WEBINAR

Global Open Banking Initiatives and the added value of the BIAN Open Standards

June 29, 2020 | Q&A

Question	Answer
Any APIs available related to TradeFinance	It is in the BIAN road map and TradeFinance is a Service Domain and therefore part of the BIAN Services Landscape (part of Trade Banking), however it isn't available just yet., For members: You are welcome to submit a request to the Semantic API Working Group for inclusion in the Wave 5 candidate Service Domain list
Is it possible to implement different API spec (for example UK OB Spec) instead of BIAN API Spec with BIANs architecture?	Yes, absolutely. The BIAN architecture defines the service domains in the A2A space mostly within the bank along with the BOM and Business capabilities. OB UK, CRD Australia etc are mostly in the B2B space and work well with the BIAN architecture. BIAN already has implementation models for PSD2 (OB UK) and FDX (US).
Who does Banking as a Service work?	Assuming that the question is *Who provides banking as a service*, then there are perhaps 2 parts to the response. In the B2C space, and banking facility available to customers is a banking service, how it has always been. Additionally, many Banks and FinTechs use APIs to make their services available through Open Banking / Open Finance type initiatives for other Banks and FinTechs. This is in the B2B space. If we want to make a comparison to Software as a Service models today, then Banking has always operated in this model – the banking service was always hosted by the bank (unlike software that can be locally deployed).
Can you please throw some light on how UPI in Indian market can be aligned to Open Finance.	The UPI equivalent in Europe would be PSD2. Assuming that UPI offers the ability to aggregate accounts held in multiple banks in one place, it should be possible to use this consolidated customer cash position in various use cases, that require a holistic view of customer transactions history, such as the 3 illustrative business scenarios presented (slides 45 to 51). It would be a matter of replacing PSD2 with UPI. Of course the government / central banks and regulators, in the future, might also choose to go down the route of Canada, Brazil and now the UK and publish further standardised APIs in the B2B Open Finance space.
How we can define a value proposition of adopting BIAN models in	BIAN has several big banks and Tech as members who want to create an interoperable standard to communicate within themselves and with each other. The BIAN model is based on their input and experience, on what works and what doesn't – so very much driven by specialists in the Banking and the Financial services industry. So ultimately, whether or not a bank chooses to use BIAN will depend on a comparison of what they have, what their goals are and

comparison to the Bank's existing internal financial models for example FSLDM?	how the BIAN artefacts and value proposition compares with what they already have. The main advantage of using the BIAN models is that is well maintained with, at least 1 update per year at no additional cost. It also helps you to create a common language that's widely supported and used around the globe.
Do you know the case of Mexico, what do you think?	Open Banking in Mexico is primarily a regulatory initiative by the National Banking & Securities Commission (CNBV), Banco De Mexico (the Central Bank) and other regulatory bodies. The primary objective was to create a platform for FinTechs to be regulated, so they could provide banking services to the population, increasing competition in the financial services industry. This would be in line with the PSD2 & CMA initiatives in the EU and the UK, and more recently Australia under the CDR regime. Canada are embarking on a similar regulatory open banking journey too. The regulation / law that defines this is often known as the "Financial Technology Law", which came into effect in late 2018. Here is a link to the law: http://www.dof.gob.mx/nota_detalle.php?codigo=5515623&fecha=09/03/2018 From, what I read in the news it is still in it's early stages and there are no specific standards published yet. They are thinking about it and as this article claims they are looking to the UK Open Banking / PSD2 regime for inspiration. This would be in line with what happened in Australia for instance. https://iupana.com/2020/02/28/mexicos-fintech-law-open-banking-rules-delayed/?lang=en#widget/?lang=en Here they state that a representative of CNBV claimed they that Open Banking related standards will be available this year. Interestingly, originally there was a lot of talk about Crypto Currencies and blockchain too.
Do you have a subscription model for independent or freelance consultants?	BIAN is an open association for the banking industry. Banks, software vendors and service providers are all very welcome to join our association. We do have different categories for companies but not for individuals due to possible IPR issues. https://bian.org/members/member-faqs/
With most of leading banks running on legacy core banking systems, what would be the	A lot of banks choose to take an organic (rather than a big bang approach) to such a transformation. As in the presentation, many banks have huge operational costs associated with customer onboarding for instance, both in terms of time (effectively affecting user experience) and costs. So, for instance a bank could look at transforming and automating certain business processes and when they do so they can look to do so in a standardised way (for e.g. Using BIAN service domains)– the initial investment in such an approach is

