

CBI and the "CBI Globe" Open Finance Ecosystem

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Agenda



 CBI S.c.p.a.

 CBI and the PSD2 landscape: focus on CBI Globe

Key Figures and governance of CBI S.c.p.a.



- CBI is a public limited consortium company and an **industry utility** that supports the financial system. CBI aims at broadening the range of services offered to the Public Administration, corporates and citizens in order to promptly and effectively respond to new international market challenges.
- **Supervised by the Bank of Italy pursuant to art. 146 TUB** (Banking Act) for the management of technological and network infrastructures.

Key Figures

CBI Shareholders



CEO of the Italian Banking Association as the Vice-President of CBI



404 Banks/Financial Intermediaries



~ **450 customers** as Banks, P.A. and Technical Providers

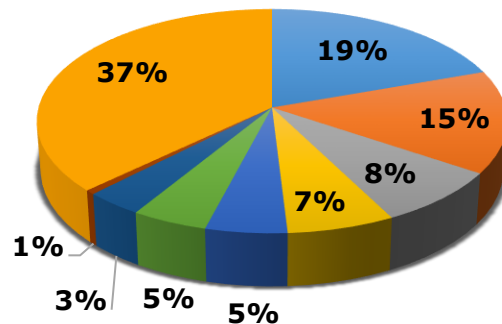


~ **11 payment and network services** offered

~ **20 millions of revenue stream**



~ Appointed by PagoPA as a *Qualified Agent* to facilitate the connection between the banking sector and the PA



■ Intesa Sanpaolo

■ Iccrea Banca

■ Monte dei Paschi di Siena

■ Credem

■ UniCredit S.p.A

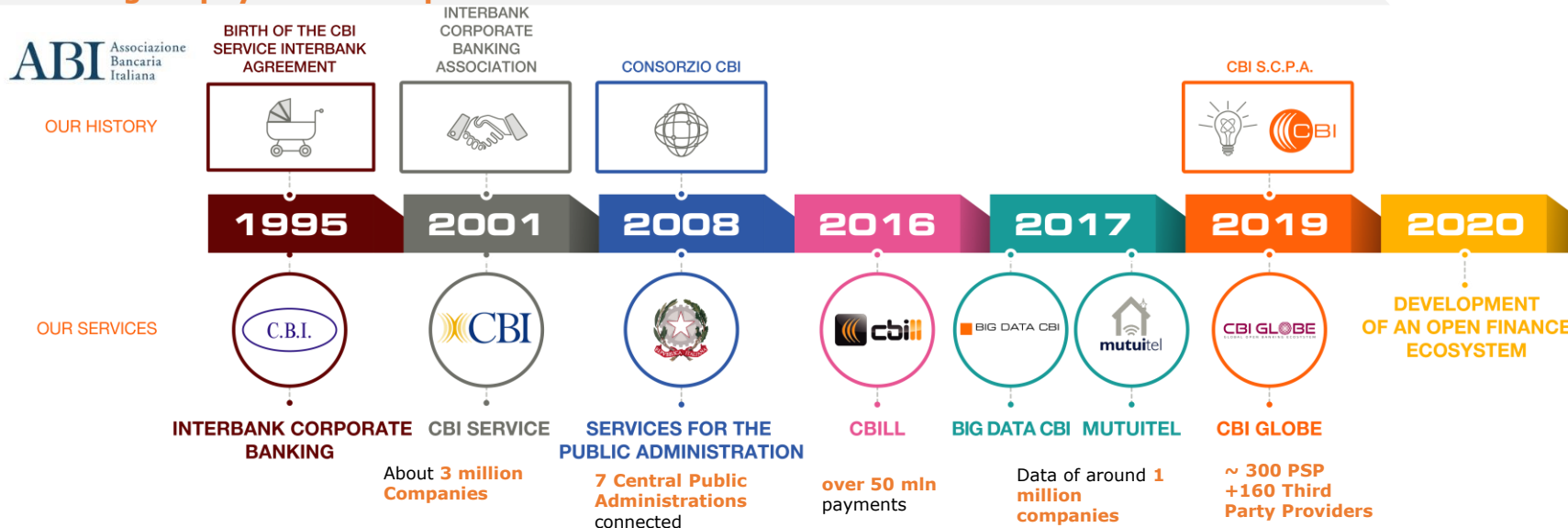
■ Banco BPM

■ UBI Banca

■ Banca Sella S.p.A.

