

Open Banking/ Open Finance Trends

Q2 2022

Data and Trends Overview
Special Edition: May 2022



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Written and researched by Phuong Pham, Spencer Perkins, and Mark Boyd.
Design by Rebeca Vittorazo.

Supported by Jannika Aalto, Alexei Garban, and the Platformable team.

Contact: phuong@platformable.com



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How open banking and open finance ecosystems should generate value for everyone

Our open banking/open finance ecosystem maps the way that APIs can help generate new products and create financial health for end users, and indirect benefits for society, local economies and the environment.

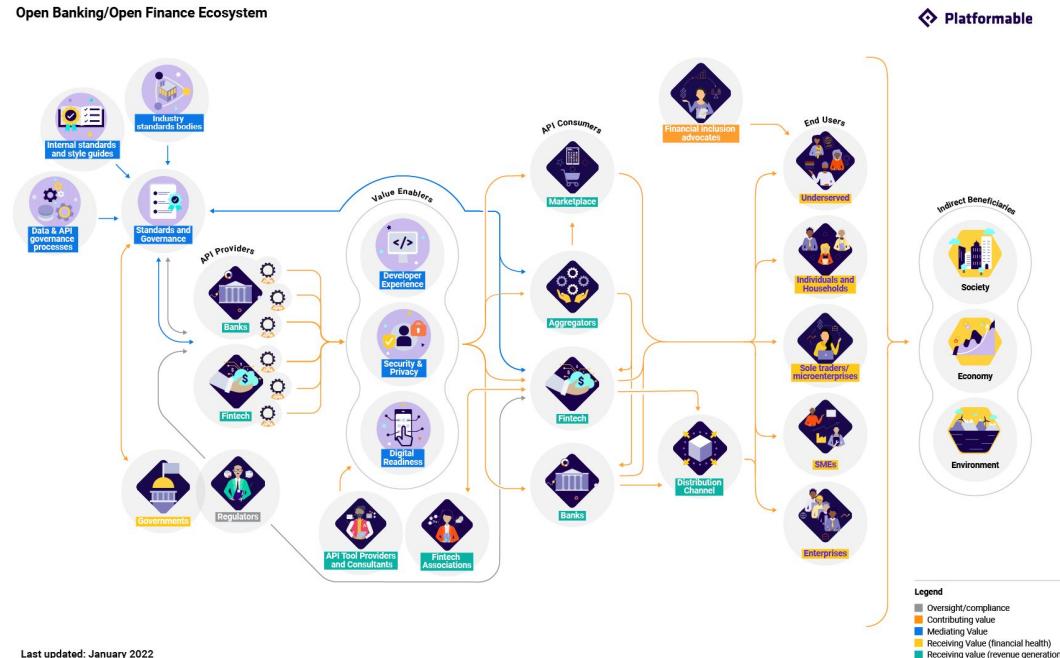
Governments direct **regulators** to expand digital financial services infrastructure through open banking and open finance (in some locations, markets themselves encourage greater action).

API providers (including banks and fintech platforms, like payment gateways) make APIs available, drawing on **industry standards** and **internal API governance**.

These APIs are used by **API consumers** (such as fintech, API aggregators and marketplaces) to build new products and services. The utility of these APIs depend on **value enablers** including the level of developer experience, security and privacy provisions, and are influenced by demand for digital services from end users.

End users including individuals, businesses, and enterprises make use of API-enabled fintech to generate financial health and wellbeing.

The broader ecosystem could also generate **indirect impacts** on society including impacts on levels of participation and inclusion, support for local economies through increased employment opportunities, and the environment through more optimised use of resources and creation of sustainability products.



Executive Summary

1

The global financial service infrastructure reached 1,562 open banking platforms creating 5,407 API products, and 2,362 API-enabled fintech apps at end-Q1 2022. Regulations are emerging, standards help accelerate fintech participation, and consumers are demanding digital solutions.

2

Banks, albeit at different pace, are starting to diversify their business models to capture new revenue opportunities enabled by open banking. Most of open banking APIs are still payments and account information. New APIs, albeit growing faster, are still concentrated on limited categories, where banks can own the relationship, with either customers or partners.

3

API-enabled fintech are still predominantly generic payment, digital banking and account keeping solutions targeting SMEs and Individuals/households. There is a huge opportunity to diversify and build new API-enabled fintech to address specific customer segment needs.

Find out more:

Review pages 8-9 for regulations, and 24 for consumer readiness

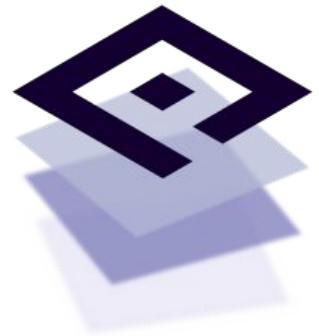
Find out more:

Review pages 10-18 for deep dive into the incumbent banks

Find out more:

Review pages 20-31 for more details on fintech products and target markets, and pages 33-34 for indirect benefits of open banking and open finance

The open banking landscape



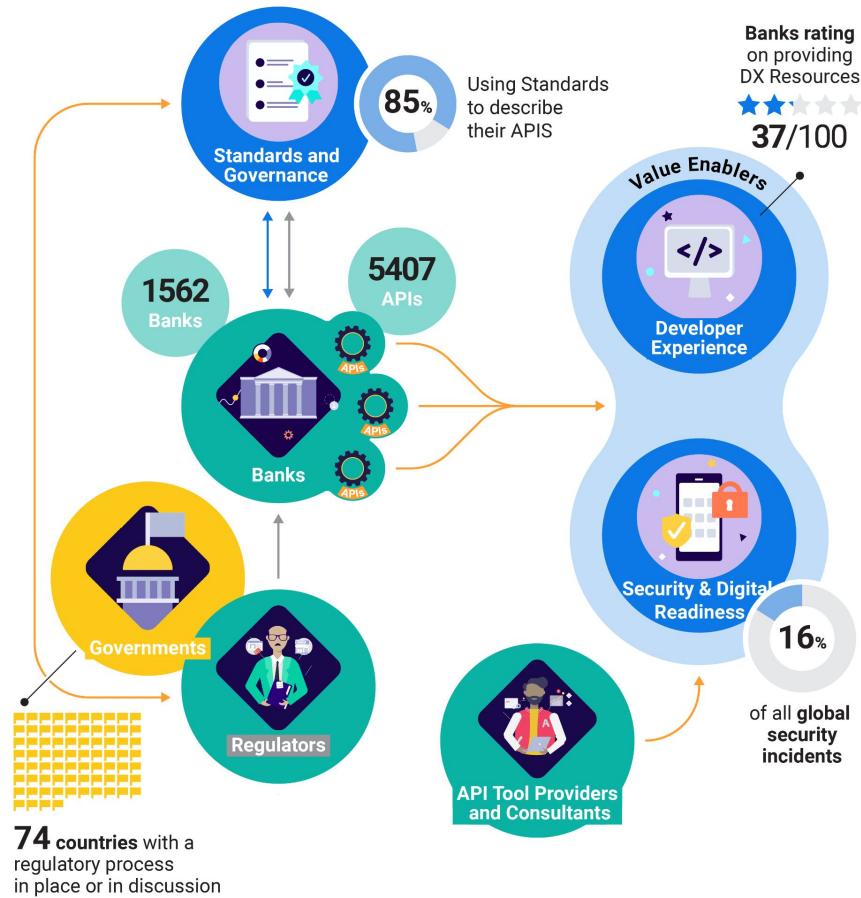
**A summary of key trends and activities
covering Q1 2022**

Open banking is unfolding at an annual growth rate of 117%

Supply-side characteristics include:

- Regulations:** We have identified 80 countries where open banking regulations are already or in process of being introduced. 74 are near or in implementation stages.
- Standards:** Globally, 85% of bank platforms using OpenAPI Specification to describe APIs. This helps facilitate adoption as APIs can be easily understood.
- Availability:** We count 1,562 banking platforms making APIs available as at end Q1 2022 (a 117% annual growth). Collectively, these bank platforms make 5,407 open banking API products available (from 3,497 in Q1 2022).
- Ease of use:** Banks can still make it easier to use their APIs. We estimate a 37/100 average developer experience (DX) score, globally.
- Security risks:** 4 security incidents involved banks and fintech in Q4, 16% of all sector security breaches.

NOTE: Given the invasion and war crimes by Russia in Ukraine, we have excluded Russia from our trends coverage.



Regulators worldwide racing towards open finance and data sharing in wider economy

The journey towards an open finance framework in **Europe** and **the UK** is already in motion under a wider context of cross-sector data sharing **EU Commission Digital Finance Strategy** and **UK Smart Data Initiatives**.

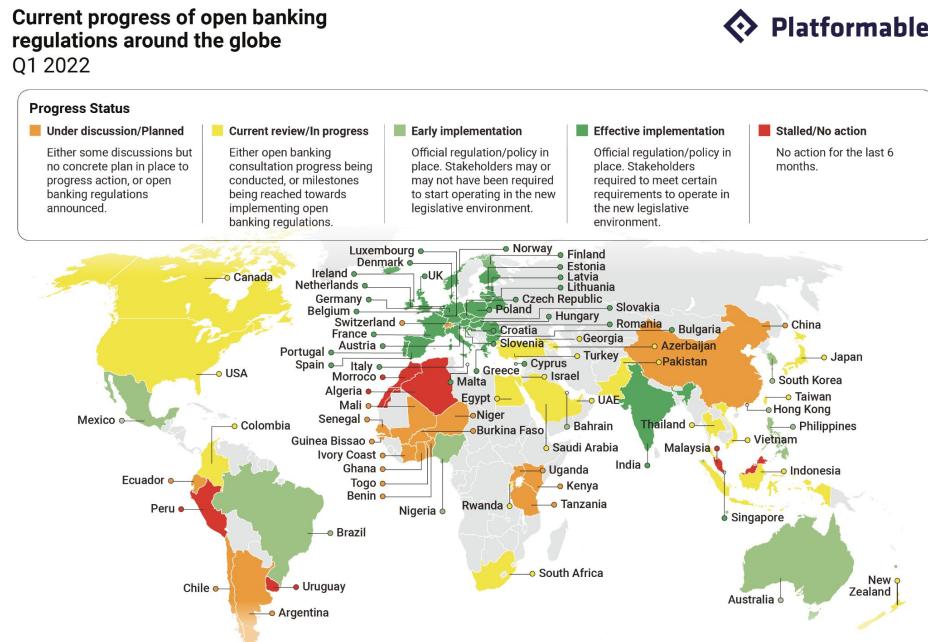
- The EBA is seeking amendments to the technical requirements for strong customer authentication and a PSD2 review is underway.
 - The UK is reviewing future oversight of opening banking, which may include a joint regulatory oversight committee.

