

OPEN BANKING

Open Banking 2019 Review

Month by Month
Highlights



Open Banking Providers in 2019

204
regulated
providers

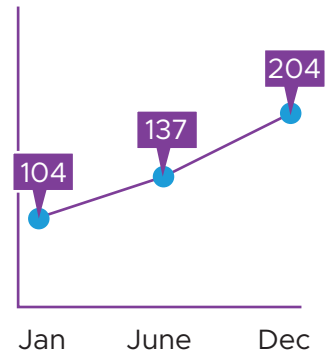
70 account providers
134 third party providers
61 regulated entities
with at least one proposition live
with customers

1.25bn

API calls within the ecosystem

demonstrating the vibrancy and frequency of
customers using Open Banking

Growth of Providers



2019 Highlights

Two years since the legislation that underpins Open Banking, the second Payments System Directive (PSD2), came into effect, Open Banking in the UK has surpassed one million users for the first time. Open Banking technology allows consumers and small businesses to connect their bank accounts with authorised third parties in a safe and secure way

January

- MOGO, Access Systems, Pelican, Banked, Zeux, Truelayer and Experian joined the Open Banking ecosystem
- 77% of SMEs and large corporations were already or were planning on using the Open Banking API

February

- M&S Bank announced they will speed up the mortgage process using Open Banking, reducing the application time for customers
- Lloyds and Natwest used Open Banking aggregation in their online banking
- Account Score (consents.online) and the Insolvency Panel announced the first ever Open Banking powered solution for free-to-client debt advisors

March

- Experian targeted radically reducing the UK's 'invisible' population by harnessing the potential of new data sources, which can help organisations make more informed decisions
- CreditLadder and the world's largest building society, Nationwide Building Society, joined forces to help first-time buyers move on to the property ladder
- Investec, Tesco and Vanquis Banks joined the Open Banking ecosystem

April

- UK start-up Tully (an Open Up 2020 Challenge Finalist) launched a promising Open Banking solution to help provide in-debt Britons with a clear picture of their finances along with a personalised, flexible repayment plan
- Nationwide Building Society picked seven fintech start-ups to take part in its £3 million challenge to develop Open Banking-based apps and services that help financial vulnerable people

May

- Sainsburys Bank, MBNA and ICBC (London) joined Open Banking ecosystem
- NatWest became the first UK bank to use Open Banking to provide customers with an alternative way to pay for online purchases – without having to use their debit or credit card
- Then Chancellor Rt Hon Phillip Hammond discussed Open Banking at the Innovate Finance Global Summit

June

- Lloyds launched first Open Banking app for credit cards and savings
- Newcastle Building Society launched Open Banking-enabled debt help service
- TPP Token published 'Open Banking's First Year-End Dividend'

Six-Month Milestones

137

**regulated
providers**

85

**third party
providers**

52

**account
providers**

32

regulated entities
with at least one
proposition live
with customers

July

- American Express and Metro Bank joined the Open Banking ecosystem
- Funding Options & iwoca joined forces to deliver SME loans in 30 seconds
- Token.io brought Open Banking into the property sector
- TrueLayer partnered with Revolut to bring new household budgeting features to Emma

August & September

- Currensea teamed up with Open Banking to launch a debit card linked to your bank account for holidaymakers to use abroad to save on fees
- American Express tapped Open Banking for account-to-account payments
- Salt Edge used Open Banking to launch partner program

October

- Tandem Bank and Xero joined the Open Banking ecosystem
- Skipton Building Society used Experian Open Banking for mortgage applications
- Accounting app Coconut tapped Open Banking APIs to automate book-keeping
- Revolut launched first Open Banking foray with a new partnership with Intuit QuickBooks accounting platform to improve integration

November

- 15 fintechs secured funding from the **Nesta Open Up 2020 Challenge** run by Nesta Challenges and Open Banking to develop innovative solutions that use Open Banking to transform how people across the UK manage their finances



powered by

nesta. Challenges

The Finalists:

Personal Financial Management



Savings



Debt, Credit and Alternatives



And More



- Payment initiation went variable: GoCardless made the first live Variable Recurring Payment (VRP) transaction

December

- HSBC signed a global partnership agreement with London-based fintech start-up Bud, a platform used by global banks to harness the power of Open Banking
- New Open Banking entities with live customers included: Coconut, SAFECONNECT LTD and Yodlee Inc. UK Branch

Goals for 2020

- Finish **implementing** the Open Banking framework and improve **usability** and **functionality**
- Increase **customer adoption** of Open Banking and expand the **third-party provider ecosystem**
- Work with industry and regulators to **widen the scope** of connected financial services

Upcoming events

FCA consultation on Open Finance -

We welcome the Financial Conduct Authority's call for input into widening the scope of connected financial services. By creating a secure and consistent way to help people manage their finances, Open Banking has shown how it can rebalance the market in favour of the consumer. We hope that regulators will look to the success of Open Banking to learn how best to establish a comprehensive, functional Open Finance ecosystem.

OBIE's Trustee, Imran Gulamhuseinwala participates in the FCA's Open Finance Advisory Group and we look forward to working with them to achieve this.

