



REGULATING OPEN FINANCE CONSULTATION & RESEARCH PAPER

2020

Authored by:
Kagiso Mothibi
Dino Lazaridis
Awelani Rahulani

CONTENT

01

EXECUTIVE SUMMARY

02

PURPOSE AND SCOPE OF THE PAPER

03

INTRODUCTION AND BACKGROUND

03

WHAT IS OPEN FINANCE

04

KEY OPEN FINANCE USE CASES

04

OPEN FINANCE ENABLING TECHNOLOGIES

05

OPEN FINANCE AND DATA SHARING

05

APPROACHES TO OPEN FINANCE ACROSS THE WORLD

06

KEY OPEN FINANCE USE CASES

12

SOUTH AFRICAN FINANCIAL SECTOR SURVEY INSIGHTS

17

RECOMMENDATIONS

19

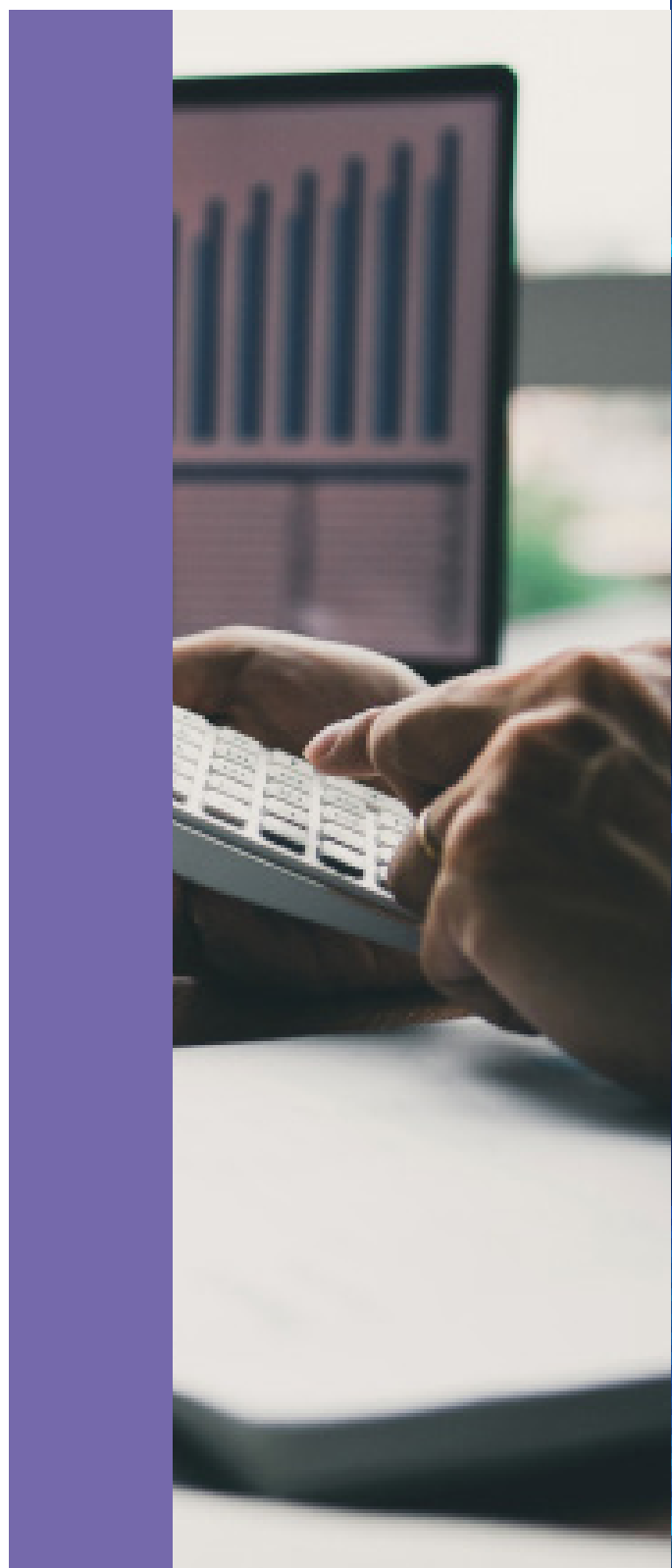
IMPLICATIONS AND CONCLUSION

20

WAY FORWARD

21

REFERENCES



EXECUTIVE SUMMARY

Open Finance is a framework to allow consumers and enterprises to access and share their financial data with third party providers who can then use that data to develop innovative products and services with consent. Unlike Open Banking which is concerned with current accounts/transaction data, open finance's scope is much wider, affecting home loan providers, consumer credit providers, investment and pension funds, as well as general insurers and intermediaries.

Open Finance is enabled by technologies such as, Open API, Screen Scraping, Cloud Computing, Big Data and Artificial Intelligence. Some of the most common Open Finance use cases are found in Payments, Account Aggregation, Insurance, Alternative Lending and Financial Management.

Globally, Jurisdictions have approached Open Finance in a number of different ways. Some jurisdictions have taken the approach of mandating banks to share customer-permissioned data. In other regions regulators have introduced Open Finance and Open Banking through a range of voluntary measures to promote and accelerate the take-up of data sharing frameworks in banking, while others issued Open API Frameworks, setting out approaches for banks to implement Open APIs.

