

TaylorWessing



# How to get started in the world of open finance

19 March 2024

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# Introduction



TaylorWessing

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# How to get started in the world of open finance

## Step 1

Basics:

Understanding the legal framework of FIDA



## Step 2

The operational perspective:

How to share financial data under FIDA



## Step 3

Roadmap / discussion:

How to prepare for FIDA







# 1 | Understanding the legal framework of FIDA

# Understanding the legal framework of FIDA

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<b>4</b>	Obligations under FIDA	14



# 1.1 | Broader context of FIDA

# Broader context of FIDA

EU data strategy  
Secure EU internal market for data / Horizontal and sectoral measures

Horizontal measures = cross-sectoral

EU Data Governance Act: Basic processes and structures for using and sharing data / sectoral “data rooms”

EU Data Act: Access to data from networked infrastructures (e.g. voice assistants, fitness trackers, networked household appliances)

EU Open Data Richtlinie + Implementing Regulation for High Value Data Sets: Certain public sector data should be publicly accessible and form the basis of value-added services (e.g. air quality data)



# Broader context of FIDA



June 2023: EU Commission published its **payments and financial data access package**  
Payment Services Directive, Payment Services Regulation (PSD III, PSR)  
Financial Data Access Regulation (**FIDA**)



**FIDA** creates a framework for controlled and consent-based **sharing of financial data**



**First draft**, that yet needs to find its way through the EU legislative making process  
Starts to apply 24 months after entry into force



# 1.2 | From open banking to open finance

# From open banking to open finance

## Open Banking

- Established under **PSD II**
- Access to **payment account data**
- **Account-holding institutions are obliged to grant PISPs + AISPs access to payment accounts / payment account data**

**PISPs** – (payment initiation service providers ): able to **initiate payment transactions** through customers' existing payment accounts

**AISPs** – (account information service providers): able to **extract data from payment accounts** of the customer and provide an **aggregate overview**

## Open Finance

- Access to **financial data**
- **Extension of open banking data-sharing principles** to enable consent based **sharing and use of a broader range of customer financial data** (and not only payment account data)



# 1.3 | Scope of application





# Scope of application

## In-scope data

**Credit data:** Mortgage credit agreements, loans, and accounts

**Investment data:** Savings, investments in financial instruments, insurance-based investment products, crypto-assets, real estate and other related financial assets, including data processed as part of suitability and appropriateness assessments under MiFID II;

**Pension data:** Pension rights in occupational pension schemes within the scope of Institutions for Occupational Retirement Provision II and Solvency II;

**Insurance data:** Non-life insurance products (e.g. car insurance);

**Creditworthiness** assessments of companies (where data is collected as part of a loan application process or based on a request for a credit rating).

✓ Customer data that financial institutions typically **collect, store and process** as part of their normal interaction with customers

✓ Data **transmitted** by the customers themselves and **transaction data** arising from customers' interactions with their financial service providers

✓ **Personal data** that relates to identified or identifiable individuals and **non-personal data** that relates to business entities or financial product features

✗ Payment accounts data (already covered under PSD2)

✗ Credit score related data for natural persons

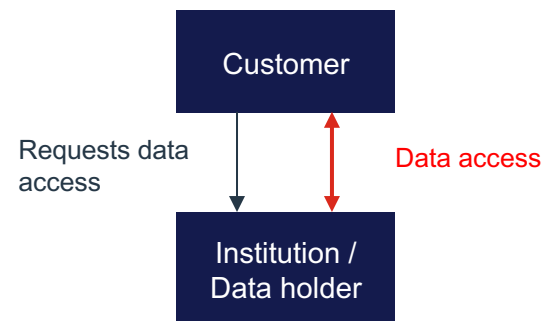
✗ Life, sickness and health insurance related data