In North America, Canada regulatory momentum is picking up pace with the final report on Open Banking released, advisory committee established and open banking lead appointed.

In **Asia Pacific**, Thailand has consulted public feedbacks on a digital economy framework, and Australia looking to extend CDR rules to telcos and open finance.

Brazil still leads **Latin America** in regulatory development, with [Open banking last phase implemented](#), [Open Finance Brazil](#) launched, and capital rules for fintech tightened.

Israel and Nigeria were the highlights in **Middle East & Africa** in Q1 2022: [Account Information Service Law](#) launched and [a draft regulation of Payment Services Law](#) consulted in Israel, and [Data Protection Bureau](#) established as part of the open banking implementation in Nigeria.



Key Open Banking Regulatory Milestones to watch in Q2 2022-2023

Many key countries in all regions are pressing on with their open economy agendas for 2022-2023, although privacy concerns may result in some delay in the US

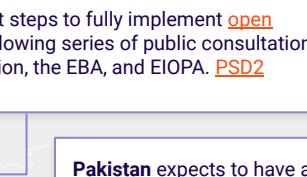
US expects next steps strengthen data portability rights in the banking sector following various ongoing public consultations, although [privacy concerns may delay the implementation](#)



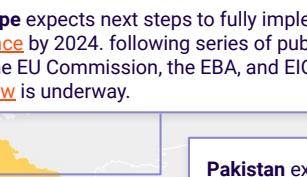
The UK FCA and other watchdogs of key regulated sectors progress towards a framework to formalise [open finance](#) and [cross-sector data sharing](#) by 2024



Europe expects next steps to fully implement [open finance](#) by 2024, following series of public consultations by the EU Commission, the EBA, and EIOPA. [PSD2 review](#) is underway.



Israel is progressing with [legislative reforms](#) to promote open banking



Pakistan expects to have a fully operational [Fintech Regulatory Framework](#)



Saudi Arabia expects to implement an [Open Banking framework](#)



Hong Kong expects to complete [Open APIs framework Phase III and IV](#)

Thailand is laying out a [digital economy framework](#)

Indonesia and the **Philippines** rolling out [open banking](#) and [open finance](#) guidelines to completion

CDR rules are expected to roll out to other sectors in **Australia** and introduced in **New Zealand**

Mexico progresses with the [sharing of customer data](#)

Canada expects to have an [open banking framework](#)

Colombia to introduce [voluntary Open Banking](#) framework

Brazil expects to fully implement [open finance](#) (BCB) and [open insurance](#) (SUSEP)

Nigeria continues to lay down specific guidelines for the actual implementation of [open finance](#) in the country.

South Africa expects next steps following the recently introduced [Protection of Personal Information Act](#) and the ongoing [public consultation on open finance](#)

India advancing with the [account aggregation framework](#) looking to [link its instant payment system UPI with Singapore Paynow](#).

Methodology: Platformable reviews progress and activities of all open banking regulations around the globe and assesses progress of all actions

Steady deployment of open banking platforms continues across the globe

As at end Q1 2022, we tracked 1,562 open banking API platforms globally (up from 1455 at Q1 2021), with 5,407 API products being made available (3,497 at Q1 2021).

Europe still leads both in platform and product numbers, mostly as smaller regional banks seek PSD2 compliance: 1,160 platforms were created, and 2,488 APIs offered to third parties at end-Q1 2022.

UK still deploys more platforms but with less API products built than the US & Canada: 267 APIs on 49 platforms versus 319 on 34 at end-Q1 2022. Half of US banking platforms we track are investment banks focused on creating enterprise and business services.

Elsewhere, key countries continue to roll out open banking frameworks, driving steady growth of platforms.

- The number of open banking grew 129% year-on-year to 197 in Asia Pacific in Q1 2022, largely coming from Australia, Hong Kong, Indonesia and the Philippines.
- Brazil and Mexico are the main contributors to the platform deployment in Latin America (79% to 50), and Nigeria in Middle East and Africa (26% to 72).

Global Open Banking API Platforms and their API Products Q1 2022 (N = 1562)

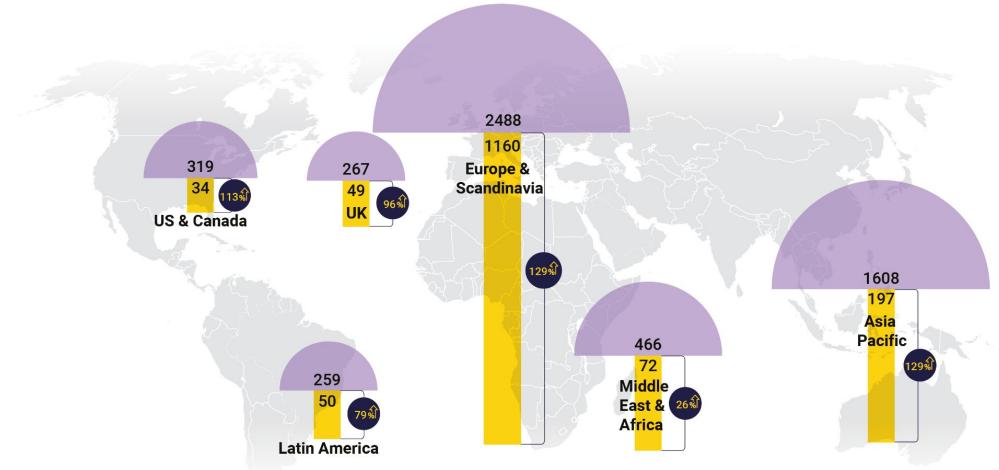
Global Summary

1562 Open Banking Platforms

117% Annual Growth Rate of Platforms (compared to Q1 2021)

5407 Open Banking API Products

Legend:
● Products
● Platforms
● Growth Rate of Platforms
● Region



Methodology: Platformable tracks all banks globally and tallies those that have established an open API platform. We then review how many API products are made available by each bank and tally them according to category, and measure other API characteristics such as standards and specifications used, developer experience strategies employed, and business model/monetisation approaches. We review each bank at least once every three months.

Open banking platforms starting to diversify their API product portfolio

Globally, API products grew 55% on Q1 2021 levels.

- The highest growth emerged from the industry-led US (136%), and the regulation-driven UK (126%).
- The lower growth in Asia Pacific (42%) partly reflects the rebundling of banks' granular, micro-services like APIs into more use-case oriented solutions.

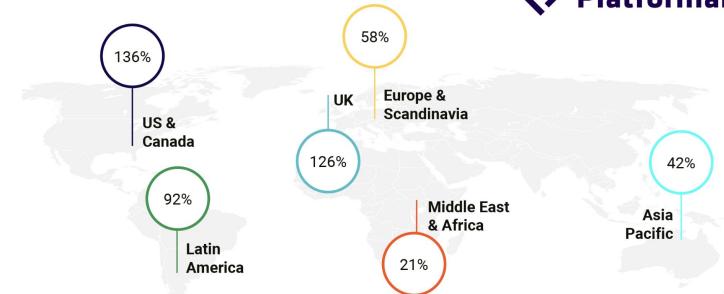
Most of open banking APIs are Payments, account, and bank product (mandated), but the rest is growing faster.

- Mandated APIs accounted for 70% globally, 76% in the UK and 83% in Europe alone.
- Non-mandated APIs grew 6.5% on Q4 2021 versus mandated APIs at 4.6%. Top innovation identity, trading, and credit services (all regions, and data capability (the US)).

Non-core capabilities make up 51% of total in North America. Many US banks leverage their corporate and investment product offerings for new revenue opportunities in embedded finance (see next page).

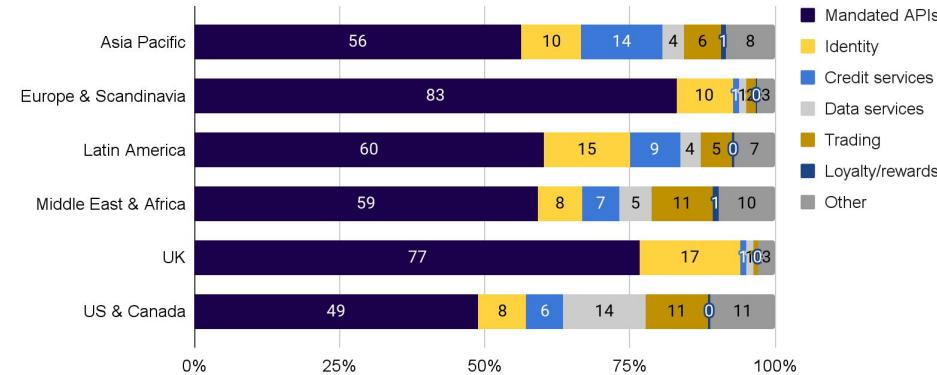
Mandated APIs have higher share of total APIs in **Latin America, Middle East & Africa** and **Asia Pacific**. These markets have wider open finance regulatory scope with financial inclusion being a primary objective.

Annual growth of API products Q1 2022



Bank API Products by Category and Region

Q1 2022 (N = 5,398)



Methodology: Platformable tracks all banks globally and tallies those that have established an open API platform. We then review how many API products are made available by each bank and tally them according to category, and measure other API characteristics such as standards and specifications used, developer experience strategies employed, and business model/monetisation approaches. We review each bank at least once every three months.

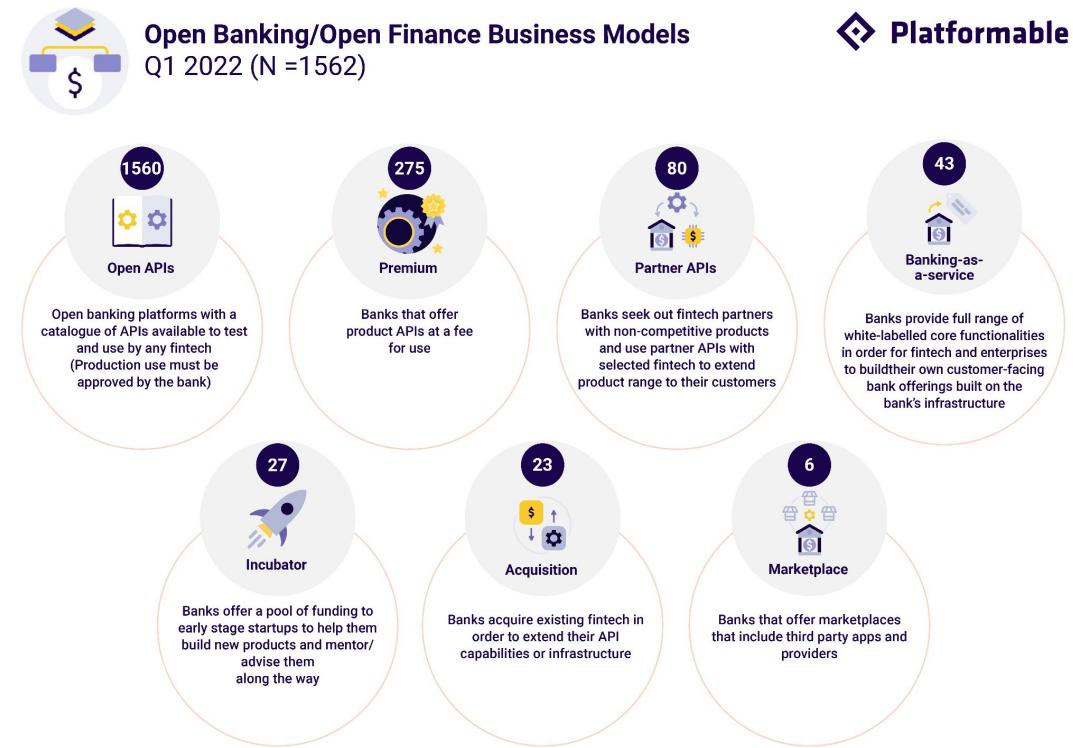
Open Banking platforms starting to explore new business models

Banks' willingness to experiment with new business models using APIs can indicate open banking maturity.

