



**Sectoral experience on  
data sharing  
*Banking sector***

**Data sharing and re-use**

***Sectoral perspectives and common takeaways***

3 October 2018, Brussels



# Who is the EBF ?

## Who we are

- National Banking Associations from 32 countries
- 4.500 banks with 2.3 million employees

## From

- Major cross-border institutions and small regional entities
- Wholesale and retail financial institutions



# Who is the EBF ?

## Our mission

- To be the voice of Europe's banks
- To serve the interests of the European banking industry
- To position the European banking industry within the European and global regulatory frameworks

## 4 Strategic themes for 2018:

- Banking Supervision & SSM
- Digital transformation of banks
- Financing growth & the Single Market
- Reputation



# EBF Strategic pillars for 2018



# Data a key component

- ◆ Consumer data has always been at the heart of the banking business model.
- ◆ New technologies and current digital revolution open up to a new range of opportunities for banks and their customers:
  - Offering a stimulating customer experience to consumers
  - Building new innovative businesses
  - Creating better internal understanding of the banks' activities
  - Offering effective risk management with an increase focus on fraud prevention, cyber-security and an improved monitoring of compliance.

# What kind of data ?

- ◆ Identity and demographic data (e.g. ID, age nationality, address, education, professional details);
- ◆ Credit history (e.g. history of credit use);
- ◆ Transactional data (e.g. payment account movement (credit and debits));
- ◆ Payment obligations (e.g. to evaluate the debt service ratio and the remaining net income);
- ◆ Behavioural performance data (e.g. credit incidents, debt falling due, potential debt)
- ◆ Perception of the financial institution's service level (e.g. customer expectations and satisfaction/complaints);
- ◆ Financial institutions also use the data listed, in the context of risk management, fraud management, customer service, reporting to supervisors, marketing,...).

# The success of the DSM

- ◆ When defining or describing the big data phenomenon we should bear in mind that it is a cross sector phenomenon.
- ◆ Very difficult to establish a clear definition of “Big Data” as it would change along the years. Establishing a limitative definition in a regulatory instrument that is only applicable to the financial sector should be discouraged.
- ◆ The success of the Digital Single Market inevitably depends on helping European players to deploy the highest capabilities in data in order to guarantee their competitiveness.
- ◆ Players should be allowed to extract value from the work they perform with data, while preserving data protection and the privacy rights for consumers.

# Access to data and data sharing

- ◆ Payment Services Directive 2 (PSD 2): puts an obligation on banks to give Third Party Providers (TPPs) access to a customer's payment account data, provided the customer expressly consents to such disclosure.

It intends to improve competition and innovation in the EU market for payment services.

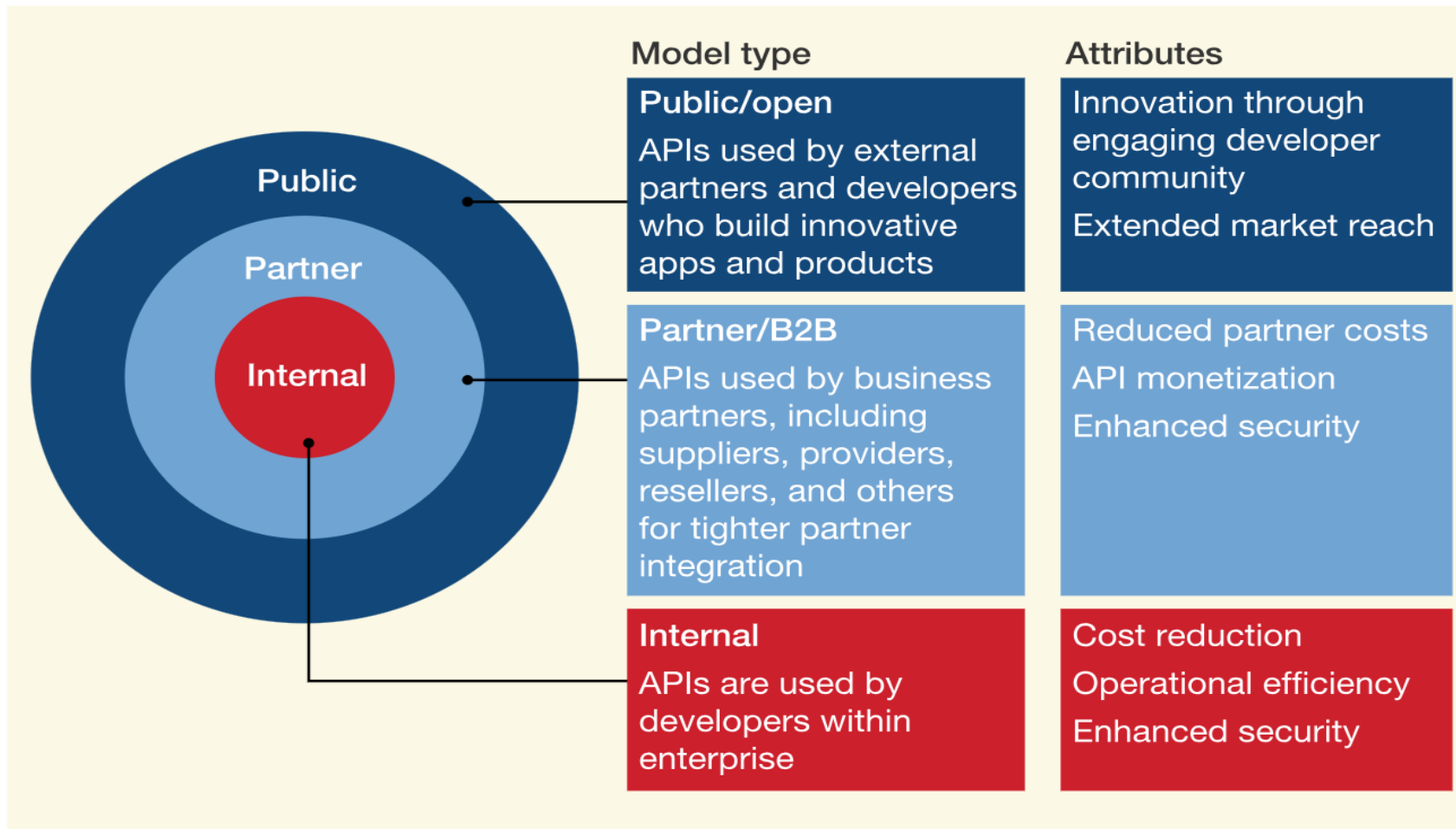
PSD 2 is changing the financial services landscape

- ◆ Open banking is also referred as API banking. Data sharing is often accomplished through an application programming interface (API) allowing the flow of data between systems.



# Three types of APIs

## API models



# What future for data in banking ?

- ◆ Open banking beyond PSD 2 ?
- ◆ Data reciprocity ?
- ◆ Evolution of the business model of the banks ?
- ◆ Impact of digital economy ?



**Thank you**

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