# Scope of application

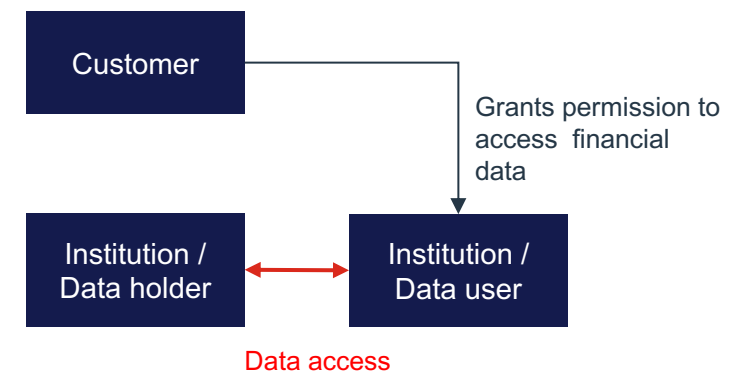
## Data holders and data users

- **Financial institutions** in their **capacity** as **data holders** and **data users**
- Institutions under already existing regulation: Banks, payment services providers, e-money institutions, financial service providers, Crypto-asset service providers , AIFM / UCITS ManCo, insurance companies
- Institutions newly regulated under FIDA: Financial information service providers (FISP)

Data holder (institution) shares financial data of customer with customer:



Data holder shares financial data of customer with other institution (data user):



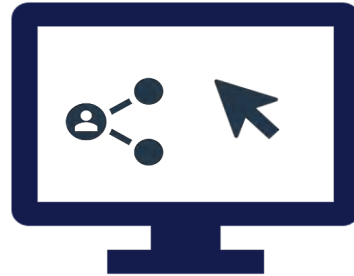
# 1.4 | Obligations under FIDA



# Safeguarding customer financial data

- **Obligations of data holders**
  - Sharing financial data in a **common format** + in at least the same **quality**
  - Establish a **secure communication** with data user
  - Obtaining **proof of customer consent**
  - Customer **dashboard** □ Monitoring and management of access authorizations granted by the customer
- **Obligations of data users**
  - Subject to financial **regulation (i.e. license)**
  - Data access only within the scope of customer authorization
  - Appropriate **technical and organizational measures** to prevent unlawful disclosure of / access to customer data
  - **Data security**
  - No use of financial data for advertising purposes
- **Data protection**
  - **GDPR** remains **unaffected by FIDA**, i.e. institutions must comply with the requirements of the GDPR when sharing financial data under FIDA

# Customer dashboard



Data holders  Required to provide customers with a **customer dashboard** to **monitor** and **manage** the **permissions** a customer has provided to data users.

The permission dashboard shall:

- provide the customer with an **overview of each ongoing permission** given to data users
- **allow** the customer **to withdraw a permission** given to a data user;
- **allow** the customer **to re-establish any permission** withdrawn;
- include a **record of permissions** that have been withdrawn or have expired for a duration of two years.

# Financial Data Sharing System

FDSS □ **Implementing data access** between **data holder** and **data user** □ to **enable contractual and technical interactions** between institutions, **data holders** and **data users** will be **required to participate in FDSS** within 18 month from the entry into force of FIDA

- Currently, no FDSS exists
- **Model** SEPA Payment Account Scheme (SPAA)?
  - November 2023: SPAA Rulebook of European Payment Council came into force
  - **SPAA = Rules and standards that enable the exchange of payment account data** and facilitate the initiation of payments as part of value-added services (i.e. sharing payment account data outside the scope of PSD II)
  - **SPAA includes:** Participation requirements, admission process, liability requirements, dispute resolution procedure
- **FIDA stipulates very similar requirements for FDSS**
- **Fallback:** If FDSS is not developed by the market, EU legislator can step in and develop FDSS



