Preparing new FinTech players for Open Banking regulation and standards

Xsquare leverages the Open Bank Project to participate in SAMA's Regulatory Open Banking Lab
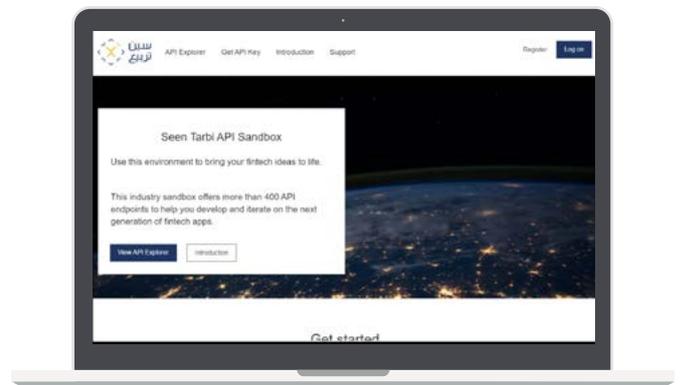
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Background

Seen Tarbi for Fintech (Xsquare) is a new market entrant seeking to establish itself in the growing KSA open banking ecosystem.

Seen Tarbi aims to provide the financial services ecosystem with an easy way to integrate payment and financial data into apps, fueling the next generation of FinTech use cases.

After the Saudi Central Bank completed the design of its open banking framework in 2022, the bank called on FinTechs, banks and open banking consulting firms to test the standards.

Objectives

Seen Tarbi's objective was to gain approval from the regulator for their participation in the Open Banking Lab, a technical testing environment provided by SAMA for players to test the standards and ensure conformity with the framework. To do this, Seen Tarbi proposed to build a sandbox with KSA-compliant APIs.

Seen Tarbi explored Open Bank Project features and ascertained that they supported KAS requirements, including hosting in a local data centre and providing additional functionality beyond the regulatory scope.

Seen Tarbi selected Open Bank Project technology to power its open banking platform, catering to banks, merchants and payment service providers and enabling them to test the Saudi framework.

Implementation

TESOBE deployed an OBP sandbox and a developer portal instance, and customised both according to Seen Tarbi branding guidelines. After generating semi-localised test data to reflect the landscape, TESOBE performed a swift integration to enable Xsquare to qualify for the testing pool on time.

In addition to providing a sandbox environment, TESOBE performed an analysis of the Saudi Open Banking framework and provided feedback on the KSA standard, APIs, selected use cases and business rules.

Outcomes

After successfully deploying the Seen Tarbi API sandbox, Seen Tarbi for Financial Technology is now registered in the Saudi Central Bank's Open Banking Program and is ready to provide open banking services to banks, FinTechs, and merchants.

After months of testing, SAMA published its Open Banking Framework on 2nd November 2022, including a set of legislation, regulatory guidelines and technical standards. The KSA open banking programme is part of a wider Saudi Vision 2030 FinTech strategy which aims to make Saudi Arabia a global financial technology hub.

Seen Tarbi aims to use OBP to provide key services to multiple players in the market, supporting the evolution of the local open banking ecosystem.

"We're really excited for the opportunity to help shape the future of finance in Saudi Arabia"

"With OBP technology powering our platform, we're confident we can accelerate innovation for banks, merchants and payment providers in the region. We're happy with the TESOBE team's support for the project and we look forward to a fruitful collaboration."

Dr Adnan M. Albar, CEO at Seen Tarbi for Fintech (Xsquare)

"Considering the Kingdom's goal to become a regional FinTech hub, players in the ecosystem need access to open banking technology with broader functionality"

"If we provide such access, then we can expect to see a healthy proliferation of Fintech services. Seen Tarbi is now well-equipped to provide these services to the ecosystem."

Simon Redfern, CEO at TESOBE and Founder of the Open Bank Project.

Contact

For more information on the Open Bank Project, or if you would like to become eligible for an Open Banking program in your region, please contact us at:

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