History of CBI: 20 years of successes

- **20 years** of support to the Italian Financial Sector
- Historical business in **transaction banking**
- Liaison with corporates, citizens, and the Public Administration
- **Digital payment** and **Open Finance services**



CBI performs a remarkable **standardization activity** both at the domestic and international levels. CBI also constitutes a **collaborative platform** enabling the development of interoperable **value-added** services

International Working Groups



CBI carries out a relevant **standardization activity**, taking part in a variety of domestic and international bodies.

In the interest of the financial community, CBI **pursues the compliance with national and international standards** as well as the interoperability of services, exploring **new business opportunities** in the payments and finance ecosystem.



Agenda



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 CBI and the PSD2 landscape: focus on CBI Globe

PSD2: the Open Banking enabler



The **2015/2366/EU Directive**, known as the PSD2, defines a common legal framework for the **payments market** in the European Economic Area (EEA). The PSD2 aims to increase the level of **integration** and **efficiency of the EEA market**, as well as to enhance **the level of trust and protection** of consumers through the use of new authentication principles.

Objectives	Areas of intervention
<ul style="list-style-type: none">• To define a common legal framework• To regulate the payments market, which is characterized by an increasing complexity due to the growing number of players and the digital evolution;• To harmonize the European regulatory framework in this area;• To increase the level of integration and efficiency of the market	<ul style="list-style-type: none">• Transparency for consumers, obligations for Banks and the extension of the scope of application in relation to the PSD1• Strengthening of security requirements (e.g. Strong Customer Authentication)• Application of the infrastructure i.e. "Access to Account", which requires Intermediaries to expose account information and payment initiation services to third parties. In doing so, Intermediaries have to use a technical tool (e.g. API), to provide customers with the possibility to authorize third parties to access their account on a real-time basis, without prior consent to be released by the customer's Intermediary.

CBI: from open banking to open finance



As a pre-competitive interbank ecosystem, CBI identified in 2017 the opportunity to support the financial industry to meet the requirements depicted by the PSD2 and **to guarantee savings of around 40% to the domestic banking sector.**



2017
Definition of «**CBI Implementation Guidelines**» for the adoption of mandatory API standards in the PSD2 area and publication on **www.gotoapi.com**

2018
Launch of **CBI Globe** to interconnect TPPs e ASPSPs according to **PSD2** requirements



2019
1° June 2019: CBI Globe goes-live

2020
Go Live of the new CBI Globe functionality, “**TPP Enabler**”, which allows the technical integration among Third Party Providers and ASPSPs performing an **active role** within PSD2 scenario



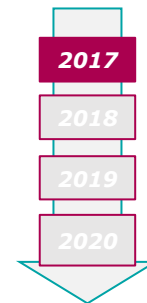
CBI as the **Information Broker** between banks and the National Competent Authority (**Bank of Italy**)

A) Open Banking implementation guidelines



Thanks to its **20 years experience in the development of community payment services** and **collaborative frameworks**, CBI has been called upon by its financial constituency to identify implementation guidelines to facilitate the adoption of the PSD2 and enable the establishment of the Open Banking.