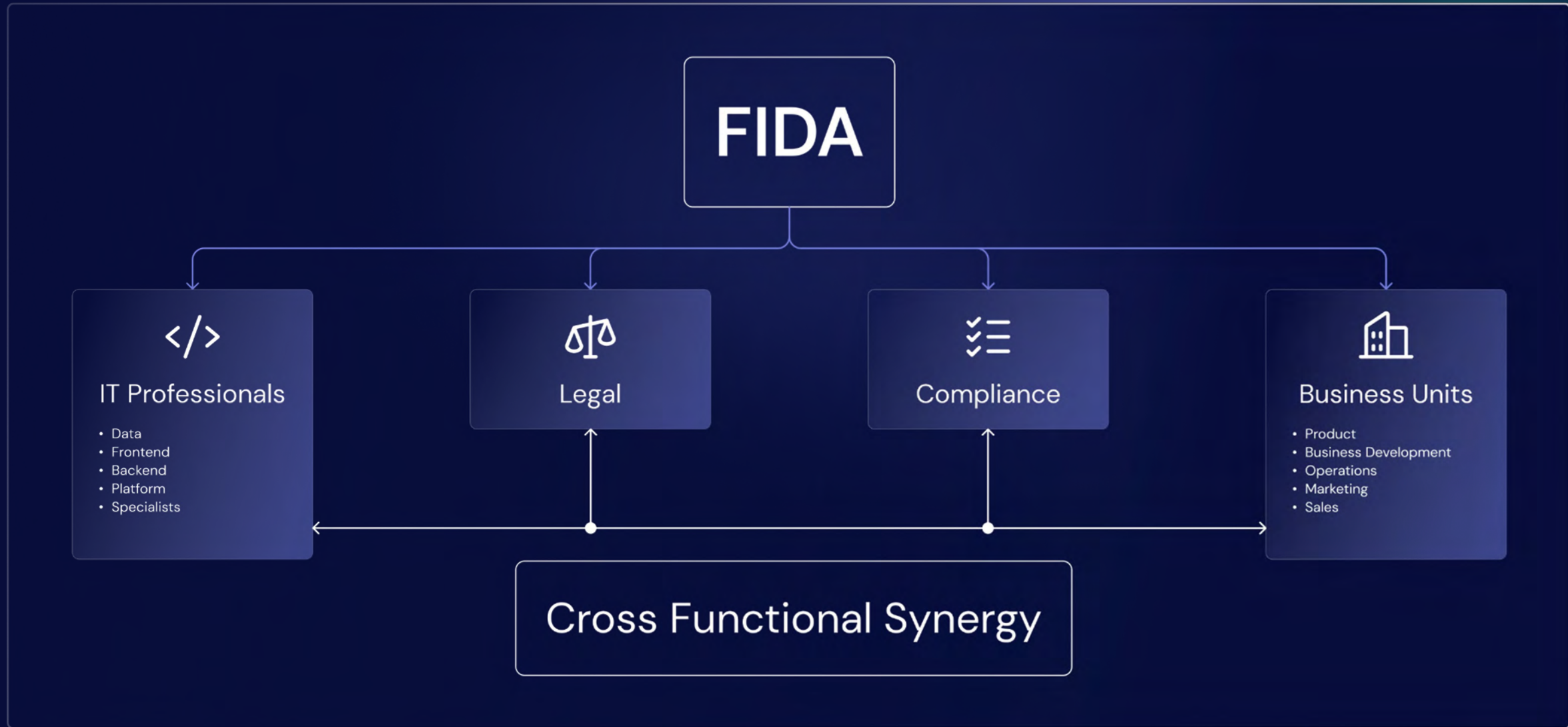


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## The operational perspective

How to share financial data under FIDA using APIs

# Cross-Functional Synergy: The Key to FIDA Success





# Understanding the operational scope of FIDA

- ／ Define cross-functional FIDA project team
  - # Who is sponsor
  - # In which area of the organization the project leader will be reporting into
  - # How the different functions needed are represented (Legal, Compliance, IT, Business Development, etc.)
- ／ Choose FDSS to participate in
  - # Depending on line of business
  - # Depending on countries of activity
- ／ Choose model of participation in FDSS (founder, driver, follower)
  - # For the different areas of activity of FDSS (API standardization, liability agreements, dispute mechanisms, monetization agreements)





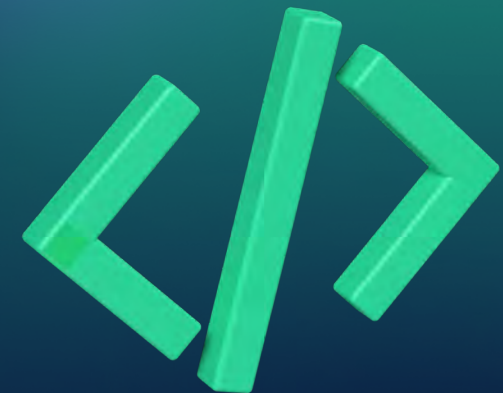
# Consider strategy and business development

- ／ Evaluate strategic partnerships (possibly within FDSS) and acquisitions
- ／ Analyze how competitive landscape may change (possible new entrants) when the data of incumbent players can be accessed and exploited
- ／ Explore new business opportunities or competitive advantage that can be acquired by accessing and exploiting the data that FIDA makes available



