



Q3 2021 Konsentus Third Party Provider Open Banking Tracker

In **Q3 2021**, there were **28 new** third-party providers (TPPs) approved to provide open banking services in the EEA and UK. During the same period, there were **7** TPPs whose licence was withdrawn: Netherlands (**3**) and the UK (**4**). This means the total number of TPPs at the end of September was **518** – an overall increase of 21 (**4.2%**).

Passporting numbers increased more rapidly than last quarter. On average, each country in the EEA gained **9** more passported TPPs compared with **5** last quarter. More than half of all EEA TPPs can passport their services outside their home nation (**53%**). Out of those passporting abroad, the majority (**63%**) selectively choose which countries to passport into.

Highlights Q3

- The EEA now has over **300** TPPs authorised to provide services (**302**).
- There was a net gain of **21** new TPPs in Q3, despite **28** new TPPs being approved to provide services (EEA + UK).
- Each country has at least **55** TPPs approved to provide open banking services, up from **47** at the end of **Q2**. But the gap is widening as the more advanced countries power ahead. The mean average is **95**, while the median is **86**.
- **12** countries had a net increase in Home TPPs this quarter: Austria (**1**), France (**2**), Greece (**1**), Hungary (**1**), Ireland (**1**), Italy (**2**), Lithuania (**2**), Luxembourg (**1**), Norway (**2**), Poland (**3**), Slovakia (**1**), Spain (**1**), UK (**6**). The UK gained **10** new Home TPPs and lost **4**, the Netherlands lost **3**.
- Poland has, for the third time running, seen the largest increase in the EEA this quarter with **3** new Home registered TPPs, taking its total to **23**.
- Spain has seen the largest increase in passporting numbers, with **11** more TPPs approved to provide services into the country. In addition to one new home TPP, this takes Spain's total from **93** to **105**.
- The number of countries with over **100** TPPs (Home and Passporting or registered under TPR) has **doubled** since the last quarter to **10 countries**: Belgium, Finland, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, and the UK.
- **43** TPPs from the EEA can operate in the UK under the FCA's Temporary Permissions Regime (TPR); this is two less than last quarter.



