The 2nd Annual FDATA Global Open Banking Summit and inaugural FDATA Global Open Banking Awards brought together an unparalleled collection of figures from governments, regulatory authorities, banks and fintechs from across the globe. With a guest list from Europe, North America, South America, Asia and Australia, it was a global event which discussed and debated the state of open banking in many significant markets.

Like all FDATA gatherings, it was content-rich and practical - the aim was to discuss how we’re going to deliver open banking worldwide, collaborating on standards and setting the agenda for best practice. The event was intended to develop ideas, share learnings between decision makers and regulators and explore how to put the end customer needs at the centre of the policy approach. The feedback indicates that it did just that.

There was no better setting to make that happen. The Summit was held at the University of Edinburgh’s iconic and stunning McEwan Hall, which provided inspiration for the community to think big and explore what might be possible if we work together.

At the Summit, we announced that work has commenced on the creation of the Global Open Finance Centre of Excellence (GOFCE) - which has a mission to ‘safely unlock the potential of customer data as a force to improve lives.’ This will be underpinned by a digital sandbox of up-to-date transactional data contributed from global markets, that will be hosted on the supercomputers at the University of Edinburgh and made available for a variety of jobs.

FDATA Global is one of the initial partners for the GOFCE, along with the University and FinTech Scotland, with more partners to be added. The ambitious vision for the GOFCE is to provide:

- a global economic observatory to enable policy makers and regulators to study the biggest problems currently impacting financial demographics, such as:
  - fair access to credit
  - population growth and its impact on property ownership
  - saving for long life, and to
  - experiment with the impact of proposed policy interventions and measure impact through time
- leadership, direction and research in the management of data privacy and ethics frameworks in multi-varied data sets for the benefit of consumers and businesses
- leadership, research and learning in the development of technical standards, security architecture
- an unparalleled service to companies to test and prove their innovative business models on global datasets in a digital sandbox, supported by world class data infrastructure and data science

Having staged the Summit in the McEwan Hall, the dinner venue for the inaugural FDATA Global Open Banking Awards had to be equally spectacular. The Museum of Scotland has always been the home of innovations that have changed the world, such as the famous clone Dolly the Sheep, and that evening it was home to many award winners from various markets who are changing the world of open finance. You can read all the details in this review.

The 2019 Summit & Awards will be bigger and better. Again in Edinburgh over two crisp December days, this time we will continue expanding from the narrower focus on banking and explore the capabilities to mature to open finance. As the name suggests, the Financial Data and Technology Association was designed to look beyond bank accounts to discuss how to safely open regulated access to all types of end customer financial data, to enable innovation and improve outcomes.

FDATA’s experience since its formation is clear - to force change, to enable innovation and improve outcomes. FDATA Global is crossing the seas and will this year open a chapter for the first time in Australia/New Zealand, as well as advancing in the Asian markets and exploring options in South America and Africa.

Gavin Littlejohn
Chair, FDATA Global
Get ready for Making Tax Digital in no time

85% of accountants and bookkeepers agree that QuickBooks helps their firm and clients prepare for Making Tax Digital.

Introduction to the Open Banking Roll Out

- What are the opportunities being explored by the innovators?
- What scope of delivery and access will enable these actors to deliver?
- Why are many banks now exploring the commercial opportunity rather than focusing on compliance?
- What policy and regulatory factors will need to be adjusted to capture the full value?
- How does the convergence of standards contribute to improving the speed and versatility of innovation?

Speaker and Panelists

Steve Boms - Director, FDATA North America (Topic Introduction)
Yuko Kawai - General Manager for Europe, Bank of Japan
Cynthia Rudge, Head of Open Banking, DGen
Arjun Singh - Managing Director of Asia, Envestnet | Yodlee India
Daniel Guse - Director, Gauss Ventures and Russian Fintech Association

Overview by Steve Boms

The opening panel at the 2018 FDATA Global Open Banking Summit sought to set the stage for the event by introducing to the event the incredible progress being made globally to advance the notion of consumer financial data access and open banking. Representatives from the United States, Japan, India, Canada, and Russia shared with the summit the market developments taking place in their countries, the financial benefits that technology-powered tools are providing to end users, the position being taken by incumbent financial institutions, and the legal and regulatory frameworks being considered by policymakers in each territory.

The panelists agreed that transitioning vast markets to open frameworks is a challenging endeavor and is one that is best undertaken incrementally and by starting with the fundamental premise that the consumer owns their financial data. Those panelists in markets where this premise has been established, either by law or by market demand, explained how the positioning of incumbent financial institutions evolved to become more consumer-centric. All of the panelists agreed that policymakers and market stakeholders alike should not allow perfect to be the enemy of the good; any progress towards an open banking ecosystem is progress well made.
In the advent of data-driven initiatives such as open banking, open data and GDPR, firms have more information about consumers at their fingertips than ever before. Data unleashes the possibility of innovation previously not thought of. The UK wants to be at the forefront of big data and AI, but there’s a plethora of legislation to navigate and industry norms have yet to be established. What does ‘good’ look like?

Faith Reynolds, Independent Consumer Representative at Open Banking, held a roundtable last summer with regulators, fintechs, trade bodies and consumer organisations. It was agreed that there was a need for something that would offer reassurance to consumers on the one hand and best practices for companies on the other. From that was born Code Collaboration, with a task to discover whether a Code of Conduct would address the gap for consumers and firms alike.

