associations- FS or Non FS/Consultancies): 4 member representatives
- Market supply-side Observers: 3 members, designated by the openFinance Taskforce
- Regulatory Observers: 3 (1 from the European Banking Authority, 1 from the European Central Bank, 1 from the European Commission), designated by their corresponding organisations

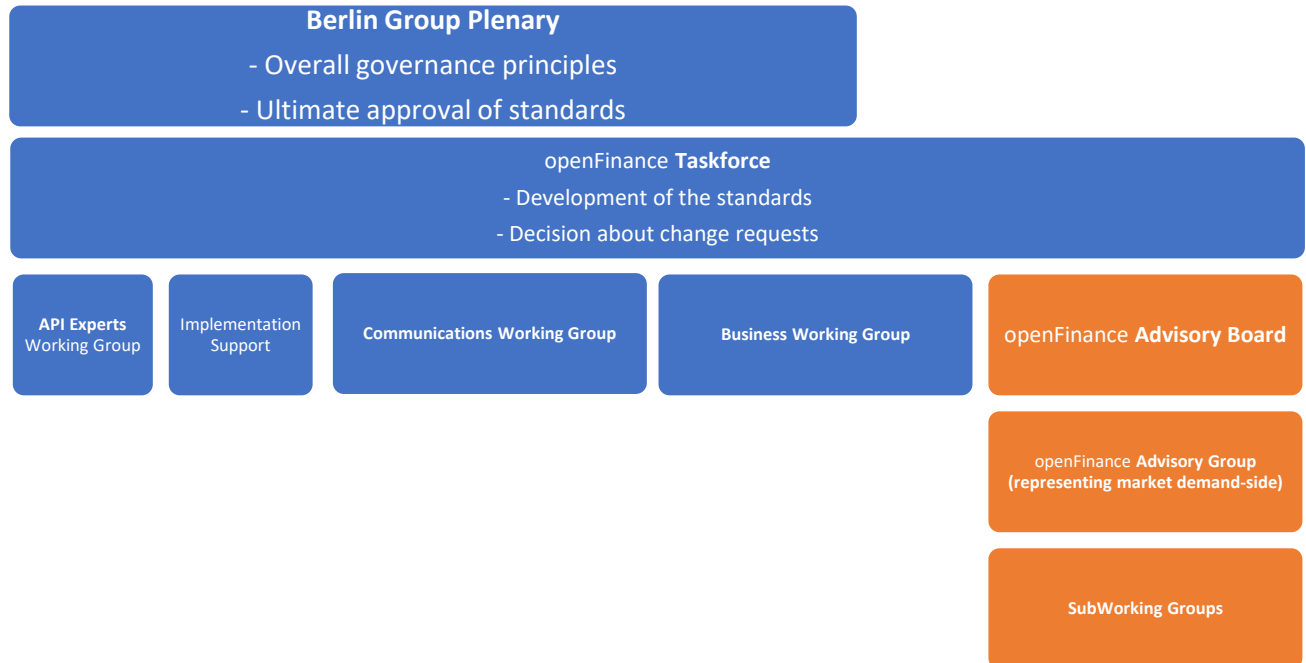
The final decision on inclusion and exclusion of members rests within common consensus of the openFinance Advisory Group and the openFinance Taskforce.

Intellectual Property & Data Protection

Members of the openFinance Advisory Group & Board should as a matter of principle refrain from processing any personal data accessed or obtained through their membership of the openFinance Advisory Group or Board. This principle shall apply mutatis mutandis to any guests or other third parties (partly) attending one or more meetings of the openFinance Advisory Group or Board. The Berlin Group Data Privacy Policy (<https://www.berlin-group.org/disclaimer-dataprivacy-policy>) provides further guidance in this context.

Intellectual property rights, copyright and rights of development and disposal related to the deliverables of the openFinance Advisory Group & Board will be under the Creative Commons license (not branded as a Berlin Group deliverable) until adopted by the Berlin Group, after which the IPR will transfer to the Berlin Group.

Positioning of Advisory Group & Board



Effective Date

The openFinance Advisory Group and Board will operate under these Terms of Reference from the date of its approval by the current NextGenPSD2 Advisory Group, which occurred on 12-February-2021 and the NextGenPSD2 Taskforce, which occurred on 17-February-2021.

Appendix

Non-exhaustive list of possible content topics for discussion at Advisory Group:

- Interaction with other standardisation initiatives (promoting harmonisation, interoperability and maybe convergence)
- Consider interacting and articulating with the OpenID Financial-grade API (FAPI)
- Interaction with regulators (promoting understanding of openFinance's work, taking up input from EC/ECB/EBA/NCAs for future guidance)
- Aligning interaction, communication and representation in key fora (e.g. currently ERPB SEPA API Access Scheme working group, EPC multi stakeholder groups)
- Identifying European and global strategic partnerships and collaborations to ensure joined-up solutions and to avoid duplication of work
- Giving guidance on market developments (e.g. improving reach through hubs, enhanced directory services, etc.)
- Planning public events for the promotion of openFinance (conferences, papers, workshops, webinars)
- Setting up fora for dialogue and interaction between stakeholders (e.g. Developer Conference, Hackathons)
- Identifying and exploring further functionalities and opportunities "to make openFinance work better" beyond current standardisation scope, related to e.g. dispute resolution, fraud and risk management, testing, trust issues, customer journey guidelines, merchant plug-ins, usability issues, authentication methods, onboarding, etc.
- Exploring further collaborative space especially for value-added services (e.g. in B2B, identity, merchant spaces)
- Exploring opportunities for openFinance beyond Europe (since Open Finance is becoming a global phenomenon where Europe is leading)
- Etc.