STORK 2.0
SECURE IDENTITY ACROSS BORDERS LINKED 2.0

Opening a Bank Account (OBA) as an e-Service: How to use STORK 2.0 eBanking Pilot offerings to support OBA operations?

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A common framework for cross-border federation and delivery of electronic identity in Europe

– In online-processes

① web authentication via multi-attributes digital identities

② e-mandate provision (vital for legal entities)

③ e-signature cross-border transfer

❑ OBA application will provide **a simple transparent and cross-border operational model** to enable

– **citizens and businesses from different Member States**
– to **register online with a bank**, i.e. open a bank account **in another country**

- that is, in a country in which they don't live or do not have a permanent residency

… could be also applied at the national level
☑ to accelerate electronic processing of OBA requests

Why OBA-cb becomes an issue? Simply, because competition between banks is not strong enough…

❑ A Single European Market means that
- – market offerings are many and buyers benefit from that because they are able to shop around before buying something…

❑ But this is not true for the sector "retail financial products & services"
- – *Eurobarometer* (special eb – 373)…
  - Cross-border purchasing of these kinds of products and services are very low
  - Only 10% of EU citizens would ever consider buying financial products fromother Member States…

❑ Consumers are dissuaded from purchasing retail financial products cross-border by
- – unclear information (21%)
- – lack of clarity of the rights available to the consumer (18%)
- – the process being too complicated (15%)

As a result… Europe takes action – a new term appears: payment account switching

- ❑ The rational behind (2012)
  - – The SMA II (Singe Market Act II), adopted on 3 October 2012, has identified a legislative initiative on bank accounts in the EU as one of the 12 priority actions *"to generate real effects on the ground and make citizens and businesses confident to use the single market to their advantage"*

- ❑ 2013: The EC proposes a Payment Accounts Directive

- ❑ April 2014: The EP adopts a:
  - – **Directive on the transparency and comparability of payment account fees, payment account switching and access to a basic payment account**
  - – A major step towards a single market for financial services
    - • *"By providing for a right to a basic payment account irrespective of a citizen's place of residence or financial situation, the obstacles faced by many in accessing basic banking services across borders are removed"*
  - – The Directive introduces the concept of payment account switching
    - • It establishes a simple and quick procedure for consumers who wish to switch their payment account to one with another payment service provider within the same Member State
    - • It requires banks to to assist consumers who hold a payment account with a bank and want to open another account in a different country

… but Opening a Bank Account cross-border

❑ … is not a trivial task. According to **Deutsche Bank DB Research**

① There are natural obstacles (physical distance, language, consumer trust in foreign credit institutions and respective deposit guarantee/resolution schemes)

② Also, different national rules govern the opening of a bank account in EU Member States (including identification, registration documents, creditworthiness checks as well as access to/content of credit registers, taxation issues etc.)

☑ Reason Nr. 1 can **only partly be solved** by regulation
  ○ for example, secure cross-border online identification could be enabled by regulatory measures –coordination at EU level
☑ Reason Nr. 2 **is the one that needs to be addressed first**
  ○ in order to make an internal market for bank accounts possible

❑ We make technically possible the opening of a cross-border account (OBA-cb) by suggesting a blueprint reference implementation

① WE use STORK 2.0 secure cross-border online authentication scheme (AuthN)

② WE have extended the basic authentication scheme with:

- Collection of personal attributes (home address could be one of them) from various Attribute Providers, i.e. IdP and Aps (AttribC)

- Online registration documents management – Possibility of signing these registration documents electronically, through STORK 2.0 e-signature facilities

- Electronic mandates to allow business to securely transfer powers to legal representatives

③ WE have designed the process logic of a OBA-cb application on the basis of extensive field research and by profiting from the co-operation with early (bank) adopters

- It orchestrates STORK 2.0 interoperability layer with existing bank IT processes and premises

- To frame and reduce as much as possible "national" heterogeneity…

(1) A blueprint reference implementation = OBA-cb process modeling

!OBA-cb process steps

- Prepare AuthN & AttribC Request
- Receive and Validate AuthN & - AttribC Repsonse