Since then, Code Collaboration has done research into Trustmarks and shared this to inform the Open Banking Implementation Entity’s work. More recently, it’s been conducting interviews with industry representatives to understand what their requirements might be from a Code. The FDATA Summit and other events have fed into the findings. This January, we’ll be taking the final research summary for discussion to an industry working group, led by the Lending Standards Board, part of Code Collaboration. We’ll also be looking to socialise the findings further to spark debate and get you thinking!

The objectives have been validated by the research so far: to provide clarity on ‘what good looks like’ for providers; to guide behaviour and firm up industry norms in the emerging ecosystem; to embolden consumer trust and aid firms in meeting their regulatory requirements. There are also some key themes that participants have coalesced around:

- The challenge of fragmented regulations and governance, especially as the Open Banking Implementation Entity’s work. More recently, it’s been conducting interviews with industry representatives to understand what their requirements might be from a Code. The FDATA Summit and other events have fed into the findings. This January, we’ll be taking the final research summary for discussion to an industry working group, led by the Lending Standards Board, part of Code Collaboration. We’ll also be looking to socialise the findings further to spark debate and get you thinking!

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- The importance of ethics going forward. The financial services industry has the opportunity to lead the way in setting good practices.
- Helping consumers, especially vulnerable consumers, understand the value exchange and finding the most effective ways to communicate with them.
- Making a Code or Trustmark visible, easy to understand, honest and up front.

Hopefully this has whet your appetite! Our super short survey is still open at [https://www.surveymonkey.co.uk/r/9VQGF7Z](https://www.surveymonkey.co.uk/r/9VQGF7Z) if you’d like to contribute that way, or drop us a line at info@codecollaboration.co.uk.

Faith Reynolds:

“Thank you everyone who visited our stand and participated in our survey at the FDATA conference! So far, the engagement has been excellent, and we have drawn a number of useful insights to develop the Code.

The main focus of the code so far is to equip consumers so they are not afraid to try out the exciting and innovative products and services that open banking facilitates, but likewise, to protect consumers too, especially where it’s not just realistic for them to understand the complexity of products or the chains of interaction between providers. The code should help providers both in content and implementation – firms want simplicity, just like consumers.

Your involvement is crucial to ensuring the end product is fit for purpose. This project has provided a rare opportunity to have conversations not previously had before, particularly concerning data ethics. This is the perfect time to spark more debate and knowledge exchange. In the meantime, perhaps you’d like to ask yourself:

- How do you tell whether your firm’s analytic capabilities are supporting your ethical values? What steps have you put in place to avoid algorithmic bias?
- How would you know if you or your firm’s behaviour had slipped from ethical to unethical? And to whom would you go if you had concerns about your company’s ethics?
- How have you embedded an understanding of ethics among your staff, pertinent to their job roles? What is their motivation to keep ethical practices front of mind?”

To get more clued up, try reading: Ethical Data and Information Management: Concepts, Tools and Methods, Katherine O’Keefe and Daragh O’Brien, 2018.


Twitter: @Code_Collab
Email: info@codecollaboration.co.uk
Envestnet | Yodlee congratulates FDATA on a successful and thought-provoking Summit.

Envestnet | Yodlee congratulates FDATA on a successful and thought-provoking Summit. Envestnet | Yodlee was honored to participate and provide our input to the discussions.

Open banking enabled products provide ultra-personalised data driven solutions that both empower and protect customers by delivering the right financial advice at the right time, allowing the customer to engage with responsible lenders and, for those customers at risk, by helping them optimise their fixed income. Using these solutions, customers are inherently protected from market forces, from predatory lenders and from their own behaviors.

However, customers can be their own worst enemy. They use the same password for all their online services and subscriptions. They click on links, use open wireless and download free games and utilities on their mobile devices - the same devices they use to access these financial services.

Open banking’s approach to address these risks are to implement and enforce technical standards; to publish guidance for conduct, governance and technology management and to write laws and orders to ensure that policy imperatives like competition, stability and safeguards are addressed. However, none of these are absolute in their efficacy. Technology evolves and security standards deprecate over time or, as was discussed at the Summit, don’t receive enough attention. Governance is risk based and therefore asymmetric in its application across parties in this multi stakeholder environment. Regulations cannot anticipate every use case or scenario and, as in the case with UK open banking, can be hampered by opaqueness in an ecosystem built to require transparency due to unregulated actors.

There is still work to do to ensure that the promise of open banking is realised. The regulatory gaps that prevent the FCA from supervising financial and technology service providers who process customers’ data but don’t present consolidated views must be closed. We need to adjust and harmonize the application of Secure Customer Authentication to balance risk with customer experience – lest we deny consumers access to the very tools upon which they depend to manage their financial health. The implementation of the liability framework must be addressed so that insurance products are available to all TPPs to support their consumer protection obligations. These are complex matters that require our full attention. Working with FDATA and amongst ourselves, we can solve these issues to uplift the financial health of all UK consumers.
Overview by Rob Ashton

Open banking has been a complex project with the UK breaking ground on what we hope can be a global movement towards proliferation of financial data for the benefit of citizens. The year 2019 will hopefully be the year it will realise its full potential. While the project is largely delivering on the outcomes it set out, the global community can learn a great deal from the choices and decisions, for example in technology and customer journey designs, to improve their own path.

