



## THE MIDDLEWARE GROUP OPEN FINANCE

Please take a moment to step inside our world...

A world founded on trust, excellence, independence and passion.

We are a niche consultancy that focuses on providing independent consulting, strategy & architecture road maps through to solution led product implementations, training and 24x7 customer support services for all middleware functions.

Middleware co-developed the Payments NZ API Centre standards (the New Zealand equivalent of the UK Open Banking standards), and we have worked with the major New Zealand banks to assist in the development of their own standards-based implementations. We have also been heavily involved with major Australian banks to help them meet their obligations under the Australian Consumer Data Right regulations.

Building on this wealth of knowledge and experience, the Middleware Group offers four specialist Open Banking products and services:

- **Open Banking Accelerator** - delivering a comprehensive set of ready-to-use, standards-compliant APIs so you can participate in the Open Banking ecosystem earlier than might otherwise be possible;
- **Open Banking Engagement Platform** – providing a branded developer portal and sandbox environment so you can quickly engage with the developer community and identify innovative partnership opportunities to promptly deliver more value to your customers;
- **Open Banking Conformance Testing Services** – using our testing suite to confirm your alignment to the Payments New Zealand API Centre standards, including the security profile, and providing recommendations on improving your conformance.
- **Open Banking Specialist Consulting** – our team of Open Banking specialists are able to provide advice and guidance on the NZ and Australian Open Banking standards. We can help you understand the potential implications to your business and provide detailed technical consulting about implementing the standards in your environment.



### INTRODUCTION & BACKGROUND

Banks today are facing increasing competition from a wide range of companies, such as fintechs and new, digital-native banks. In response to these pressures, banks are striving for ways to be digitally responsive & innovative in how they function and engage with their customers. Banks are facing pressures from customers to 'lift their game' and provide more compelling digital experiences.

These emerging challenges are driving banks to be more open and share their data, resulting in an industry led, NZ-wide standardised and secure framework for sharing customer data, insights and financial services. This framework is commonly referred to as 'open banking'.



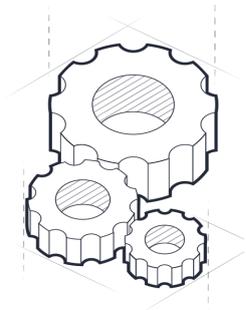
Open banking enables banks to improve their value proposition for customers, by leveraging third parties and partners to bring a wide range of unique and engaging financial services to market, faster and cheaper than they would be able to themselves. At the same time, open banking provides banks with new revenue stream opportunities and, through orchestrating network effects, they can harness the power of third-party developers and partners to generate additional value.

Open banking strategies offer many opportunities for banks, but it is challenging for banks to decide on which opportunities to pursue. Should a bank embrace the role as a Fintech application store, a member in someone else's ecosystem, or find relevant partners to serve niche and local markets? An open banking strategy must be a clear and concise company-wide endeavour.

## OPEN API's

Open banking APIs deliver the personalised, instant gratification consumers have come to expect in the digital age. Driving banks to expose data, insights and services, situating themselves at the centre of an ecosystem with third-party developers and partners cooperating to deliver that compelling digital experiences to customers.

In an open banking ecosystem, third-party developers and partners securely “plug” into the bank's data, insights and services through open APIs (application programming interfaces).



An open API is an easily accessible interface that gives web and mobile developers access to customer data, insights and banking services. There are different types of open APIs, each of which have different opportunities and business implications. Banks can also explore the consumption of other companies' APIs to provide value added services via their own digital channels.

Whilst open banking isn't mandated here in New Zealand, as yet, steps are being taken by all banks to establish a NZ open banking ecosystem. Establishing the first set of open API standards that banks and third parties will follow has been achieved with the Payments NZ API Centre standards.

Adopting these and other open API standards will provide banks a competitive advantage; enabling modern and compelling digital experiences for their customers; underpinned by the data banks hold on their customers.

## BANK AS A GATEWAY

With open APIs, a bank can become the business gateway at the centre of the open banking ecosystem, connecting private and business customers with the bank's services and with the services of third parties and partners.

As a business gateway, banks can also maintain a high degree of control by deciding which data, insights and services to share, choosing with whom to share them, and defining the terms for acceptable business practices within their ecosystem.





All banks have differing types of customers, with differing needs, and all can have their needs met within the ecosystem. Through the power of standards based APIs and partnerships similar to the “Login with Google” experience, banks can address customer needs with a view of the “complete customer journey”, whilst maintaining a consistent experience and life cycle. This provides the right product, the right service, at the right time.

## How can we assist?

The Middleware Group is uniquely placed to bring our customers a wealth of practical experience in the Payments NZ API Centre standards and the Australian Consumer Data Right rules and standards, as well as the banking industry and open APIs, in general. We have the team, experience, processes and products to make your open banking strategy a reality.

We offer a number of products and services; through our Glueware products, and our Middleware New Zealand consulting services, to guide and accelerate the customer’s journey with:

Glueware Products	Middleware New Zealand Services
<ul style="list-style-type: none"><li>• <b>Open Banking Accelerator</b> - simplifying and accelerating open banking by providing secure, ready-to-use APIs for banks, which can be integrated to back end banking systems to deliver Open Banking standards compliance</li></ul>	<ul style="list-style-type: none"><li>• <b>Open Banking Conformance Testing Services</b> - helping banks to reduce risk and ensure alignment to the Payments New Zealand API Centre standards, including the Financial-grade API - Part 2: Read Write API security profile.</li></ul>
<ul style="list-style-type: none"><li>• <b>Open Banking Engagement Platform</b> - enabling banks to engage with the developer community to help identify new and innovative opportunities for partnering and delivering value to customers.</li></ul>	<ul style="list-style-type: none"><li>• <b>Open Banking Specialist Consulting</b> - providing deep knowledge of the business and technical implications of both the Payments NZ API Centre standards and the Australian Consumer Data Rights rules and standards.</li></ul>