# Technical readiness for FIDA as Data Holder (1/4)

- ✓ Identify product data that has to be exposed
  - # There will be a certain amount of uncertainty that has to be managed
  - # Amount of uncertainty should not be used as an excuse for inaction
- ✓ Evaluate readiness of software architecture to expose data through secure APIs, including data mapping capabilities
  - # Your APIs must control access using OAuth2
  - # Your APIs must connect to your Identity and Access Management (IAM) system
  - # Your IAM must naturally support OAuth2



# Technical readiness for FIDA as Data Holder (2/4)

- ／ Redesign/expand the data model of your core system
  - # To be able to link product, user identifiers and list of Data Users the user has given explicit consent to (Data Users and FISPs deserve globally unique identifiers)
  - # The newly required customer dashboards will be based on this extended data model
- ／ Implement customer dashboard as consent interface
  - # For easy management (revoke capability) of given consents by customers
- ／ Implement new business logic (application, module, microservice)
  - # To manages new consent
  - # To revoke consent requests





# Technical readiness for FIDA as Data Holder (3/4)

## ／ Ensure your Identity and Access Management (IAM) system

- # supports OAuth2 and OIDC (OpenID Connect)
- # is ready to present access consent web pages/iframes so that customers can grant access to Data Users
- # supports fine grained access control using OAuth2 scopes
- # can issue 3-legged access tokens and refresh tokens
- # can generate an audit log to resolve potential litigation issues (e.g. customer claiming that his data was accessed without his/her consent)
- # can get the data model updated, when customer provides consent to Data User to access personal data/products, sending a request to the system managing user consents (new consent request)
- # integrates with all internal applications implementing FIDA APIs