START

END

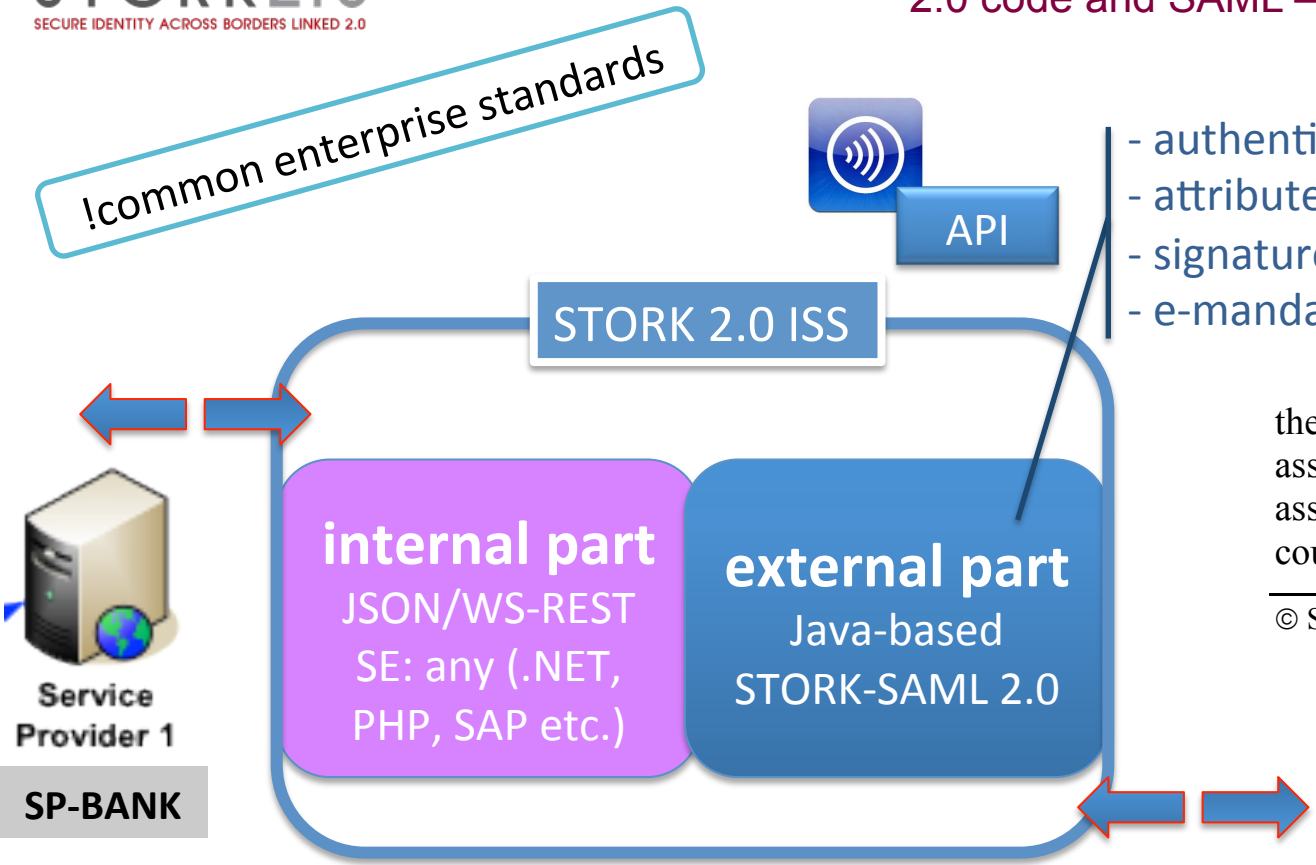I. customer information

II. receive and manage OBA request

III. STORK 2.0 inter-connection

IV. upload and manage registration documents

Service Providers, such as Banks, don't need to "touch on" STORK 2.0 code and SAML – simplify and standardize

!common enterprise standards

API

- authentication
- attribute collection
- signature transfer
- e-mandates

STORK 2.0 ISS

internal part
JSON/WS-REST
SE: any (.NET, PHP, SAP etc.)

external part
Java-based
STORK-SAML 2.0

Service Provider 1

SP-BANK

the connectors to be interrogated. Norm
assume one of these roles; only if SP cou
assume both roles. But this scenario is no
countries wouldn't work.

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(3) A template demo OBA application **(*under development)**

SharePoint   COsign by ارٔ

NINTEX Workflow for Everyone

demo

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