



## OPEN BANKING REPORT

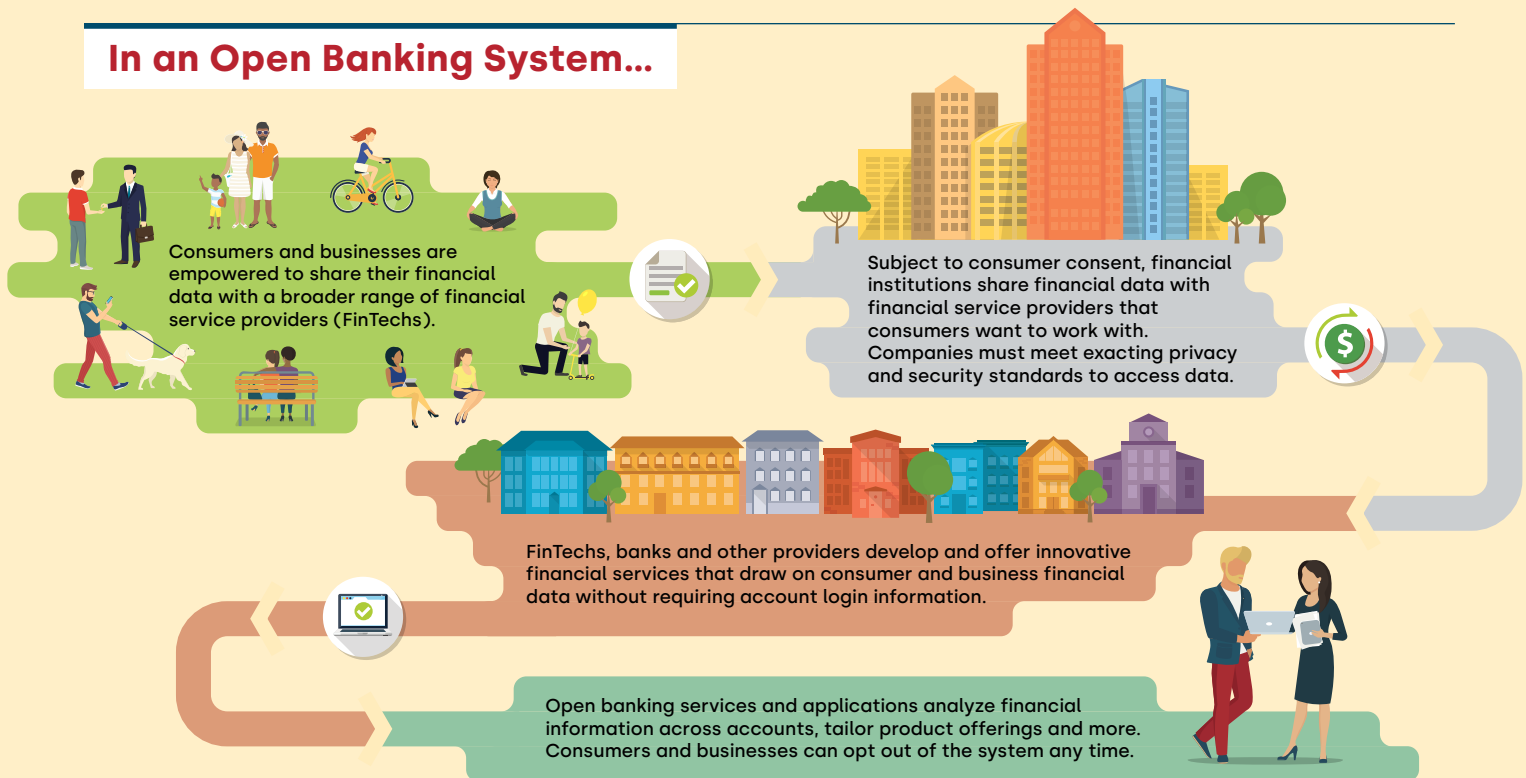
# Open Banking 101



## IS IT TIME FOR OPEN BANKING IN CANADA?

Any time you buy something, transfer money, make a deposit or do any other banking activity, you generate financial transaction data. Open banking empowers you to share that data with a broader range of financial service providers of your choosing to gain access to innovative products and services that help with managing finances, making financial decisions and more.

### In an Open Banking System...



To encourage consumers and businesses to participate, open banking systems need **effective safeguards** that **ensure the stability of the financial system, protect consumer privacy and rights, and ensure the security of participants' financial information.**

## APPLICATIONS

### What kinds of products and services would open banking make possible?

With access to financial data, businesses could offer all kinds of new products and services. Companies could develop secure apps that let you easily compare financial products from different institutions, get a full picture of your finances, and more — all without requiring your banking login information to work.

