

What is Open Banking?

Open Banking is a secure way for customers to take control of their financial data and share it with organisations other than their banks. It has the power to revolutionise the way we move, manage and make more of our money. For businesses, it is about making the management of cash flow and receiving payments cheaper and easier. This is the result of the retail banking industry's response to the UK Government's request for fairer, more transparent banking and financial services, and follows the Competition and Markets Authority (CMA) investigation into the supply of personal current accounts (PCAs) and of banking services to small and medium-sized enterprises (SMEs).

The Open Banking Implementation Entity (OBIE) was created by the CMA to deliver the Application Programming Interfaces (APIs), data structures and security architectures that will enable developers to harness technology, making it easy and safe for individuals and SMEs to share the financial information held by their banks with third parties.

There is a growing understanding across society as a whole that data has value, and belongs to the customer, not the bank. We are enabling a technology that allows customers to access and share it in a different, yet secure way.

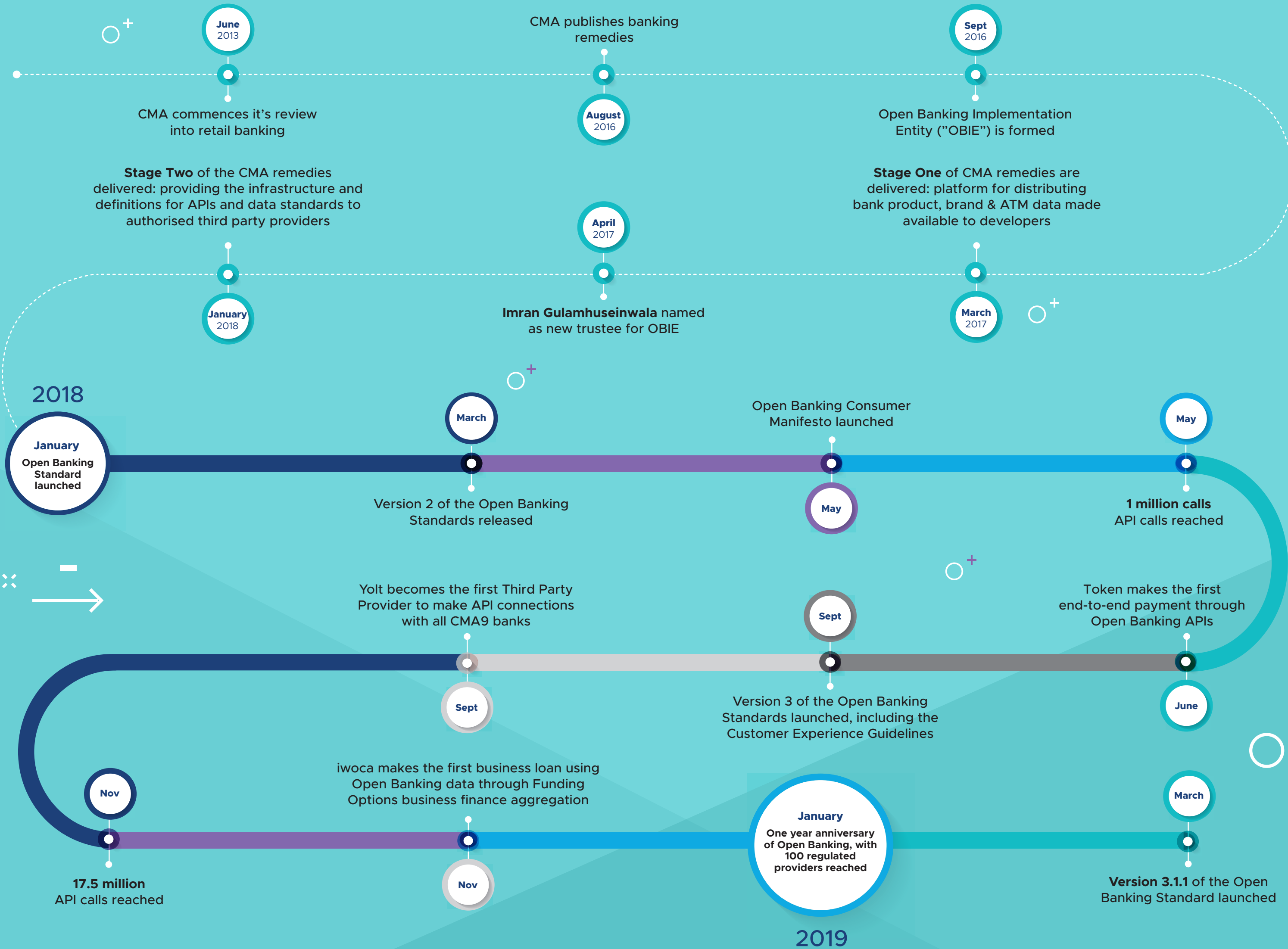
The OBIE

Our vision is to give people real control over their data so they can securely and effortlessly move, manage and make more of their money. We are working to create a dynamic, profitable and sustainable market for new financial services; easily accessed through consumers' everyday devices. Open banking will put consumers in the driving seat by giving them complete control over their financial data, confident that their data will only ever be used with their express and informed consent. We believe open banking will fundamentally transform the financial services market by creating greater choice, access and value for consumers.

OBIE's structure and governance

The OBIE is a private body; its governance, composition and budget is determined by the CMA. It is funded by the UK's nine largest current account providers and overseen by the CMA, the Financial Conduct Authority and Her Majesty's Treasury. The nine mandated institutions (referred to as the "CMA9") are: AIBG, Bank of Ireland, Barclays, Danske, HSBC, Lloyds Banking Group, Nationwide, RBS and Santander.

Our timeline



Facts and statistics

94%

of FinTechs are considering how open banking can enhance their current service.

Source: Open Banking
Snapshot: EY – March 2018

71%

of financial institutions feel that open banking is a positive initiative and 77% agree that it is a radical change for financial services.

Source: Fintech Futures: *Opportunity Knocks – the future of Open Banking 2018*

84%

of financial services companies are investing in open banking products and services.

Source: Fintech Futures: *Opportunity Knocks – the future of Open Banking 2018*

22%

of SMEs would pay for a dashboard of all business financial accounts and loans.

Source: KPMG: *Is Open Banking open for business? – November 2018*

77%

of banks in Europe plan to invest in open banking initiatives for their commercial customers.

Source: Accenture: *It's Now Open Banking – November 2018*

72%

of the UK adult population will bank via a phone app by 2023.

Source: CACI: *The Future of Digital Banking – May 2018*

8 out of 10

financial firms are adopting or planning to adopt Open Banking, or are interested in doing so.

Source: Transunion: *The Evolution of Open Banking- January 2019*

86%

of financial firms recognise the value of the data Open Banking provides.

Source: Transunion: *The Evolution of Open Banking- January 2019*



Size of market

Open banking could boost UK GDP by £1 billion annually

Source: CEBR study into Open Banking – February 2018



Potential Revenue

The open banking sector could quadruple its worth to generate £7.2bn of revenues by 2022

Source: PWC: *The Future of Banking – June 2018*



International Adoption

The UK leads the way in adoption, but international interest in open banking is starting to build in some of the world's other leading economies

Source: EY: *Open Banking Opportunity Index – October 2018*