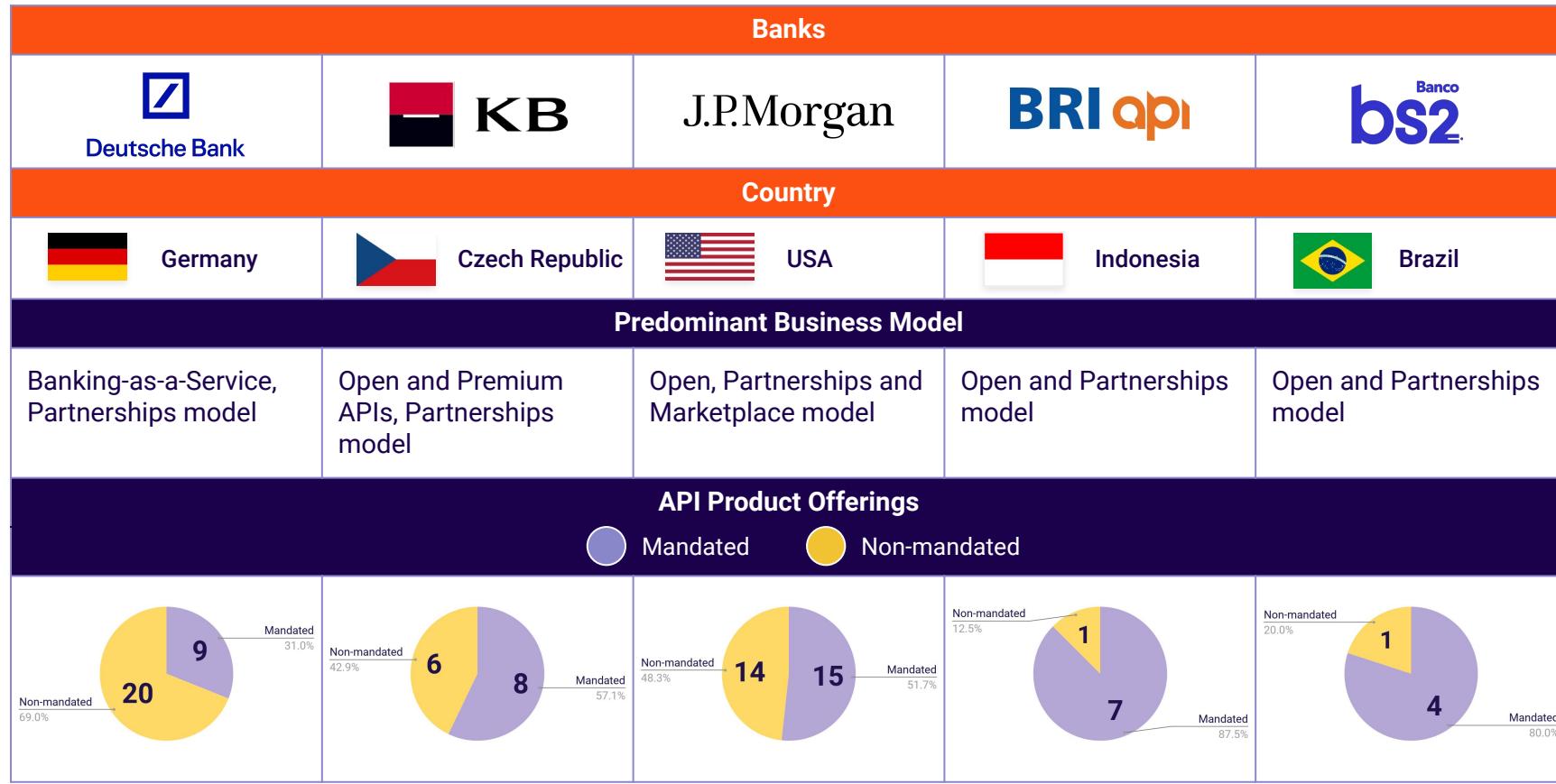
There are several routes to monetise an API program:

- Generating revenues by offering capabilities through a partnership program - partner API integration and revenue sharing implied - or as paid premium APIs.
- Offering funding and mentorship to early stage startups or acquiring existing fintech to rapidly build out capabilities.
- Lending third party providers (TPPs) banking license and secured banking capabilities to offer white label financial services (BaaS) to the partners' end-users. Globally, we track 43 banks that have explicitly commented on a BaaS strategy.
- Fully embracing an open ecosystem approach by offering marketplaces like [UK's Starling Bank](#) and [Singapore's DBS Bank](#).

Banks often start an API program offering open APIs free of charge. However, by opening up, indirect values can be generated (e.g. higher customer acquisition and retention).



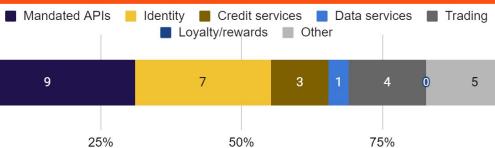
Open banking platforms are starting to diversify their business models



Deutsche Bank

Embedded finance with an API First mentality

API products by category as at Q1 2022 (N = 29)



Deutsche Bank is a BAI Global Innovation Award winner in digital transformation for their Embedded Finance Initiative

Known fintech API consumers



Known fintech partners



Embedded finance APIs increase value for partners



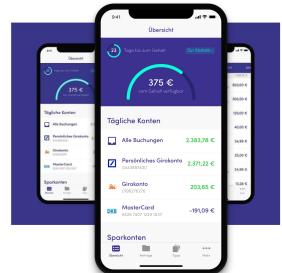
In 2021, Deutsche bank won a [BAI Global Innovation Award](#) for their Embedded Finance Initiative, which highlighted the bank's range of APIs and embedded finance options as well as their API First culture.

[Deutsche bank's developer portal](#) contains APIs for all banking sectors (private, corporate and enterprise) as well as sandbox and production environments for their acquisition, norisbank. By integrating these APIs into third-party apps, partners can offer their customers bank accounts and credit cards or use Deutsche's business bank features in their own IT landscapes.

Finanzguru partnership utilises customer data for financial assistance

What is finance guru?

- Our long-standing cooperation partner
- The financial planner to keep track of your income and expenses
- The app for analyzing your income and expenses and determining savings potential



Financial assistance app, [Finanzguru](#), uses the Deutsche Bank API Program to integrate [Deutsche bank customers' personal and financial transaction data](#) into their own application. Artificial intelligence (AI) analyses the integrated API data to alert the app's users to savings potential and provides an overview of the user's contracts and finances.

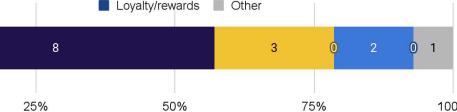
Finanzguru is a member of the [Deutsche Bank Partner Network](#), an application-only network for data driven third-party applications to test and rate new Deutsche API products. Deutsche provides these members support and early access to data during new product development

Komerční banka (KB)

An open banking strategy beyond PSD2 compliance

API products by category as at Q1 2022 (N = 14)

Mandated APIs Identity Credit services Data services Trading
 Loyalty/rewards Other



KB divides its API program into three streams: Open, partner and PSD2 services, to both cover regulatory compliance and create new revenue opportunities

Known fintech API consumers



Firma pro vás



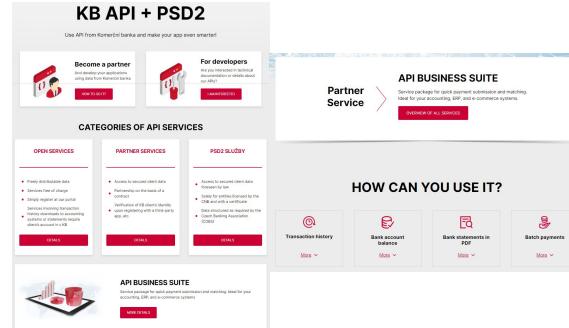
Known fintech partners



Firma pro vás



Embracing partnership with fintech both technically and commercially



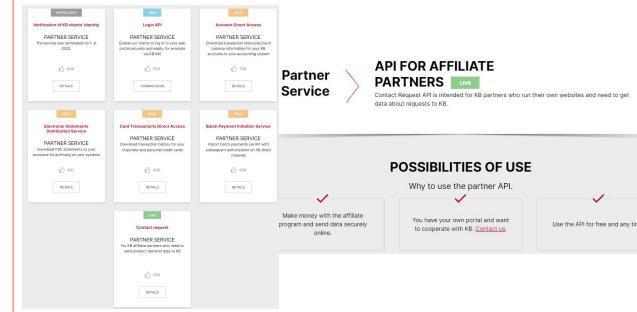
KB offers three streams of API services:

- Open services** include exchange rates, bank product and mortgage calculator APIs.
- Partner services** allow access to secure customer data and information under partnership agreements.
- PSD2 services** include mandated accounts and payments APIs.

It also offers a suite of selected partner APIs that enable transactions data to be integrated into enterprises' EPR systems and help streamline their banking processes.

Developer portal includes DX best practices like a catalogue, guidelines, sandbox and use case descriptions

Piloting partner APIs focus on KYC/onboarding and batch payments



For the **partner services**, KB now offers Contact Request API, which allows seamless referencing of their clients' demand for KB's financial services back to the bank. Several other KYC and client onboarding, electronic statements, and batch payments are in pilot phase. Partner APIs enable an affiliate revenue sharing model for creation of products and services.

The Czech invoicing app **Fakturoid** uses KB's PSD2 APIs to integrate financial transaction data to its app to help streamline invoicing and banking processes for SMEs and sole traders. Fakturoid had 14,000 active users over 1 year after the launch, with 24% conversion rate.