Small businesses could access services that let them aggregate their payroll, auditing and accounting processes and speed these up with automation. Firms in the financial sector would also have the insight to develop products and services tailored to your needs.

## IMPLICATIONS

### What risks could arise in an open banking system?

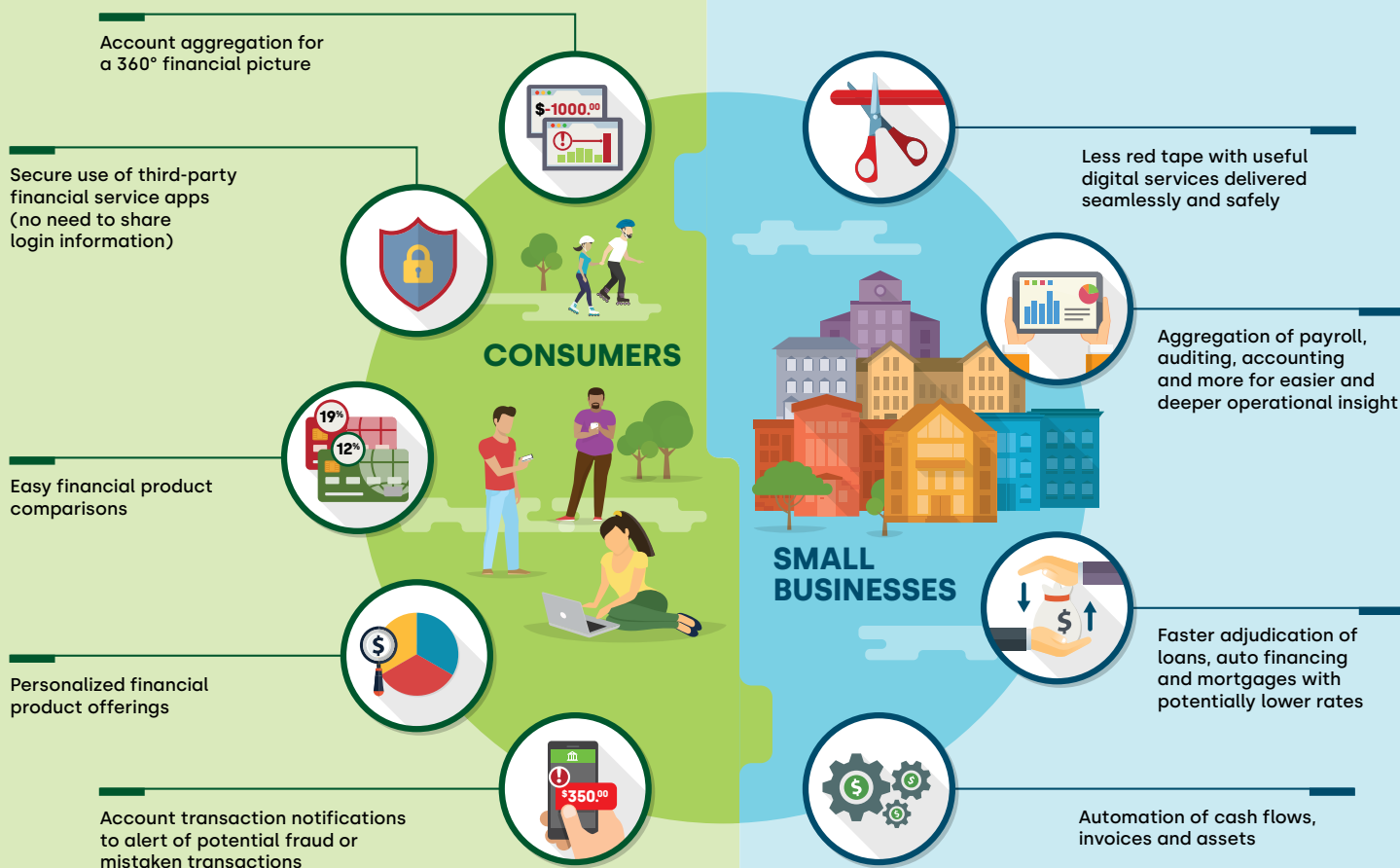
Like any innovation, open banking presents both opportunities and risks. Issues like cyber-security and privacy are factors that were examined by other jurisdictions that have implemented systems of open banking.

Our review of the merits of open banking will include an examination of how these risks could

be mitigated, while ensuring that consumers can realize the potential benefits.

It's also important to note that open banking systems are opt-in only, which means consumers' information is only shared with their consent and with financial service providers of their choosing.

### How open banking could benefit consumers and small businesses



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<https://www.fin.gc.ca/activty/consult/2019/ob-bo/obbo-report-rapport-eng.asp>