Accelerate your move to an open, intelligent banking model

Transform your business with the IBM Open Banking Platform
Highlights

- Accelerate your journey from closed to open banking
- Speed time to market with lower risk
- Establish new revenue streams
- Engage with Fintechs and participate in the API economy
- Stay ahead of regulatory requirements

In today’s financial services industry, issues ranging from new regulations to unforeseen competitive pressures are placing ever-growing pressure on traditional banking institutions to move toward open banking models.

With extensive investments in core systems, financial institutions are looking for fast, flexible and cost-effective ways to enable this transformation and meet evolving customer demands. The IBM® Open Banking Platform helps banks accelerate digital transformation to quickly create modern apps while enabling low-risk innovation and open banking.

Time to rethink banking

Shifting banking behaviors, especially among younger consumers looking for a better digital experience, are hurting bank revenue and profits. The new reality of the global banking industry persists, characterized by low return on equity (ROE), slow growth and the imposition of strong cost controls. Meanwhile, regulations such as Payment Services Directive 2 (PSD2) and the influence of emerging Fintechs are disrupting the banking value chain.

Although they are challenging, these factors are also creating an unprecedented opportunity to rethink banking— and the industry is responding by moving toward new models that are open, intelligent and platform-based.

The solution: IBM Open Banking Platform

The IBM Open Banking Platform is a software suite that helps accelerate a financial institution’s digital transformation through modular tools based on industry standards. An initial area of focus for the Open Banking Platform is the revised Payment Services Directive or PSD2.

The IBM PSD2 Payment Solution works with the IBM Open Banking Platform to help clients facilitate PSD2 standards-based payments from their core banking systems.

The IBM Open Banking Platform is built on Kubernetes and guided by Banking Industry Architecture Network (BIAN), Information FrameWork (IFW), and other open banking standards to help banks:

- Open up existing systems and expose them externally as microservices through the use of modern architectural tools
- Expose banking microservices as APIs publicly in the cloud ecosystem
Powered by IBM advanced technologies including IBM Cloud™, IBM API Connect® and IBM Watson®, the IBM Open Banking Platform also includes an ecosystem that contains APIs from IBM Financial Services and third-party Fintechs, enabling financial institutions to rapidly and securely build next-generation apps.

Harnessing APIs is essential for success in the open banking era. In addition to monetizing your core capabilities through APIs, your bank can use IBM and Fintech partner APIs to add capabilities such as financial risk assessment, payments, artificial intelligence (AI) and blockchain to your apps. Powering analytics with AI can help you leverage the gold mine of account data you possess to distill powerful insights that improve banking functions and point the way to new digital products and services.

**Features at a glance**

Key features and attributes of the IBM Open Banking Platform solution include:

- Hybrid solution built on Kubernetes with options to run on premises or in the cloud
- Business domain powered by the Banking Industry Architecture Network (BIAN), Information FrameWork (IFW) and other open banking standards
- Full-stack solution that spans from core systems to cloud
- Access to a modular microservices layer on top of your existing systems
- Modular Open Banking Platform packages with plug-and-play design
- Access to a curated Fintech catalog of potential partners
- Capabilities for accelerating digital transformation
- Available IBM expertise on both legacy systems and emerging technologies

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**Figure 1:**
IBM Open Banking Platform solution architecture

**Move forward with confidence**

Open banking is here to stay and it’s changing the way financial institutions operate. The IBM Open Banking Platform helps financial institutions bridge from core systems to the cloud so you can revitalize, not rip and replace. We enable collaboration between industry leaders and emerging Fintechs so you can build a wider ecosystem and establish new revenue streams.

The future of banking reaches far beyond creating the next mobile banking app. With the IBM Open Banking Platform, you can move forward with confidence not only to fulfill your digital transformation objectives, but also to help reimagine the architecture that supports the world’s financial transactions.

**Take the next step**

To sign up for a demo or IBM Design Workshop, email us at fintech@us.ibm.com.