

Elevating New Nordic Innovation

Open Finance
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- GLOBAL SCALE

I am often asked the question of "why are the Nordics so special?". And that is quickly followed up by another one. "For a small region of 27 million people, you do turn out quite a lot of fintech unicorns. How come?"



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This article is written on the plane home from yet another visit to the financial capital of the world, London, visiting some of the world's biggest banks for the first time since the global pandemic made us all work from home and rapidly accelerated the use of Zoom, Google Hangouts and Microsoft Teams. Again, I was asked about the Nordic uniqueness and reason for the 'unicorn factory' status when it comes to fintech innovation. All my contacts were genuinely curious about this 'small great region' up north that has gained status as a global hotbed for ventures in financial technology.

So, let's explore some of the reasons why financial innovators should explore and learn from what is going on in the Nordic countries.

Most digital countries

The Digital Economy and Society Index (DESI) summarises indicators on Europe's digital performance and tracks the prog-

ress of EU countries. The top 3 countries in 2022, Denmark, Finland and Sweden.

Most innovative countries

The Global Innovation Index 2021 captures the innovation ecosystem performance of 132 economies. In top 10 you will find Sweden, Finland and Denmark.

Most sustainable countries

The 2020 Environmental Performance Index (EPI) ranks 180 countries across 32 performance indicators. Denmark, Finland, Sweden and Norway are all in top 10. The Sustainable Development Report 2021 presents the SDG Index and Dashboards for all UN member states. The top 3 countries are Finland, Sweden and Denmark. One more? The Global Sustainability Competitiveness Index confirms that the Nordics are the leading region in sustainability.

Leading in 'Open Banking'

Coincidence that Visa bought open banking startup Tink from Sweden and



Mastercard acquired Aii from Denmark? I think not. In general, the banks in the Nordic region are open (driven by regulation) and many of them are actively perusing partnerships with fintech startups. From the 2021 Mastercard report on "The Future of Open Banking in Europe" you can read that, "From a pan-European perspective, the regional regulatory regimes in the Nordic countries seem to be slightly more advanced regarding Open Banking ecosystems and digital payment services than the domestic approaches of other countries" ▶

▶ Leading in E-government

The 11th edition of the UN E-Government Survey in 2020 ranks Denmark, Sweden and Finland as top performers (the highest rating class of the very high EGDI group).

A digital financial infrastructure fuels innovation

The Nordic countries have been at the guard of innovation in digital, mobile and instant payments for decades. The Nordic countries combine a vibrant competitive landscape of banks, payments spec-

