

BUSINESS CASE



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creating value through innovation



Macro Global's Stakes on achieving Open Banking Compliance



Executive Summary

Post-Brexit, regulators have tightened the grip on the shoulder of the financial institutions around the compliance mandates, whilst key initiatives like Open Banking significantly impacted the market players strategically. The implied shift from a product-centric to a customer-centric model offers banks to serve customer needs and the fundamental change foster the banking sector more sovereign and make a radical transformation by adopting the logic of open innovation.

For banks, the path towards Open Banking begins with the introduction of market-standard Open APIs developed in the direction of networked banking and the design of a new ecosystem. The combination of API technology and open collaboration are made available to third parties to build new opportunities and services for consumers and are increasingly aimed at satisfying the needs of consumers. To achieve this, Macro Global supports banks by speeding up the implementation of new solutions that comply with Open Banking compliance standards. In this business case, we will drive deep into the context that has profoundly changed banks in creating elegant interfaces with Macro Global's Open Banking integrated services and consolidated procedures.

The next generation of Open Banking models further extends their services enabling third-party providers (TPPs) to provide customers with value-added services by integrating with the bank (ASPSP).

Business Challenges for Banks

Monetising the openness of data, technology platforms acquisition, emerging smart solutions and overpowering service competition are the main challenges posed in the banking sector. The shift to open banking demands a fundamental re-engineering of the legacy business model enabling customer-centric banking with data sharing to third-party providers along with the authorisation/consent from the customer. Competition is fierce which intends to increase as consumers begin to switch between suppliers and accrue the benefits of new services. Banks are decisive in establishing themselves in the market space considering their agility in order to specialise in vertical themes.



Moreover, adopting new changes on a tight schedule is challenging for banks with legacy infrastructure and lack of cloud adoption to support end-to-end delivery. Another key issue is the standardisation around the application program interfaces (APIs) since under-resourced API management platform leads to poor customer experiences. The level of interaction of APIs with third-party providers depends on the interoperability and complexity of the bank's back-office systems. Upgrading and expenditures for maintaining the existing IT infrastructure are limiting the resources in investments in digital technologies. On the flip side, protection of customer data and the security of online payments need to be enhanced as Open Banking facilitates the exchange of customer data.

Banks require the right intervention at the right step in the account/payment workflow in order to comply with the Open Banking Regulations. The volume of transactions and accounts/payments requests is predicted to be high, hence banks need to scale up alongside the API implementation to reduce the potential bottleneck within the overall infrastructure with increased efficiency and scalability. Implementation of Open Banking framework lays a range of concerns such as TPP onboarding & transaction monitoring, customer consent management & authorisation options, validating certificates, implementing, and handling Strong Customer Authentication (SCA) and exposing APIs. With uncertainty surrounding the ongoing evolution and to thrive in the compliance program, banks need to focus on the creation of financial services to launch open innovation projects.

Seize the Opportunity – Open Banking Implementation

Tavas – Open Banking Product Suite and Solutions enables financial institutions to transform their business into an extensible platform complying with Open Banking regulatory requirements efficiently and quickly. Tavas is the state-of-the-art authorisation platform available as a cloud service or on-premises platform that handles interactions between financial institutions and third-party providers (TPPs). Integration with Macro Global adds an opportunity for banks to expose and monetise their own and Open Banking APIs and Macro Global's API management is well suited for financial institutions who require profound integration facilities to build APIs on top of the existing applications. Our solution provides a high-performance environment offering a wide range of capabilities for API access management, authentication and consent management, exhaustive documentation to TPPs with the sandbox environment.

Macro Global's Stakes on Open Banking Implementation

Macro Global's Open Banking API Management

"Open API is more than a technology or a new way to meet compliance obligations; it represents a new way of doing business that must be embraced with open arms and put to work."

Tavas, a trusted framework for participants (banks) in the Open Banking ecosystem. Our solution conforms with the Open Banking security conformance test suite and accelerates an array of features and support to deploy Open APIs securely and more efficiently complying with UK Open Banking Specification Version 3.1 and other regional Open Banking mandates. A solid API ecosystem enabling seamless onboarding and access for data recipients (third-party providers) consuming endpoints, requests, and responses for account/ payment/ confirmation of funds requests. Open Banking APIs enables TPPs to integrate with banks and the payment ecosystem delivering unprecedented innovation.