JP Morgan

A market-driven open banking platform

API products by category as at Q1 2022 (N = 29)



JP Morgan offers a wide range of API products targeting enterprise solutions, which present embedded finance opportunities

Known fintech API consumers



Known fintech partners



A wide range of API product offerings

Integrate with our data and capabilities through a seamless connected experience

J.P. Morgan Developer brings the best of the firm's technical capabilities and data to your fingertips.

The extensive catalogue of APIs, SDKs and other technical resources empowers your developers, data scientists, quants and other technologists to create unique solutions for your users.

View our Solutions

Leverage solutions made possible by J.P. Morgan's data and APIs - available across our businesses.

- Research & Markets** Market leading research, proprietary pricing data and analytics, and trade execution across multiple asset classes.
[SEE ALL >](#)
- Treasury & Merchant Services** Global full-service provider of cash management, liquidity and reporting solutions.
[SEE ALL >](#)
- Securities Services** Access to market worldwide for the settlement, safekeeping and asset servicing of securities.
[SEE ALL >](#)
- Account Services for individuals** Access to payment account services for individuals.
[SEE ALL >](#)

Developer portal groups API products into four commercial solutions, mostly targeting enterprises:

- **Research & Markets** includes data and analytic APIs that enable trading execution solutions.
- **Treasury & Merchant** consists of corporate account & payment APIs that enable innovative enterprise cash management, liquidity and reporting solutions.
- **Securities services** is made up of data APIs for proprietary trading activities.
- **Account services for individuals** includes account and payment APIs such as PSD2 mandates.

Developer portal has DX best practices (sample codes, sandboxes, guides, SDK) but registration is required.

J.P.Morgan

Embedded finance opportunities

Featured links



J.P. Morgan Developer Expands to Third Party APIs

Third party fintech firms can now leverage our API portal to showcase relevant data offerings, gaining access to our global network of clients.



API catalogue implies a marketplace business model and Baas/embedded finance opportunities:

- Offering both traditional functionalities (bank products, corporate account transactions, payment initiations) and wider financial services (KYC/onboarding, trading, data).
- Including APIs released from partners.

Several of the third party API products would also require the end customers to create a bank account or access other bank products to use the third party's services, thus driving new customers and bank product revenue.

Bank Rakyat Indonesia (BRI)

An open banking platform for financial inclusion

API products by category as at Q1 2022 (N = 8)



BRI applies DX best practices to attract third party providers to build inclusive financial services on top of their account and payment functionalities

Known fintech API consumers



Known fintech partners



Engaging developer portal

 Products Getting Started Documentations FAQ News Use Case Register Log in 

API catalogue is mostly made up of account transactions and payment functionalities within Bank Indonesia's guidelines:

- **Transactional APIs** include six payment functionalities (direct debit, e-wallet, payment code, transfers, and cardless cash withdrawals)
 - **Informational APIs** enable access to account transactions information and statements

[Developer portal](#) is in both Indonesian and English, and includes use case descriptions and documentations for each API. This implies that the bank targets both local and international partners to commercialise its APIs.

Reaching wider groups of end users

Use Case

February 28, 2022 | Use Case

BRIPA Dukung Transformasi Digital di Universitas Santa Clara



Dengan mendukung perkembangan transformasi digital di Inggris Universitas, Universitas Santa Clara semakin dengan BRIPA dan mendukung transformasi digital di Inggris Universitas. BRIPA berkomitmen untuk memberikan solusi yang transparan. Dengan dukungan BRIPA, Universitas Santa Clara akan terus melanjutkan proses transformasi ini.

BRIPA Team
Kontibutor

28 February 2022 | Use Case

TDM Expedites Financial Management System at BRIPA



PT TDM Indonesia memberikan solusi bagi banyak anggota koperasi yang beroperasi secara online. Recent, BRIPA Indonesia, Multilateral Industry Development Management (TMD) mengelola lebih dari 80 million members across the country, or an average of 200k individual households have an account with us at home. Among them, there are approximately 100 thousand

BRIPA Team
Kontibutor

23 July 2021 | Use Case

BRIPA Strengthens ShopAny's Network



ShopAny is a company that is predicted to have achieved growth potential. Google research report that the total value of the Indonesian e-commerce market will reach US\$20 billion by 2025 (Rp 280 Trillion) by 2025. This huge opportunity also increased competition to provide better services to consumers. Despite the challenges, ShopAny has continued to grow rapidly in e-commerce space. It

BRIPA Team
Kontibutor

1 August 2021 | Use Case

KUFI Accelerates Loan Disbursement with BRIPA



Lending is one of the most important areas in Indonesia. In order to accelerate loan disbursement, KUFI has been working with BRIPA. BRIPA has been able to shorten the time required for loan disbursement from 10 days to 2 days. This is because KUFI has been able to shorten the time required for loan disbursement from 10 days to 2 days. This is because

BRIPA Team
Kontibutor

30 June 2021 | Use Case

BRIPA Helps PT UUSI Build a Digital Ecosystem for Microfinance Institutions in Indonesia



PT Berkolaborasi dengan BRIPA, Kredit Usaha Syariah Indonesia (UUSI) berhasil meningkatkan pengetahuan dan teknologi pengetahuan. Together with BRIPA, UUSI has succeeded in building a digital ecosystem system to support its business needs. This system is designed to support the development needs of microfinance institutions in Indonesia. It has a

BRIPA Team
Kontibutor

30 July 2021 | Use Case

Mitra Pajakku Improves Digital Taxation Services



PT Mitra Pajakku is a company that is committed to supporting the development needs of microfinance institutions in Indonesia. It has a

BRIPA Team
Kontibutor

22 January 2021 | Use Case

A Better and Easier Way to Pay for Government Services



Government services are the most important thing for children where it can be obtained directly. The government has been providing various services to citizens through various channels. One of the most popular services is the payment of PT. Kita Harapkan Indonesia. Contact us at <https://bit.ly/BRIPAHarapkan> to know more information.

BRIPA Team
Kontibutor

22 January 2021 | General

One Click Payment in E-Commerce Platform

In today's digital era, many e-commerce companies have shifted from traditional to digital ways. One of the most popular e-commerce platforms is Tokopedia. Tokopedia has been able to shorten the time required for payment processing from 10 days to 2 days. This is because Tokopedia has been able to shorten the time required for payment processing from 10 days to 2 days. This is because

BRIPA Team
Kontibutor

[Use case page](#) describes some consumer case studies of the bank's APIs. Each use case is organised into the consumer description, their challenges, how the bank's APIs helped and the integration process.

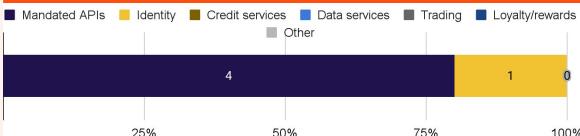
These case studies also showcase the bank's key capabilities in payment solutions for inclusive fintech apps: Doku (backend payments), TDM (financial management system), Mitra Pajakku (tax revenues), KUFI (P2P lending), Indogrosir (e-commerce).

It appears that there is a cost on consuming the APIs, although there could be new revenues generated from new accounts acquired from leveraging relationships with third party providers, e.g. [Avoconnect](#).

Banco BS2

A digital bank with new partnership opportunities

API products by category as at Q4 2021 (N = 5)



Banco BS2 offers banking and payment APIs adhering to Brazil's open banking standards

Known fintech API consumers

Contabilizei.

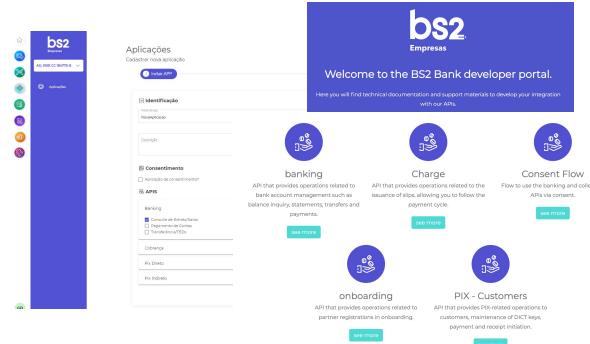
belvo.

ContaAzul

Known fintech partners



APIs and instant payments adhere to Brazil's open banking standards



The developer portal features a sidebar with categories like 'Aplicações' and 'Identificação'. The main area displays five API categories:

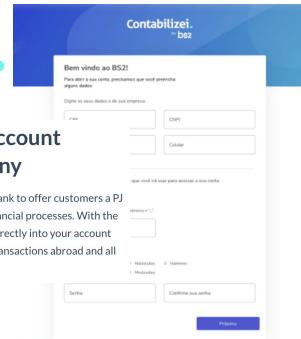
- banking**: API that provides operations related to bank account management such as balance inquiry, statements, transfers and payments.
- Charge**: API that provides operations related to the issuance of slips, allowing one to follow the payment cycle.
- Consent Flow**: Flow to use the banking and collection APIs via consumer.
- onboarding**: API that provides operations related to partner registration in onboarding.
- PIX - Customers**: API that provides operations related to customers, maintenance of DCTF keys, payment and receipt initiation.

Banco BS2 joined Brazil's open banking initiative during the [launch of the initiative's third phase](#) in October 2021. [BS2's developer portal](#) currently contains five APIs (banking, charge, consent flow, onboarding and PIX) which adhere to Brazil's open banking initiative phases one and three. Plans for adherence to phase two, facilitating customer data-sharing authorisation, is in the works for later this year.

Open banking APIs facilitates new partnerships with third party platforms. [PIX API](#) integrates with Brazil's instant payment system by providing payment and receipt initiation and other related customer operations.

First 100% open banking services launched for corporate clients

Contabilizei.



Banco BS2 : a new digital account experience for your company

You already know BS2? It is Contabilizei's partner bank to offer customers a PJ digital account fully integrated with accounting and financial processes. With the Legal Person Digital Account, in addition to receiving directly into your account all income from invoices, you will be able to carry out transactions abroad and all this at no cost.

In 2020, [Banco BS2 partnered with the accountant for SMEs Contabilizei](#). Using Banco BS2's open banking APIs, Contabilizei customers can seamlessly open a digital account without.

The Contabilizei BS2 Empresas Digital Account has no recurring or monthly fees, though users are required to pay for cleared slip, withdrawals and additional Transferência Eletrônica Disponível (TED) transfers. Account capabilities include access to a payment gateway, a virtual debit card, balance inquiry and receipts in foreign currency. Open Banking Brazil Phase III also allows users to make payment transfers from their account via PIX.