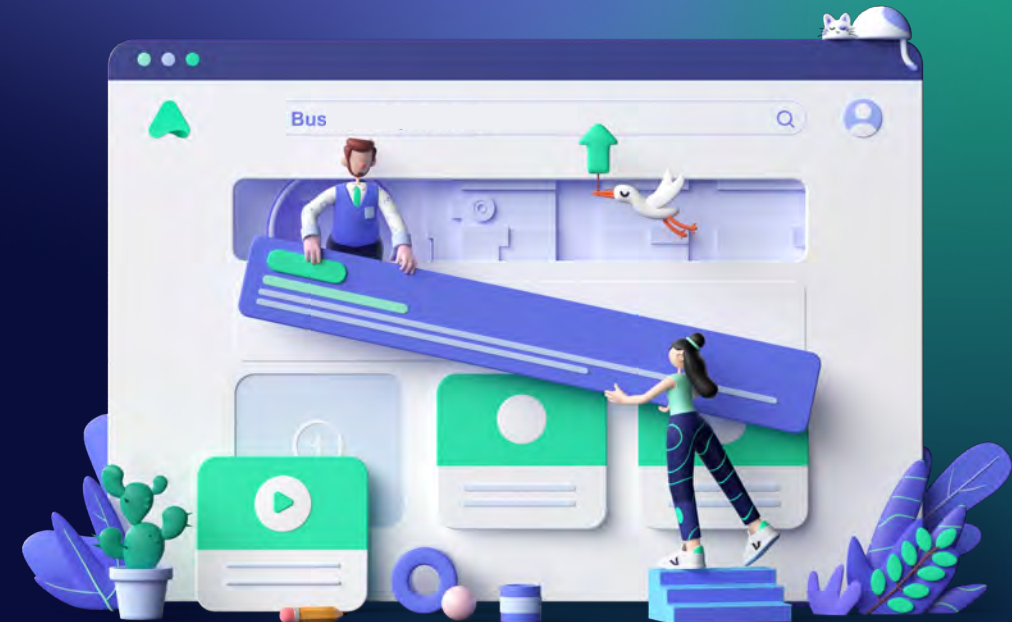




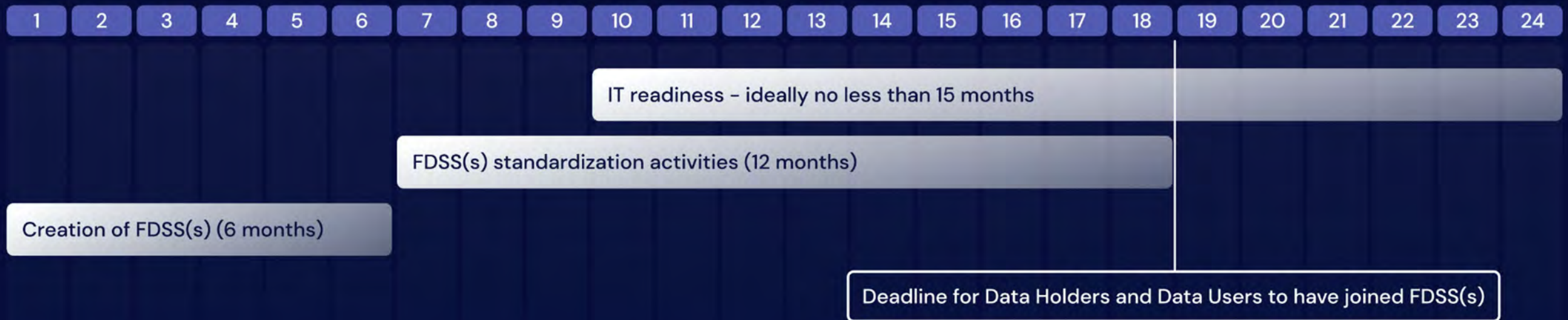
# Technical readiness for FIDA as Data Holder (4/4)

## ／ Address API Monetization

- # Externalize the capability by onboarding your APIs on an API Marketplace
- # Choose vendor providing API Management solution with metering & billing capabilities
- # Develop internally