Panellists discussed the need for engagement of stakeholders at an early stage, regulation being led by technology, and building technical standards based on a good customer experience. A key emerging theme is the need to give ASPSPs (as banks are known in the UK) the ability to develop viable business models around open data programs. This will create commercial pressure for effective delivery of open banking. Further, there may be merits in looking at developing commercial solutions for API specifications, beyond the current standardisation that is in place.

The panellists maintained their support for the project and are encouraged by the progress made to date and the forward-looking program of change.

Introduction to UK Open Banking Implementation Challenges

- What policy and regulatory requirements framed the delivery?
- How was the organisation configured?
- What were the key challenges of implementation?
- What lessons were learned and what would be changed with hindsight?
- What were the remedies to the tough issues and how were they enforced?
- How does the roadmap develop and what are the obstacles?

Speaker and Panelists

Imran Gulamhuseinwala - UK Open Banking Trustee
(Topic Introduction)
Dan Globerson - Head of Open Banking, Royal Bank of Scotland
Colin Garland - Competition and Markets Authority
Ed Colley - Programme Director, Open Banking Implementation Entity
Chris Michael - CTO, Open Banking Implementation Entity
Rob Ashton - CEO, Account Technologies

Overview by Brian Costello

Open banking enabled solutions provide ultra-personalised data driven solutions to both empower and protect customers by delivering the right financial advice at the right time, by allowing the customer to engage with responsible lenders and, for those customers at risk, by helping them optimise their fixed income. By using these solutions, customers are inherently protected from market forces, from predatory lenders and from their own behaviors.

However, customer are also at risk of misuse of their identity, data, devices and, of course, their funds - by bad actors with malicious intent as well as by negligent or ignorant innovators and service providers - and by themselves.

In this session, we discussed open banking’s technical standards and its guidance for conduct, governance and technology management; as well as the regulations and orders that ensure policy imperatives like competition, stability and safeguards are addressed. We then explored how evolving technology and asymmetric enforcement combine to prevent a completely risk free ecosystem for all stakeholders. The key themes of the subsequent discussion focused on how to implement traceability to support the liability framework and how to ensure that customers understand to what they are consenting when they sign up for these data-driven services. We agreed these are complex issues, but crucial ones to the success of open banking adoption.

Introduction to Protecting the Customer and the Ecosystem

- What does the commercial market need to consider to support policy and regulatory objectives?
- What are the building blocks of effective dispute resolution for customers and between actors?
- What are the key fraud reduction opportunities?
- How do we develop an effective liability model that really functions?
- Is the cyber security and cyber insurance market working together?

Speaker and Panelists

Brian Costello - CISO, Envestnet | Yodlee (Topic Introduction)
Ed Colley - Programme Director, UK Open Banking
Faith Reynolds - UK Open Banking Consumer Representative
Remo Croci - Payments Lead, European Commission
Luke Scanlon - FinTech Lawyer, Pinsent Masons
Kaitlin Asrow - Federal Reserve Bank of San Francisco
Open Banking connects customers, third party applications, and banks in new ways

Open banking acts as a catalyst to digital transformation in banking and in the entire financial technology industry. It puts an end to the monopoly that the banking sector has held over customers’ accounts and frees up the end-users to choose from more creative and smart financial services. Whilst new businesses are offered great opportunities for breaking into the payment services market, the end-customers will benefit the most from this increased competition that triggers the creation of innovative services and brings down the prices. Eventually, the most successful service provider, be it a bank or a fintech, is likely to be chosen for its ease of use and quality of insight, rather than brand and multi-year experience.

Open banking is about effortless access to data, optimization of payment flows, greater financial transparency, and seamless interaction between payment participants, and these are the exact pillars which have shaped the Salt Edge API ecosystem.

Salt Edge has developed a set of intelligent digital tools, which, combined together, provide a 360-degree solution that opens the path to endless open banking opportunities. With over five years of experience in open banking field, Salt Edge has developed a secure channel to connect to over 3,100 bank interfaces, aggregate and enrich data, then make it available to end-customers and their chosen service providers. Additionally, Salt Edge unified payment gateway helps authorized third parties (including banks) to connect to any EU bank via open banking channels, so that end-users can securely initiate payments directly from their bank accounts. Salt Edge has successfully integrated with the available PISP open banking channels in UK, Germany, Spain, Czech Republic, and other EU countries, which positions the company a step forward in the open banking environment. Both payment initiation and access to banking data is handled via a unified interface, which makes integration of Salt Edge API fast and seamless.

The Salt Edge PSD2 Compliance enables small and medium banks to become compliant with the directives’ regulatory and technical requirements in the span of a few months. The solution comes with a pre-integrated bank Connector API, AISP/PISP API communication channels for third party providers (TPPs), SCA and dynamic linking application, consent management functionality for end-customers, a set of dashboards for banks, TPPs, and end-users, and much more. Our ultimate goal is to enable financial institutions to provide a unique experience for their end-customers through one interface. Salt Edge offers a range of enrichment services, such as transaction categorisation, merchant identification, income and account holder verification, etc. that empower financial institutions to gain an overview of end-customers’ financial behaviour - based on the aggregated information from all customer bank accounts.