Account and Transaction API

- ✓ Account Access Consents
- ✓ Accounts
- ✓ Balances
- ✓ Transactions
- ✓ Beneficiaries
- ✓ Direct Debits
- ✓ Standing Orders
- ✓ Products
- ✓ Offers
- ✓ Parties
- ✓ Scheduled Payments
- ✓ Statements

Payment Initiation API

- ✓ Domestic Payments
- ✓ Domestic Scheduled Payments
- ✓ Domestic Standing Order
- ✓ International Payments
- ✓ International Scheduled Payments
- ✓ International Standing Order

Confirmation of Funds API

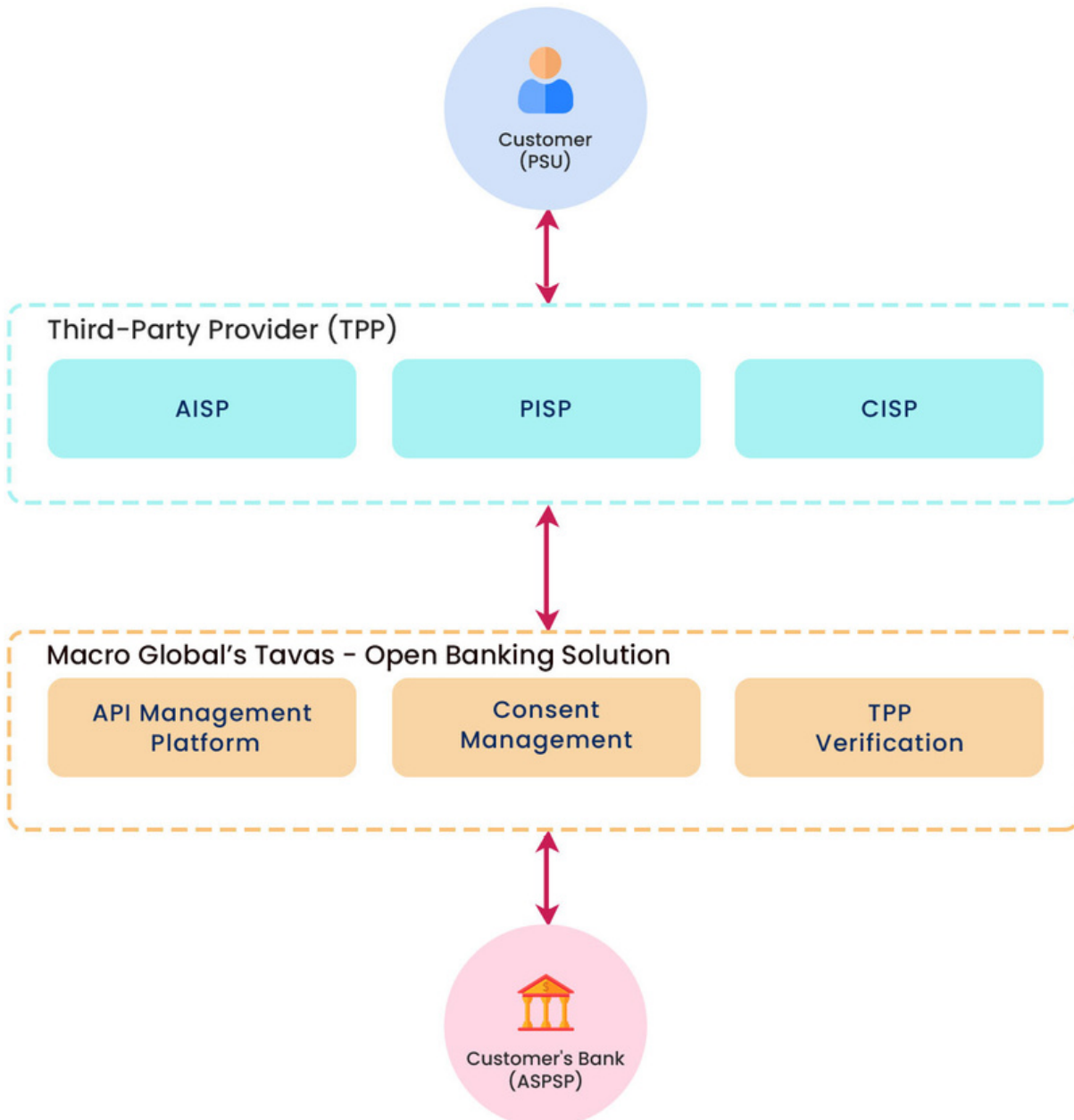
- ✓ Funds Confirmation Consents
- ✓ Funds Confirmation

