

Issuers path to full compliance

Authentication: Two concurrent paths



Path 1 Accessible solutions

Customers without mobile banking



One time passcode (OTP)

Forms of OTPs



The industry was ready to implement SCA through one time passcodes.

EBA Opinion
card details and current 3D-Secure are not considered a factor – industry needs time to implement the additional factors

1. Industry commits to reducing fraud
2. So OTP will be phased in through active testing
3. In the meantime second factor is built
4. 3D-Secure 2.x adoption increases (within 18 months)

These valuable risk-based data support authentication as an interim second factor to OTP

Knowledge factor



Recommendation:
OTP + behavioural biometrics

Additional fallback:
another knowledge factor

The industry needs 24 months for a future proofed behavioural biometric solution

UK Finance Opinion
use of knowledge factors (e.g. a static password) or sensitive information (e.g. mother's maiden name) add friction and risk like data breaches

Exemptions

Exemptions reduce friction and incentivise industry and merchants

Transaction Risk Analysis (UK Finance view: 18 month period, agreed under the project management office)
Trusted beneficiaries (UK Finance view: 18+ month period for more holistic solutions)

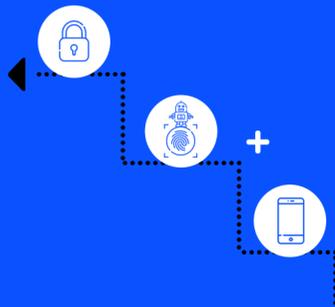
Path 2 Biometric and mobile app based solutions

Digitally savvy customers

Longterm: customers will prefer authentication through biometric and mobile based solutions.

Dependencies:

- Mobile banking adoption
- Versioning of 3D-Secure (app to app redirection needed)
- Potential of biometric solutions for many issuers. (time factor!)



Proposed managed rollout

Overall high level timelines for the roadmap