The open finance landscape



Fintech platforms

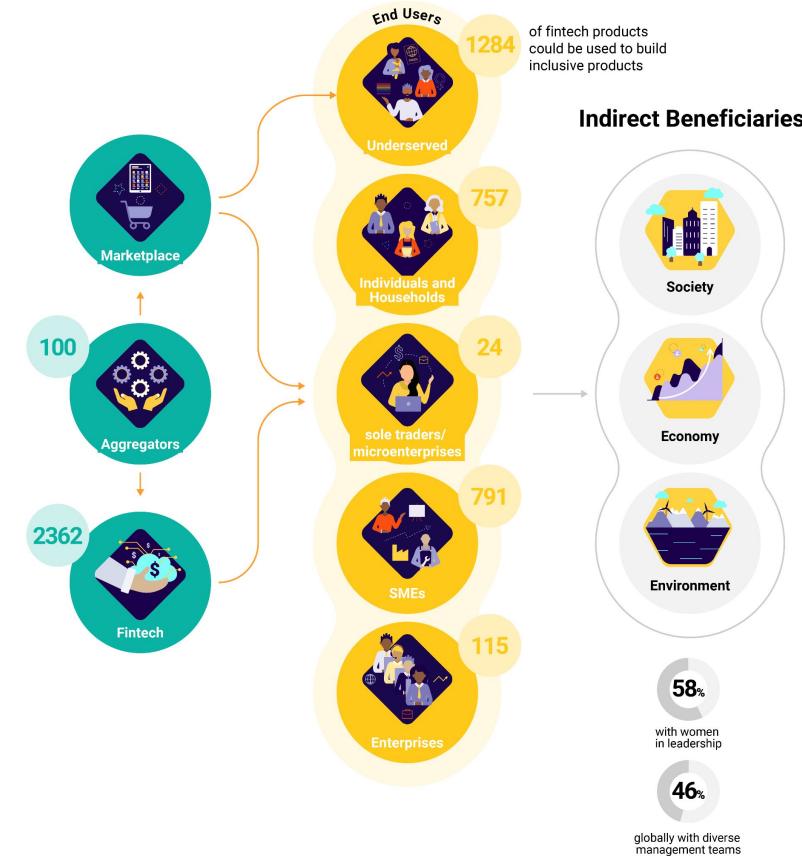
Fintech building with open banking APIs

How we see open banking generating value for everyone

Demand-side characteristics include:

- Fintech:** We currently track 2362 fintech that make use of open banking APIs or that are fintech platforms in their own right
- Aggregators:** Of these 2362, 100 are API aggregators specialising in harmonising fintech and bank APIs in order to speed up product development
- Marketplaces:** With the surge in embedded finance, it will be essential to start mapping how finance APIs are used in marketplaces
- End Users:** The bulk (33.5%) of fintech built on banking and finance APIs focus on the small and medium enterprise (SME) market
- Indirect Beneficiaries:** From a societal perspective, fintech could play a part in reducing exclusion, but to date only 58% of fintech appearing to have women in leadership positions while only 46% have diverse management teams.

NOTE: Given the invasion and war crimes by Russia in Ukraine, we have excluded Russia from our trends coverage.



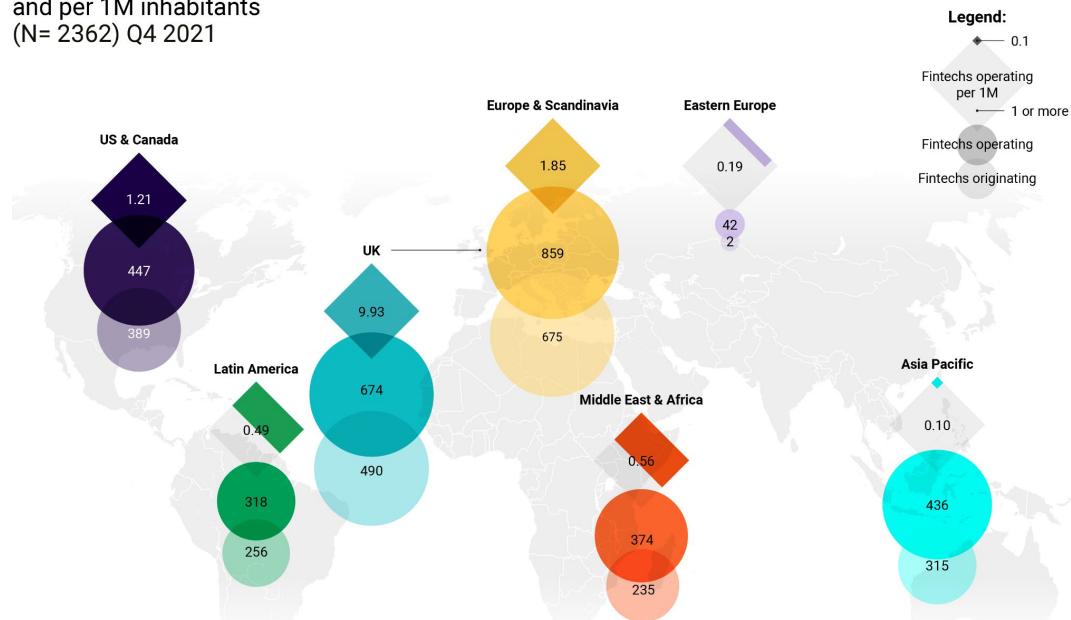
API-enabled fintech is limited and often home-grown

We use the number of fintech in the open banking ecosystem per million inhabitants as an indicator for fintech availability in each region. We exclude countries with populations below 500,000 in the analysis. Several observations are drawn from this exercise:

- API-enabled fintech availability varies widely among regions:** The UK the highest (9.93 per 1 million) and Asia Pacific the lowest (0.10). The UK has fintech expertise and open banking standards, and Asia Pacific level is partly skewed by its large population.
- Open banking platform availability is not yet translating into wider consumer choice.** Home-grown fintech are still a fraction of all fintech operating in most regions, with Asia Pacific and Middle East & Africa among the lowest at 72% and 63%.
- Latin America stands out with 81% of locally founded fintech** (the US: 87%). Brazil is moving from Open Banking to Open Finance, offering new opportunities for other financial institutions to share data and create partnerships within the ecosystem to provide consumers with more financial product and service choices and enhance financial inclusion.

Accredited FINTECH Global

Number of fintechs originating, operating and per 1M inhabitants
(N= 2362) Q4 2021



Methodology: Platformable tracks all fintech globally that are accredited or known to use bank APIs. We then review what products they are making available and tally them according to category, and we measure other characteristics such as their target customer segments and business model/monetisation approaches. We review each fintech at least once every three months.

Due to the large size of populations in countries such as China, India and Indonesia, fintech per million head of population is more challenging as a comparative indicator.

Payment solutions still hold the lion's share of fintech built with open banking and open finance

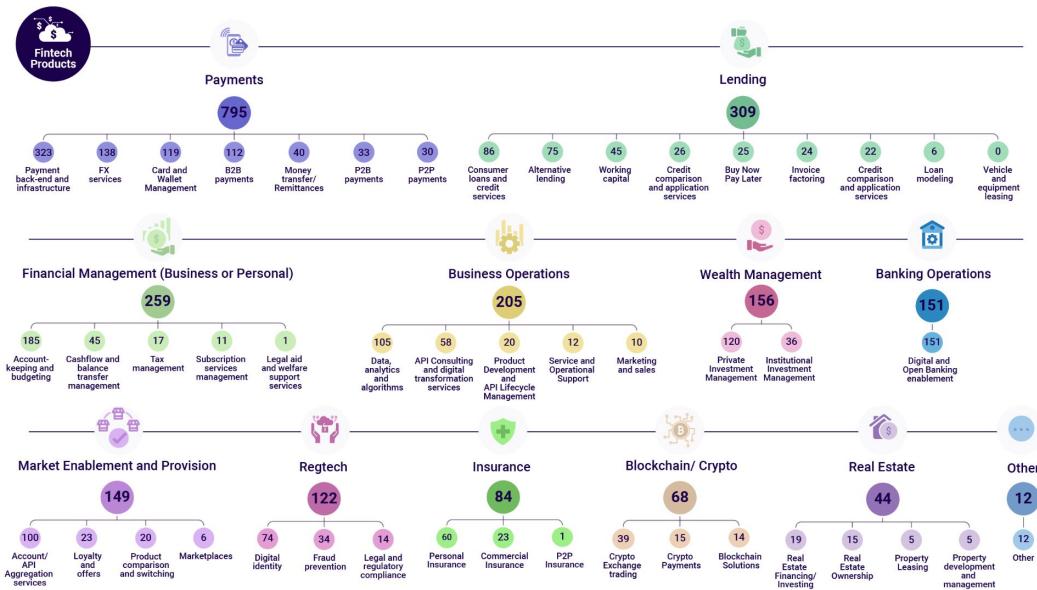
The US and Europe still host the most payment back-end and infrastructure, FX services and B2B payment service providers, who meet SMEs' increasing needs to streamline and reduce costs of payment processes with customers and suppliers.

There are also a high number of account keeping and budgeting and account/API aggregation fintech that offer generic book keeping and financial management solutions to SMEs. This reflects the first wave of products built with open banking APIs in Europe and the UK under PSD2.

Other fintech apps being built with open banking and open finance include digital banking, card and wallet management, consumer lending and credit services, and alternative lending. Many target individuals and households.

Many account aggregators and providers of digital banking, payment infrastructure, data analytics, and card management also leverage their B2B2C capabilities to tap into opportunities in embedded finance. Examples are [Flutterwave](#), [Grab](#), [Mollie](#) and [Railsbank](#) (see pages 27-31).

API-Enabled Fintech Products by Category and Sub-category Q1 2022 (N = 2362)



Methodology: Platformable tracks all fintech globally that are accredited or known to use bank APIs. We then review what products they are making available and tally them according to category, and we measure other characteristics such as their target customer segments and business model/monetisation approaches. We review each fintech at least once every three months.

Notes: As we only measure API-enabled fintech being built on open banking and open finance APIs, it is a smaller subset of the fintech market. Open banking APIs used as part of internal processes by enterprise and SME customers are also excluded in the fintech taxonomy.