Open Data API

- ✓ Business Current Account (BCA)
- ✓ Personal Current Account (PCA)
- ✓ ATM
- ✓ Branch
- ✓ SME Loans
- ✓ Commercial Credit Cards (CCC)

Macro Global's Identity Gateway

A complete digital identity management focused on providing API gateway protection and security services for accessing the applications. Identity Gateway enables banks (ASPSP) to provide new services to TPPs and potentially monetise the endpoints access complying with Open Banking technical requirements. Identity bridging facilitates exchanging attributes and consent authentication between systems in a seamless manner and empowers ASPSP to manage the identity and security for APIs, microservices and web/mobile services within a unified solution.



Macro Global's Identity & Access Management

Rapid deployment with identity and security protocols strengthening customer relationships and provides a sustainable integration path. A platform for managing access implemented with security standards and protocols including OAuth 2.0 and OIDC addressing API lifecycle management. Tavas provides a hub to secure data and transactions and acts as an OAuth Authorisation server issuing tokens from multiple touchpoints and enables banks (ASPSPs) and regulated third-party providers (TPPs) to develop innovative solutions for customers without impacting business requirements.

Macro Global's Consent Management


Comprehensive consent management providing a highly scalable and flexible data store by capturing consent in real-time. Build customer trust by enabling the payment service users to control their personal information and make the authorisation process as secure and frictionless as possible by addressing privacy regulations.

Macro Global's consent management can be achieved in the Administration Portal that enables bank users to manage and revoke consent on behalf of customers upon request. The admin portal also supports handling multiple consent types (e.g., account access consent, payment consent, transaction consent, consent for scheduled payments/recurring payments) and review the history of granted consents.

Revoke Consent

Are you sure you want to revoke below consent?

Consent Associated TPP : algo_ps

Account Consent Id : 

TPP Management

Tavas handles initial verification, onboarding, and communication with TPPs minimising the involvement of the bank (ASPSP). Macro Global services conduct an initial check to verify the validity of TPP's licence and validate the certificate signature, eIDAS certification and passporting permission. The compliance solution ensures that TPPs are trusted before consuming the bank's APIs as they contain confidential customer information by validating whether the TPP is authorised by the Competent Authority in order to provide a seamless integration process.

Developer Portal & Sandbox Environment

Developer Portal includes a wide range of services that allows TPP integration with the bank's channel managed by Macro Global. We handle all technical communication with TPPs which includes API sandbox for testing, Open Banking API services and detailed documentation for TPP integration overtaking the burden required from the bank (ASPSP). The sandbox environment provides a stimulated environment with mock-up data to efficiently test the APIs services (Account Information, Payment Initiation and Confirmation of Funds). It enables third-party providers (TPPs) to sign in and consume APIs from the context of Open Banking and access test data for both Retail & Corporate Payment Accounts and requires regulated certificates (i.e., eIDAS).