Open Banking Initiatives

Whilst UK is a pioneer in open banking, this initiative is quickly embraced by countries from all over the world. In Europe already 26 out of 28 countries have transposed the PSD2 into their national law. Salt Edge is privileged to contribute to the establishment of open banking across the Europe by conducting systematic communications with regulators, integrating with bank sandboxes and offering them feedback on possible improvements, and participating at thematic conferences and educative seminars. In Australia, by 1 July 2020 all major banks will have to open up data to customers, while by July 2021 - rest of banks will also have to do so. In Hong Kong only the largest retail banks will be obliged to open up access to data, while smaller banks can decide for themselves whether to comply with this initiative. In Singapore, MAS has been laying down progressive policies for open banking as early as 2016 and is in favour a more organic approach. Nigeria has formed an industry working group that will develop the API standards, and Brazil plans to adopt open banking in 2019. These are only few of the existent initiatives.

Salt Edge is keeping the pace with the standards adopted in each country and communicates with financial institutions from across the globe in their native open banking “language”. Open banking is here to stay, and the faster financial institutions understand, accept, and adopt it, the quicker the payment industry will go through a major historical disruption.
Panel discussion and Question

- Considerations of conduct, suitability and the application of firms for regulation.
- What are the unique challenges of open banking and multi-party systems where the currency is data? Is there an opportunity to reconsider the audit requirements?
- How do payment protections and data protections vary?
- What is the latest policy thinking on how the regulatory framework can develop to support the liability model if a data loss occurs? How can regulators ensure that only regulated actors access the ecosystem?
- How does the regulatory environment keep up with technology and the rapid iteration of business models? Can the ecosystem help the regulator? Do sandboxes play a significant role?

Overview by Gavin Littlejohn

This fascinating panel explored some interesting and deeply challenging issues. From an open banking and open finance perspective, the panelists represented regulators at different stages of the journey. The range of risk types were explored, including the challenge of quantifying loss in a data hack scenario. The panel discussed the impact that rapidly evolving new business models, built on data access, would have on regulation and recognised that regulation would have to become more dynamic and technology enabled.

The panel also discussed the challenge of detailed regulatory drafting becoming obsolete or inhibiting the development of a market, where the underpinning legislation is completed years before the implementation, and in what scenarios the regulation needed to be prescriptive, and in what scenarios a more ‘principles’ based approach to legislation or policy development was needed. Whilst the more detailed policy drafting made it easier for firms to provide assurance that they were compliant, the more directional policy drafting enabled regulators to understand the unfolding situation and make adjustments to ensure better market facing outcomes, without having to revisit the primary text.

The panelists agreed that deep engagement with market participants and other regulators provided them with insights and capabilities to improve.

Speaker and Panelists

Karina McTeague - Financial Conduct Authority (Topic Introduction)
Beth Duggan - Office of the Comptroller of the Currency (OCC)
Arnaud Delaunay - Direction Générale du Trésor
Annette Ryan - Finance Canada
Sarah Court - Australian Competition and Consumer Commission
João André Calvino Marques Pereira - Central bank of Brazil
The Centre of Excellence will be a global economic observatory and digital sandbox of global datasets. It will provide leadership on standards and ethics, as well as offering a test-bed of real, anonymised transactional customer data from banking, credit, investment and other financial services. The Centre will be supported by world class data infrastructure and data science, safely used as a force to change lives.

**WHAT IS THE GLOBAL OPEN FINANCE CENTRE OF EXCELLENCE?**

**WHAT WILL THE CENTRE OF EXCELLENCE DO TO OPEN FINANCE WORLDWIDE?**

1: **GAME-CHANGING INSIGHT**

Financial services apps and providers will access the sandbox to test and perfect new products and services before they go live, increasing innovation and competition, and changing the way people and businesses manage their money, and manage their lives.

2: **HELPING SOCIETY**

The global economic observatory will be invaluable to Universities, NGOs and charities, who will be able to use the data to create new insights and new policy on national and global issues such as climate change, based on real data and evidence.

3: **BETTER GOVERNMENT**

Imagine a world where governments can be almost certain about the impact of a policy intervention by testing it first on the live data in the sandbox. Equipping government with this evidence means they could:

   a. model the behavioural and economic implications of a change in tax or interest rates
   b. generate real insight into credit - the impact of unfair access to credit, of the price of credit and of credit addiction
   c. assess and forecast the uneven impact that rapid population growth is having on the distribution of property, and the concentration of property ownership
   d. assess and forecast the implications of longer life on savings, employment and health
   e. understand the complex relationship between financial behaviour and other societal characteristics, such as crime and health

4: **ETHICS & REGULATION**

The sandbox could be revolutionary, but it must be used to deliver economic and social benefits. We will ensure legal compliance and trust from consumers by using the data ethically, for the public good - anything else is bad for the consumer and bad for the market's development.

5: **DATA & ANALYTICS**

This is the first time that the large data sets in the sandbox will be combined with such super-computing power. New forms of capability will be produced as a result of innovation in data analysis, interpretation and visualisation.
Powering Open Banking with fintech

There’s a lot of noise about Open Banking right now. It’s clear that getting hold of data from multiple sources to create new, personalised digital customer services is key to success. And that’s where fintech adds real value.