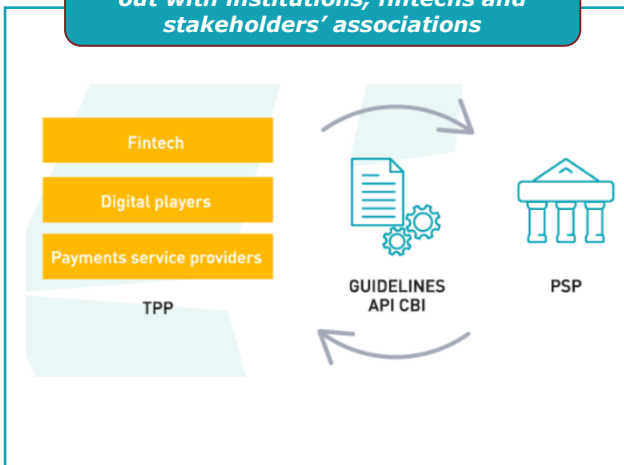
The documentation has also been shared with working groups of experts belonging to main international bodies (e.g. **Berlin Group, ISO, ...**), in order to **guarantee a high level of domestic and cross-border interoperability**. The guidelines are based on the Berlin Group (BG) **NextGenPSD2 specifications** and comply with the internal BG policy of use (no major changes, clarifications and reformatting only).



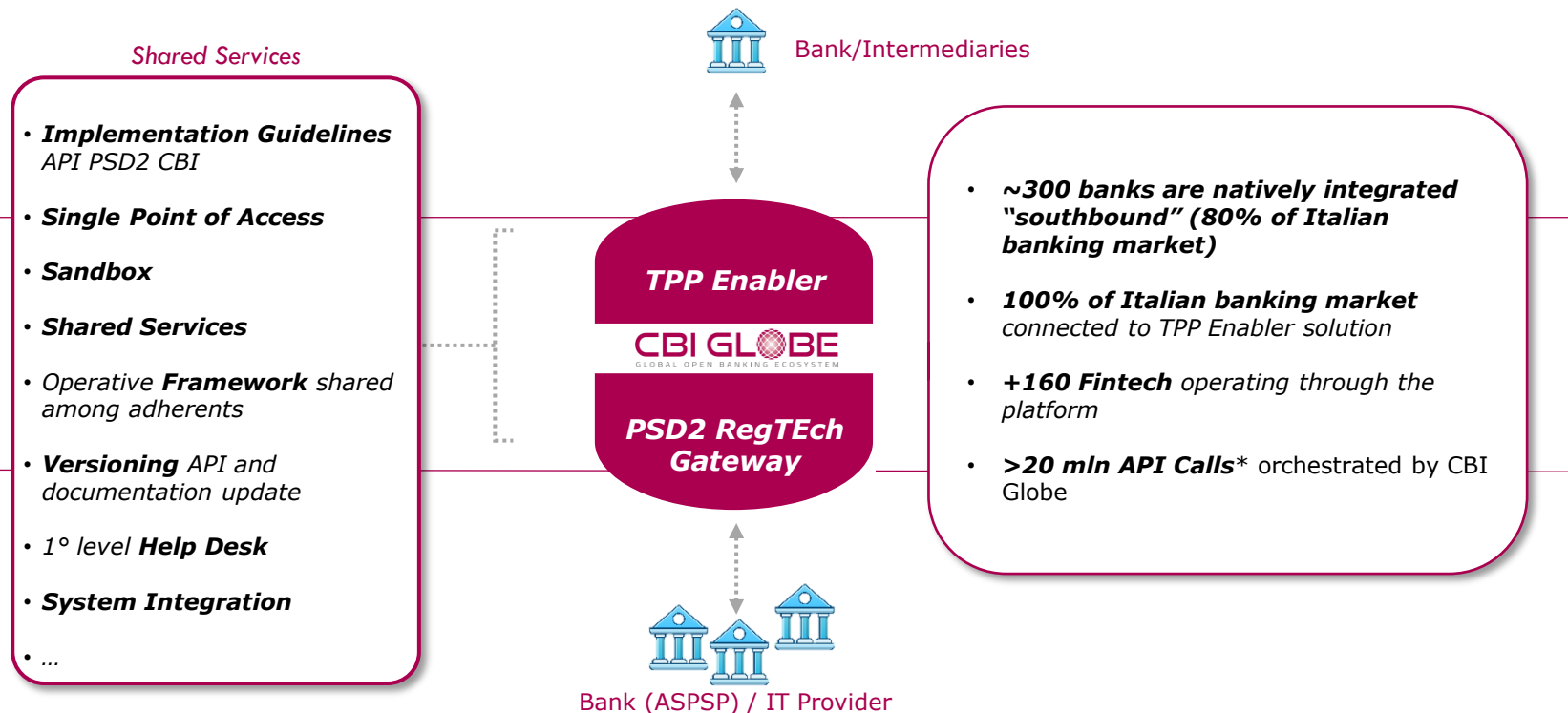
CBI main goals:

- **To enhance the interoperability** among PSPs through the identification of **common technical references**
- **To reduce the fragmentation** of the financial market
- To offer **neutral implementation guidelines**
- To create **awareness and knowledge** about PSD2/RTS within the Italian financial community

A public consultation has been carried out with institutions, fintechs and stakeholders' associations



B) CBI Globe: ecosystem to support Open Finance

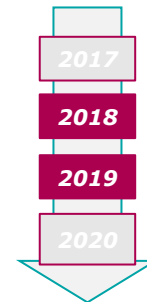


B1) CBI Globe Platform – PSD2 RegTech Gateway - 1



CBI has carried out a second initiative, developing an **API Platform** whose aim is to facilitate the connection between Banks and Fintech companies, in compliance with the PSD2 requirements.

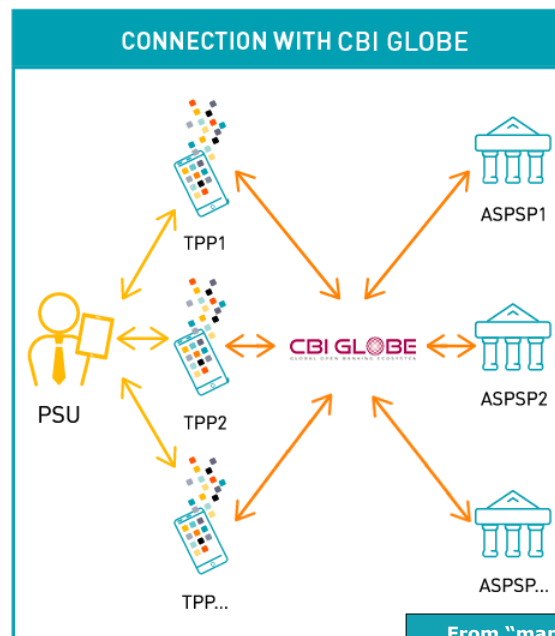
Thanks to the centralization of various “shared services” (e.g. TPP recognition and authentication, operational monitoring, 1st level Help Desk, technical updates of the solution, ...) “**CBI GLOBE – Global Open Banking Ecosystem**” facilitates the **interconnections between ASPSPs and TPPs** in order to **reduce investments and the technical complexity**, otherwise to be held up by its participants.



CBI Globe main goals:

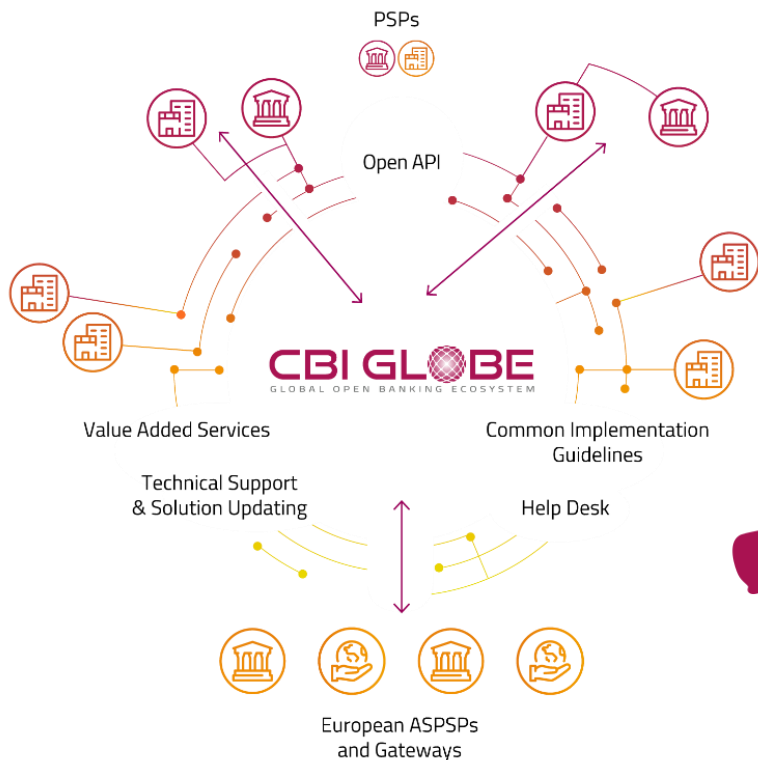
- **Cost reduction** through the implementation of a common technological solution
- Operational **savings** thanks to the **centralization of several common services**
- **Interoperability guaranteed** by a **community solution** designed on PSD2 technical specifications issued from a pan-European API initiative (**Berlin Group**)
- **Enhanced Business** opportunities and **User experience** through the presence of a common solution
- **Market Open banking solution** open to all the EEA space (TPP and ASPSP side)
- **TPPs directly involved within the initiative** (consultation and market test)

See Next slides



From “many to many” environment to a single community access

B1) CBI Globe Platform – PSD2 RegTech Gateway - 2



CBI Globe is a **RegTech platform** that supports Intermediaries (ASPSP) to be compliant with the PSD2 and to develop new features in the Open Banking area.

The collaborative solution CBI Globe enabled banks to save **40% of investments needed to ensure compliance with the PSD2.**

Through CBI Globe, PSPs can take advantage of **business opportunities** enabled by the **new market scenario** to develop services that allow the transition from an open banking to an open data paradigm.



Participants:
80% of
domestic
market share



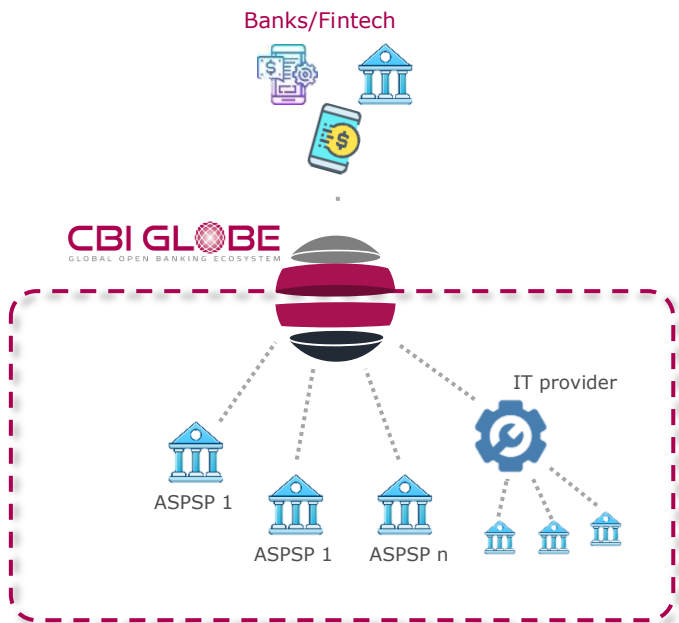
**Over 160 TPP operative
on the Platform**



**> 20 mln
API Calls**

B2) CBI Globe – TPP Enabler

CBI Globe has recently developed a functionality that **facilitates the interconnection** among Third Parties and ASPSPs. Through a **single connection** granted by CBI Globe, TPPs can easily communicate with the 100% of Italian ASPSPs market and with the main European Open Banking gateways. Technical updates and the API versioning are centrally managed by CBI.