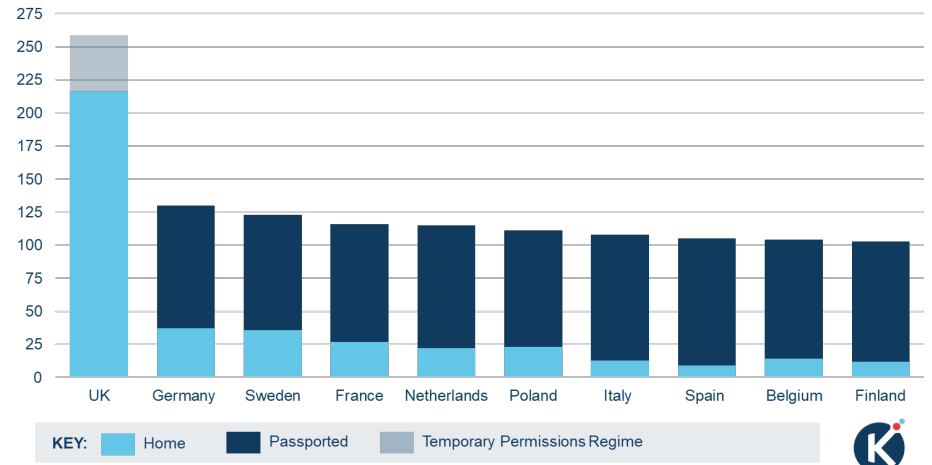
95

Average number of TPPs in each country

18

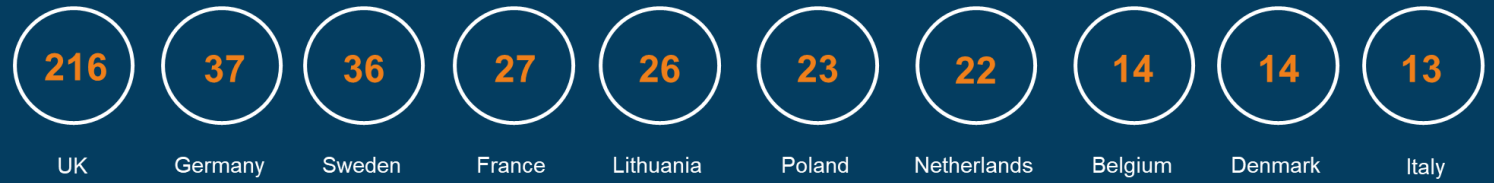
Countries with at least 5 Home Regulated TPPs

EEA: Home and Passporting TPPs
UK: Home and TPR TPPs



Number of TPPs Q3 2021: The Top 10

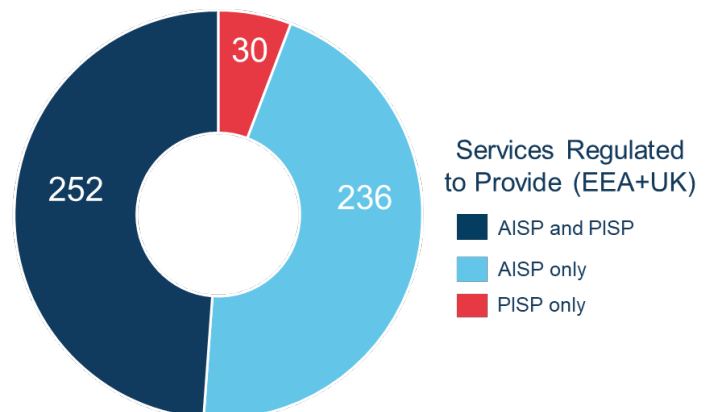
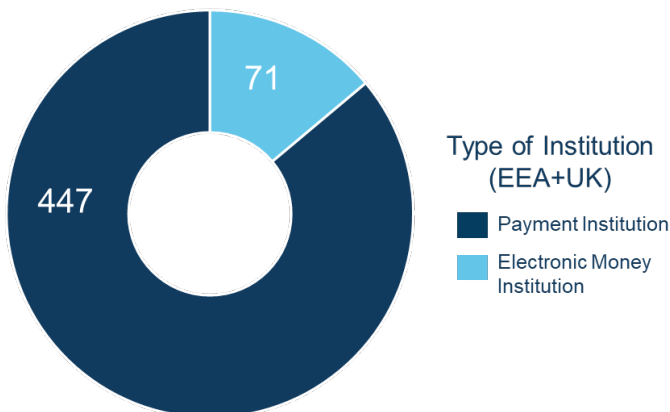
Number of Home Regulated TPPs



Number of TPPs passporting into each country listed below



Lithuania has risen to the fifth highest country by Home regulated TPPs, largely resulting from UK organisations favouring the jurisdiction for setting up an EEA entity. Spain once again has the highest number of TPPs passporting their services into the country. Overall, there has been a sharp increase in passporting, with an average of 9 new TPPs per country.



There has been a significant increase (16) in the number of TPPs which are authorised to provide AISP and PISP services. The number of sole AISPs and sole PISPs has increased, but most new TPPs have chosen to register for both services.

There has been no significant change in the type of institutions registering to operate as TPPs – electronic money institutions (EMIs) still make up roughly 14% of all TPPs.

Note: These figures do not include Credit Institutions acting as TPPs.

Forecasts for Q4

TPP Growth

TPP growth over the last year has tracked steadily at approximately **5%**. We anticipate that there will be **540** TPPs by the end of December 2021.

Due to passporting rights, by the end of next quarter all countries should have at least **59** TPPs who can provide services. We predict that the average number of TPPs operating in each country will hit over **100**, at **102**.