- Which are the right Fintech companies to work with?
- How will they integrate with your core systems?
- What are the best steps to scale beyond a simple pilot?
- How can you fast track the procurement process?

Sopra Steria can help

As consulting-led banking and insurance experts, we help our clients design exceptional customer experiences using Fintech. We have an eco-system of alliances with fintech organisations, seamlessly incorporating their functionality into our market leading Sopra Banking platform, used by over 800 banks and building societies worldwide.

We’re working with leading banks and insurance companies right now to build fully digitised, highly personalised platforms using the very latest fintech to accelerate Open Banking opportunities, including:

- Account Application process
- Customer and Account servicing
- Debt Management

Interested?

Call us now on +44 (0)370 600 4466
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visit www.soprasteria.co.uk
Free Categorisation as a Service

Free-to-use, community-supported API for personal financial transaction analysis. The API solves several common experience use cases in personal finance, and provides the fundamental building blocks to power innovative user experiences.

Transaction APIs

Transaction categories
Classify customer bank account and credit card transactions into categories, with summarised spend by month.

Merchant Identification
Identify merchants associated with customer transactions, summarised by monthly spend.

Premium services
Additional paid-for services such as income verification and mortgage affordability assessments available on demand.

Get started today
Request your developer token or send any questions to:
api@moneydashboard.com

Money Dashboard and GoCompare Group
Open Banking API link-up set to disrupt UK banking sector

- Third party developers will have free access to an AI-powered categorisation platform which is compatible with hundreds of UK banks and financial institutions
- API platform enables fintechs and challenger banks to understand their customers better, deliver more tailored products and services
- Platform will allow a "whole new wave to fintech products to launch this year"

Money Dashboard CEO Steve Tigar: "We see the platform as a game-changer in an open banking industry that is only now beginning to develop at pace."

Edinburgh, London x January 2019 - A strategic partnership between Money Dashboard, the free personal finance app with almost half a million registered users, and GoCompare Group is set to disrupt the UK banking sector with an API platform that gives third-party developers access to a powerful categorisation which can enrich data from hundreds of UK banks and financial institutions.

With an ever-increasing number of fintechs such as Revolut, Monzo and Zopa seeking to take advantage of the new open banking regulations by building money management features into their solutions, consumers can expect a wave of new innovation soon. However, these features are only possible if the banking data is enriched and labelled correctly - for instance, identifying that a specific transaction at Sainsbury’s was for fuel, not groceries.

The new partnership between GoCompare and Money Dashboard allows companies to run anonymised transactional data, in real-time, through a platform that carries out in-depth analysis, enabling fintechs to better understand their customers and deliver more tailored products and services. It’s a little like ‘Intel Inside’ for fintechs.

With dozens of fintechs already signed up to the platform since its recent launch, the initiative looks set to accelerate the pace of open banking innovation, which has thus far had a sluggish start. Money Dashboard and GoCompare are targeting further fintech sign-ups in 2019 and as more organisations sign up to the platform, the machine learning deployed will become more sophisticated in terms of how it analyses consumers’ data. It is expected the platform will in future power automated affordability checks for mortgage applicants, as well as identifying £100s savings consumers can make on regular household bills.

Money Dashboard CEO Steve Tigar said: "We see the platform launched with GoCompare as a game-changer in an open banking industry that is only now beginning to develop at pace. What is really exciting is not only the potential for the platforms to create a whole new wave of fintechs, but also that, ultimately, the end consumer is going to get much improved products and services."

Jackson Hull, GoCompare Group’s Chief Operating and Technology Officer, said: "We have a responsibility to drive innovation and create the absolute best experiences for customers. Our partnership with Money Dashboard, a successful, forward-thinking fintech brand, is a key part in the development of this vision, and our hope is that together we can help financial organisations better understand and serve their customers."

The strategic partnership and API platform were launched at last month’s FDATA Global Open Banking Summit in Edinburgh.

About Money Dashboard

- Launched in 2010, Money Dashboard is established as the UK’s leading personal finance app, serving over 175,000 users, and has won the 2018 British Bank award for best personal finance app. The award-winning app gives consumers the TrueView® of their financial position by:
  (1) consolidating all their current accounts, credit cards, and savings accounts from over 60 financial institutions, and
  (2) allocating each bank transaction into a distinct expenditure category, thereby automatically organising an individual’s finances for them.

- The company generates revenue by creating insightful market research from anonymised bank statement data, for example by helping hedge funds predict revenue announcements of listed companies.

- Money Dashboard has raised over £10 million in equity financing to date and was selected in the first cohort of the London Stock Exchange’s ELITE programme in 2014.

- Money Dashboard founded the influential trade association Fdata that lobbies on behalf of its members for the adoption of open banking standards worldwide.

- Money Dashboard is available on web and for Android and Apple devices. Find out more at www.moneydashboard.com

About GoCompare Group

- GoCompare.com Group plc operates GoCompare, a leading UK financial services, utilities and home services comparison website: MyVoucherCodes, which is a digital media and affiliate marketing specialist that connects consumers with money saving offers from the world’s leading brands; EnergyGym, an established energy switching and comparison service with more energy supplier relationships than any other UK comparison provider; and Yekiwi, an innovative switching service that uses technology to automatically flip people onto cheap energy tariffs forever.

- The Group is also an investor in Souqalmal.com, the leading comparison business in the Middle East; and in promising fintech start-up MortgageGym, the mortgage robo-adviser.

