

Open Banking

An Intro to Regulatory Considerations

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DeNederlandscheBank

EUROSISTEEM



Your name:	Coen ter Wal
Title of your presentation:	Open Banking: An Introduction to Regulatory Considerations
Name of the session in which you will be presenting:	Open Banking
Date, time, duration of your presentation:	Date: 25 November 2021 Time: 11:15 – 11:30 Max duration of presentation: 10 min Duration of questions & answers: 15min Maximum number of slides: [add] slides
Your affiliation (name of institution) that will appear on the programme:	De Nederlandsche Bank
Your role/title in the institution that will appear on the programme:	Policy Advisor

What should regulators focus on?

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Aim of Open Banking/Open Finance regimes:

- Enhancing innovation and competition

Basis of consumer's consent decision:

- Costs and benefits of allowing access

Focus of regulatory considerations:

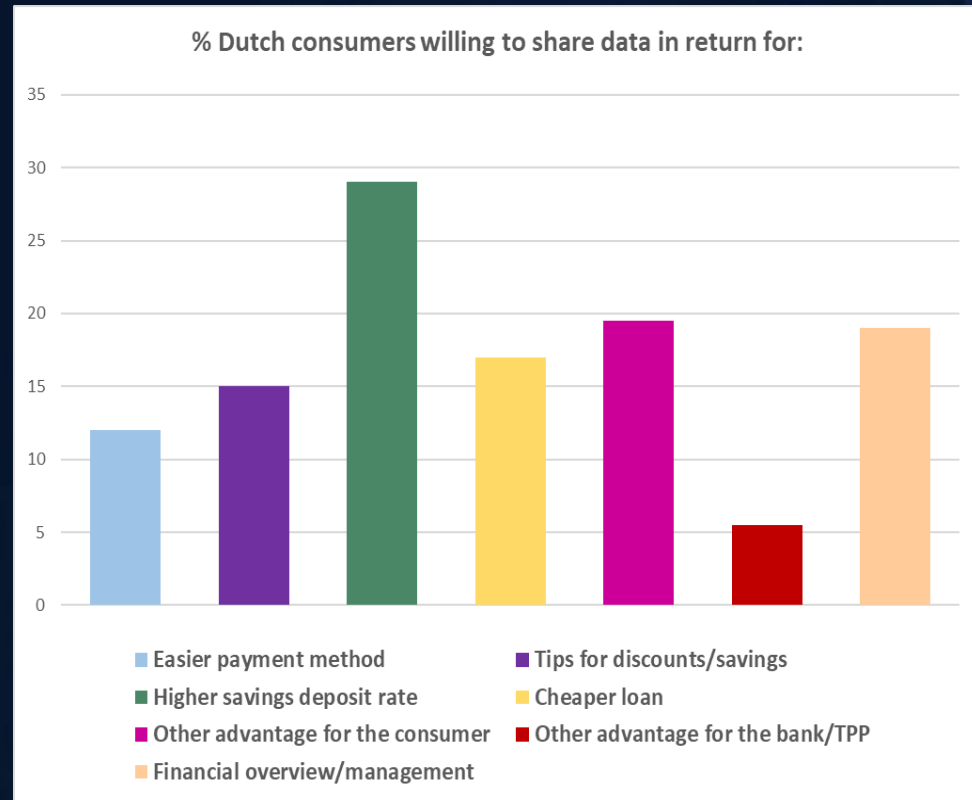
- Costs and benefits for consumers of providing data access

Benefit: allowing useful services

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Clear (financial) advantage is key:

- Willingness to share highest for services with financial advantage.
- How can regulation help enhance benefits of data-sharing?



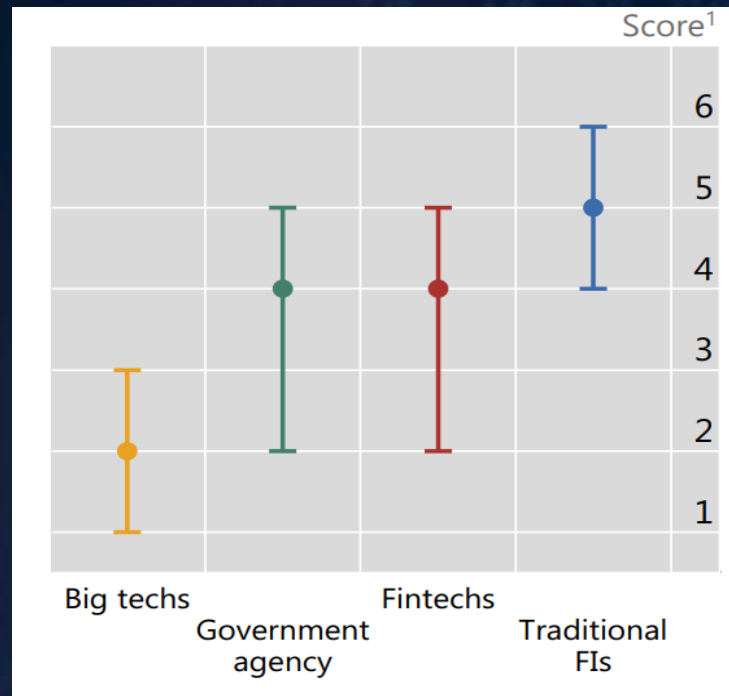
Source: DNB and CenER data

Cost: enhance trust and user experience

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Trust is key:

- Dutch consumers indicate level of trust is key component in data-sharing decision.
- BIS & DNB research shows consumers trust traditional FIs with their data more than TPPs.
- How can regulation help enhance trust?



Source: BIS

Cost: enhance trust and user experience

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User experience matters:

- EBA: 90-day re-authorisation imposes “detrimental” friction for some use cases.
 - Remove SCA requirement for account information services
- API aggregators can raise cost of data access
 - Standardisation of API-architecture?
 - Compensation to improve incentives?

Future regulatory considerations

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Broader data-sharing is next (Open Finance, Open Data)

- Leads to new considerations about e.g. interoperability, use of Digital ID