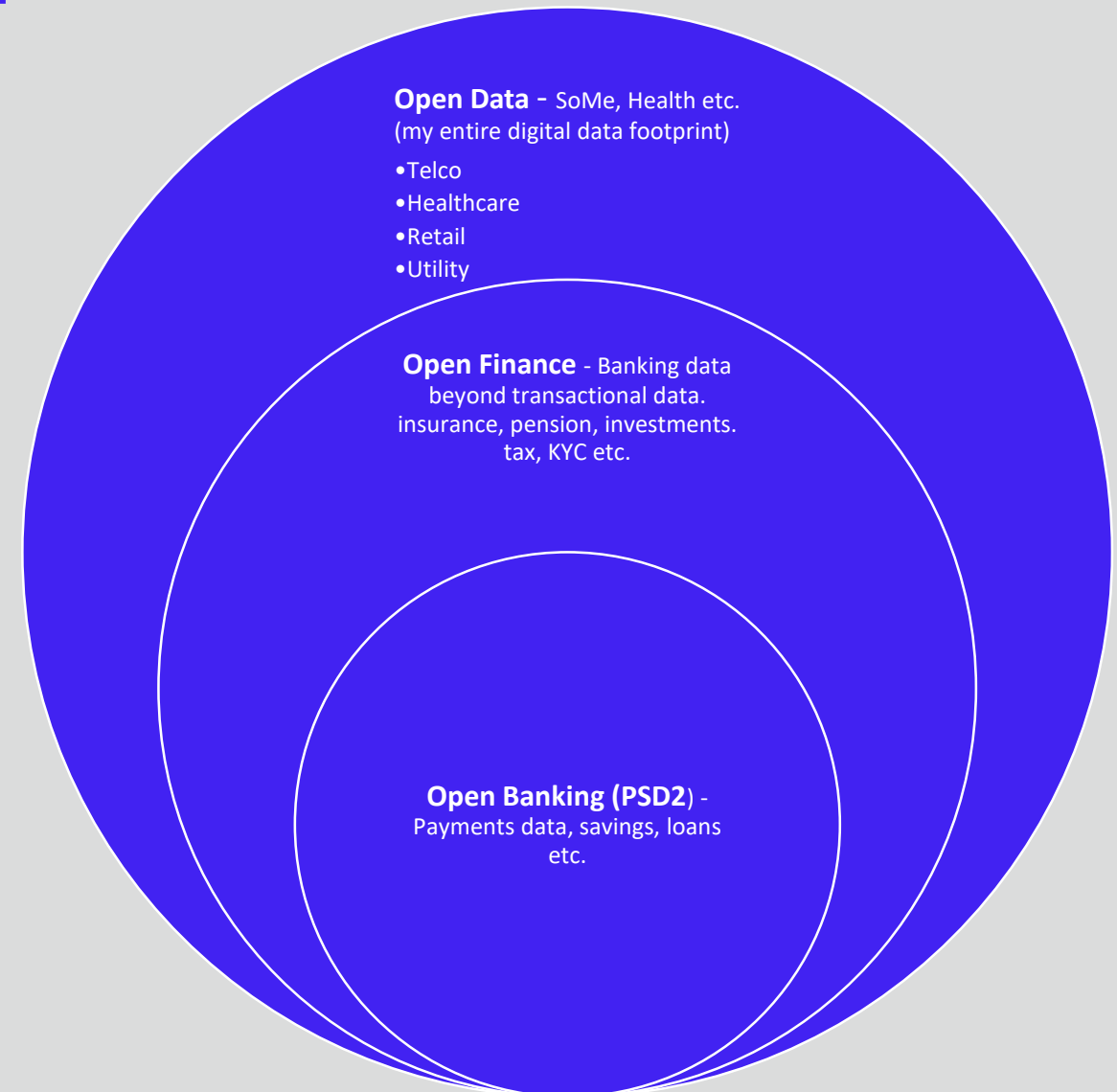
From 'Open Banking' to 'Open data'

Open finance marks a turning point for collaboration in financial services. It brings the ability to **reduce friction through automation, to combine real-time insight across multiple sectors**, and guide customers to **contextualized, personalized results**.

An open finance future is about enabling customers to have **effective choices** and **democratizing access to financial services** in two ways:

1. underpinning **embedded finance** and changing the delivery of services and
2. enabling **financial inclusion** through innovation.

It will also lead to customers who will demand a return on their consent to use their data or store their wealth. **Open finance will support embedded, personalized solutions.**



Læring fra 'Open Banking'/PSD2

OPEN BANKING/PSD2 HAR GJORT EN FORSKEL – Større udbud af services til private og virksomheder. Men potentialet er endnu større!

REGULERING PÅ BAGGRUND AF ET BEHOV – Udviklingen var allerede i gang. PFM tools som eksempel.

'AGGREGATORS' HAR EN BERETTIGELSE – Svært at se hvordan udviklingen ville have været uden 'mellemmænd'. Det er aggregators der har skubbet udviklingen fremad. Stor kompleksitet som har skabt behov.

DER HAR VÆRET MEGET FORTOLKNING – Der har været meget arbejde for de forskellige stakeholdere i at fortolke regulering. Alt for mange ressourcer ift. at fortolke reguleringen. I Danmark har ansvaret for PSD2 ligget hos Finanstilsynet. Fokus på compliance.

KVALITETEN HAR VÆRET SVINGENDE – Igen fortolkning. PSD2 er et relativt framework – stiller ikke specifikke krav. Frivillighed og tvang. Spillepladen var/er for løst defineret. UK 'Open Banking' opleves som værende bedre implementeret (klare standarder). Her sad konkurrencemyndighederne for bordenden.

SPØRGSMÅL? – Markedsdrevet (incentiveret via en forretningsmodel) eller drevet af regulering (tvang). Hvad får man ud af at deltage i en åben data økonomi? Som virksomhed og borger?