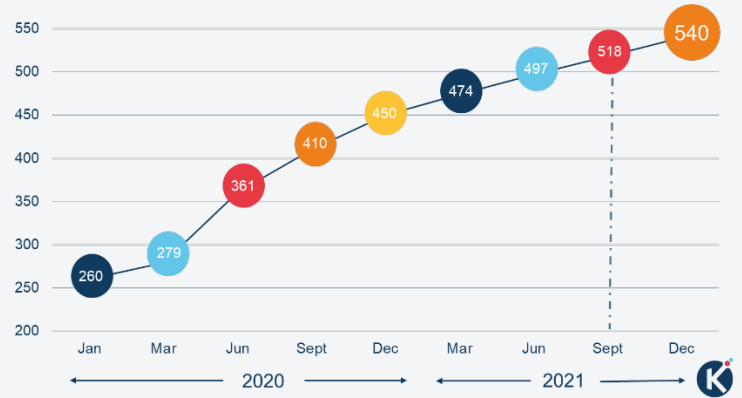
There are currently **10** countries with over **100** TPPs (Home + passported). By the end of the next quarter, Denmark and Lithuania should also have over **100** TPPs, bringing the total number of countries up to **12**.

Monthly API calls (EEA and the UK)

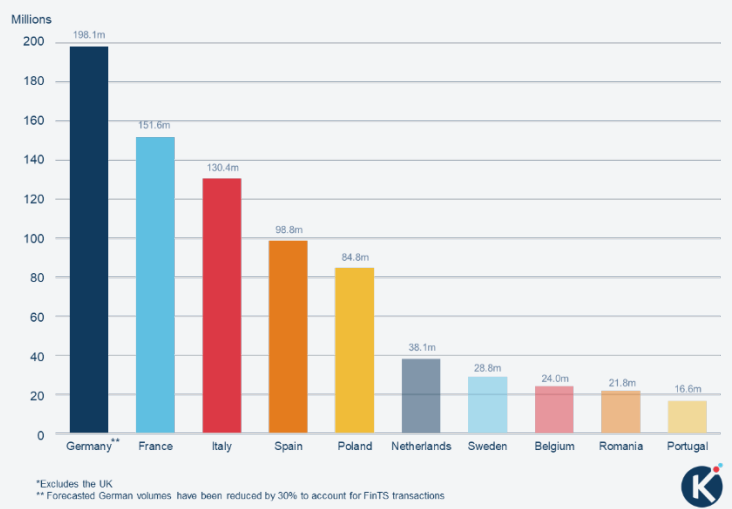
We expect there will be a **19%** increase in API calls over the next quarter. In the EEA, API volumes should surpass **920 million** a month. The UK should also reach 1.08 billion monthly API transactions in Q4, bringing the total to over **2 billion**.

At the end of December 2021, **17** countries should have over **10 million** monthly open banking API calls, and **6** countries should have over **80 million**. The minimum number of monthly API transactions in a country should rise to **10,000**.

Number of TPPs (EEA + UK): January 2020 to December 2021



Forecast Open Banking API volumes (millions per month) end Dec. 2021*



Predictions for end of Q4 2021

540

TPPs approved for services (EEA+UK)

17

Countries with monthly open banking API volumes in excess of 10m

59

Minimum number of TPPs in each country



"While it is thought the UK is around two years ahead of the EEA in the rollout of open banking, it's great to see other countries powering ahead and reaching important milestones. There are now over 300 pure-play TPPs in the EEA, and API calls in the region are rising rapidly. By the end of next quarter, there should be a total of 2 billion open banking API calls a month.

With these dramatic changes – as new TPPs enter the space and existing ones have their licences withdrawn, begin to passport into new countries or alter their statuses – banks must be vigilant of which TPPs are approved for what, where, to ensure they are protecting their customers' data."

Mike Woods, CEO, Konsentus

For more information, please contact us at info@konsentus.com

Konsentus is an infrastructure platform enabling financial institutions to transact safely and securely within the open banking and open finance ecosystems.

Our award-winning SaaS solution, Konsentus Verify, provides confidence and trust by performing real-time identity & regulatory checking services ensuring that account access is never given to fraudulent third parties.

Konsentus is ISO 27001 certified.

