

The view from the regulator

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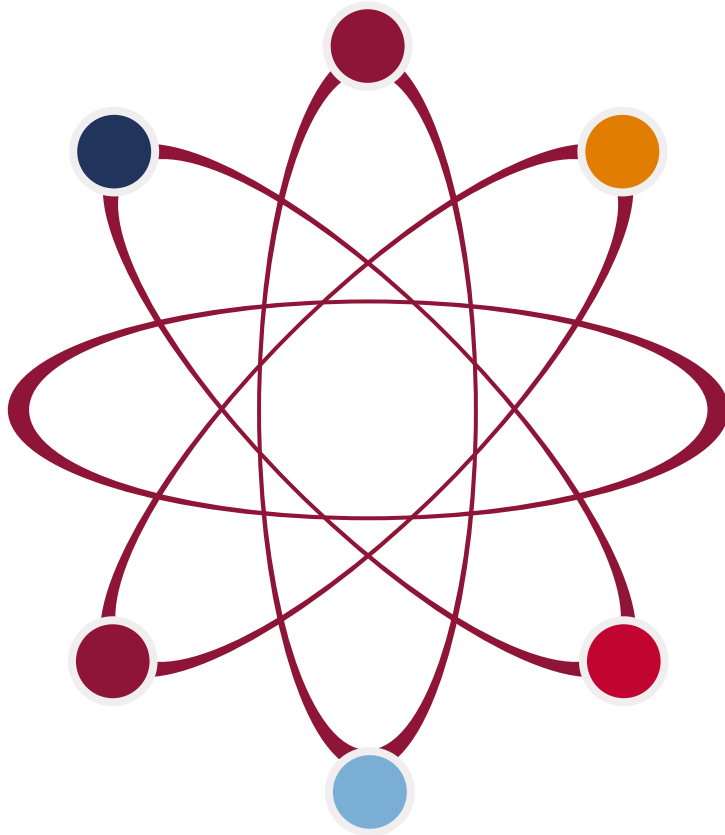
What I'll cover today

Open finance – the future of financial services

What is it and how do we ensure it develops to its full potential?

1. What is Open Finance?
2. Feedback received in our call for input
3. Next steps

Open finance

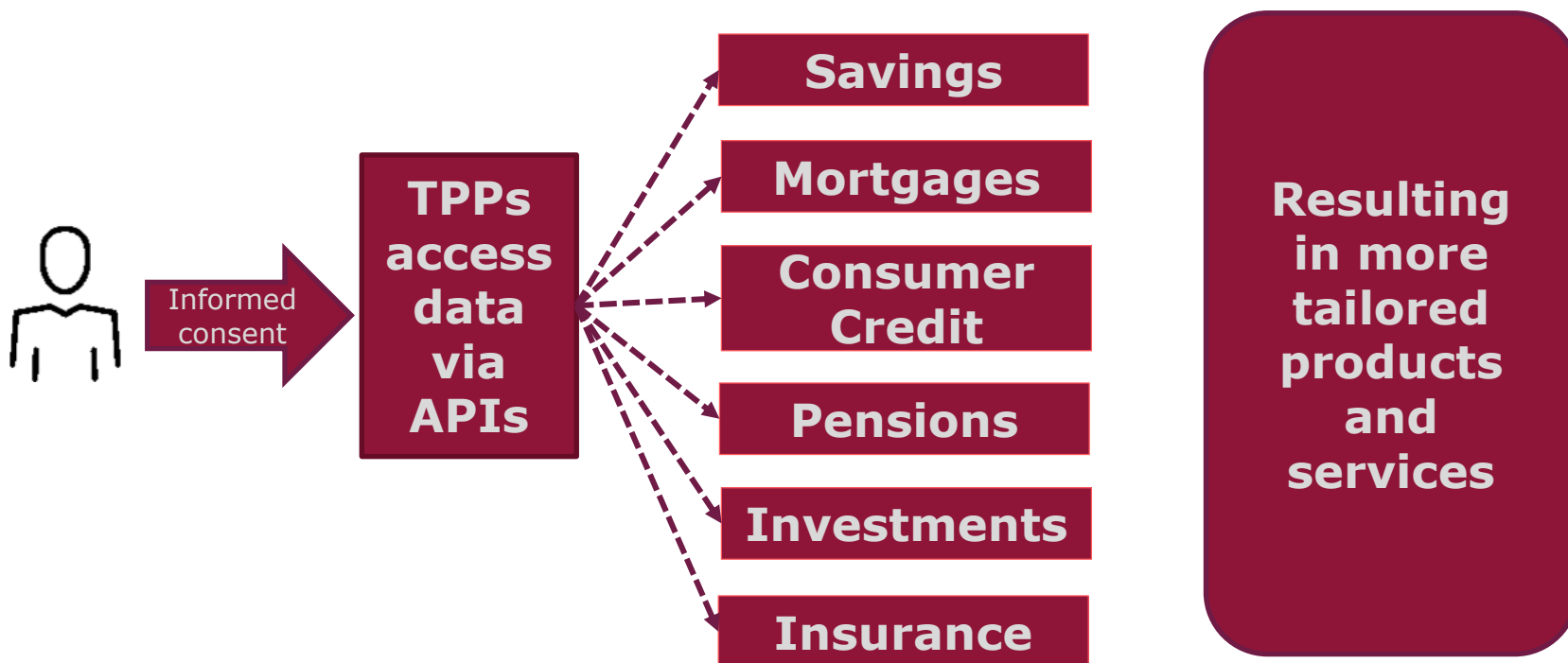


Extension of open banking-like data sharing to a wider range of financial products

"Open finance is based on the principle that the data supplied by and created on behalf of financial services customers are owned and controlled by those customers.

Re-use of these data by other providers takes place in a safe and ethical environment with informed consumer consent."

Open finance (cont)



"open finance has the potential to transform the way financial markets work for consumers and businesses"

Developments since our CFI

- Significant change in operating environment as a result of Covid-19
- The Government (BEIS) has confirmed it will take powers to require companies to participate in **Smart Data** initiatives
- Open Finance is **Smart Data for Financial Services**
- Our approach to open finance therefore developed hand in hand with the Government (BEIS/HMT)

Feedback to our CFI

- 170 responses from across sectors and by a range of stakeholders
- A range of views about the benefits and risks...
- ...but a degree of consensus over the **building blocks** that would be needed
- No '**big bang**' approach to open finance
- Implementation ideally driven by potential benefit of use cases against ease of implementation

Building blocks

Legislation

**Regulation and
consumer
protection**

Data ethics

**Common
standards**

**Implementation
entity**

Digital ID

What is next?

- We will support the Government in assessing the **feasibility, content and timing** of future legislation
- Industry-led work on **minimum data sets**
- Review of **regulatory framework**
- **Implementation entity**
- **Regulatory Sandbox**