Payments infrastructure leads the API-enabled open banking/open finance ecosystem

Globally, Payment Back-End and Infrastructure remains the top fintech sub-category, including:

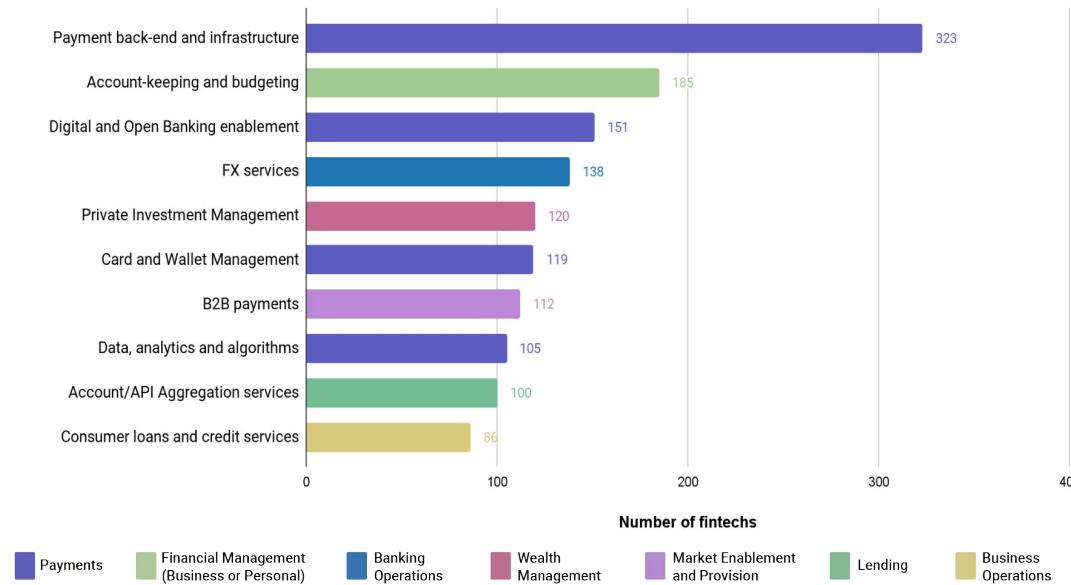
- Those connect to open banking to provide seamless transactions directly from bank accounts.
- Payment gateways offer themselves as open platforms for fintech to build, completely bypassing banks.
- Payment providers are partnering with banks to create new offerings.

Other payments-related sub-categories like Digital and Open Banking enablement, Card and Wallet Management and Data, analytics and algorithms also feature in the top 10, making payments the highest represented category overall.

Many banking platforms continue to focus predominantly on business models that partner and incubate with fintech. Only a small group of banks are starting to generate revenue from API products by allowing fintech to build new end-user-facing products.

Top 10 fintech using APIs by sub-category

Q1 2022 (N=2362)



Methodology: Platformable tracks all fintech globally that are accredited or known to use bank APIs. We then review what products they are making available and tally them according to category, and we measure other characteristics such as their target customer segments and business model/monetisation approaches. We review each fintech at least once every three months.

Consumers, small business find interaction with financial services stressful

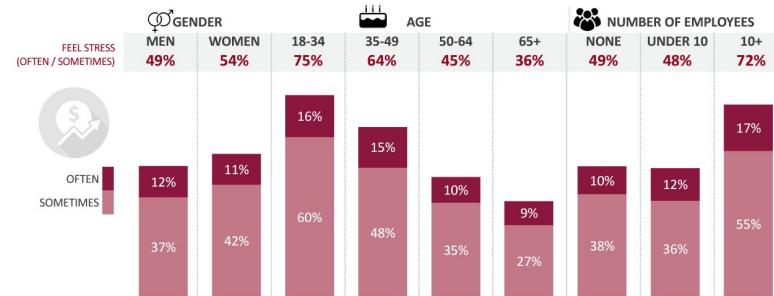
Digital readiness is a key factor in open banking and open finance

growth. On the supply side, banks and fintech platforms need to offer reliable APIs for fintech to build products upon. On the demand side, consumers must trust these solutions and be willing to adopt them. Digital readiness will require trust and understanding in the value of open banking, a willingness to use fintech apps and availability of fintech solutions that meet consumer needs.

A recent survey commissioned by FDATA North America and Paytechs of Canada regarding Canadian consumer and small business attitudes toward financial sector and open banking reveals:

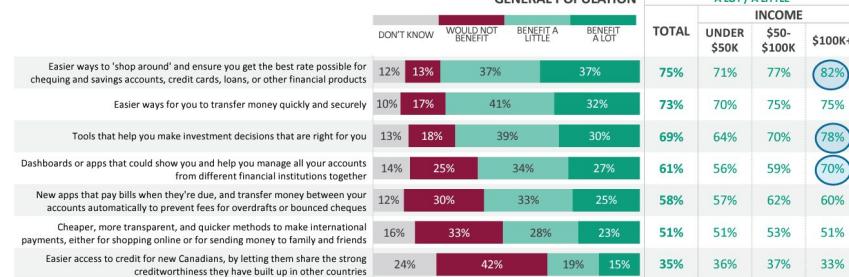
- Lack of banking knowledge increases consumer pressure:** 52% of individuals (and 51% of small business owners) reported feeling stress when interacting with financial services. The highest level of stress was reported by women aged 18-34, with a lack of financial understanding cited as the most common cause.
- More consumer choice is desired:** 75% of individuals (and 73% of small business owners) believe they would benefit from easier ways to “shop around” for the best rates on financial products. Over half of respondents (61% of individuals and 52% of small business owners) also think they’d benefit from an app aggregating their financial accounts into a single location.

FREQUENCY OF FEELING STRESS WHEN INTERACTING WITH FINANCIAL SERVICES SECTOR IN CANADA – BY SEGMENT



Q82. How often do you feel stress when interacting with the financial services sector in Canada? This could include dealing with banks, lenders, or other financial institutions. Base: (Small Business survey: Men N=307, Women N=291, 18-34 N=65, 35-49 N=172, 50-64 N=226, 65+ N=137, No Employees N=378, Under 10 Employees N=153, 10 or More Employees N=69)

PERSONAL BENEFIT FROM CHANGES TO FINANCIAL SERVICES SECTOR: GENERAL POPULATION



Q81. How much would you personally benefit from the following changes to the financial services sector? Base: (GenPop survey N=2001, Under \$50K N=570, \$50-\$100K N=672, \$100K+ N=566)

<https://fdata.global/wp-content/uploads/2022/04/FDATA-Paytechs-Joint-Survey-Results-2022.pdf>

The bulk of API-enabled fintech target SMEs and individuals

SMEs and individuals/households continue to be the top markets targeted by fintech using open banking and open finance APIs - each accounting for approximately a third of all fintech globally. The most popular products are payment and financial management solutions that enable SMEs to streamline banking and transaction processes, and individuals/households to cut transaction costs and have better control of their financial health.

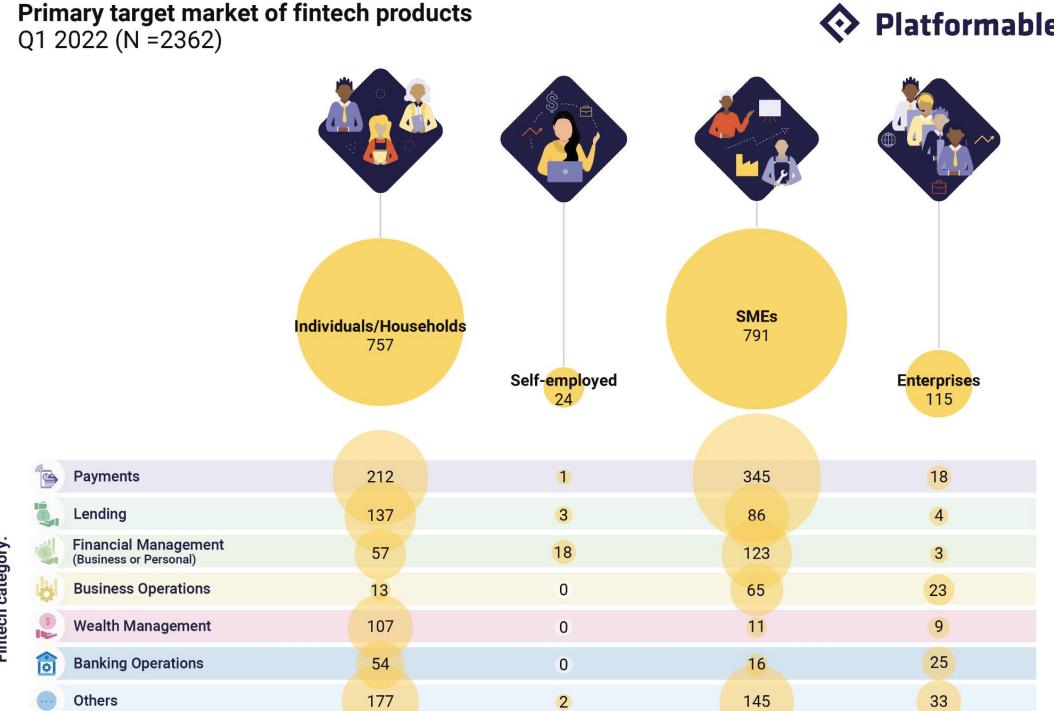
The majority of these products are still fairly generic in nature and are not targeting sub-populations by designing specific features that meet the needs of end users.

However, we welcome new innovative lending solutions like the credit provider for immigrants [Stilt](#) in the US, the financial services platform for ride-hailing drivers [Grab](#) in South East Asia, and the embedded financing provider for farmers [TerraMagna](#) in Brazil.

Positively, we are also seeing some growth in business operations and data analytics products provided to support SMEs to leverage financial data and fintech digital transformation in their businesses.

Less positively, we are seeing a limited range of fintech products specifically targeting women's financial needs.

Primary target market of fintech products
Q1 2022 (N = 2362)



Methodology: Platformable tracks all fintech globally that are accredited or known to use bank APIs. We then review what products they are making available and tally them according to category, and we measure other characteristics such as their target customer segments and business model/monetisation approaches. We review each fintech at least once every three months.

New fintech apps built with open banking and open finance increasingly focusing on B2B2C opportunities

Fintech					
Country originated	Flutterwave®	Grab	mollie	Railsbank	TROVATA
Fintech sub-category	Payment back-end and infrastructure	Card and wallet management	B2B Payments	Payment back-end and infrastructure	Cashflow and balance transfer
Diversity Score					
A+	A+	A+	A	A+	A+

Flutterwave

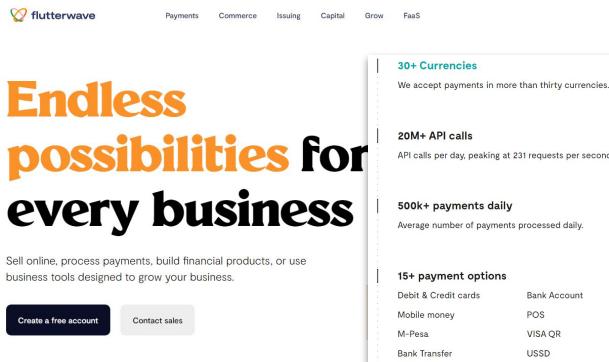
Payment back-end and infrastructure

 	 	A+
Women in leadership	Ethnic diversity in management	Diversity score

The Nigeria-based payment back-end and infrastructure provider Flutterwave processes over 200 million API calls and 500000 payments a day

Known bank/fintech API consumers	Known bank/fintech partners
 	     

From payment solutions...



