



Current state of Open Banking in the Netherlands

Hessel Kuik

18-04-2023 @ Betaalvereniging Nederland

Who do we have in the room today?

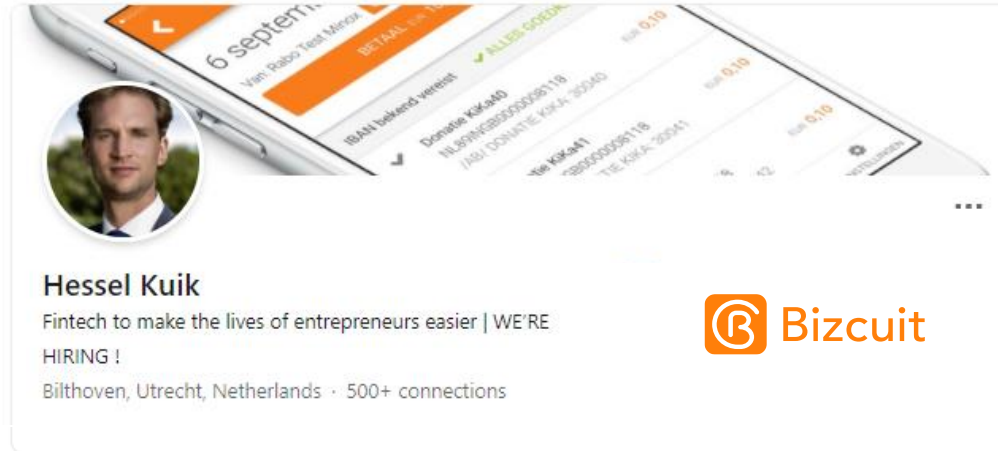
- Bank
- Licensed player
- Unlicensed player
- Regulator
- Consultant, lawyer, etc.



Who do we have in the room today?

- Bank
- **Licensed player(s)**
- Unlicensed player
- Regulator
- Consultant, lawyer, etc.





Bizcuit Groep
CEO / Owner



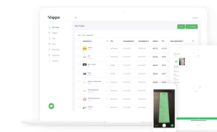
Accounting



ERP



BFM Platform



Document processing

Other

- Board Member @ Holland Fintech
- Chairman @ PSD2 Software Industry Group (PSD2SIG)
- Participant @ Berlin Group NextGenPSD2 Advisory Group

Before

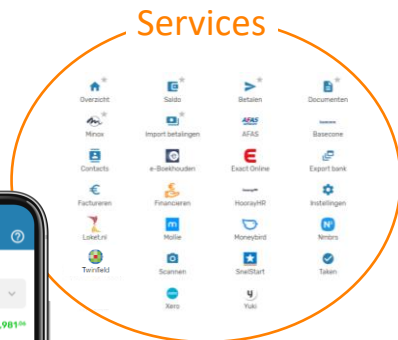
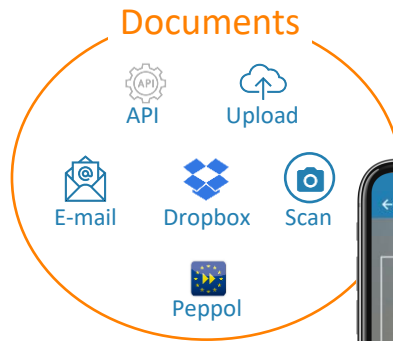
- ABN Amro, Protiviti, Accenture

Bizcuit

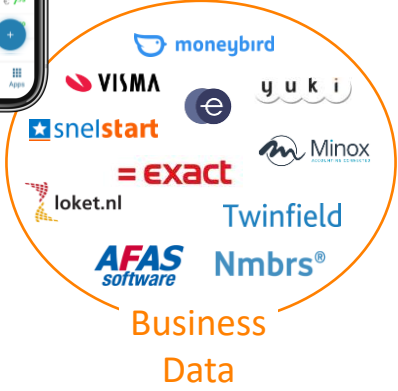
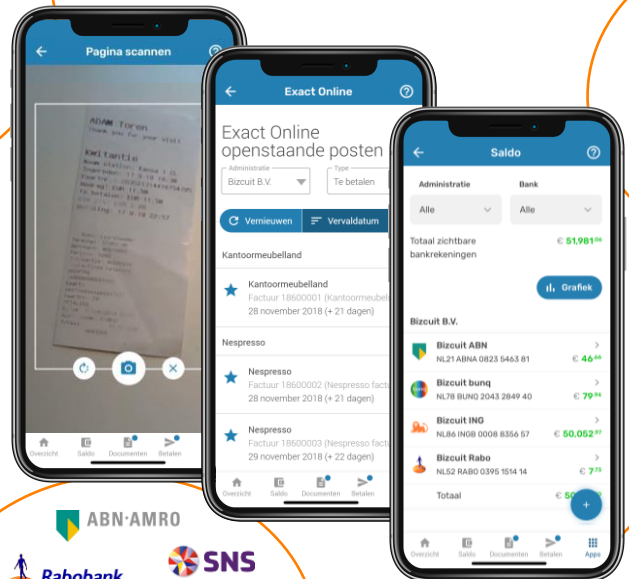
BFM Platform