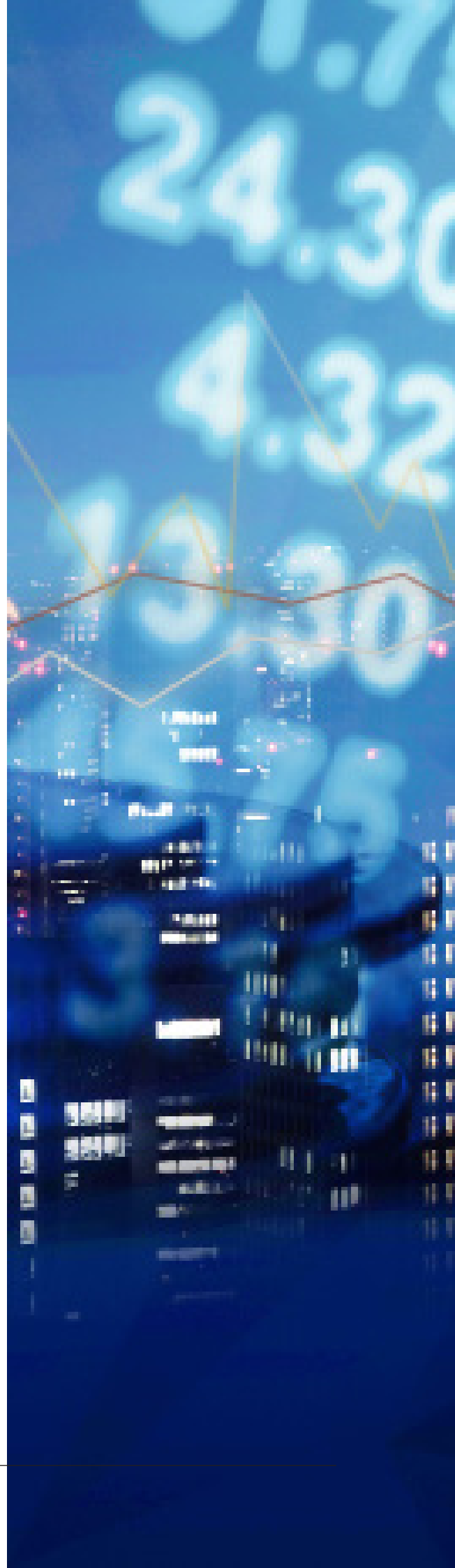
There are three key parties involved in the Open Finance Ecosystem. (1) Incumbent Financial Institutions which collect and store customer data as part of their typical onboarding (KYC) processes and at various touchpoints in a customer journey, (2) Third-parties that collect customer data using APIs (or Screen Scraping) from Incumbent Financial Institutions to offer value added services to customers and (3) Customers whose information is collected and stored with Incumbent Financial Institutions during onboarding and product usage.

During 2020, the Financial Sector Conduct Authority conducted a survey to gauge Open Finance platform sentiment and local insight. The survey reached out to 70+ companies ranging from upstart Fintech firms to large incumbent financial service providers. Some of findings from the study indicates that Screen scraping and Application Programming Interface (API) technologies are the main technologies being used to facilitate Open Finance. The study also uncovered several risks and benefits to customers, third parties and incumbents such as financial inclusion, increased competition, data privacy and cybersecurity.

Based on risks and benefits identified from the study a set of are proposed, aimed focused on (1) consent and customer protection, (2) dispute mechanism, (3) API standards, (4) Commercial models, and (5) Data protection.

PURPOSE AND SCOPE OF THE PAPER

The purpose of this paper is to source inputs from the regulatory industry, financial sector institutions and the broader public in order to develop the Financial Sector Conduct Authority's (FSCA) policy position on Open Finance. The scope of this paper covers Open-Finance activities as they relate to financial activities defined in the Cofi Bill.



INTRODUCTION AND BACKGROUND

What is Open Finance

Open Finance is built on the principle of consumers owning the data they create on financial service providers' platforms. Consumers with consent, should be able to share this data created with licensed third-party providers to develop and offer innovative products and services in a safe and ethical manner.

This is a relatively new concept that has the potential to increase competition, promote financial inclusion and access, create new business models, drive financial innovation and ultimately improve customer experiences. Many of these benefits are expected to be realized in the medium to long run as Open Finance gains critical mass.

Data and technology are transforming the financial services sector in South Africa and across the globe. The use of consumer data and technology in financial services is nothing new, but computing power, data storage capacity and data created per consumer has increased exponentially over time, leading to increased innovation in the way traditional financial services such as payments, lending, savings, investments and insurance are delivered.



The power and speed of computers has increased exponentially; with the doubling time of computational capacity for personal computers taking on average only 1.5 years between 1975 to 2009 (Ritchie, 2020). Additionally, the total volume of data created worldwide has also rapidly increased, whereby in 2019 data generated is 20 times more than 2010 (Holst, 2020).

In light of increased computational power and data, Open Finance is defined as a framework to allow consumers and companies to access and share their financial data with third-parties' providers who can then use that data to develop innovative products and services with consent in a safe and ethical manner. It is built on the principle that customers financial data generated with financial service providers belongs to the consumer and not service provider.

Open Finance goes wider than Open Banking that focuses on accessing banking transactional data or making payments on consumer's behalf. It includes all consumer financial services data such as savings, debt, investments, pensions and insurance, payment transactions, lending, savings and deposits and insurance.

Key Open Finance use cases

There is a myriad of Open Finance use-cases that leverage consumer financial data to offer innovative and personalised financial services and products. This paper will focus on the 5 most significant uses-cases. The use-cases include from (1) Payments, (2) Account Aggregation, (3) Alternative lending, (4) Insurance and (5) Financial management tools.

In **Payments**, for example consumers use third-party providers to access their bank accounts and make payments to merchant's bank accounts, with consent and authentication. Under **Account Aggregation**, customer data sourced from incumbent financial service providers (FSPs) is used by third-party providers to aggregate accounts into a single interface making it easier for customers to manage their financial services. Open Finance in **Financial Management**, customer data sourced from incumbent FSPs is used by 3rd party providers to offer personal and business customers financial planning and analytical tools to assist customers to manage and track their finances

In **Insurance**, customer data sourced from incumbent FSPs is used by third-party providers to help customers identify personalized and best priced insurtech products. While in **Alternative lending**, credit scoring, affordability analysis and lending products are offered to consumers from third-party providers by sourcing customer financial data from financial service providers.

Open Finance enabling technologies

There is a convergence of various technologies playing a prominent role in enabling Open Finance. With an increase in computing power, data storage capacity and data created per consumer over time, Open Finance activities has become more prevalent. Box 1 below describes Open Finance's key enabling technologies.

Box 1

Application Programming Interface (API): the protocol defining how one piece of software requesting information from or sending information to another piece of software. The technological development of APIs enables consumers to share their data created on financial services providers systems with third-parties' providers using the web. To keep ambiguity at a minimum, the API should be well documented, so the request and results are known. The growth of APIs stems from an elementary need: a better way to encapsulate and share information and enable transaction processing between elements (Collins & Sisk, 2015).