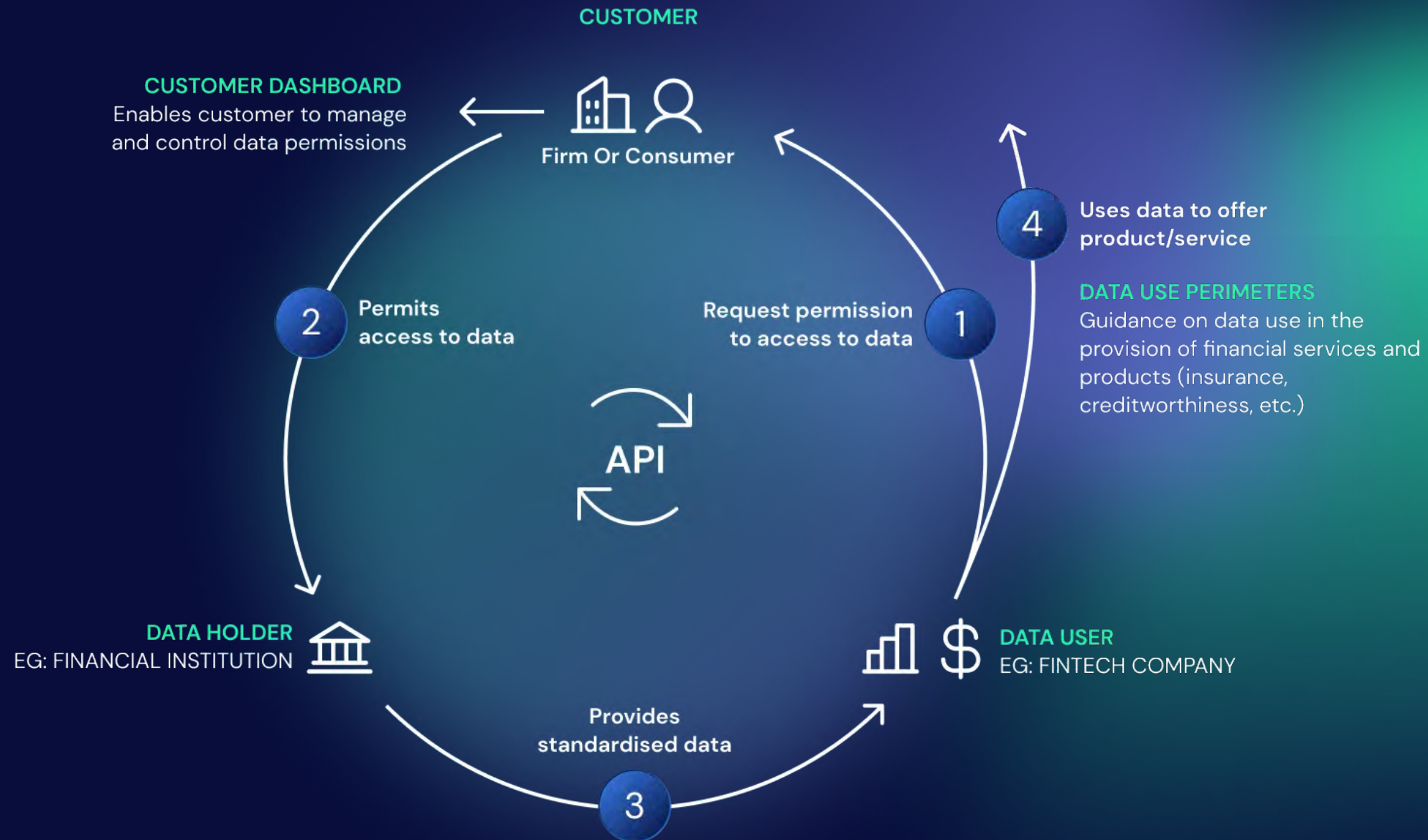


# Strategic roadmap for FIDA readiness





# Implementing FIDA-Ready Technical Infrastructure



# Demo of exemplary Customer Dashboard (1/7)

**Data User Company**

Max Mustermann  
Kundennummer: 8427175  
Timeout: 11:43:33

 <b>Finanzberatung</b> →	 <b>Vermögensübersicht</b> (Financepilot Report) →	 <b>Vertragsübersicht</b> →	 <b>Cashback</b> →
 <b>Postbox</b> (Financepilot Report) →	 <b>Service und Aufträge</b> →	 <b>Kontowechsel-Service</b> →	
 <b>Kfz-Portal</b> →	 <b>WeltSparen</b> →	 <b>School of Financial Education</b> →	



# Demo of exemplary Customer Dashboard (2/7)

The screenshot shows a customer dashboard for 'Data User Company'. The dashboard has a dark blue header with the company name on the left and user information on the right. The main content area is dimmed, showing various service tiles like 'Finanzberatung', 'Cashback', 'PORTDOX', 'Mi-Portal', 'Weltsparen', and 'School of Financial Education'. A white modal dialog is centered on the screen, containing the following text:

**Data User Company personalisierte Finanzberatung**

Willkommen bei diesem innovativen Service von Data User Company. Es hilft Ihnen dabei, auf Ihre Bedürfnisse zugeschnittene Serviceangebote zu finden und zu optimieren!

Data User Company erbringt die innovative Spezialdienstleistung mit dem Zweck „Personalisierte Finanzberatung“ und benötigt daher für die Dauer der Beratung den Zugriff auf Ihre personenbezogenen Daten sowie auf folgende Kategorien Ihrer Daten:

- Rentenansprüche in betrieblichen Rentensystemen
- Nichtlebensversicherungsprodukte (mit Ausnahme von Kranken- und Krankenversicherungsprodukten) einschließlich Daten, die zum Zwecke einer Bedarfs- und Bedarfsermittlung erhoben werden
- Daten, die zum Zwecke einer Angemessenheits- und Eignungsbeurteilung erhoben werden
- Versicherungsbasierte Anlageprodukte

At the bottom of the modal are two buttons: 'Ablehnen' (Decline) and 'Zustimmen und weiter' (Accept and continue).

# Demo of exemplary Customer Dashboard (3/7)

The screenshot displays a customer dashboard for 'Data User Company'. The dashboard features a grid of service tiles: 'Finanzberatung', 'Postbox', 'Kfz-Portal', 'WeltSparen', 'School of Financial Education', and 'Cashback'. A modal window is open in the center, titled 'Ihr bestehender Vertragspartner - Dateninhaber wählen:'. It contains three radio button options: 'Data Holder Company 1', 'Data Holder Company 2', and 'Data Holder Company 3'. Below these is a button '+ Vertragspartner hinzufügen'. The second section of the modal is titled 'Ihre zugehörige Verträge / Produkte wählen:' and contains three radio button options: 'KFZ Versicherung', 'Hausratversicherung', and 'Privat-Haftpflichtversicherung'. At the bottom of the modal is a dark blue button 'Zustimmen und weiter'. The top right of the dashboard shows user information: 'Kontoaktivierung', 'Kontostand: 447,92€', 'Umsatz: 11,25€', a profile icon, and a search icon.