ILLUSTRATIVE

- Invoices
- Receipts
- Contracts
- Etc.



- Payments
- Banking
- Invoicing
- Financing
- Credit management
- Direct debits
- Etc.



- Accounting
- ERP
- Payroll
- CRM
- Etc.



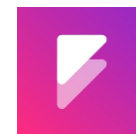
Entrepreneur

- AIS
- PIS



Accountant

PSD2 Software Industry Group (PSD2SIG)



Current state of Open Banking in NL

- Quick recap on PSD2
- Zooming in from EU to NL
- Areas for improvement
- Next: PSD3, commercial APIs, SPAA?

PSD2 objectives

- Support **innovation** and **competition** in payments
- Enhance **security** of payment transactions
- Enhance **protection** of consumer data



PSD2 services (new: XS2A)

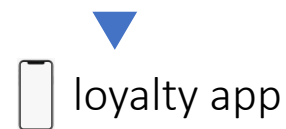
- Payment initiation services (PIS)
- Account information services (AIS)

3 models

TPP own use

=exact

TPP aggregator



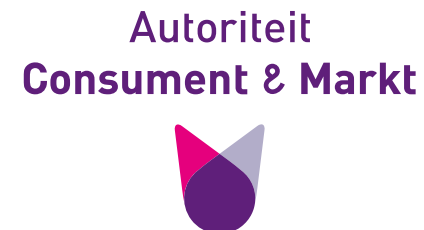
TSP

SALTEDGE

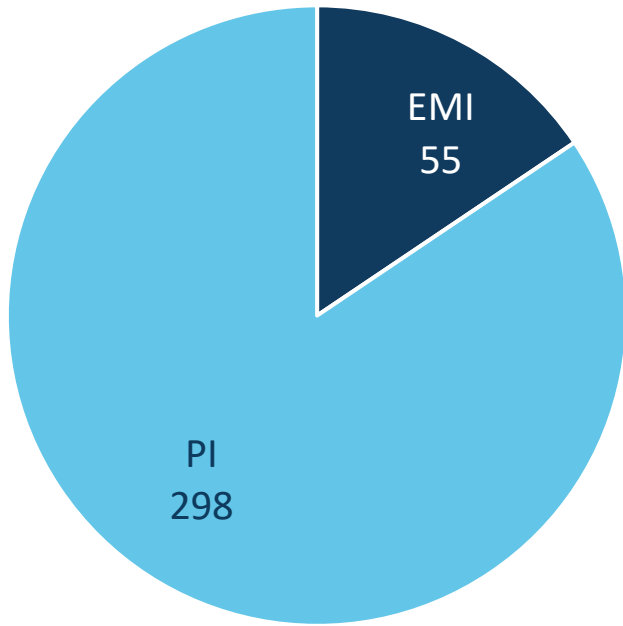


PSD2 implementation

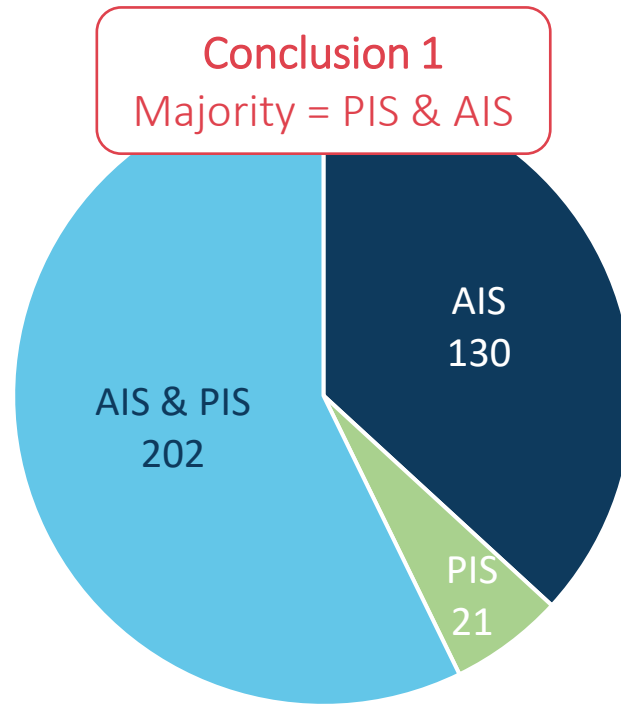
- European Directive (not Regulation)
- Supplemented by Regulatory Technical Standards (RTS)
- Since 2019
- NL regulators:



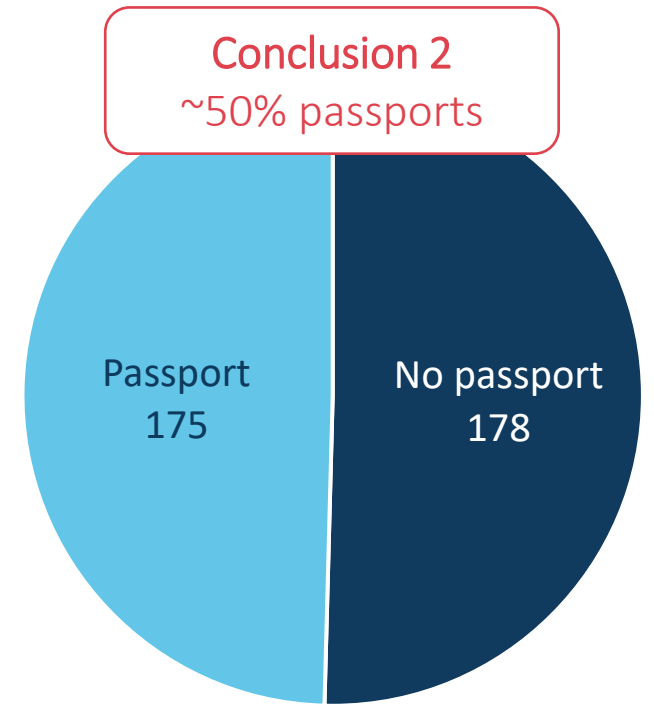
Total TPPs in EEA: 353



TPP types

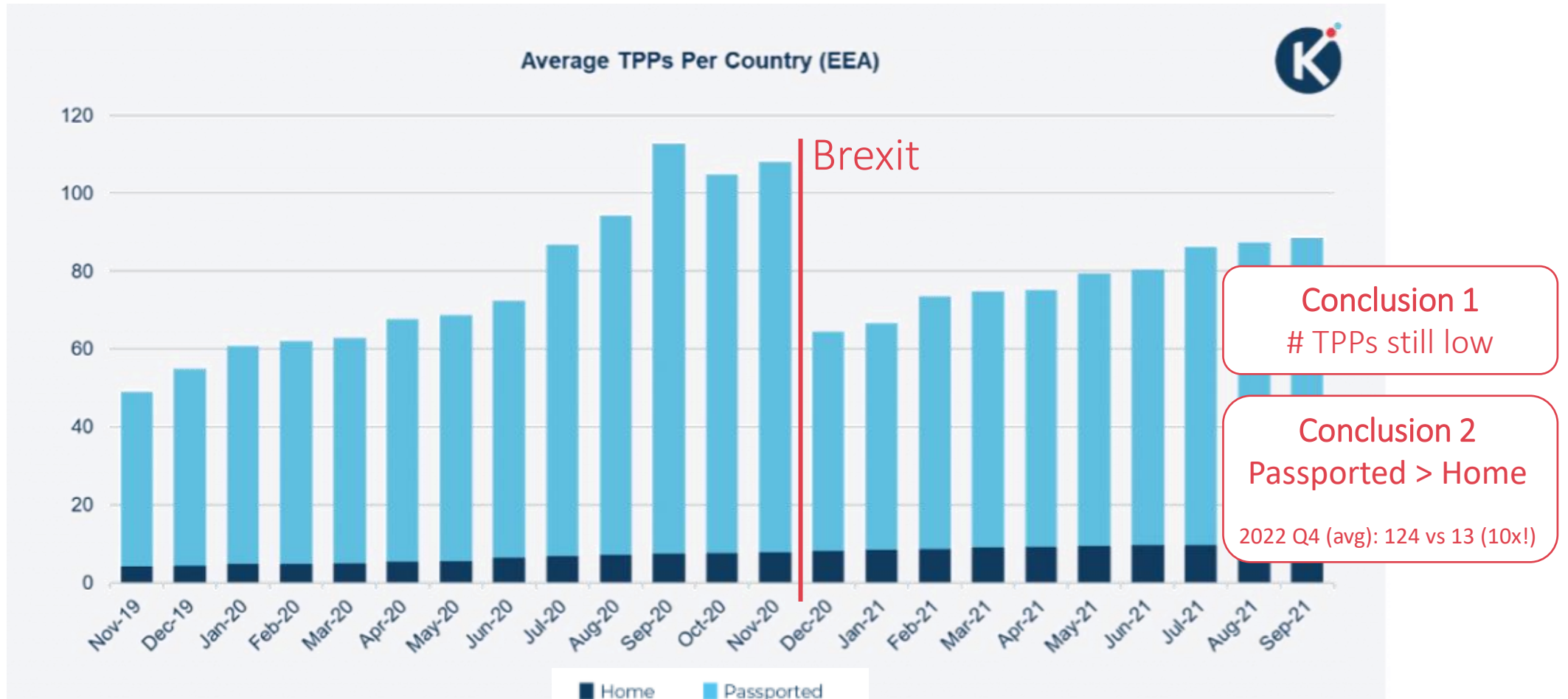


TPP services

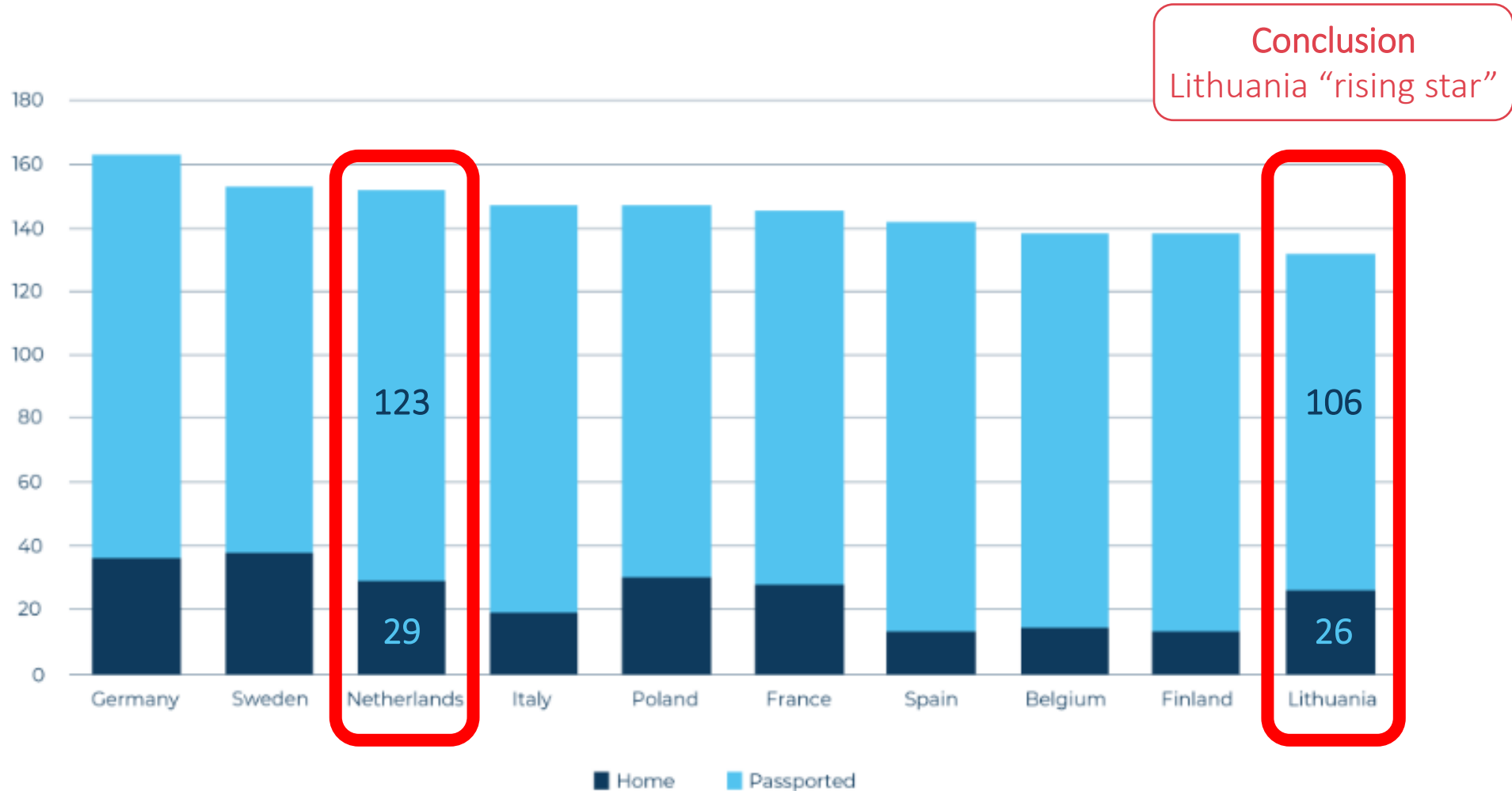


TPP passports

TPPs per country (avg)