- This API platform allows fintech organisations to pass anonymised transactional data to GoCompare’s APIs, which will carry out in-depth analysis and produce a summary of those transactions and provide predictions on future spending, for free.
Introduction to Forward Planning and Market Requirements

- Defining market requirements and prioritising data sets
- Reducing engineering cost, risk and complexity
- Design features for security and traceability of data assets
- Market requirements for usability
- Sandbox and test environments
- Governance of international collaboration

Speaker and Panelists

Gavin Starks - Founder, DGen (Topic Introduction)
Ian Major - Chief Operating Officer, Runpath
James Varga - Founder, The ID Co
Vincenzo Mitolo - Head of Growth, TrueLayer
John Heaton Armstrong - Senior Consultant, RAIDIAM

Overview by Gavin Starks

We can learn from history that every age thinks that it is the modern age. The idea that any incumbent is ‘too big to challenge’ has been disproven time and time again in every industry that has transformed. Our innovation panel explored what we might learn from a quarter of a century of the development of the Web, and beyond.

However, banking has a unique and unusual starting point today: the Open Banking Standard was a world first. Its outcomes are not about technology, but developing a culture that shortens the path between innovation and policy by balancing the needs of business, customers and regulation. It helps create positive starting conditions for an open marketplace that addresses risk.

The top action countries looking to implement open banking should take is to establish a consumer data right. This has far-reaching implications, not just for banking - indeed not just for financial services - but across the entire spectrum of digital services.

Our panel reflected that Open APIs will unlock far more innovation than other technologies, such as blockchain; that just building a technical standard on its own doesn’t just create an ecosystem; that customer expectations are changing.

One core conclusion is that the world of digital is an API-enabled world and that, done well, this can unlock the potential for further innovation that meets the needs of our customers.

Open Session

- Infrastructure and architecture design choices
- API standards for payments and data payload
- Security profile choices and ISO standards
- Reducing complexity through strict conformance to open standards
- API resilience and scalability
- Planning for standards migration
- International cooperation to improve safety and data traceability
- Development of test environments

Speaker and Panelists

Dave Tonge - Chief Technology Officer, Moneyhub (Topic Introduction)
Siddharth Shetty - Fellow, iSPIRT
Chris Michael - Chief Technology Officer, UK Open Banking
Arturo Gonzalez Mac Dowell - President and CEO, Eurobits
Nick Thomas, Co-founder - President and CTO, Finicity

Overview by Dave Tonge

We had a wide-ranging discussion about the technical approaches and challenges with delivering open banking. There was an agreement on the importance of standardising the security profile used by the various open banking initiatives and the OpenID Foundation’s FAPI profile was highlighted as a potential solution in this area.

The panel discussed the issues that have arisen from the EBA’s Regulatory Technical Standards which fall in the middle ground of being far too prescriptive in some areas and not enough in others. The panel discussed the fact that it is better for regulations to remain principle based and to as far as possible avoid specifying anything at the technical level.

There was a discussion of the Aadhar project in India and the way in which it has solved the digital identity challenge.
Key learnings from the FDATA conference

1. What we can learn from India
One of the most insightful themes coming through the two days was the steps taken in India to make open banking work for people. Redirection for authentication seems to have been dismissed at a very early stage, as the majority of the public are dependent on mobile banking rather than online banking.

Financial and health inclusion is a core central issue in India. Ensuring that appropriate infrastructure is in place for digital identities was therefore seen as an essential enabling step for open banking and other digital engagement. The success India has had in establishing a working digital ID solution places it in a good position to enable people in India to benefit from open finance innovation quickly.

The lesson to be learned is that more decisive action needs to be taken to bring about solutions which meet the needs of customers. Standards bodies also need to acknowledge that the need for digital IDs is a key issue. Until it is directly addressed and appropriate digital infrastructure put in place, the effectiveness of open finance solutions will be held back.

2. We may need a data ombudsman
In Europe, efforts have been put into implementing the requirements of PSD2 and enabling the standards for APIs established by the Open Banking Implementation Entity, STET, the Berlin Group and others. However, trust in open banking depends on customers feeling that they will not be worse off by using open banking products and services.

Customers need to know how to resolve a dispute with their providers when data is compromised. For payment services in the European Economic Area, there is a reasonably clear process and liability model – you seek recourse from your bank (or other account holding provider) and the bank then pursues the payment initiation services provider if it caused the problem. Customers who are unhappy with their bank can take the matter to the financial ombudsman for independent dispute resolution.

Where the third party is providing an unregulated data aggregation service and the customer’s data is compromised, the customer still has strong rights against both the account holding institution and the third party provider under GDPR. The onus is on these parties to prove that they were in no way responsible for any compromised data.

But what can the customer do with these rights? If the customer complains but the bank or third party provider does not accept liability, where does the customer go? There is no equivalent to the financial ombudsman for losses relating to compromised data. For customers to feel the same level of assurance they have when buying a car, renting a house or using a payment service, they need to know where to go when they feel that a complaint has been left unresolved. Perhaps it is time to talk about establishing a data ombudsman service.

3. Security standards remain at issue
Internationally, not enough thought has been given to ensuring that open banking security standards are always kept at the highest level of protection for the customer. This was a clear message expressed throughout the two days of the conference.