‘Open Finance’ (findings fra fintech workshop)

ALLE SKAL DELE PÅ TVÆRS AF SEKTORER – Open finance som en naturlig videreudvikling af open banking. Skal gælde alle sektorer (“level playing field”).

DER SKAL VÆRE RUM FOR EN FORRETNINGSMODEL – Villighed til at betale for data for bedre kvalitet. Freemium og premium modeller.

KUNDEN I CENTRUM – Kunden ejer sine finansielle data. Drivkraften for delingen af data skal være i kundernes interesse. Herunder skal det sikres, at deres data beskyttes tilstrækkeligt.

GOVERNANCE – Det bør sikres, at reguleringen af området bliver så enkel som muligt, og at der undgås detailregulering. Der skal findes en balance mellem standarder (alt kan/skal ikke være frivilligt) og detailregulering.

MARKEDSDREVET UDVIKLING – Udviklingen af API’er bør som udgangspunkt være markedsdrevet og understøttes af en fælles basisramme for minimumsstandarder og -regler inden for rammerne.

PRAKTISKE EKSEMPLER / USE CASES – Vigtigt at få defineret gode og solide use cases så fordele fremhæves

Reports and Insights



WINNING THE FUTURE THROUGH FINTECH PARTNERSHIPS

How incumbent financial institutions and fintechs can forge successful partnerships

Bringing Ingenuity to Life

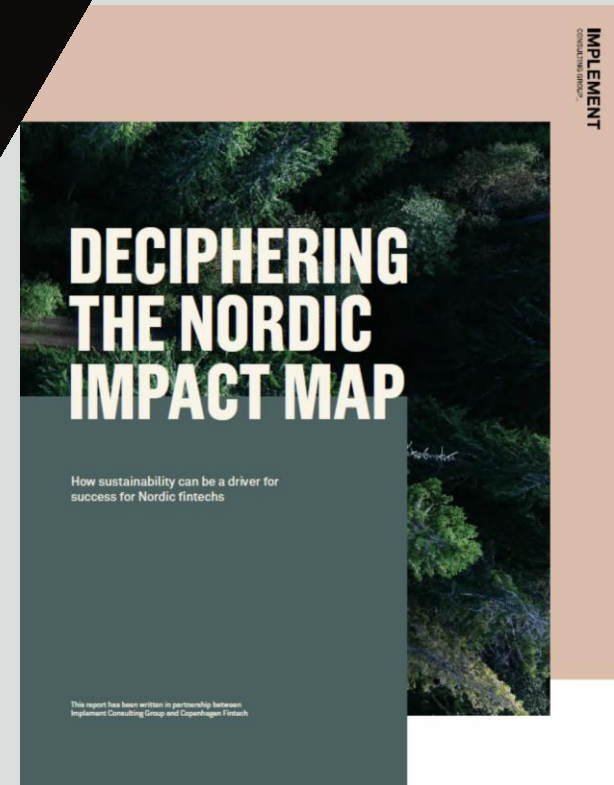
 



The untapped potential for fintech companies to serve small and medium-sized enterprises

