

MARCH HIGHLIGHTS

2022

Ecosystem numbers:



126 regulated entities with at least one proposition live with customers

Powered by open banking

Apple acquires Credit Kudos

Credit Kudos, the London-based credit reference agency which allows businesses to access loan applicants via banking and payment transaction data, has been acquired by tech giant Apple. The move is thought to mark Apple's acceleration into the payments world and to help the firm secure a footing within the 'buy now, pay later' (BNPL) space.

AltFi publishes an overview of the open banking industry

The fintech publication released its 'Open Banking: State of the Market Report', a comprehensive summary of the open banking landscape in 2022. AltFi traces the history of open banking and explores how it has grown into the multi-billion-dollar industry we know today. The report also delves into the state of open banking worldwide and discusses the reshaping of the OBIE.

Klarna launches Kosma - a dedicated open banking unit for financial services firms

Klarna unveiled Klarna Kosma, a new brand that aims to expand its open banking platform to financial services firms. The Kosma business unit will enable financial institutions, fintechs and merchants to build the next generation of fintech apps and services by providing secure access to 15,000 banks in 24 countries via a single API. The announcement comes just weeks after the BNPL financial services firm introduced its first UK credit card.

Open banking data helps 'credit invisibles' access finance

According to new Experian data, five million people struggle to access financial products and public services because of a lack of information on their credit records. These so-called 'credit invisibles' include people with low incomes, young people without an established credit score, recent immigrants, and older people with no credit file. However, the research highlights that new data sources, enabled by open banking, have helped reduce the number of credit invisibles by 750,000 since 2018.

Snoop steps into the employee benefits market with Snoop Plus

Snoop, the money-saving app that uses open banking to analyse users' spending, is entering the employee benefits market with Snoop Plus. The product will offer personalised and proactive money management as part of its benefits and wellbeing strategy, placing financial health alongside mental and physical health.

PensionBee offers pensions to self-employed savers via Starling Marketplace

Online pension provider PensionBee has opened up its pensions to sole traders and owners of limited companies through Starling's Business Marketplace platform. Open banking enables PensionBee to use existing customer information held by Starling customers to combine their existing pensions and invest in new ones.

Key Highlights

25th March – CMA announces next steps on the future of open banking

The Competition and Markets Authority (CMA) announced its recommendations for the next steps for open banking, which will serve as a guide to ensure the future success of the OBIE. The future entity will build on the strong foundations established by the OBIE and look to continue its legacy by encouraging innovation and supporting competition in retail banking.

In tandem, the CMA, HM Treasury, the FCA and PSR will work together to propose a constitution for the new entity, publishing a joint statement outlining their plans for the oversight and governance of open banking. This highlights the creation of a Joint Regulatory Oversight Committee, which will continue to engage with stakeholders, including industry participants and end-user representatives, to help set the strategic direction for open banking in the UK.

17th March – The OBIE appoints Theresa Casey as the new General Counsel

The OBIE welcomed Theresa Casey as its new General Counsel as part of a series of appointments to strengthen the senior leadership team. Ms Casey is highly qualified, with significant experience in corporate governance, transformation, and financial services, most recently as General Counsel and Company Secretary at N Brown Group.

14th March – CMA clarifies the definition of Sweeping for Variable Recurring Payments

In mid-March, the CMA published a clarification on the definition of Sweeping, which details specifically what the payment solution entails. This comes after a decision in July 2021 to mandate the use of Variable Recurring Payments (VRPs) as a mechanism for implementing Sweeping as part of the Open Banking Revised Roadmap. The OBIE looks forward to seeing new Sweeping propositions come to market later this year.

3rd March - FCA updates guidance on 90-day Strong Customer Authentication

The FCA updated its guidance on Strong Customer Authentication to support the transition requirement of the UK-RTS Article 10A exemption, including reconfirmation of consent by AISPs. These rules are intended to enhance the security of payments and limit fraud during the authentication process. The OBIE believes the changes will minimise disruption to consumers and SMEs as the industry prepares to implement these changes.