While work has been undertaken to address security issues by some standards bodies, often security has not always been front of mind in API standardisation discussions, where the focus has been more on blunt compliance with the relevant regulatory regimes. Unless security concerns are addressed in a consistent and practical manner, there is a risk that a security incident in any part of the world relating to open banking could delay the transformative impact it will have on future financial services.

4. The world is watching Europe
Several jurisdictions are considering whether and how to implement open banking regimes, often linked to broader Open Data initiatives. They are watching the European (and specifically the UK) experience to learn lessons and iron out possible frictions before they arise.

How we can help
Whether it is a new collaboration opportunity, regulatory compliance concern or support for negotiating with your outsourcing providers, as leaders in technology and open banking, at Pinsent Masons we are well placed to enable you to take advantage of open finance opportunities.

Yvonne Dunn
Partner, Head of Fintech
Tel: +44 141 249 5460
Mob: +44 7917 173 269
Email: yvonne.dunn@pinsentmasons.com

Luke Scanlon
Head of Fintech Propositions
Tel: +44 20 7490 6597
Mob: +44 7887 815 950
Email: luke.scanlon@pinsentmasons.com

It’s bigger than open banking
Regulators and policymakers across the world are now focussing their attention on how innovators can access and use mortgage, loan, pension, investment and savings data. The future is not just about open banking.

At Pinsent Masons we have been along the open banking journey with fintechs, CMA9 banks and non-CMA9 banks. Our international practice is known for handling complex, innovative and ground-breaking matters in the fintech space.

That’s why we are leaders not just in providing legal support for open banking, but at the cutting edge of the future of all open financial services.

Yvonne Dunn
Partner
Head of Fintech
Tel: +44 141 249 5460
Mob: +44 7917 173 269
Email: yvonne.dunn@pinsentmasons.com

Luke Scanlon
Head of Fintech Propositions
Tel: +49 89 203043 530
Mob: +49 172 368 01 82
Email: luke.scanlon@pinsentmasons.com
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The FDATA Global Open Banking Summit was an event that I had been looking forward to since dates were announced earlier in the year. Part of the reason that I was excited to attend and speak was that open banking has made such tremendous strides since being legislated for in January 2018. To encapsulate that change, only an event of the size and scope of the Summit could do justice to such a fluid and constantly evolving technology.

We are in the middle of a global storm and huge, fundamental shift in the market; open banking is becoming a global trend. Consumers demand that banks are much savvier with their data, and some of the digital only banks are responding to this challenge. We are at the middle of that storm and it’s exciting. Our goal is to make these trends a reality by breaking down barriers in finance, remove friction and offer speed and convenience for consumers.

What particularly excites me is that there is both so much happening with open banking, and yet so much still to do. In the UK we have seen a focus on current accounts for the early releases of open banking, and with good reason. Some banks are beginning to bring in account aggregation and that’s a good start that will illustrate a solid use-case for open banking.

Look at what open banking can offer to consumers. Your bank holds all kind of information about you. It knows you better than anyone else. Using that bank data can be a secure and knowledgeable way to operate online. Credit applications such as a credit card, mortgage or loans can be personalised and approved in seconds. Customers can manage all their finances together, and FinTechs can offer products and services that high street banks cannot. In the UK we have such companies as Pension Bee and Wealthify doing great work here.

We have already had considerable success with our own B2B platform DirectID, integrating with financial institutions to bring the benefits of open banking to their customers. We were one of the first to bring account aggregation to a high-street bank, when DirectID integrated with Clydesdale & Yorkshire Bank earlier in the year.

But even now, I know that there’s still so much more. Whether it’s savings, pensions, mortgages, utilities and more, open banking, open APIs and open finance have the potential to positively impact upon people’s lives.

A recent use-case that we’ve seen is on the subject of affordability. We didn’t know that the FCA would legislate to make it a legal requirement for lenders to ensure that affordability checks had been undertaken when applicants applied for a loan. But they have and that legislation is now live. What we’ve seen however, is financial providers look at open banking and ask if that technology can be used to check an applicant’s discretionary spend. With the work we’ve undertaken on our Categories & Classifications engine, we’re very happy to provide support to those lenders.

The subject of how consumers can be educated on open banking was rightly addressed at the Summit, but as I’ve written before, there is no need to educate the public on the use of APIs or data, but merely show them the benefits that they can bring about. Much like contactless payments or other technologies in the financial sector, these are shown to be faster and more efficient than the old ways of doing things, then adoption will come.

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The ID Co

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James Varga
CEO, The ID Co
The Awards

The two-day FDATA Global Open Banking Summit included the inaugural Open Banking Awards. The Awards were created to recognise excellence in providing innovative financial applications and services to empower customers to make better decisions and take fuller control of their financial lives.

The volume of submissions for the awards proved very encouraging, and bodes well for this year’s 2nd Open Banking Awards.

The winners were revealed at a prestigious Awards dinner at the National Museum of Scotland in Edinburgh.