 Building a better working world

Copenhagen Fintech



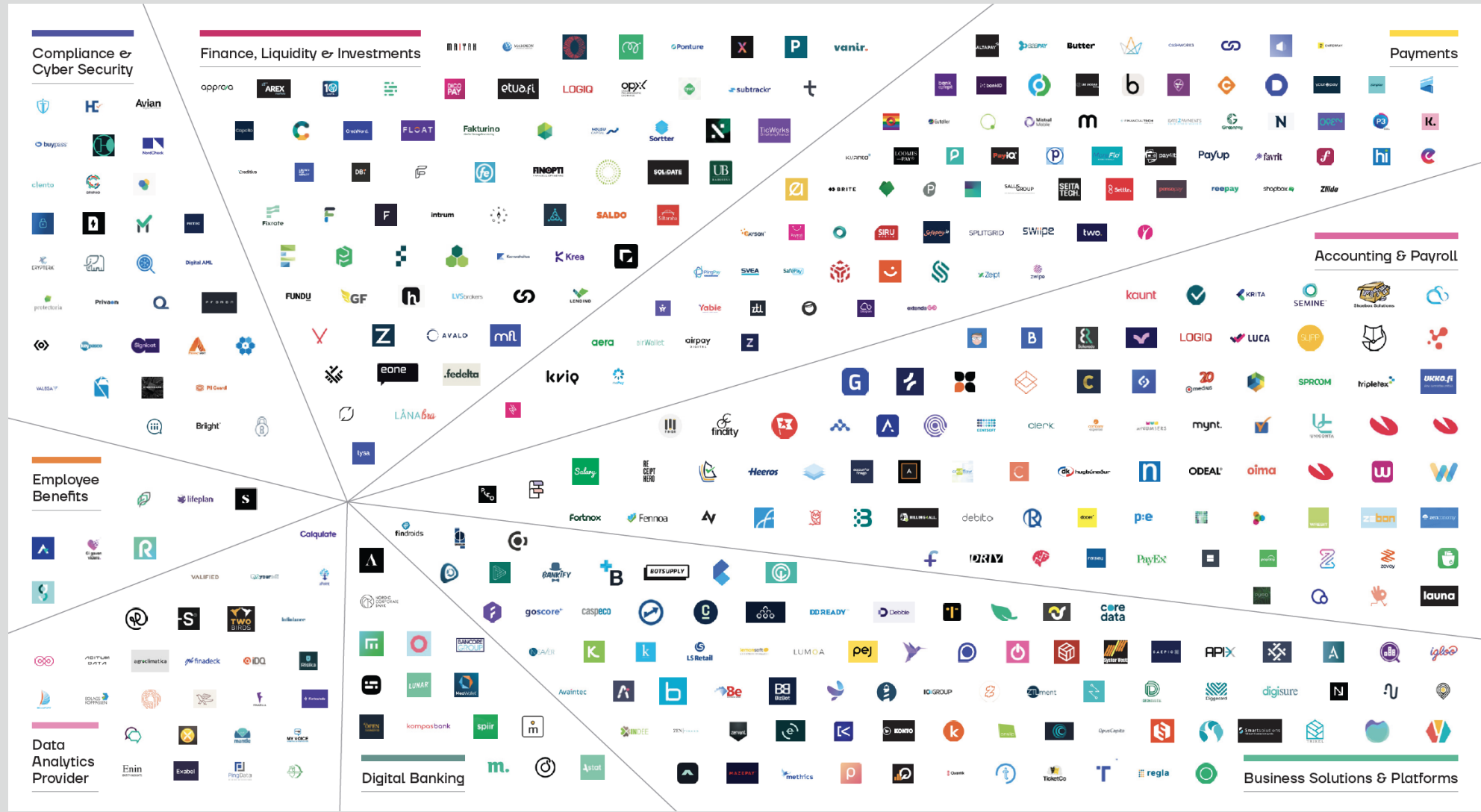
DECIPHERING THE NORDIC IMPACT MAP

How sustainability can be a driver for success for Nordic fintechs

IMPLEMENT CONSULTING GROUP

This report has been written in partnership between Implement Consulting Group and Copenhagen Fintech.

The Nordic 'SME Fintech' scene



Hjemmearbejde gav markant færre sygedage i dele af den private sektor

POLITIK / 16-17

ATP skød kapital i fem selskaber under corona – nu høstes gevinsten

INVESTOR / 22-23

Topkonsulent: Barsel til mænd åbner for lederjob til flere kvinder

LEDELSE / 4-6

Komiker har så mange facetter, at han selv tabte den røde tråd

PLEASURE / 22-29



Dansk fintech spinder guld på at digitalisere små firmaer

Siden nytår har de ti danske fintech-startups, der har rejst flest penge, samlet hentet mere end 6 mia. kr. Seks ud af de ti yder digital hjælp til smv'er – et felt, hvor Danmark er i top.

“Det er helt klart lettere at starte med små virksomheder,” siger Jeppe Rindom, medstifter af Pleo, der senest har rejst knap 1 mia. kr. til sin betalingsløsning. VIRKSOMHEDER / 6-7



Ny dansk betalingsløsning vil udfordre bankmonopol: “Kundernes gebyrudgifter skal mindskes markant”

Nyt samarbejde skal gøre op med bankernes gebyrudgifter og effektivisere betalingen af leverandørfakturaer





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