



Leadership • Infrastructure • Culture

Open banking and beyond

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Open Banking — overview

Individual consumers and small businesses (SMEs)

Data sharing and data portability

Only with informed consent and for specific use

Aimed to drive innovation, efficiency, competition

New products and services, new players, enabling Fintech

Open Banking — Six lessons from the UK

1. The Value and Importance of a Standard
2. The Important Concepts: Non-Technical
3. The Important Concepts: Technical
4. Regulatory Backdrop and Catalysts to UK Open Banking
5. Consumer and Small Business Propositions
6. Open Banking and Beyond

1. The Value and Importance of a Standard

The Open Banking Standard, developed in UK, available to all
British Bankers Association; Payments UK; Innovate Finance UK
Co-Chairs: Data (Gavin Starks) and Banking (Matt Hammerstein)
150 people, experts, from 80 organisations in 3 months (Q4 2015)
User Reference; Governance; Data; Security + Auth; Reg + Legal

2. The Important Concepts: Non-Technical

Privacy, Security and Cyber-risk

Customer Consent, Authorisation and Authentication

Liability, Customer Redress and Dispute Resolution

Cost of Implementation

Consumer Choice and Acceptance

3. The Important Concepts: Data & Technical

The 'language' of data: Open, Shared, Closed

Open Application Programming Interfaces (Open API)
and Open Data API

Architecture, Design Formats, Documentation and Versioning

Implemented API Specifications at OBIE www.openbanking.org

4. Regulatory Backdrop and Catalysts to UK Open Banking

EU Payments Services Directive 2 (PSD2): final - January 2018

EU General Data Privacy Regulation (GDPR): final - May 2018

UK HM Treasury proposed Open Banking: December 2014

UK Competition and Markets Authority (CMA) Retail Banking Review

CMA releases 'Making Banks Work Harder for Customers': August 2016

CMA mandates 9 largest UK banks:

Open API + Customer data sharing with consent

5. Consumer and Small Business Propositions

Next generation price comparison websites for banking products and services

Next generation personal financial management

Predictive real-time advisory tools

Faster, more accurate credit assessment

SME tools directly from accounting software

6. Open Banking and Beyond

Foundational data infrastructure that supports our digital economy

Creates design patterns that can be replicated across many other sectors

Financial Services; Utilities (energy & water);
Health & Care; Environment (risk & climate)

Multidisciplinary culture change: policy, business models,
innovation, skills, Standards

Thank you

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