

Open banking adoption varies widely across Europe, Yapily report finds

Article

API Yapily ranked European countries on a 10-point scale based on how well they encourage open banking (OB) adoption, [per](#) its press release. To create the league table, the fintech

compared levels of regulatory supervision and enforcement, the existence of API standards, bank readiness, and more.

The league table identifies clearly communicated regulatory guidelines and common API messaging standards as the main factors that accelerated OB adoption.

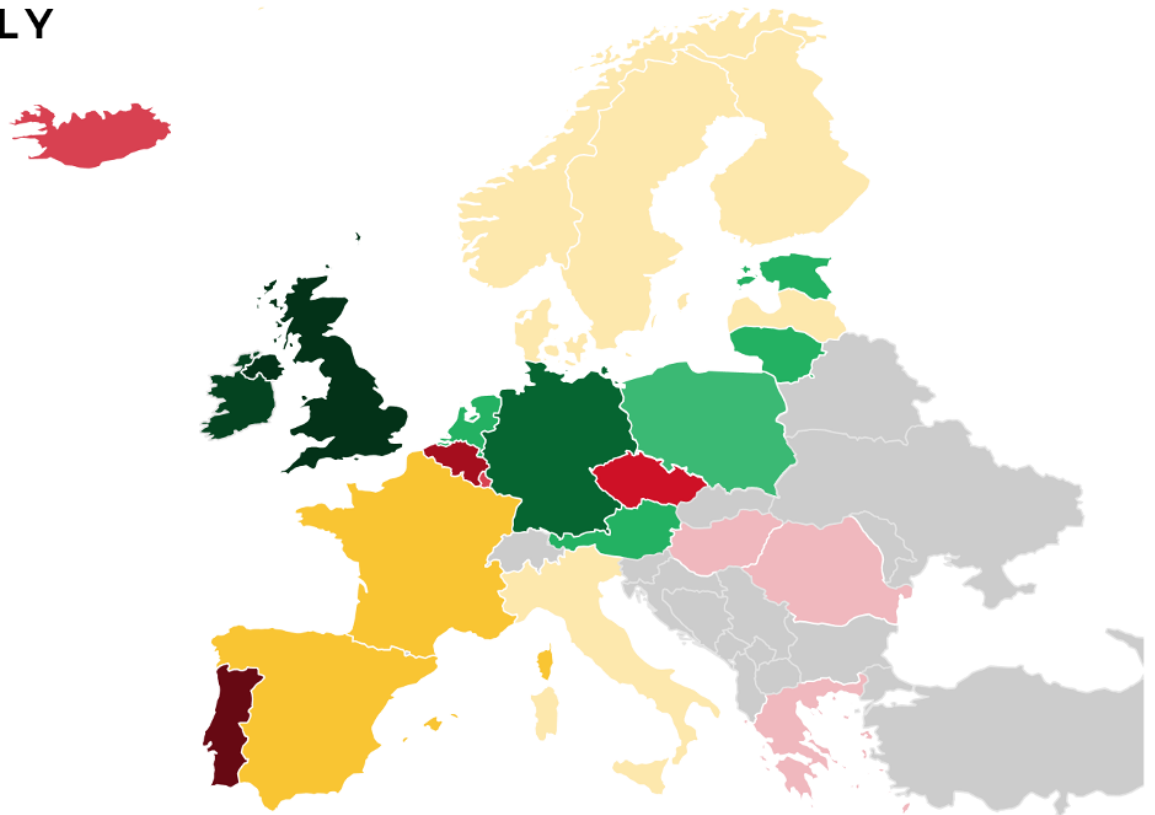
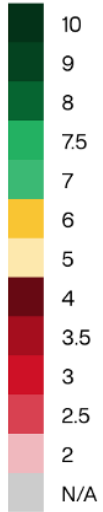
- **The UK, Ireland, and Germany made it to the finals.** In the UK, which ranked No. 1 with a score of 10, the regulatory-backed Open Banking Implementation Entity designed the standards for secure APIs and supported their effective implementation across market participants. Ireland and Germany, which scored 9 and 8, respectively, also saw strong supervision, and both relied on Berlin Group's API, "the most prescriptive" standards after UK Open Banking, per Yapily.
- **France, Spain, and Italy are stuck at the group stage.** Contrary to their soccer prowess, these major economies received mediocre OB scores of six or lower because they lack centralized bodies to standardize regulations and sufficiently supervise adoption, leading to discrepancies in implementation. The lack of such measures is reflected in the level of OB adoption: As of October, **178** firms in the UK were permitted to provide account information or payments via third parties; Germany came second with 36. Comparatively, France had just 18, and Spain and Italy both had fewer than 10.

The adoption discrepancies could hinder the shift to open finance in the EU while the UK surges ahead. Open finance is an extension of OB to more types of financial data, such as pensions, investments, loans, mortgages, insurance, and healthcare. The European Commission **plans** to propose a Europe-wide open finance framework to be implemented by 2024, but this risks exacerbating existing fragmentation. Member states that are still behind in OB adoption could face interoperability challenges if required to share more financial data. Here, Brexit may work in the UK's favor—it doesn't have to wait on the EU to move ahead with its own open finance framework, helping it keep its pole position: The Financial Conduct Authority is currently **assessing** stakeholders' views on the transition to open finance.

European Open Banking League Table



Score



Source: Insider Intelligence, Yapily

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