CBI main goals:

- To enhance TPPs abilities to connect via a **single point of access to several ASPSPs**
- To **harmonize workflows** and technical specifications via a single Gateway
- To centralize **technical developments and updates**



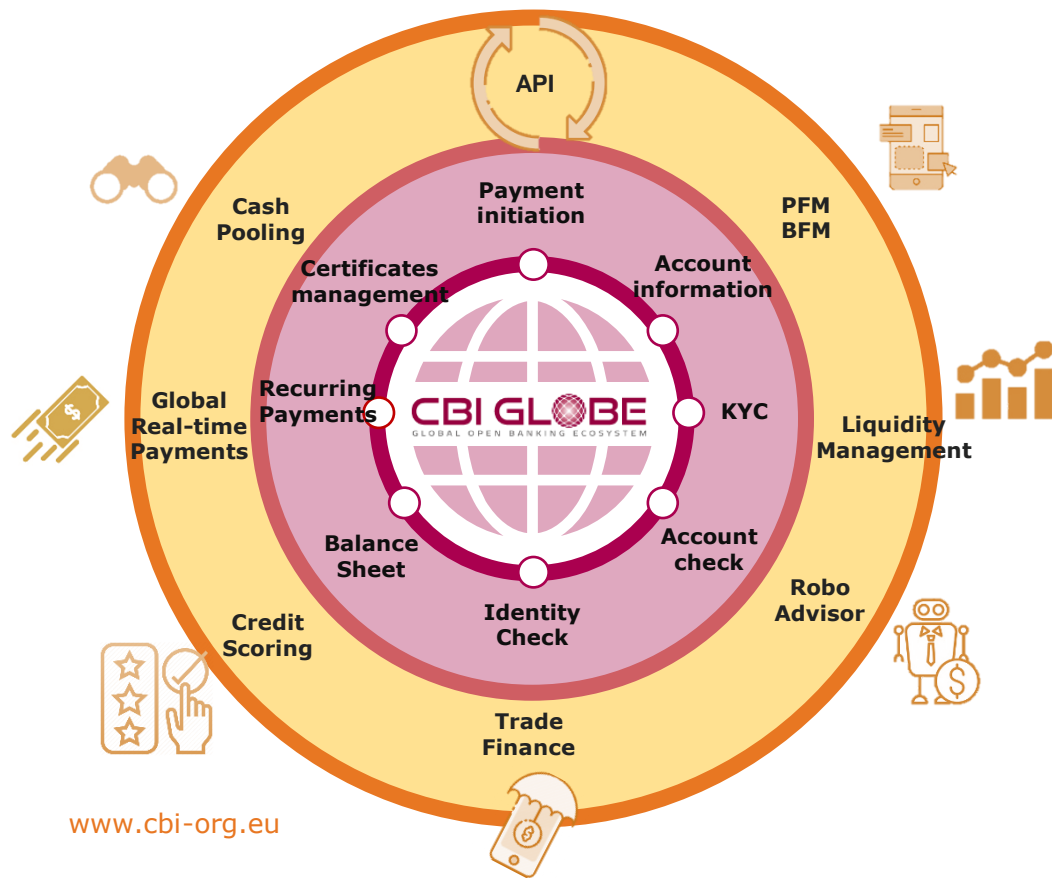
2017

2018

2019

2020

Open Finance: a wide range of fully integrated services



- Open Finance will **widen the range of services addressed to corporates and SMEs** (es.: Analytics for treasurers, Cross-border real-time payments, OpenAPI in cash management)
- CBI Globe increasingly represents an **open finance ecosystem** that enables a widespread adoption of value-added services, ensuring the circularity of initiatives
- Given the **API integration of Fintech Services**, intermediaries can offer innovative and tailored services (es. Value chain analytics, a multibank platform for trade finance)



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