Screen Scraping: a technique in which a computer program extracts data from human-readable output coming from another program. The input data used in screen scraping is output intended for display to a consumer. Screen scraping is generally considered an ad hoc, inelegant technique, often used only as a last resort when no other mechanism for data interchange is available. With the absence of APIs, consumers can access and share their financial services data with third parties using screen scraping.

Machine Learning: is computer programs that improve automatically through experience with limited or no human intervention. Financial services data is an input in the process to improve the program. Machine learning programs build a mathematical model based on sample financial data. This financial data is used to make predictions or decisions without the program explicitly programmed to do so. Machine Learning is a key technology to improve Open Finance programs over time.

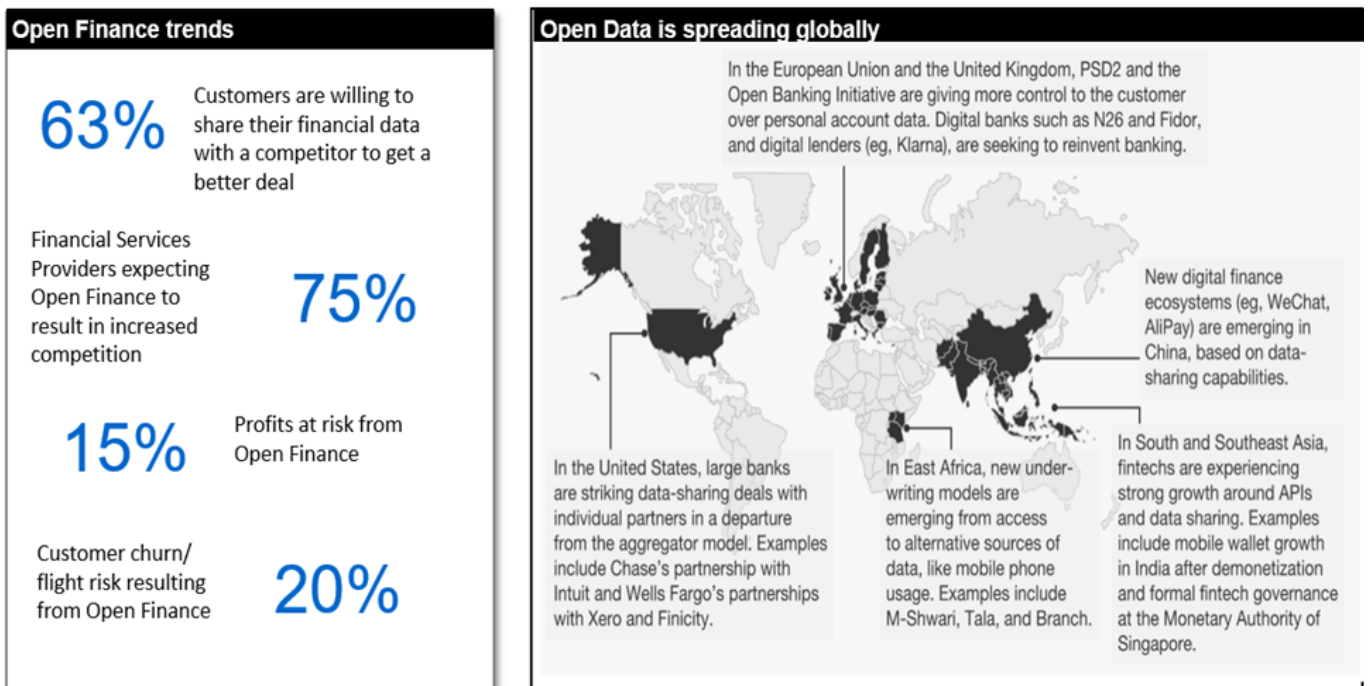
Cloud Computing: is outsourced IT infrastructure on demand. Cloud computing can take various forms such as infrastructure as a service, platform as a service or serverless computing. Outsourced IT infrastructure is highly reliable, scale very quickly or automatically and requires less in-house skills. Cloud Computing is an effective infrastructure to run programmes to perform Open Finance tasks.



Open Finance and data sharing

Globally, Open Finance and data-sharing is growing in prominence in order to enhance the provision of Financial Services. Customers are increasingly showing a willingness to share their data in order to get a better financial offer. Similarly customer financial data sharing is increasingly taking place across the globe with various regions taking differing approaches. (see exhibit 1 below for more information).

Exhibit 1: Open Finance Trends



Source: Ernst & Young Open Banking Survey 2019, McKinsey & Company Open Banking Trends 2018

Approaches to Open Finance across the world

Globally, Jurisdictions have approached Open Finance and Open Banking in a number of different ways. Some jurisdictions have taken the approach of mandating banks to share customer-permissioned data. In other regions regulators have introduced Open Finance and Open Banking through a range of measures to promote and accelerate the take-up of data sharing frameworks in banking, while others issued an Open API Frameworks, setting out approaches for banks to implement Open APIs. (see box 2 on the next page for more information).



United Kingdom was the first and is at the most advanced stage of its Open Banking implementation spearheaded by the Financial Conduct Authority (FCA). In concert with the FCA, the UK Competition and Markets Authority ordered the 9 largest banks to allow licensed startups direct access to customer data. To date since rollout of Open Banking Policy by FCA there are 202 FCA-regulated providers who are enrolled in Open Banking, the majority offering financial management apps or credit.



European Union launched their Revised Payment Services Directive (PSD2, Directive (EU) 2015/2366) with the purpose to increase pan-European competition with participation also from non-banks, and to provide for a level playing field by harmonising consumer protection and the rights and obligations for payment providers and users. The directive leads to new products and services such as account aggregation or bypass card networks by making payments straight from a bank account. Essentially opening payments to non-banks.



Outside of the European Union, Open Finance and Open Banking has taken on various approaches. However, they all fall broadly into one of two categories: compulsory vs. non-compulsory. Several countries, including India, Japan, Singapore, and South Korea, do not currently have compulsory framework for Open Finance or Open Banking.