**Overall most innovative new project using account aggregation as a force for making lives better**

*Money Dashboard*

**Best new innovation in consumer lending using account aggregation**

*Credit Kudos*

**Best new innovation in a consumer saving or wealth journey using account aggregation**

*Money Dashboard*

**Best new innovation in consumer money management using account aggregation**

*Yolt*

**Best new innovation in solving problems for small businesses using account aggregation**

*FreeAgent*

**Best new innovation in driving frictionless digital financial distribution**

*Castlight Financial*

**Best new innovation in third party payment initiation for consumers**

*Truelayer*

**Best use of applied data science using account aggregation as a force for good**

*Money Dashboard*

**Best technology provider vending to Open API Standard**

*TESOBE Ltd*

**Best new innovation from a technical service provider**

*Yapily*

The Judges

We are grateful to our panel of judges who took the time to assess and judge each of the entries giving us such a strong shortlist. We would like to take the opportunity to thank our judges.

- **Dimitri Barbasura**
  Co Founder and CEO, SaltEdge
- **David Beardmore**
  Commercial Director, Open Data Institute
- **Bharat Bhushan**
  CTO Banking and Financial Markets, IBM
- **Rob Burlison**
  Director of Corporate Affairs, Intuit
- **Mark Chidley**
  Financial Services Consultant
- **Roberto Dickie**
  President, Chartered Banker Institute UK
- **Daniel Gussev**
  Managing Partner, Gauss Ventures
- **Stephen Ingleidew**
  Chief Executive, Fintech Scotland
- **Kunal Jhanji**
  Principal in Retail and Business Banking Practice, Oliver Wyman
- **Graeme Jones**
  Chief Executive, Scottish Financial Enterprise
- **Kent MacKenzie**
  Director, Deloitte
- **Ian McKenna**
  Director, Finance and Technology Research Centre
- **Ruth Milligan**
  Head of Programme, Financial Services and Payments, TechUK
- **Paul Rohan**
  Director, Rohan Consulting
- **Faith Reynolds**
  Independent Consumer Expert in Financial Services
- **David Ross**
  Chief Technology Officer, TransUnion
- **Kevin Telford**
  Advisor, ThoughtWorks
- **Chris Wearing**
  Head of Digital and Commercial, Sopra Steria

The Sponsors

Thanks to our sponsors Salt Edge and AccountScore whose support made the awards possible.

Salt Edge

Salt Edge is a global fintech company offering a range of cutting-edge solutions to banks, lenders, credit bureaus, finapps, and other financial companies that are interested to leverage the power of open banking. Among its most popular services are financial Data Aggregation API, PSD2 Compliance solutions, Open Banking Payment Gateway, White Label Retail Banking, and Data Enrichment Platform.

ISO 27001 certified, the company employs the highest international security measures to ensure stable and reliable interoperability channels between financial service providers and their users. Connected to 3100+ financial institutions in 61 countries, Salt Edge brings comprehensive financial data at the fingertips of 250K end-users on a monthly basis.

Salt Edge Inc. has a proven track record of success on the European market, acquiring a vast clienteles ranging from well-known fintechs (Cleo, Oval Money, Yolt, etc.), banks (BBVA, Societe Generale, ING, Intesa Sanpaolo, etc.) and credit industry companies (Crif, Experian, etc.).

Account Score

AccountScore is a highly innovative global data and analytics business that provides actionable insights and analytics on bank transaction data for clients. Providing reliable, accurate and easy to understand transaction data analytics on data either sourced through consents, online or directly imported. In addition, we have created consents.online which is an AISP providing branded Open Banking as a Service (OBaaS), accessing APIs from banks to collect transaction data. We offer a turn key solution to implementing open banking solutions for businesses in the UK. AccountScore is headquartered in London, with market presences in the USA and India, with plans to expand further over the next 18 months.
It’s a service that can be easily deployed across any existing infrastructure, so clients can select the elements they need with minimal need for integration.

Some of the benefits for businesses include improved datasets - with the data available through open banking complementing the datasets we already hold - and more granular insights, which can support, in particular, those with a thin credit file or that are new to the UK. It also ensures more streamlined processing, by reducing the amount of manual processes involved in underwriting.

Equally, for consumers, open banking can bring about better customer service, thanks to an easier, more straightforward process when it comes to gathering and submitting financial information, and more accurate, fairer decisions, as the credit provider will have a better picture of the consumer’s broader financial status and can therefore make a more informed decision.

How it works: Categorisation is the foundation, analytics is the key

TransUnion Open Banking uses specially built proprietary technology and enables data to be classified into 20 macro groups and more than 175 sub-categories through the categorisation engine. Categorised data is then processed through a number of analytical models which focus on salary, expenditure, affordability and creditworthiness. These models will be tailored for different sectors and requirements to help ensure relevance and accuracy, and are being developed to complement our existing affordability and credit products.

A smooth customer journey that fully informs consumers of their rights and what the data will be used for is essential. Equally, once the data has been provided it is imperative it is used for the benefit of the customer, and that starts with accurately categorising and analysing the information received.

Open banking isn’t just about gaining consent, it’s about helping both the client and consumer benefit from more informed decisions and tailored services and products. There’s a lot of anticipation, given the power of the data which open banking unlocks, and we’re confident we can deliver on this vision and help make it a success.

For more details visit www.transunion.co.uk/open-banking
THE 3rd ANNUAL GLOBAL OPEN FINANCE SUMMIT & OPEN BANKING AWARDS

SAVE THE DATE

“The Global Open Banking Summit was the most informative and insightful conference of its kind this year.”
Steve Tigar - Money Dashboard

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