**Data User Company**

Kontoaktivierung  
Kontostand: 447,92€  
Umsatz: 11,25€

Finanzberatung

Postbox  
(Einsparplan 1000€)

Kfz-Portal

WeltSparen

School of Financial Education

Cashback

**Ihr bestehender Vertragspartner - Dateninhaber wählen:**

- Data Holder Company 1
- Data Holder Company 2
- Data Holder Company 3

+ Vertragspartner hinzufügen

**Ihre zugehörige Verträge / Produkte wählen:**

- KFZ Versicherung
- Hausratversicherung
- Privat-Haftpflichtversicherung

Zustimmen und weiter

# Demo of exemplary Customer Dashboard (4/7)

The screenshot displays a customer dashboard for 'Data User Company'. The dashboard features a grid of service tiles: 'Finanzberatung', 'Postbox', 'Kfz-Portal', 'WeltSparen', 'Cashback', and 'School of Financial Education'. A modal window is open in the center, titled 'Ihr bestehender Vertragspartner - Dateninhaber wählen:'. It contains three radio button options: 'Data Holder Company 1', 'Data Holder Company 2' (which is selected), and 'Data Holder Company 3'. Below these options is a button labeled '+ Vertragspartner hinzufügen'. The modal also includes a section titled 'Ihre zugehörige Verträge / Produkte wählen:' with three radio button options: 'KFZ Versicherung', 'Hausratversicherung' (selected), and 'Privat-Haftpflichtversicherung'. At the bottom of the modal is a dark blue button labeled 'Zustimmen und weiter'. The top right corner of the dashboard shows user information: 'Kontoaktivierung', 'Kontostand: 447,925', 'Umsatz: 11,2515', a profile icon, and a search icon.



# Demo of exemplary Dashboard (5/7)

The screenshot shows a user dashboard for 'Data User Company'. The top navigation bar includes the company name and user information: 'Konto: K123456789', 'Kontostatuser: 4477325', 'PIN: 123456', and '11.05.19'. The main area features a grid of service tiles: 'Finanzberatung', 'PORTBOX (Einsparplan, Kasse)', 'Kfz-Portal', 'Weltsparen', 'School of Financial Education', and 'Cashback'. A modal dialog is open in the center, titled 'Ihr bestehenden Vertragspartner - Dateninhaber wählen:'. It contains three radio button options: 'Data Holder Company 1', 'Data Holder Company 2' (selected), and 'Data Holder Company 3'. Below these is a '+ Vertragspartner hinzufügen' button. The second section of the modal is 'Ihre zugehörige Verträge / Produkte wählen:', with three radio button options: 'KFZ Versicherung', 'Hausratversicherung' (selected), and 'Privat-Haftpflichtversicherung'. A 'Zustimmen und weiter' button is at the bottom of the modal.

**Data User Company**

Konto: K123456789  
Kontostatuser: 4477325  
PIN: 123456  
11.05.19

Finanzberatung

PORTBOX  
(Einsparplan, Kasse)

Kfz-Portal

Weltsparen

School of Financial Education

Cashback

**Ihr bestehenden Vertragspartner - Dateninhaber wählen:**

- Data Holder Company 1
- Data Holder Company 2
- Data Holder Company 3

+ Vertragspartner hinzufügen

**Ihre zugehörige Verträge / Produkte wählen:**

- KFZ Versicherung
- Hausratversicherung
- Privat-Haftpflichtversicherung

Zustimmen und weiter

# Demo of exemplary Customer Dashboard (6/7)

The screenshot shows a customer dashboard for 'Data User Company'. The dashboard features a grid of service tiles: 'Finanzberatung' (highlighted with a red border), 'Postbox (Grassgully-Innen)', 'Kfz-Portal', 'WeltSparen', and 'School of Financial Education'. A 'Cashback' tile is also visible. A modal window titled 'Einloggen' is open in the center, showing a login form for 'Data Holder Company 2' to access 'Data User Company'. The form includes fields for 'Benutzername' and 'Passwort'. Below the form, a consent message states: 'Beim Klicken "Genehmigen" erteilen Sie Data User Company eine Zugriffsberechtigung zwecks personalisierten Finanzberatung für die folgenden Kundendaten:'. The consent items are: 'personenbezogene Daten' and 'nicht personenbezogene Daten'. At the bottom of the modal are 'Ablehnen' and 'Genehmigen' buttons. The top right of the dashboard shows the user's name 'Max Müllermann', account number '3447325', and time '11:35:15'.