Non-Compulsory Approach, the regulators have introduced Open Finance and Open Banking through a range of measures to promote and accelerate the take-up of data sharing frameworks in banking. The Monetary Authority of Singapore and The Association of Banks have published a Playbook to encourage data exchange between banks and third-party providers. The Financial Services Agency in Japan has established an authorisation process for third-party providers, introduced an obligation for banks to publish Open APIs policies, and encouraged banks to contract with at least one third-party provider by 2020 (Strachan & Ley, 2020).



Compulsory Approach, outside of the European Union, the regulators in Australia and Hong Kong have taken a compulsory approach. The Hong Kong Monetary Authority issued an Open API Framework in July 2018, setting out a four-phase approach for banks to implement Open APIs, starting with information sharing on products and services, and ending with sharing of transactional information and payments initiation services. Banks have the ability to restrict access to only third-party providers they have collaborated with.

In Australia, the regulators have taken a phased approach to implementation. When fully in force, consumers will have the ability to share their financial sector data with whichever authorised third-party provider they choose.

Open Finance Use-Cases

Our study of the global and local landscape uncovered 5 key use-cases including (1) Payments, (2) Account Aggregation, (3) Alternative lending, (4) Insurance and (5) Financial management tools. Innovation has not been limited to these use-cases, as we have also seen business model innovation taking place stemming from Open Finance, including examples such as Banking-as-a-Platform (BaaP) and Banking-as-a-Service (BaaS). Open Finance has also led to greater levels of data-led strategic partnerships/ commercial agreements. On the next page we profile some case examples of emerging Fintech innovations anchored around Open Finance.



Case study 1: Payments



OZOW iPay is an innovative payments company, offering online transactions and instant EFTs. Instant EFT is a seamless, hassle-free and instant method of depositing into an account. OZOW iPay payment solution allows for electronic funds to be transferred inter-bank directly into a seller's bank account, in real-time. It also allows customers to pay for the transactions from any of their bank accounts e.g. savings account, credit card account, cheque account, etc.

Wherever the option is available on an e-commerce website, customer can choose to pay with OZOW i-Pay. The process involves the selection of customer's bank and the completion of a simple guided online process to make a payment through the bank directly to the business. The payment is made immediately (no need to email a proof of payment), allowing merchants to process the order faster. Consumers with Internet banking profiles at the major South African banks can use i-Pay anytime and anywhere. Enabled by OZOW i-Pay fulfilment of customer orders happens a lot faster because suppliers receive confirmation of transactions instantaneously, a feature which drives convenience for many customers and suppliers alike.



Case study 2: Account Aggregator



Moneyhub app was launched in 2013 and provides financial management solutions to individuals, financial professionals and enterprises. The platform brings together in one place a customer's bank accounts, credit cards, investments, savings and borrowing, including property and pension accounts.

The app works on subscription basis with an initial one-month free trial when you sign up. Once subscribed, the customer is able, to see all accounts in one place connect to financial advisers through Moneyhub, see where their money goes every month with detailed spending comparison and categorisations. Customers also receive reminders when payments are due, and tips for saving money on credit cards and mortgages, set spending budgets and track progress to ensure not to overspend forecast for future financial plans.



Case study 3: Financial Management



22seven is a budgeting and investing App from Old Mutual. The App helps consumers budget, track their spending on all their accounts and invest for their life goals. In a single interface, consumers can link hundreds of different accounts (the app integrates with over 100 financial institutions) to get a better understanding of their expenses and the behaviours that might be sabotaging their efforts to budget and invest.

Once the App is downloaded, it will ask customer to create an account and link that account to the consumer's various bank accounts. After the accounts linked, 22seven usually pulls the last 3 months' worth of transactions that is automatically updated whenever the customer logs in, or daily. Each pulled transaction is automatically sorted into one of several categories (like groceries, bank fees, and others). The App automatically adds up what the customer spends on each category, each month, so he/she can see exactly where their money goes.

22seven also helps customers to decide which investments to keep their money in and how much they need to save to reach their personal financial goals on time. App gives users the ability to track what they have, owe and what they can borrow. It further allows users to create and track their budget, even enabling users to invest in Old Mutual funds.



