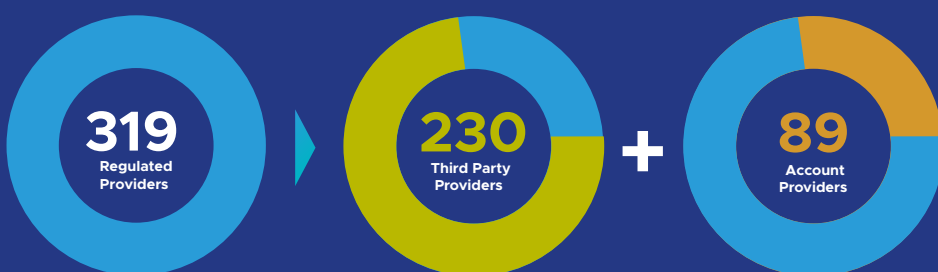


JUNE HIGHLIGHTS

2021

Ecosystem numbers:



114 regulated entities with at least one proposition live with customers

New OBIE app store participants

iSpent19

Powered by open banking

PTA's leverage open banking payments to reduce fees

Parentkind, the UK's largest network of parent teacher associations (PTAs), has signed a three-year deal with UK fintech Agitate to use its open banking-powered BOPP solution. PTAs raise more than £120 million annually and with the decline in cash, see this as a way to reduce card processing and platform fees. Using BOPP will enable Parentkind's 13,000 members to display a QR code on a school notice board or add a secure Paylink to any text or social media post to enable swift and secure payment direct from a donor's bank account.

Visa inks Tink acquisition deal

Visa has signed a definitive agreement to buy Tink. Visa will pay a total financial consideration of 1.8 billion Euros, inclusive of cash and retention incentives, to acquire the European open banking platform, which is integrated with more than 3,400 banks and financial institutions. Tink will retain its brand and current management team, and its headquarters will remain in Stockholm, Sweden.

Ecommerce merchants see open banking as a route to improve shopper experience

New research from Truelayer and YouGov points to online shopper behaviour being increasingly influenced by what payment options are offered. Having access to various online payment methods was cited by 48% of consumers as the reason for choosing a particular retailer, while 60% of shoppers have abandoned an online basket due to worries around lack of payments security. Yet two-thirds (63%) of those polled said they would be comfortable paying by open banking. 74% of merchants plan to offer instant bank payments, powered by open banking, as part of their long-term customer service strategy.

The UK and Nordics lead open banking in Europe

A new report by Mastercard, 'Open Banking Readiness Index: The Future of Open Banking in Europe' takes an in-depth look into how prepared European countries are to embrace the open banking ecosystem. The report also highlights the key differences in how countries are approaching open banking. The UK is building a world-leading open banking digital ecosystem with its own framework and API standard, while the pan-Nordic collaborative models and P27 initiative aid the region's open banking readiness.

Clearscore raises \$200 million to ease consumer access to credit through open banking

UK-based free credit scoring service and marketplace ClearScore has secured a \$200 million investment from US fund Invus Opportunities. The fintech enables consumers across the UK, Australia, and South Africa, to check their credit score for free or share their bank account data via open banking to be matched with lending products from over 90 partners. The firm says it will use the funding to expand its team, product suite, and customer base globally.

Key Highlights

14th June - Smart Data Working Group: Spring 2021 report

This report highlights the progress made on open banking in the UK, stating that the annual potential benefits from OB enabled services are estimated as £12billion for consumers and £6billion for businesses. The uptake and benefits from OB have accelerated due to the increased reliance on data during the Covid-19 pandemic.

17th June - The OBIE Op Ed: The role of digital identity in promoting access to Financial Services in the UK

Fiona Hamilton, Head of Standards at the OBIE, explains that digital identity is a key enabler of a modern, digitally enabled economy. The widescale adoption of digital identity can unlock substantial economic growth, provide efficiency gains, and protect against economic crime. Security is at the heart of open banking. The standards, procedures and trust developed as part of open banking have a pivotal role to play in opening up digital identity solutions in the UK.

22nd June - UK taxpayers are embracing open banking

In the OBIE's new thought leadership series, 'In conversation with...' Nick Down, Head of Payments at HMRC talks to Simon Lyons, the OBIE's head of ecosystem engagement, about his efforts to leverage open banking to provide value for public money. Within two days of the functionality being made available as a payment mechanism, UK taxpayers paid more than £1 million using open banking.

22nd June - The Open Banking Impact Report

As the OBIE Trustee Imran Gulamhuseinwala OBE, notes in the forward of the first Consumer Evaluation Framework (CEF) report, "we have come a long way since the CMA order that created the OBIE and launched open banking for UK consumers and small businesses." The CEF's purpose is to properly assess the impact of open banking on retail consumers and SMEs and examines the availability, adoption and customer experience of open banking services since implementation.

28th June - Boosting open banking and staying ahead of the curve- John Penrose MP

John Penrose MP wrote an article in The Times Redbox about securing the future of open banking. The piece highlighted the success of open banking in the UK so far and the potential for open finance. Penrose emphasised the importance of ensuring the UK keeps progressing and does not stall in an industry it currently leads globally.

30th June - Future of SME lending forum

The SME Forum explored what is to come for small business lending, with many firms taking on additional debt, or borrowing for the first time. Alternative lenders have become distributors of Government funds and a number of SME's report having to return to the large incumbent banking providers in order to access credit. The OBIE gathered a panel of experts to look at whether pre-COVID trends will resume or whether a longer-term structural shift has occurred.