The screenshot shows the Flutterwave homepage. The main headline reads "Endless possibilities for every business". Below it, there are several sections: "30+ Currencies" (We accept payments in more than thirty currencies), "20M+ API calls" (API calls per day, peaking at 231 requests per second), "500k+ payments daily" (Average number of payments processed daily), and "15+ payment options" (Debit & Credit cards, Bank Account, Mobile money, POS, M-Pesa, VISA QR, Bank Transfer). At the bottom, there are two buttons: "Create a free account" and "Contact sales".

As a payment back-end solution provider, Flutterwave provides SMEs in Africa with market access and scalability through API-enabled payment options that integrate with payment systems ([Mono](#)), online account keeping and e-invoicing apps ([Xero](#), [Intuit](#), [Sage](#)). Recent new product launches reflect platform business model and strategic focus on inclusive finance:

- [Marketplace](#) allows businesses to sell their products online and [remittance services](#) for consumers to make international payments.
- [So far in 2022](#), the fintech has added [SME lending](#), [card issuance](#), and [embedded finance](#), to its product suite.

...to Fintech-as-a-Service offering

Everything you need to build financial services in your product

- KYC: Facilitate your customer identity verification in one call.
- Account opening: Open and manage branded consumer and business deposit accounts using our developer-friendly APIs.
- Debit cards: Instantly issue and process branded virtual and physical consumer and business debit cards.
- Payments: Execute custom API, bill pay and real-time transfers through a single endpoint.
- Account servicing: Simplify the management and maintenance of your customer bank accounts.
- Compliance: With built-in compliance, we do the heavy lifting so you don't have to.

Get started in minutes

Create an API Key to access our APIs and Dashboard, and instantly start integrating our financial services into your products.

[View docs](#) [Contact sales >](#)

The fintech is opening up its infrastructure via API integration to allow other companies to embed its financial capabilities into their existing products.

[FaaS offering](#) provides a unified tech stack that includes KYC, account opening, debit card issuance, payments, and real-time transfers through a single endpoint, account servicing, and compliance.

Grab

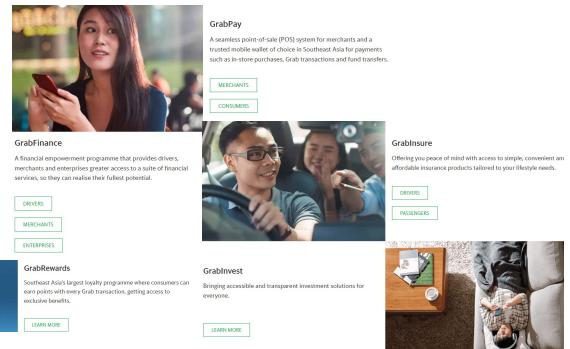
Card and wallet management

Women in leadership	Ethnic diversity in management	Diversity score
---------------------	--------------------------------	-----------------

Through **Grab Financial Group**, the ride-hailing app is becoming an exemplary **embedded finance practice** for financial inclusion in Southeast Asia

Known bank/fintech API consumers	Known bank/fintech partners
CREDIT SAISON	

A financial ecosystem created from a ride hailing and food delivery platform



Grab has created a financial ecosystem by connecting drivers, merchants and customers onto its ride hailing and food delivery marketplace, where all users can transact.

The company now offers full suite of financial products and services to both individuals and businesses including payments, alternative financing, insurance, wealth management and rewards.

From embedded finance enabler to embedded finance provider

Financial Services Key Focus Areas



Many bank partners have been embedding their capabilities onto Grab ecosystem across Southeast Asia:

- **Citi Singapore**, for instance, has made its consumer lending and reward products available to Grab users.
- **KBank** has partnered with Grab for e-wallet launch in Thailand
- **ZhongAn Insurance** has partnered with Grab for an insurance marketplace in China.

Grab has recently received banking license to operate a digital bank with Singapore Telecommunications, which is likely to see the group taking more of the role of providing embedded banking capabilities for other companies.

Mollie

B2B Payments (Payments)

<input checked="" type="checkbox"/> 	<input checked="" type="checkbox"/> 	A+
Women in leadership	Ethnic diversity in management	Diversity score

Mollie is a Netherlands-based **payment integration platform** allowing SMEs to accept online payments

Known bank/fintech API consumers



Known bank/fintech partners



New financial services suite enables SaaS expansion in Europe

Connect for Platforms

Effortlessly accept, process and route payments on your platform using our easy integration. What's more, we'll take care of all your KYC and compliance needs, leaving you with more time to grow your business.

Easy payments and payouts for Marketplaces

The quickest and easiest way to manage your sellers, from onboarding in your own environment, to routing and splitting payments. Just another way we're helping you launch faster with fewer manual processes.

Payment	€50.00
Shop	€40.00
Your platform	€10.00

[Learn more](#)

Connect for Platforms, Mollie's newest offering launched in March 2022, is a combined SaaS and marketplace platform for SMEs. It offers integrated payment solutions as well as customer onboarding and improved operational efficiency. Connect meets PSD2 and other EU compliance regulations.

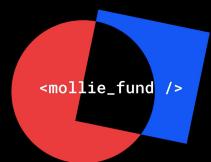
By including onboarding and compliance in addition to payment integrations, Mollie is moving beyond payments to transition into business banking.

Acceleration fund launched for devs, start-ups and agencies

Mollie Acceleration Fund

The benefits of Mollie's Acceleration Fund

- Funding** - Receive financial incentives to build your integration or OAuth app
- Marketing** - Get listed in our directory and make use of our marketing channels to grow your customer base
- Tools & Insights** - Access our latest products and features; benefit from our market and customer insights



In December of 2021, Mollie introduced an Acceleration Fund to drive external innovation in the form of integrations and add-on products for its platform. The fund, worth €1 million, is aimed at developers, startups and digital agencies worldwide. Aside from funding, Mollie will also provide these organisations with marketing assistance and access to its latest products. Mollie seeks investing in new integrations and technology partnerships for new product development to support their eCommerce merchant customers.

Railsbank

Payment back-end and infrastructure (Payments)

 		A
Women in leadership	Ethnic diversity in management	Diversity score

Railsbank is a **banking-as-a-service provider** operating in Europe, Asia Pacific and the US

Known bank/fintech API consumers	Known bank/fintech partners
 SUSTAINABLE PAYMENTS	
	
 	
	
	 SUSTAINABLE PAYMENTS
	
	

Railsbank expands into Australia with banking-as-a-service options



Products > Embedded Finance Experience

2020
Railsbank launches our first Banking-as-a-Service in Australia

Which we do via our partnership with the country's first neobank, Volt. Trading locally as Railspay, the partnership enables Railsbank to continue our expansion within the APAC region.

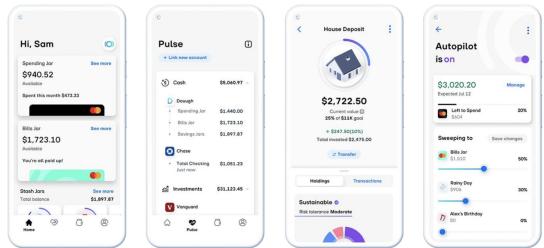


Railsbank launched in Australia last year via a partnership with the payment backend solutions provider [Volt](#). The Australian launch is a continuation of Railsbank's expansion in Asia Pacific.

Through the partnership, Volt plans to utilise Railsbank's network of partners and customers as well as enable a [broader BaaS solution](#) for companies to prototype, launch and scale financial products with their own customer experience (CX) options.

Core banking products offered in partnership with Douugh

Douugh seals global BaaS partnership with embedded finance provider Railsbank



The card and wallet management app [Douugh](#) partnered with Railsbank to expand their banking services in November 2021. Through Railsbank's BaaS platform, Douugh plans to offer core-banking services to its customers in the UK, Europe and Southeast Asia.

Railsbank's Volt partnership also allows Douugh to leverage Volt's banking licence to offer products like bank accounts, debit cards and financial management services to their Australian customers. Douugh is expected to [launch their Australian app](#) in mid-2022.

Trovata

Cashflow and balance transfer management (Financial management)

 	 	A+
Women in leadership	Ethnic diversity in management	Diversity score

Open banking platform Trovata partners with some of the largest banks in the US

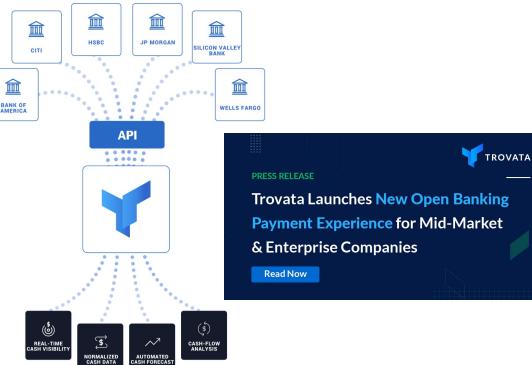
Known bank/fintech API consumers



Known bank/fintech partners



New enterprise and mid-market open banking payment options



Trovata has recently added a Payments App to their cash management platform. The app allows businesses to make payments via ACH, wire and Real-Time Payments (RTP) directly via bank's APIs, cutting out the need for a third-party intermediary.

App users can also govern payment executions in adherence with their company's signature authority matrix, treasury policy and internal controls. Additionally, settlement (via RTP) and reconciliation is automated to improve payment processing efficiency and increase RTP adoption in the US.

Capital One partnership for automated cash management



The collaboration between Capital One and Trovata will help enhance your cash management experience by:

- 1 Aggregating your multi-bank account balances and historical cash flows in one platform
- 2 Automating and streamlining cash reporting and forecasting
- 3 Reducing manual reconciliation with natural search and tagging functionality across all transaction data

Capital One has partnered with Trovata to distribute the fintech's cash management platform to its new and existing commercial and corporate clients. This aims to enable Capital One's customers to have more visibility and improved insights into their financials and streamlining their banking processes. Projections to help customers automate cash forecasting are also included.

"Trovata is helping us take a major leap forward in providing data-driven workflow automation to support our clients' digital transformation journeys." Phil Beck, Head of Treasury Mgmt. for Capital One

Wider benefits of the open banking/open finance ecosystem



Impact on financial inclusion

Impact on society, local economies and the environment

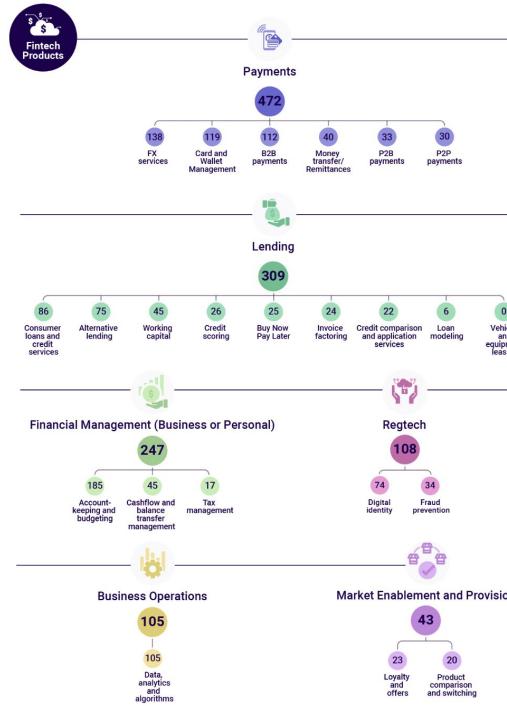
Greater work is needed to monitor whether open banking and open finance are addressing financial inclusion

The World Bank's Consultative Group to Assist the Poor (CGAP) has [created a range of resources to support telcos and banks in low and middle income-countries to open APIs](#) so third parties can build products to improve financial inclusion.