Case study 4: Alternative Lending

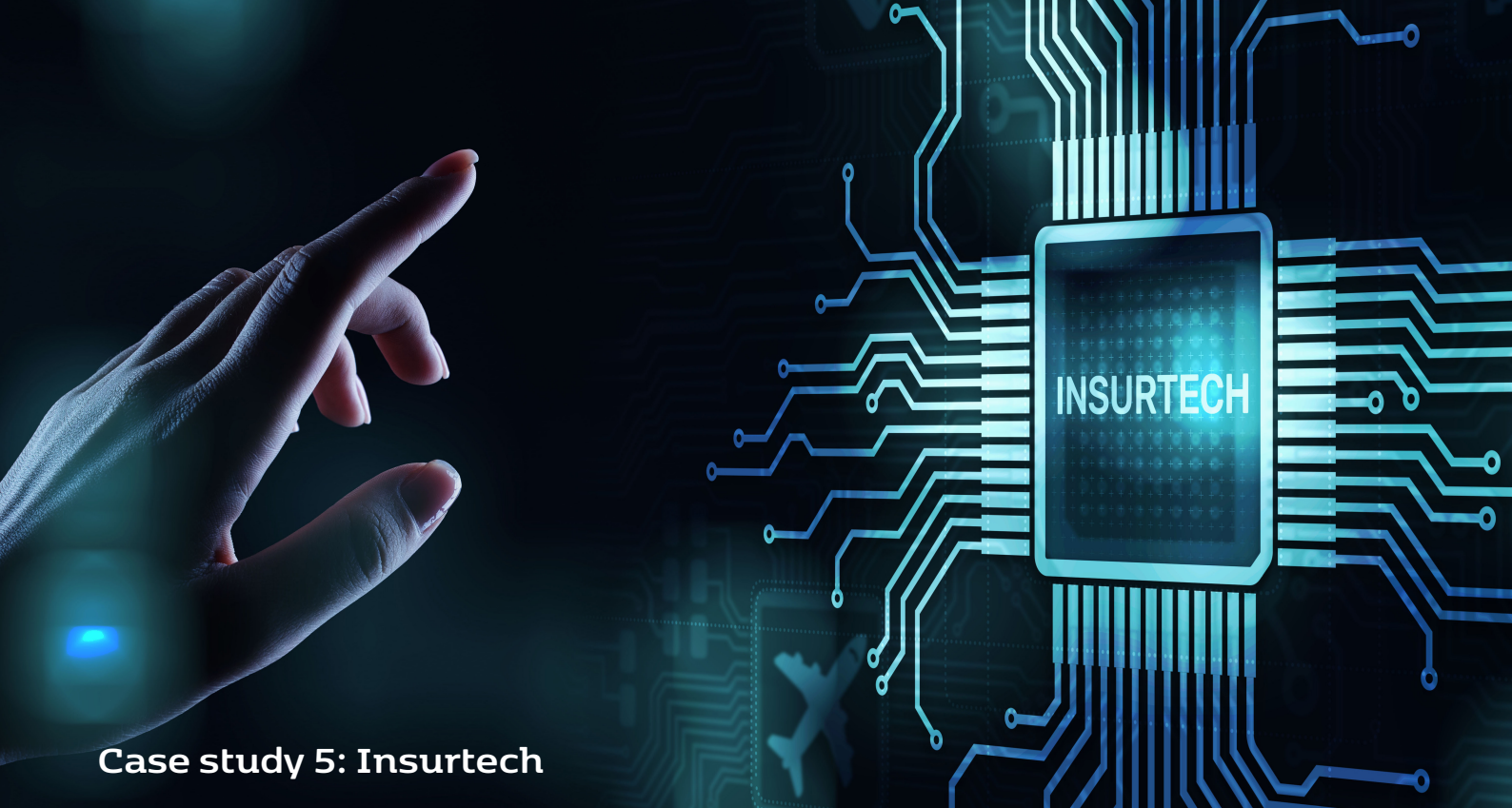
CK CREDIT KUDOS

Credit Kudos is considered a challenger credit bureau. Credit Kudos provides lenders, brokers and financial institutions with a highly accurate and transparent scoring system based on consumer consented data, providing a fairer representation of an individual's creditworthiness.

Credit Kudos' solution enables lenders to make better decisions, whilst simultaneously helping previously overlooked individuals access credit. Due to thin files, consumer with insufficient data are pushed into high-cost credit options.

Credit Kudos is can request consumer consent using online interface and then securely connects to multiple financial service providers and to retrieve transactional data using APIs. Credit Kudos then consolidates the financial data retrieved into a useable format for lenders, brokers, and banks in order to generate a personalized credit score.

The Credit Kudos is very convenient for customers with thin files as payslips and bank statements are not required. Furthermore their processes are fully digitised, thus requiring fewer steps and credit app forms to complete. Affordability checks are also done efficiently which ultimately results in a quicker credit decision for customers.



Case study 5: Insurtech

anorak

Anorak is a smart independent digital insurance advisor. The company conducts life insurance advice using APIs linking to mortgage platforms, banking platforms and ecommerce platforms. Anorak is able to perform smart automated needs analyses and make recommendations.

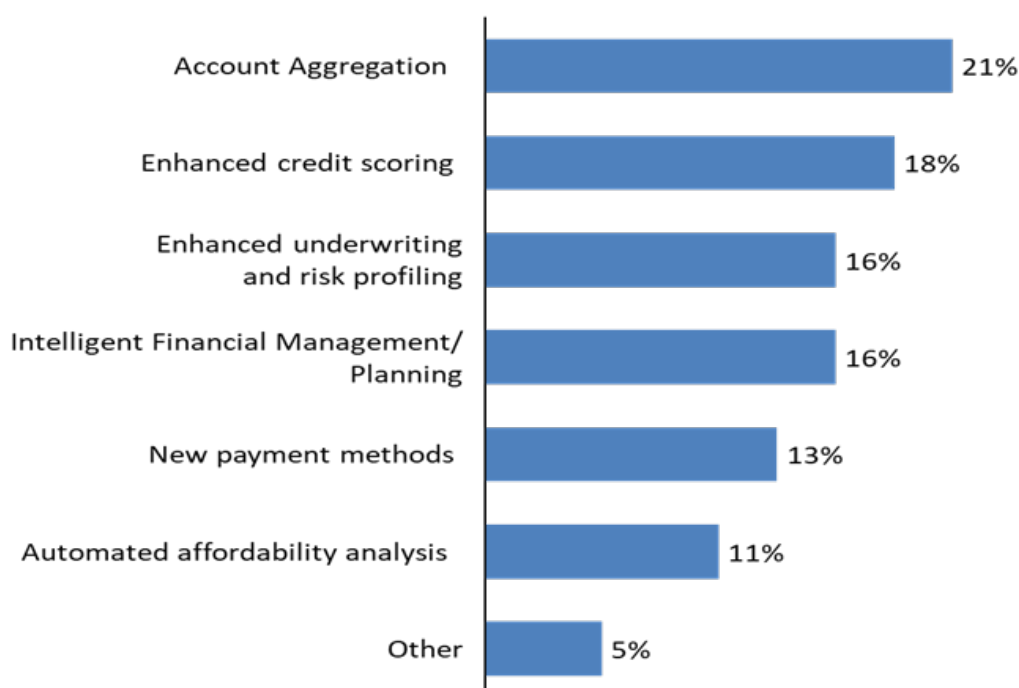
Its APIs link to open banking, mortgage broker and investment FSP data in order to identify risks for the individual. Backend data inputs include; financial projection, risk assessments and cash flow projections that are used to identify the insurance amount requirement for the duration of a policy. The platform also performs product comparisons and makes personalised recommendation based on customer needs.

SURVEY INSIGHTS FROM THE SOUTH AFRICAN FINANCIAL SECTOR

During 2020, FSCA conducted a survey to uncover sentiments and perspectives around Open Finance. The survey reached out to 70+ companies ranging from Fintech Firms to large incumbent financial service providers.

