Press Release

Swiss open finance API - a quantum leap for Swiss banking?

In the discussions around digitalization in finance, the technical interfaces are continuously gaining in importance. These APIs are used for instance to exchange information between mobile apps and the respective banks. Unification would solely bring advantages. This is what the *Swiss Fintech Innovations Association* has recognized and, together with the most important Swiss software houses, decided to develop a so-called *common API specification for banking*.

Via Swiss Fintech Innovations, leading companies from the Swiss financial center bundle their forces and ensure a direct exchange between finance, financial technology (Fintech), science, service providers as well as authorities and politics. Representatives of well-known Swiss banks and insurers have now joined forces under the leadership of the SFTI co-director Jürgen Petry with the aim of laying the foundation for a harmonization of banking interfaces.

The unification of these interfaces leads to a multitude of win-win situations: The bank customer benefits from faster introduction of new, innovative services. Transactions are greatly simplified both on an intra-corporate level as well as bank-to-bank. For providers of third-party software, the costs also decrease. Finally, the interfaces become unified exactly by the instance that is responsible for the banking software: Directly at the software manufacturers.

The core banking software is therefore central to the interface harmonization. This software is the heart of a bank from an IT technical point of view. Roughly three-quarters of the Swiss market for core banking software are already covered by the four leader in the field *Avaloq*, *Finnova*, *Finstar* and *Temenos* alone. So what is more obvious than bringing these players to a table?

This is exactly what the SFTI has now achieved: On July 27, under the lead of Petry, the decision-makers of these companies have come together to agree on a concerted action. A step-by-step development of a *common API specification for banking* was agreed upon. This interface description should be available free of charge to any interested company. The first release is planned for the end of this year and will be published by SKSF (the *Swiss Commission for Financial Standardization*).

With this initiative, the Swiss trade association SFTI - like in recently with regard to the topic of digital identity - has once again succeeded in bringing together all important players on a very relevant topic. The SFTI is thus once again committed to the fact that the Swiss financial center takes over the initiatives on centralized digitization topics. "We should not leave it to legislation authorities to provide regulations which govern the opening up of our systems. Rather, we must be active here on our own in order to develop sustainable solutions in the interest of all stakeholders. Only in this way can we strengthen our business models in the long term and implement innovations even more quickly for our customers" said Patrick Baumberger, vice president of SFTI.

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