**Data User Company**

Max Müllermann  
Kontennummer: 3447325  
Uhrzeit: 11:35:15

**Einloggen**

Data Holder Company 2 → Data User Company

**Benutzername** ⓘ  
Input

**Passwort** ⓘ  
Input

Beim Klicken "Genehmigen" erteilen Sie Data User Company eine Zugriffsberechtigung zwecks personalisierten Finanzberatung für die folgenden Kundendaten:

- personenbezogene Daten
- nicht personenbezogene Daten

Ablehnen Genehmigen

Finanzberatung

Cashback

Postbox (Grassgully-Innen)

Kfz-Portal

WeltSparen

School of Financial Education

# Demo of exemplary Customer Dashboard (7/7)

The dashboard features a top navigation bar with a home icon and the label 'Dashboard'. On the left, a red call-to-action box asks 'Brauchen Sie Hilfe?' (Need help?) and provides a link to documentation ('ZU DEN DOCS'). The main content area is titled 'Profil' and includes a search bar with the placeholder 'Suchbegriff eingeben'. Below the search bar is a profile card for 'Max Mustermann' with the email 'mm@mustermail.com'. The dashboard is divided into two sections: 'Aktive Berechtigungen' (Active Permissions) and 'Entzogene oder abgelaufene Berechtigungen' (Revoked or Expired Permissions). Each section contains a table with columns for 'Vertragspartner Dateninhaber', 'Berechtigungsdatum', 'Datennutzer', 'Kundenkonto', 'Finanzproduct / Service', 'Berechtigungsziel', 'Datenkategorie', 'Speicherort der Daten', 'Gültigkeitsdauer der Berechtigung', and 'Status Berechtigung'. A 'Zurück zum FIDA Dashboard' button is located at the bottom right. The footer includes the text 'Powered by apinity GmbH' and links for 'Data Policy', 'Terms of Service', 'Imprint', and 'Careers'.

**Profil**

Suchbegriff eingeben

**Max Mustermann**  
mm@mustermail.com

**Aktive Berechtigungen**

Vertragspartner Dateninhaber	Berechtigungsdatum	Datennutzer	Kundenkonto	Finanzproduct / Service	Berechtigungsziel	Datenkategorie	Speicherort der Daten	Gültigkeitsdauer der Berechtigung	Status Berechtigung
Data Holder	24.01.2024	Data User	GH1678901	Kfz-Versicherung	Pers. Finanzberatung	Nichtlebensversicherungsprodukte	Köln	Beratungsdauer	<input checked="" type="checkbox"/>

**Entzogene oder abgelaufene Berechtigungen**

Vertragspartner Dateninhaber	Berechtigungsdatum	Datennutzer	Kundenkonto	Finanzproduct / Service	Berechtigungsziel	Datenkategorie	Speicherort der Daten	Gültigkeitsdauer der Berechtigung	Status Berechtigung
Data Holder	24.01.2024	Data User	GH1678923	Hausratversicherung	Pers. Finanzberatung	Nichtlebensversicherungsprodukte	Köln	Beratungsdauer	<input checked="" type="checkbox"/>

**Zurück zum FIDA Dashboard**

Powered by apinity GmbH

Data Policy Terms of Service Imprint Careers



# Conclusion

## ／ Recap

# Technical Preparation

# FDSS Strategy

# Teamwork



# 3

## Roadmap / discussion

How to prepare for FIDA

# Roadmap / discussion: How to prepare for FIDA

## Check your business model:

- Are you a data holder or a data user?
- Do you need a license under FIDA?



## Prepare your IT set-up

- Do you need to cooperate with an IT service provider in order to get APIs / customer dashboard



## If you are a data holder:

- Prepare your data to be accessed by data user





# Discussion / Questions



# Vielen Dank für Ihre Aufmerksamkeit!



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