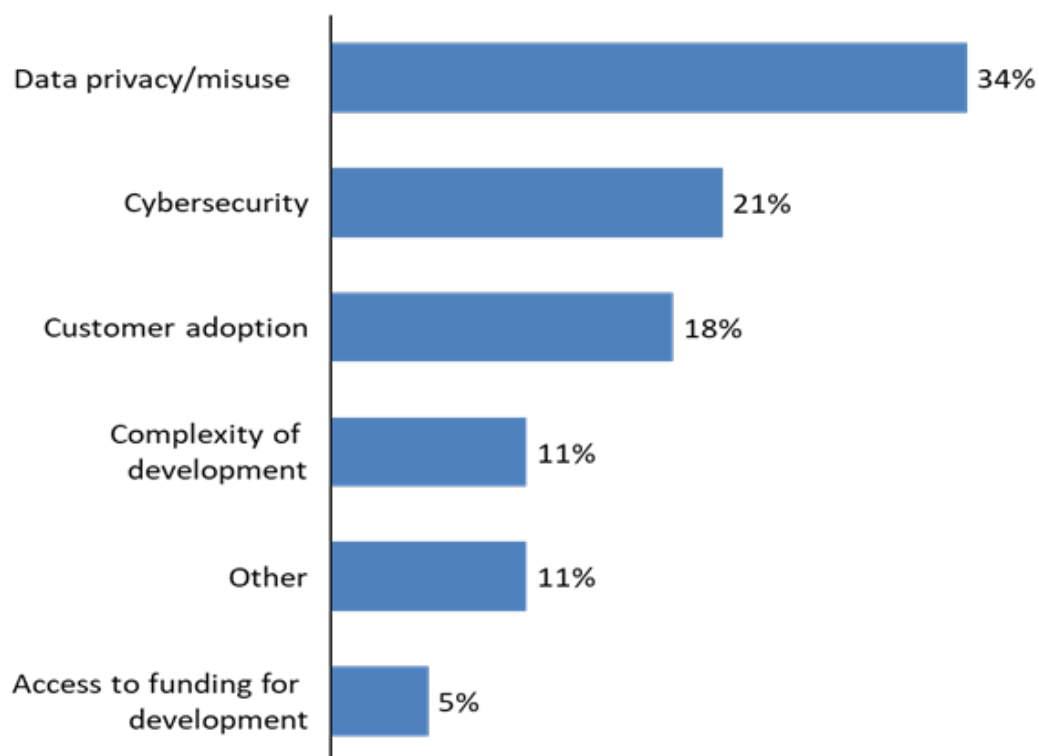
Survey findings revealed an openness by most survey participants to the reality (or inevitability) of data-led innovation, enabled by an Open Finance framework. Many of the participants recognised the benefits increased data-sharing can deliver such as financial inclusion, increased competition and innovation. Risks were also flagged such as Data Privacy, Cybersecurity, and Cost of implementation (please see below exhibits for key survey findings)

Exhibit 1: What do you see as the key use-cases that will arise from Open Finance?



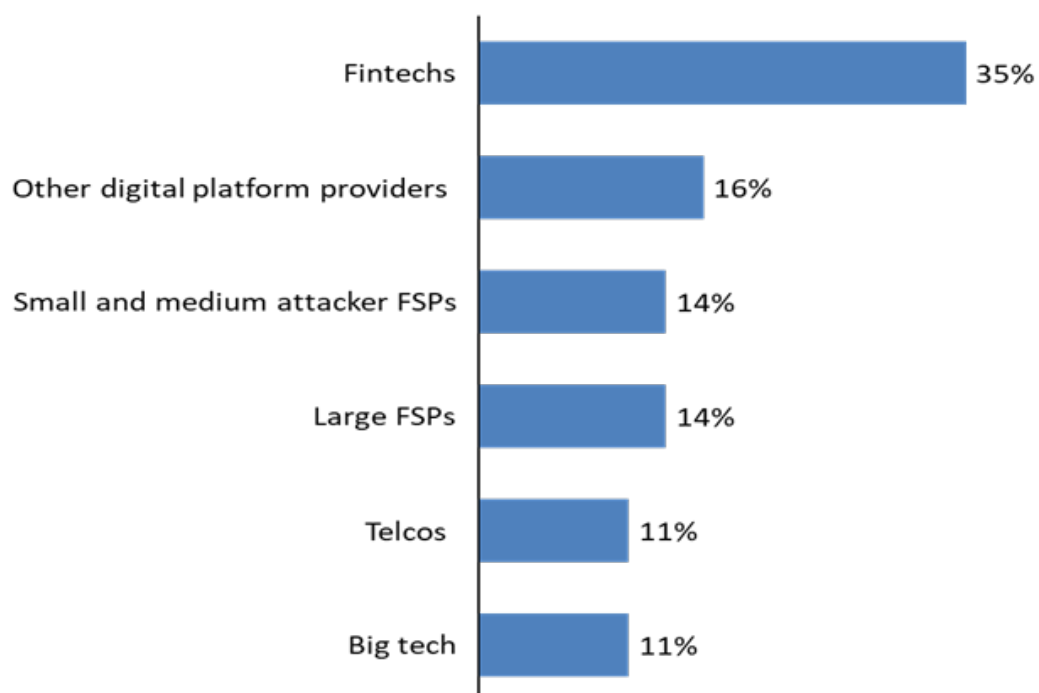
Survey results revealed “Account Aggregation” as the leading benefit likely to arise from Open Finance. Respondents indicated that customers will most likely value “seeing all their financial relationships in a single view” in order to inform their financial decisions. Other benefits were reflected in equal measure from “enhanced credit scoring” to “new payments methods”. Many of the respondents suggested that it might be too soon to predict which use-cases will ultimately dominate as it also depends on market forces.

Exhibit 2: What do you see as the key risks likely to arise from Open Finance?