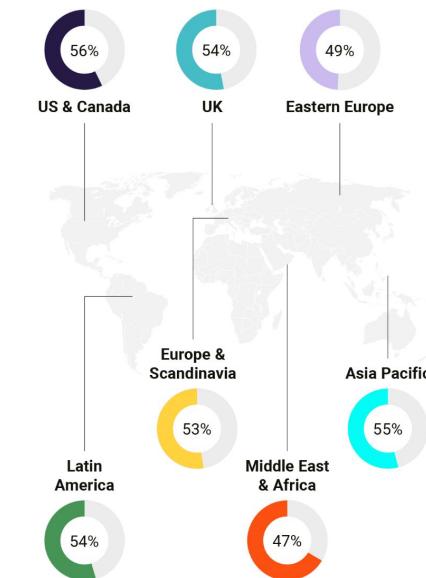
Financial inclusion is a regulatory objective: In countries like Indonesia and Brazil, regulations specifically state that open banking should address financial inclusion. In others (UK, Australia), financial inclusion is implied in regulatory focus on improved choice and financial wellbeing for consumers. **However, no reporting mechanism has been created** in any jurisdiction to monitor and share regular data on how well open banking ecosystems are progressing towards this objective .

At Platformable, our model tracks which end-user facing products could be used by low income, underbanked and unbanked individuals, sole traders and small businesses. We estimate that 54% of the global products being created from open banking APIs could be used to improve financial inclusion.

API-Enabled fintech sub-categories that have potential for increasing financial inclusion
Q1 2022 (N = 1284)



Globally, 54% of all fintech operating in the open banking and open finance ecosystems are creating products that could serve to reduce financial exclusion



Methodology: Platformable has identified a subset of the fintech product taxonomy to identify which products have the greatest potential to improve financial inclusion. These are tallied as absolute numbers and as a proportion of all fintech operating in each region in order to show the potential of fintech using open banking APIs and fintech open finance platforms to address financial inclusion.

Open banking and open finance APIs could be used to foster inclusion, build local economies and create products that support environmental action



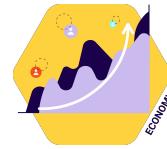
Society



Stilt

Fintech follows wider business organisational patterns where there is under-representation from women and diversity in management teams. Less than 6 in 10 fintech have women in management positions. Less than half have diverse management teams.

Immigrants are among the consumer groups, whose needs the traditional banking system has failed to meet. **Stilt** started out aiming to provide international students in the US a platform to access to affordable credit and build their credit history. With the recently obtained state lending licenses, Stilt now also offers embedded credit services to merchants and partners.



Economy

Flutterwave®

Flutterwave is looking to fill 39 vacancies across global locations. Two of these roles are community and partnership building roles.

belvo.

Belvo is hiring for 29 roles remotely, at its headquarter in Barcelona or across its key Latin American locations. Actual employment growth can be expected to surge beyond these roles as: 1 talent acquisition hire and one opened CV post will create a multiplier effect for scalable hiring.

tink

Tink is looking to hire for 52 positions hybrid-remotely, or across European locations. These include 2 in the talent acquisition function.



Environment

cushon

Cushion, the UK saving platform, offers net-zero pension plan. It also integrates with Tumelo (via Voting API) to allow end users to vote on ESG issues.

iChoosr

iChoosr is a group-buy platform that allows joint purchase of solar panels, storage solutions etc. Ischoor also uses KBC green energy loans API to allow merchant to offer their customers credit option at the point of sale.

VALAI

ValAI provides an automated sustainability rating tool and marketplace that adds insight into sustainability rating on the asset values

See our report "[Using Open Banking and Open Finance APIs to build green fintech Q1 2022](#)" for other case studies.

Methodology



Brief description of our value models and taxonomies

Methodology

At Platformable, we have:

Defined the open banking value flow. Drawing on industry and academic research, as well as our own datasets and analytics techniques, we have documented how value flows to various stakeholders in an open banking ecosystem.

Researched and defined taxonomies for key data model elements including: regulatory goals, API specifications, API standards, security tech, value stakeholders, value generated, bank types, bank platform business models, API product categories, API product pricing models, and fintech categories.

Identified primary and supplementary metrics for ongoing measurement. For each node in the ecosystem, we have defined primary indicators/metrics and secondary data points. These assist with measuring impact of the ecosystem elements overall on generating and distributing value. We are also testing scores for key components of the open banking ecosystem so that we can create scorecards and rankings of where open banking maturity is progressing.

Created a regular data collection system. We now have processes in place to continually collect and monitor how value flows in the global open banking ecosystem.

Regular data collection. We use alerts, scraping bots, data subscriptions, regulatory datasets, and manual data collection processes to identify banking platforms and API-enabled fintech. On a rolling weekly basis, we update aspects of our datasets and conduct global scans in the month prior to each trends report release to review any potential gaps or new entries our alerts, etc may not have picked up.

We will be creating mechanisms to invite greater community and industry consultation on our data models and methodologies over 2022. Please contact phuong@platformable.com to be involved in upcoming consultations.

Particular aspects of our data model and data collection can be improved to address shortcomings:

Tally of use of API standards. We draw on API documentation from each banking platform in order to identify how many bank platforms make use of each API standard. However, this can under-represent some standard usage. For example, in the US, the FDX standard is used by middleware platform providers that assist banks to expose APIs internally and to partners, which is not clearly documented on bank developer portals. As such, we estimate that FDX usage is under-reported in our model. We have decided instead to count the number of bank members of FDX as a better (but still conservative) indicator of the use of FDX by banks.

Calculation of financial inclusion. Drawing on our fintech taxonomy, we have identified 23 subcategories of fintech products that we believe could play a role in increasing financial inclusion. These fintech categories focus on the potential to impact end users, that is, unbanked and underbanked individuals/households, sole traders and microenterprises and small businesses. However, when calculating the proportion of products for financial inclusion we have calculated on the total subset rather than those that are end-user facing, and will update our models in future to more accurately reflect proportions of products.

Recognition of API-enabled fintech. Our model seeks to focus only on those fintech that are part of the open banking/open finance ecosystem. We seek to list fintech that are accredited to use bank APIs (in markets like Europe, UK, Singapore, Mexico and Brazil where this is regulated), or where we are able to identify that fintech make use of bank or fintech APIs beyond using a payment gateway to charge customers for their services.



About Platformable



Our team, our product offerings, and contact details

Our Team

**Mark Boyd**

Director

mark@platformable.com**Alexei Garban**

Lead Developer

alexei@platformable.com**Rebeca Vittorazo**

Lead Designer

rebeca@platformable.com**Phuong Pham**Open Banking &
Open Financephuong@platformable.com**Spencer Perkins**

Writer/Analyst

spencer@platformable.com**Adrienne Fanning**

Data Governance Lead

adrienne@platformable.com**Jannika Aalto**

Systems Lead

Open Sustainability
jannika@platformable.com**Catalina de Castro**

Open Health & Equity

catalina@platformable.com

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 Platformable

The Open Banking World Congress approaches community building by elevating underrepresented voices in the industry. A commitment to diversity representation is something we're passionate about at Platformable, which is why we're proud to be a **strategic partner of the conference**.

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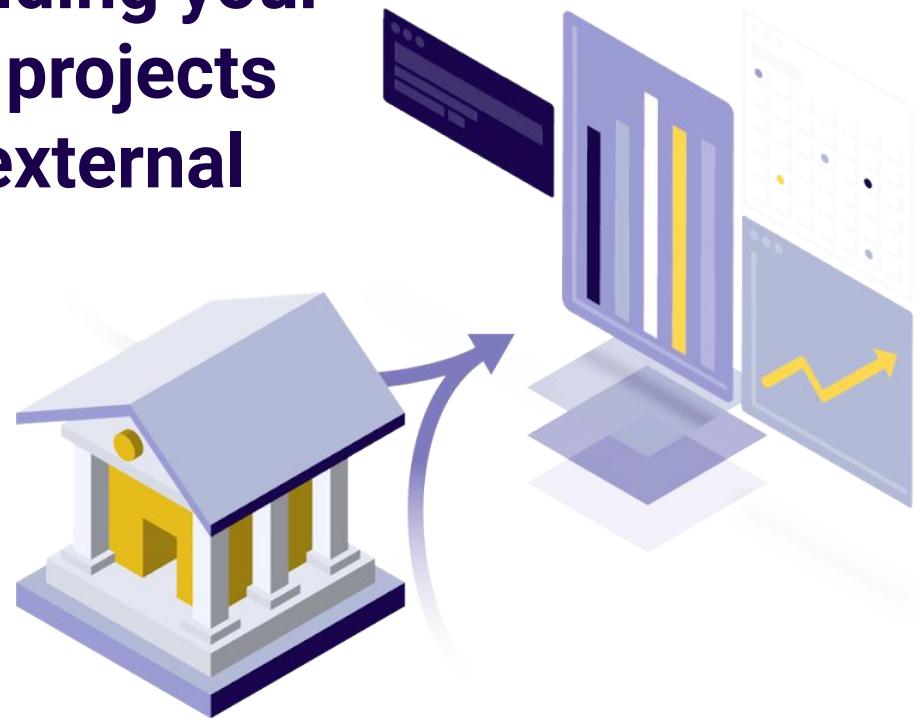
Self Paced



Workshop oriented



Subject-based



Help your bank or fintech to enter the platform economy with our training



Rebuild and reorient your team to take advantage of the open banking evolution.

More info and sign up at our

[Training Page](#)



Self Paced



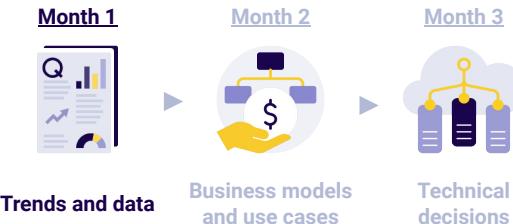
Workshop oriented



Subject-based

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For every **Quarter** Platformable releases 3 reports, one each month:



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platformable.com

mark@platformable.com

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