TPPs per country (top)



TPPs 2014 vs 2020



Table 2: Number of PSD2-licensed third-party providers 2014 and 2020¹⁴

	BE	DE	ES	FR	IT	LT	NL	PL	RO	SE	EU ¹⁷
2014	29	53	75	44	73	40	36	33	14	97	882
2020	32	90	81	38	53	130	37	44	15	100	1072

Conclusion
50% of new: Lithuania

Why relevant?

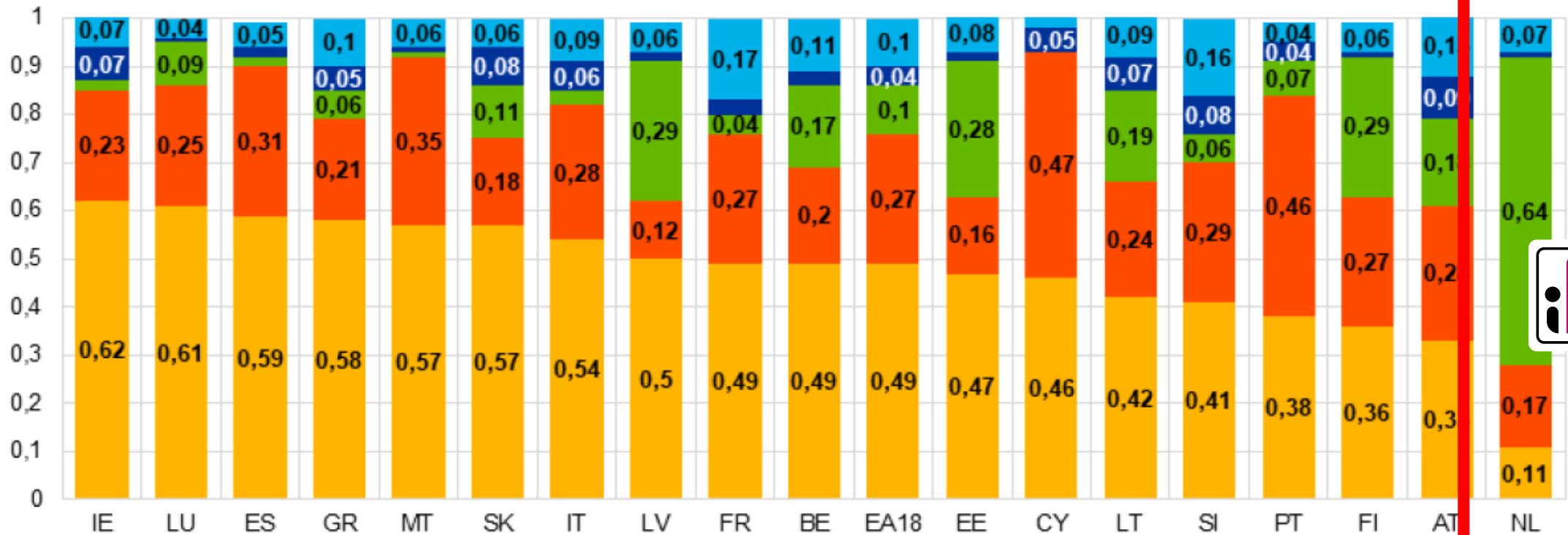
- Same **market**
- Same **customers**
- Same **services**
- Different **legislation**
- Different **interpretation**
- Different **enforcement**

