

Sarah Cardell
Chief Executive
Competition and Markets Authority
25 Cabot Square
London
E14 4QZ

By email

15 January 2026

Dear Sarah,

Open Banking commercial Variable Recurring Payments

As you are aware, the Financial Conduct Authority (FCA) and the Payment Systems Regulator (PSR) have been working with government and industry in relation to the Government's National Payments Vision. Together with HM Treasury and the Bank of England, we recently published a [Strategy for Future Retail Payments Infrastructure](#) as well as our [response to The Chancellor of the Exchequer](#) regarding HM Treasury's recommendations on payments regulation.

As part of this payments work, we have engaged with stakeholders to continue developing the future of Open Banking. We have liaised with funders of the UK Payments Initiative Ltd (UKPI) – a new organisation established to own and operate a multilateral framework for commercial Variable Recurring Payments (cVRPs). The NPV sets out government's support for an industry-led approach to develop a commercial model. In that context, as explained in our [recent published update on cVRPs](#), we have engaged closely with industry in relation to competition law as it works to finalise and agree pricing models that deliver meaningful benefits to consumers and businesses and deliver prices at a level supporting effective competition between payment solutions. We have also discussed our industry engagement with CMA officials.

Following representation made to us by the funders of the UKPI, we recently sent these industry participants a joint FCA/PSR prioritisation statement (the Joint Prioritisation Statement) confirming that we will not at this time prioritise investigations under Chapter I of the Competition Act 1998 (CA98) in relation to specific pricing arrangements proposed for the UKPI-led cVRP scheme interface

(the Pricing Arrangements).¹ We consulted with CMA officials in preparing the statement given concurrency arrangements. The Pricing Arrangements, including a number of related conditions and safeguards, are discussed in the Joint Prioritisation Statement and its accompanying Annex. Our Joint Prioritisation Statement has regard to the importance of cVRPs to the National Payments Vision. We expect to publish the Joint Prioritisation Statement on the FCA and PSR websites on 20 January 2026.

Having regard to the CA98 concurrency framework, we would welcome an indication of the CMA's position on prioritisation in relation to the matters described above. We would expect to publish the CMA's response to this letter on the FCA and PSR websites.

Yours sincerely,

Nikhil Rathi
Chief Executive
Financial Conduct Authority

David Geale
Managing Director, PSR

¹ As set out in the Joint Prioritisation Statement, the Pricing Arrangements and our Statement relate to Phase 1/Wave 1 of the UKPI's cVRPs scheme concerning limited types of payment use cases known as 'lower-risk' use cases and pending the expected forthcoming legislative framework for cVRPs.