driver for them to adopt BIAN considering that this is huge cost for as-is transformation with minimal business value during the journey which could be in multiple years?	lower and the ROI is visible quicker. This will gradually create a standardised architecture. The value proposition even in this gradual scenario would often be aligned with all or parts of the Value Proposition slide (39) in principle. We also would encourage you to attend our webinar on July 14th on BIAN's initiative on "Coreless Banking". In this PoC we demonstrate how banks can renew their core systems in a fast and controlled manner, using different technology options available today.
Is it possible to implement different API spec (for example UK OB Spec) instead of BIAN API Spec with BIANs architecture?	Yes, absolutely. The BIAN architecture defines the service domains in the A2A space mostly within the bank along with the BOM and Business capabilities. OB UK, CRD Australia etc are mostly in the B2B space and work well with the BIAN architecture. BIAN already has implementation models for PSD2 (OB UK) and FDX (US).
How are the negotiations with the governments to adopt the pattern proposed, there are a positive to go! In terms of Latin America and the ww as well	BIAN by its nature is functional partitioning model for the services landscape within a bank. It also has to be generic as it is intended to be used around the world. Therefore, BIAN can only go to a certain level of detail. Any more detail below that is often region and regulation specific. At this stage BIAN's approach is to leave that detail to the regulators / central banks of each region. Also, it is unlikely at this stage that the regulators / central banks will mandate how a bank's internal systems are arranged (although in an ideal world that would lead to true open banking / finance). This is because increasing the scope and getting all banks to comply is a herculean effort and they probably want to start with something easier and more feasible to tackle.
<mark>Answered in session</mark>	
How are the blockchain technologies being considered at BIAN initiatives?	All BIAN deliverables are "technology agnostic". We describe the "what" and not the "how".
Do banking companies look at proposed	The BIAN Models describes the business functions for a bank that does everything for everybody, just to be complete. It's up to each organization to "pick and choose" those business functions that are applicable for their

models or use cases and create their business architecture? If yes, then do they adopt the models as is or does BIAN help them to customize?	organization. It just a matter of filtering. In the publicly available "How 2 Guide" how to use the models you'll find examples on how to do.
You have shown interrelationships with standards such as ISO 20022. Does BIAN help implementing APIs on such standard?	All BIAN models are based on ISO20022 Metamodel. We align as much as possible with this standard and if the domains are not covered by ISP20022 we use OMG's FIBO. Our API's as, as much as possible linked in to the ISO repository via a hyperlink. We are also working on a connection between the US FDX Standard and BIAN.
What is the plan for building out the APIs. How are these (service domains, APIs) being selected? Based on the regulated, market-driven?	As stated, the BIAN members express their needs for areas they would like to see API's developed. In our first release we covered Mobile Access, Consumer Payments, Consumer Loans and Customer Offer. Release 2 covered Cards and Fraud Management, release 3 Wealth and Corporate Finance in total we now have 143 API's available. In release 4 we will add Commercial Lending, Fraud Management, Investment & Trading, Branch / Network Management, FDX Use case related and Member requests. We expect to add up to +170 API's in total.
How can software vendors support the move from Open Banking to Open Finance?	The vendors are already helping their customers to move in that direction by making their solution more and more componentized and cloud enabled. We also see that more areas outside consumer products are moving in that direction. This will help banks to migrate to an "best of breed" environment that will speedup their ability to migrate from Open Banking to Open Finance.