Conclusion



Zooming in from EU to NL

NL is different



Conclusion
Less incentive for PIS

- Cash
- Cards
- E-payment solutions
- Credit transfers
- Others

Areas for improvement

Key issues

- Legal / regulatory
- Operational
- Technical

Key issues: Legal / regulatory

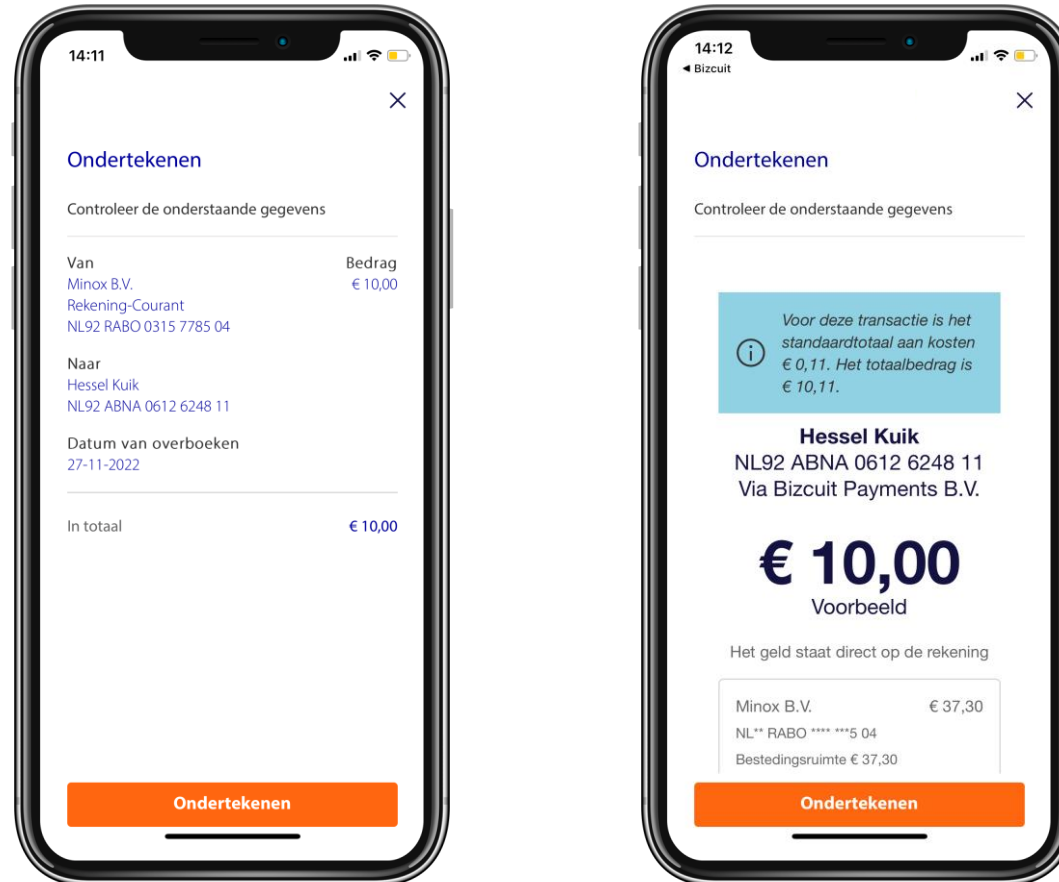
- Regulatory arbitrage
- Provisions not fully harmonized across Member States
- Definitions differ, unclear or not enforced
- Disproportionate regulatory burden compared to AIS/PIS risk profile
- Difficult (and expensive) to address key issues

Key issues: Operational

AIS & PIS

- SCA: Customer journey cumbersome
- Access for delegated users (e.g. bookkeeper, PoA, trustee, VvE, ...)
- Bank service desks not familiar with PSD2
- Inferior UX (e.g. flows, designs, copy)

Key issues: Operational



Which screen do you like better?