Administration Portal

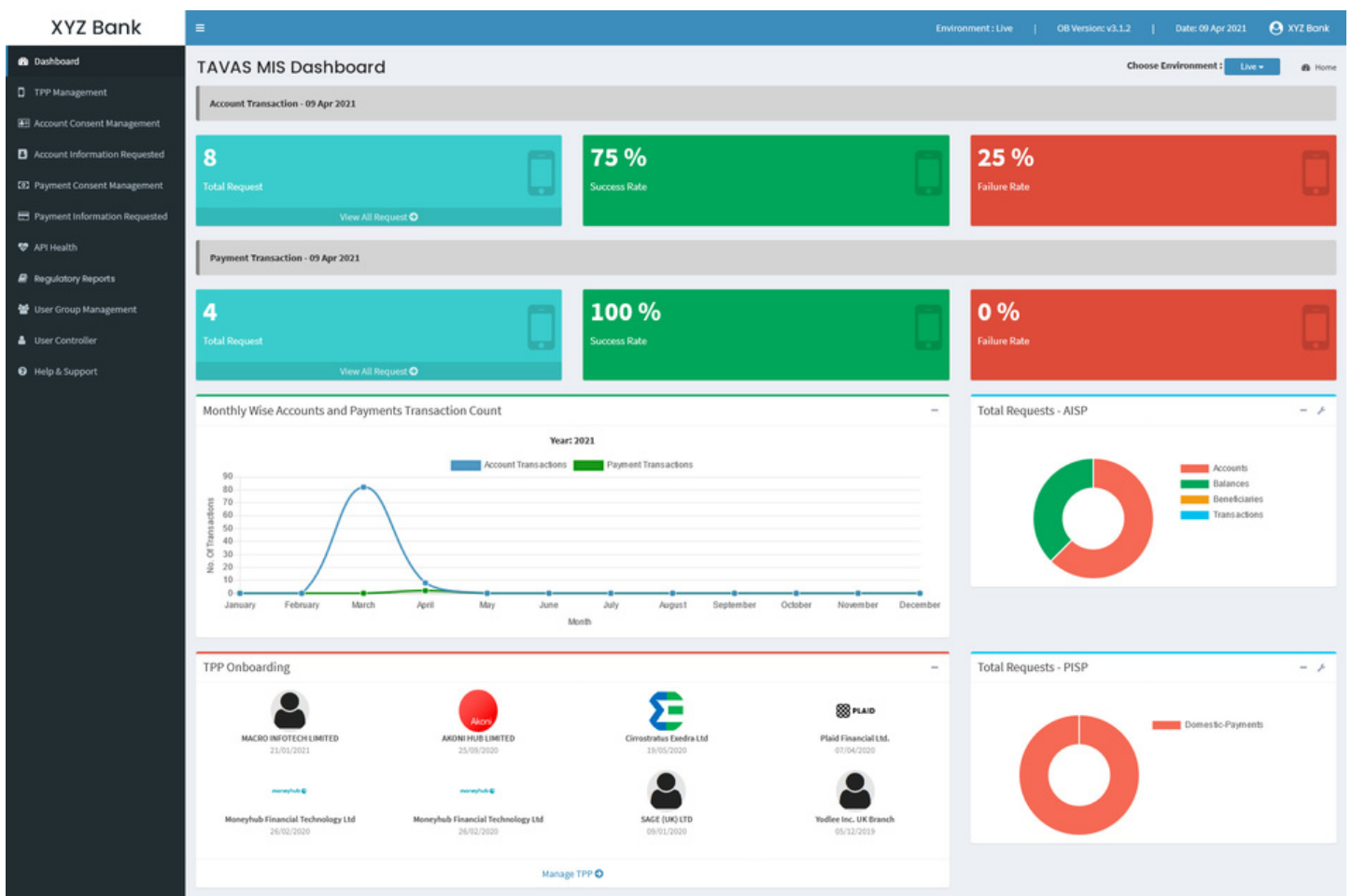
Tavas provides a web-based back-office portal that enables banks to monitor the interaction between payment services users and TPPs with detailed information about API usage. Banks' Operation team will have access to full monitoring of the API message flows, manage TPP, incident monitoring and reporting, consent management and metrics can be easily extracted.



MIS Dashboard

User-friendly GUI and intuitive dashboard enable banks to monitor the Key Performance Indicators (KPIs) and allows administrators to track which APIs are often used and to graph the related information to identify hotspots.

- 💡 How many TPP's have been onboarded?
- 💡 How many AISP and PISP requests have been initiated?
- 💡 Total number of Account and Payment transaction count
- 💡 Is there any TPP registration pending for review or approval?



Benefits

Our Software-as-a-Service (SaaS), Tavas Open Banking Solution is not just a dedicated API channel but a robust solution that masks the interconnectivity with TPPs. Tavas delivers comprehensive technology and strategic consultancy to empower banks to execute compliant standards and successfully comply with Open Banking initiatives.



- 💡 Plug-and-play solution for the monetisation of open APIs and robust infrastructure from a single API point.
- 💡 Enables quick deployment of value-added services for TPP (AISP/PISP/CBPII).
- 💡 Strengthen customer relationships and build a secure banking platform for the future.
- 💡 Obtain simplified and homogenous data for account aggregation and manage access token lifecycle.
- 💡 Virtualise the endpoint and streamline the integration capabilities with the bank's current infrastructure.
- 💡 Support OAuth 2.0 and ODIC for seamless integration and compliance.
- 💡 Enabling banks (ASPSP) to comply with Strong Customer Authentication & consent management and data privacy & security.
- 💡 Consolidated developer resources with API documentation and test environment.
- 💡 Dedicated support team to assist in case of any suspicious activity or unauthorised actions detected.

We are here to help you

If you want to learn more about our products or services or just have a question?

If you need advise from our expert team who understand your business better than our peers?

If you want to know how we transformed businesses using our unparalleled industry and domain expertise?

Please click on the web link below to access our sales desk telephone numbers and email and we will be in touch straight back to you.

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