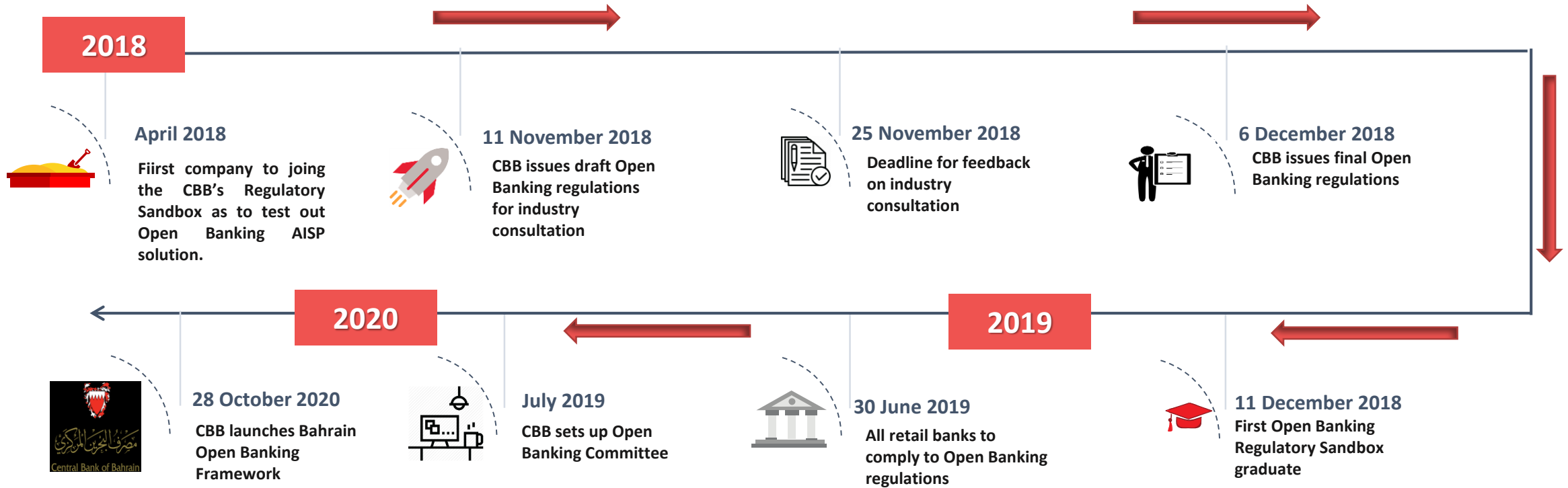


Open Banking Bahrain



Open Banking (OB) Bahrain Roadmap





Highlights of CBB's OB Regulations

Definition of regulated activities related to Open banking

Licensing requirements

Governance, risk and control requirements

Framework contracts between customers and AISP/PISP

Standards for “Strong Customer Authentication” (SCA) – three factor authentication

Security of Communication sessions (between banks and AISPs/PISPs) – Identification of party, security etc.

Payment transaction requirements

Standards for Technology – technology neutral

Customer complaints requirements

Business continuity

Cyber risks and testing

Bahrain's Open Banking Framework ("BOBF")

1

- 28th October 2020
- CBB issued the Bahrain Open Banking Framework ("BOBF") version 1.0.0.



2

- BOBF compliments the Open Banking rules issued by the CBB
- Aiming to ensure higher degree of consistency in implementation of Open Banking rules
- Provide a common set of technical API specifications and customer experience guidelines



3

- Use cases of BOBF have been developed by gaining access to key insights from global best practices and evaluating the business opportunities for Bahrain

Use Case Themes

Three themes create the backbone of the use cases for BOBF:

Payment Initiation Services (PIS)

Use cases facilitated by write access i.e. PISPs initiating payments for customers through their ASPSP accounts

Account Information Services (AIS)

Use cases facilitated by read access i.e. sharing of account information of customers by ASPSPs with AISPs



Essentials Services

Basic use cases covering consent and notification applicable to both AIS and PIS

BOBF v1.0.0 sets out 8 use cases.



Out the 8 use cases:

- 4 pertain to Payment Initiation Services;
- 2 pertain to Account Information Services; and
- 2 pertain to Essential Services



Each use case outlines the customer journey guidelines besides other specifications.

PISP Use Cases



1. Single Domestic Payments

2. Single Future Dated Domestic Payments

3. Single International Payments

4. Bulk/Batch Payments

AISP Use Cases



1. Sharing Transaction History/Account Information

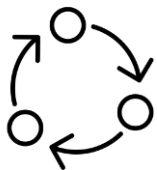
2. Sharing Product Detail

Essential Services Use Cases



1. Consent Management

2. Notification



Operational Guidelines: Outline various API availability and performance requirements and recommendations for ASPSPs in Bahrain, to meet the needs of AISPs and PISPs in providing effective Open Banking services to customers.



Conformance Checklist: Covers the following key elements, based on the latest version of Bahrain OBF:

- Checklist for conformance to Bahrain OBF Security Guidelines for ASPSPs, AISPs and PISPs;
- Checklist for conformance to Bahrain OBF Operational Guidelines for ASPSPs, AISPs and PISPs; and
- Checklist for conformance to Bahrain OBF Customer Experience Guidelines and Functional requirements for ASPSPs, AISPs, PISPs.

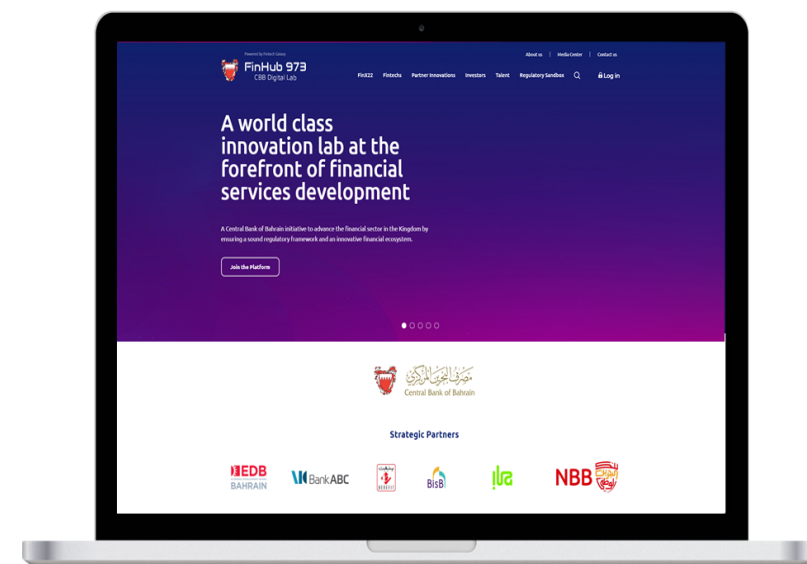


Security Standards & Guidelines: Covers key considerations for security that would be essential for Bahrain Open Banking ecosystem, and are applicable to ASPSPs, AISPs and PISPs. The guidelines compliment Bahrain's PDPL and the security rules available in the Rulebook.

Strategic Partnership between CBB & FinTech Galaxy

- Support Banks in the Kingdom of Bahrain to meet the Open Banking requirement,
- Utilize the platform as the Open Banking testing facility
- Test Open Banking API use cases with licensed AISPs and PISPs.

FinHub 973
CBB Digital Lab



This will result in faster delivery of Open Banking solutions to clients.

Future of Open Banking – Beyond Banking

The CBB anticipates aggregations of many sectors, such as insurance, wholesale, exchange companies, as well as non-financial sectors such as healthcare, etc.