Key issues: Operational

AIS

- Savings accounts and credit cards not supported
- 90 / 180 days SCA renewal for AIS, in ASPSP environment
- AIS consent per IBAN (1 bank)
- Missing fields vs CAMT (3 banks)

Key issues: Operational

PIS

- Payment basket not supported
- Payment Certainty Mechanism not supported
- Dynamic Recurring Payments not supported
- PIS batch consents separate for 'post' and 'initiate' (1 bank)

Retail customers Private Banking Businesses

Search

Logging in

Becoming a customer

Home Internet Banking **Payments** Savings Pension Mortgages Insurance Loans Investments Customer service

For technical reasons, the component you requested is currently not available. We apologise for any inconvenience this may have caused. Please try again later.

Search for:

Products: Payments, Savings, Pension, Mortgages, Insurance, Loans, Investments

Financial advice on: Living together, Buying a home, Children, Work & income, Holiday, Divorce, Death

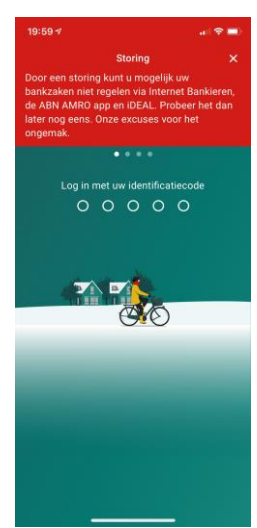
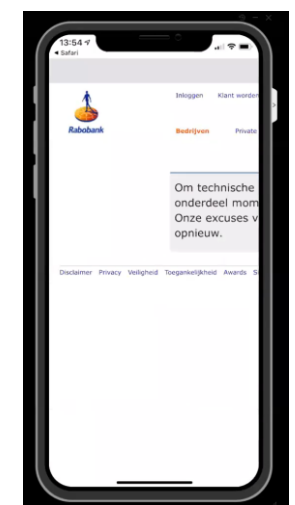
Specialty for: Youth, Young adults, Students

Rabobank about Rabobank: News, Sponsoring, Vacancies, Members

This site: Safe banking, Cookies, Privacy, Disclaimer, Terms and conditions, Accessibility, English

Customer service: Frequently asked questions, Self service, Contact, Office hours

Rabobank



Rabobank

Op dit moment zijn verschillende diensten van de Rabobank niet beschikbaar. Onze excuses voor het ongemak. Wij werken eraan om dit probleem zo spoedig mogelijk op te lossen.

Reference id: 18.35701102.1609403778.619135c9

Access

Failed

Currently you cannot provide this consent due to limitations in your profile. Please verify if you are allowed to fully sign for the account or if the payment's destination country and amount are allowed in your setting configured in your mobile banking app or website and change the settings if required.

[Click here if you are not automatically redirected](#)

Provide access

Insufficient rights

You have insufficient privileges to submit all selected transfers.

Er is iets misgegaan

Er is iets fout gegaan. Probeer het later nog eens. Lukt het nog niet? Bel ons dan via 0900 - 00 24 (gebruikelijke belkosten) en geef deze code door: FORBIDDEN.



A system error occurred. Please try again later. (999)

Info

UNHANDLED_EXCEPTION

Oké

ABN-AMRO Page Expired

The page you are trying to access is no longer available.

Application has encountered an error in consent.

Please contact the supplier helpdesk. Provide below error and the page URL.

Error: MESSAGE_RST625_0015
Status: 400
Message: Invalid or no transaction Id provided

ABN-AMRO

Access

Failed

We have not succeeded to save your authorization. You will automatically be redirected to the website where you came from.

[Click here if you are not automatically redirected](#)

13:05

Error message

An error has occurred. Please try again later.

Complete

ABN-AMRO

Send order

message: MESSAGE_SEC14S_0040

How do you wish to confirm?

Mobile confirmation

Use the Mobile Banking app of ABN AMRO to confirm the order.

You are sending the following order(s)

1 access to your payments account by a third party

Cancel Next

Foutmelding

Er is iets verkeerd gegaan aan de kant van bunq. Sorry! Onze medewerkers zijn hiervan op de hoogte en zullen het probleem oplossen.

Probeer opnieuw

Sorry, er is iets misgegaan

De koppeling kan niet worden gemaakt op dit moment.

Rabo Toegang Derden

Foutmelding

Bepaalde onderdelen van de site zijn op dit moment niet beschikbaar. Probeer het later nog een keer.