The main risk identified by the responders is data privacy and data misuse stemming from the large volumes that will be exchanged and aggregated by Financial Services Providers in serving their customers. Cybersecurity emerged as the second biggest risk identified by respondents as a result of large data flows that will take place under in an Open Finance context. The third biggest risk identified in the survey was consumer adoption, where respondents indicated that consumers may not be ready to adopt Open Finance owing to digital literacy and consumer education levels.

Exhibit 3: Which players do you believe stand to gain the most from Open Finance?



Survey respondents unanimously indicated Fintechs are most likely to benefit the most from Open Finance. Fintechs already make novel use of the technologies to serve their customers, and having access to data is believed will enhance their propositions and competitiveness. Other digital platform businesses such as ecommerce and marketplaces were identified as the second most likely to benefit from Open Finance. Small and medium sized financial service providers were also indicated to gain the most from Open Finance. This was due to their nimble and innovative offerings to adapt to changes and optimize products and services. While these institutions have been outlined as the likely beneficiaries from Open Finance, many respondents indicated that it is still unclear what this will mean for overall competitive dynamics as it will likely depend on innovation and customer-centricity.

Exhibit 4: What outcomes do you believe Open Finance will deliver?



Survey respondents clearly indicated increased innovation, enhanced customer experience, and greater levels of competition as the top outcomes likely to emanate from Open Finance. Some incumbent participants did express concerns around the likely shifts in competitive dynamics, but also seemed resigned to its inevitability owing to broader global trends. Upstart firms expressed great enthusiasm at the prospect of Open Finance lowering barriers to market entry and enabling them to innovate and offer customers competing propositions.



Survey findings on Data sharing methods used by industry

Survey findings revealed two clear data transfer mechanisms employed by Fintechs and Incumbents being (1) Open APIs (2) Screen Scraping. Findings revealed screen scraping activity to be fairly prominent, especially among upstart Fintech firms who find it to be a more cost-effective means of collecting customer data from incumbent institutions.

Table 1: Key benefits and risks associated with APIs and Screen scraping technologies.

Open APIs	Screen Scraping
<ul style="list-style-type: none"> Open API enable banks to exercise greater control over the type and extent of data shared and enable more secure access management and monitoring. Open APIs provide advantages for third parties and customers, including potential improvements to efficiency, data standardisation, customer privacy, and data protections. Challenges regarding open APIs includes, the time and cost to build and maintain APIs; There is a lack of commonly accepted open API standards in some jurisdictions; and The economic cost for smaller financial service providers to develop and adopt open APIs is another challenge. 	<ul style="list-style-type: none"> Scraping from online platforms requires the use of customer credentials to log in and access the data as if the screen scraper was the customer. Screen scraping can undermine a financial service provider's ability to identify fraudulent transactions, as financial service provider's cannot always distinguish between the customer, data aggregator, and an unauthorised third party that is logging in and extracting sensitive data. Screen scraping doesn't allow customers to control the scope and duration of access. Screen scraping may be perceived to violate the terms and conditions of customer accounts at financial institutions. However, screen scraping, when practiced by responsible parties, is a useable mechanism for data access with good control for security and operational risk.

Survey findings on overall risks and benefits

From the responses received from the study we summarized the key benefits and risks outlined by participants across the three main stakeholders: the consumer, financial sector provider incumbents and third-party providers. Table 2 below conveys this summary.

Table 2: Open Finance benefits and risks

Participants	Benefits	Risk
Customers	<ul style="list-style-type: none"> • Open Finance can offer personalized products and service by third-party providers. • More accurate risk ratings and ultimately better value products and services. • Increase competition within the financial sector providers increasing value and options for products and services to consumers. • Financial inclusion and affordability of products and services. 	<ul style="list-style-type: none"> • Exporting of customer financial data introduces customers to additional data risks such as data privacy abuses and data misuse.
Incumbents	<ul style="list-style-type: none"> • Specializing in products and services they have core-competencies. • Facilitation of a platform type business model and build an ecosystem. • Increase innovation by offering customers optimal products and services. 	<ul style="list-style-type: none"> • Cybersecurity and data protection risks. • Facilitation of Open Finance with various technologies have a cost associated with the development and a need for the technology to be interoperable with the various systems.
Third Party Providers	<ul style="list-style-type: none"> • Access to customer financial data not previously easily obtainable bringing down the barriers of entry to offer innovative products and services. • Better risk rating and product matching. 	<ul style="list-style-type: none"> • Cybersecurity and data protection • Cost associated with the development Open Finance and a need for the technology to be interoperable with the various systems.

RECOMMENDATIONS

Owing to the risks identified in the previous section, and in order to amplify benefits offered by Open Finance, we have proposed a set of recommendations that will serve as a basis for Licensing, Supervision, and Enforcement procedures around Open Finance.

Recommendation 1: Consent and Customer Protection

The **financial data generated and stored by financial service providers belongs to the consumer** and not the incumbents. Therefore customers have the right to share their data with any licensed third-party financial services provider should they wish to do so.

Before consumer financial data is shared, **informed consent** between the consumer, financial service provider and third-party provider needs to have been obtained. Consumers need to be fully aware of terms and conditions of what they are consenting to and how their data will be used to serve them. At a later stage, consumers have the right to request for their data to no longer be shared with third party providers, i.e. the right to be forgotten.

To ensure consumers are adequately informed, it is recommended that **an informed disclosure framework** is in place with the third-party provider as well as the financial service provider. This informed disclosure framework should take various consumer digital literacy levels into account and be appropriate for the target market at hand.

Customers should clearly know how their financial data is being collected, shared and used. The flow of customer data should be made transparent to customers, ideally in a single view. Customers should have the right to correct incorrect or incomplete financial data held by financial services providers or third party providers given that inaccurate or incomplete customer financial data can lead to inaccurate products and services being offered.

Principally, the individual financial data held by financial service providers belongs to the customer. Customers should have the right to review and download their financial data. With respect to consumer education, it is recommended the financial service and the third party provider responsibility on a regular basis to educate consumers on how their data is being used to shape the extent of products and services they will receive.

Recommendation 2: Dispute Mechanisms

Disputes can be damaging, expensive, and time consuming. They can affect financial service providers, third party provider and consumer. It is recommended all the stakeholders have the ability to raise and resolve disputes between parties. The financial service provider and third-party provider should have a complaints management process in place to enable them to process and address any customer complaints or issues raised.