Annuleren

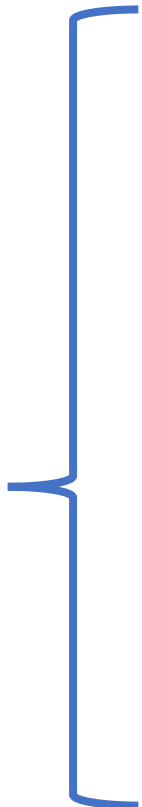
Sorry, something went wrong

The connection cannot be made at this moment.

Close

Doorgaan

Key issues: Technical

- APIs not standardized
 - Sandboxes are of limited use
 - Bugs and outages
 - API quality / design
- 
- Complex / ugly logic (e.g. string operations)
 - Response codes not clear and/or not (clearly) documented
 - Data integrity issues
 - AIS transactions do not have an ID (1 bank)
 - Multiple IDs and/or data formats via same API (1 bank)
 - eIDAS certificate replacement issues (2 banks)

Conclusion



PSD3 (2027?)

- Standardization and interoperability (QR codes, interfaces, APIs)?
- Remove SCA renewal for AIS?
- AIS scope: Savings, credit cards, mortgage, insurance, pensions, investments?
- Delegate SCA to TPP?
- AML requirements (CDD / TM)?
- Harmonization of provisions, definitions, etc.

(PSD2, RTS, AML, GDPR, EMD2, SFD, DORA, MiCA, DMA, Open Finance, CDBC, BNPL, eID)

Commercial APIs (2022 - ?)

AIS

- No 180-day SCA renewal
- Savings accounts in scope
- No 4x per day retrieval limit

Other

- SEPA direct debit in scope
- PSD2 does not apply (no CDD/TM)

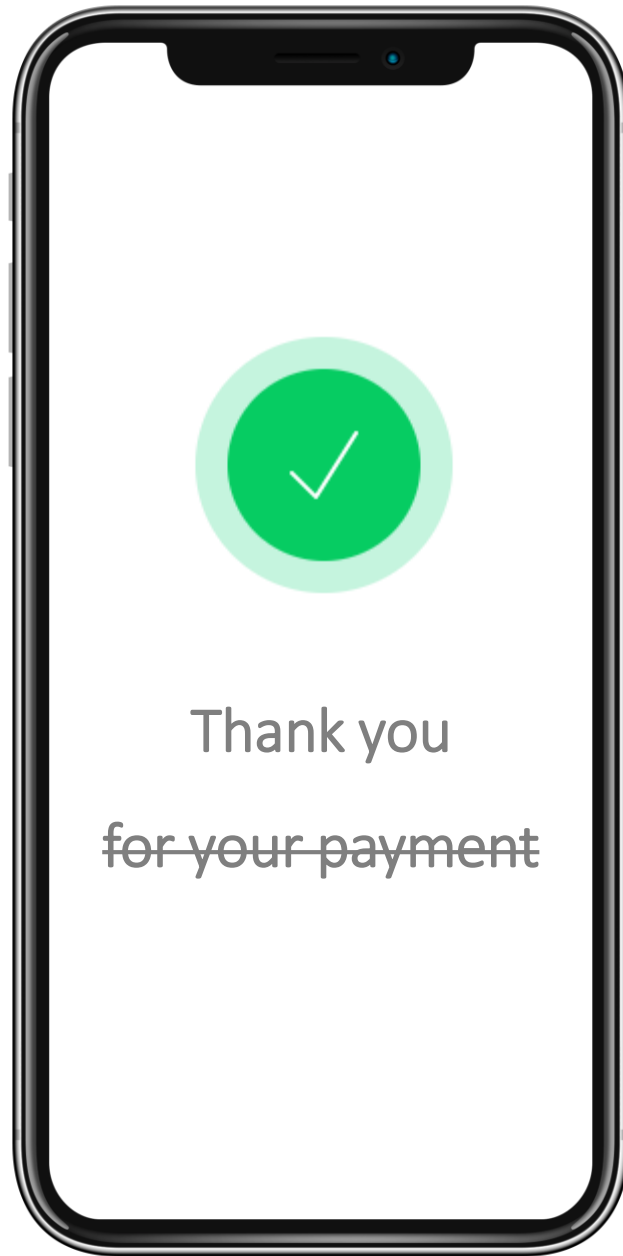
SPAA* (2023 / 2024?)

AIS

- Standard APIs
- No 180-day SCA renewal
- Savings accounts in scope
- No 4x per day retrieval limit

PIS

- Standard APIs
- Payment basket
- Payment Certainty Mechanism
- Dynamic Recurring Payments



Thank you
for your payment