Recommendation 3: Standardisation

Open Application Programming interfaces (APIs) are proposed as the standard mechanism for data sharing in an Open Finance context. It is recommended that standards are set around Open APIs that ensure interoperability, efficiency and usability for all participants in the Open Finance value chain.

The standard setting of open APIs will reduce barriers to market entry, increase adoption rates and usage as third party providers will be able to avoid the need for individual system specific integration. Standardisation also helps to save developer time, costs of implementation, and lowers the required maintenance resulting in a more sustainable environment.

The standard setting of APIs should not be at all costs. Financial service providers and third-party providers should not be restricted from innovating due to the standardisation of open APIs (e.g. proprietary API), but such access should be provided alongside basic provision of Open APIs.

Recommendation 4: Commercial Models

It is recommended financial service providers share consumer's financial data with third party providers without charging a fee. However, financial service providers may still offer access to value added datasets, analytics and other additional insights on a commercial basis to the third-party provider. This commercial basis can be at the discretion of the financial service provider and third-party provider.

Recommendation 5: Protection of Data

To address data privacy breaches and data misuse without consent, it is recommended that **a liability framework is introduced** to hold financial service providers and third-party providers accountable.

The liability framework should align to chapter 11 of the Protection of Personal Information Act 4 of 2013 (POPIA). To mitigate privacy breaches and misuse, financial service providers and third-party providers are recommended to take reasonable steps to prevent this harm. To address the misuse of data algorithms that could lead to unfair discrimination of customers, it is recommended that financial service providers and third-party providers have a data ethics framework in place and to also fully demonstrate their comprehension of data algorithms to regulators to ensure they are in a position to protect consumers from any unintended consequences that may emanate from the use of algorithms. The data ethics framework should align to Section 7(2)(c) of the POPIA.



IMPLICATIONS AND CONCLUSION

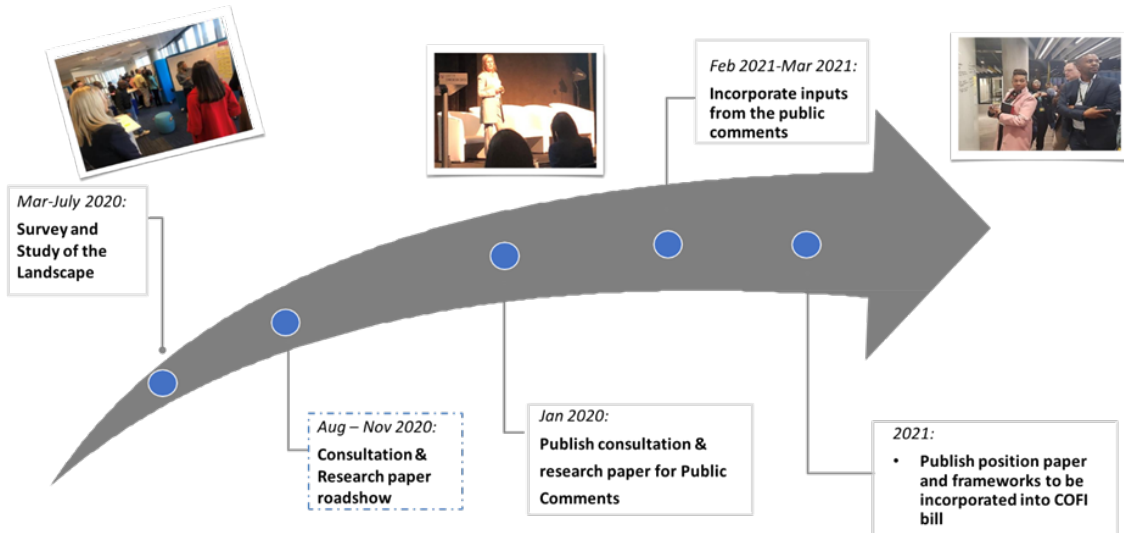
As seen throughout our paper, Open Finance is built on the principle of consumers owning the data they create on financial service providers platforms. Consumers with consent, should be able to share this data created with licensed third-party providers to develop and offer innovative products and services in a safe and ethical manner. The recommendations identified seeks to enable Open Finance through the Conduct of Financial Institutions (COFI) Bill.

Flowing from the above recommendations it envisioned that third party financial services providers will be required to be licensed in order to be able to retrieve customer financial data and develop products and services around it. This will entail the following considerations: informed consent framework, dispute mechanisms, customer education and protection, commercial models, data transfer standards, data protection practices and data ethics frameworks.

Subsequent to licensing, Supervision will serve to reinforce many of the requirements sought at licensing stage, such as the inspection of data risks, checks on execution of consumer consent and consumer education, and the mitigation of cybersecurity.

WAY FOWARD

The planned consultation process and timelines going forward are as follows:



REFERENCES

Collins, G., & Sisk, D. (2015). Retrieved from Deloitte: <https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/technology/deloitte-uk-api-economy.pdf>

Hirschler, T. (2018). PISPs and how they are improving the payment experience. Retrieved from KAE.

Holst, A. (2020, October Thursday). Retrieved from statista: <https://www.statista.com/statistics/871513/worldwide-data-created/>

Ritchie, M. R. (2020, October Thursday). Technological Progress. Retrieved from OurWorldInData.org: <https://ourworldindata.org/technological-progress>

Strachan , D., & Ley , S. (2020, October Friday). Retrieved from Deloitte: <https://www2.deloitte.com/global/en/pages/financial-services/articles/open-banking-around-the-world.html>





COMMENTS AND CONTACT DETAILS

Stakeholders and other interested parties are invited to forward their comments on this consultation paper by 31 January 2021. Comments should be addressed to:
Dino.lazaridis@fsca.co.za



41 Matroosberg Rd, Riverwalk Office Park, Block B
Ashlea Gardens, Pretoria, 0002
Phone: +27 12 428 8000
Call Centre: 0800 20 37 22
E-mail: info@fsca.co.za
www.fsca.co.za