

Czech Open Banking Standard

Introduction



ČESKÁ BANKOVNÍ ASOCIACE

Starting in Nov 1, 2016 based on

- EU Directive 2015/2366 / EU - **PSD2**
- **New Payment System act** with effect from 13.1.2018
- Published RTS (Regulatory Technical Standards)
 - the pivotal background was “Regulatory Technical Standards on **Strong Customer Authentication** and secure communication under PSD2” (valid from 14.9.2019)
- Technology best practices for **API** implementation (Application Programming Interface)
- Definition of **security standards** for **API** communications

November 2016

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
	CalendarHolidays xyz	X				
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

Main characteristics of the standard

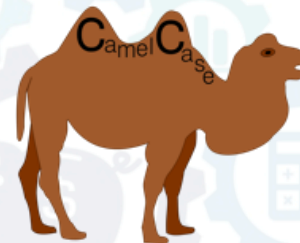
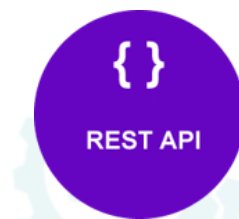
The standard is **not mandatory**, but its adoption for the bank has the following **benefits**:

- meets the law and **RTS** defined **requirements**
- introduces **advanced API technology** used in current solutions
- does not only address the needs of PSD2 services but **defines Open Banking principles**
- provides a detailed **sample solution** for banks and TPPs
- informs third parties **about the way** banks will deal with the standard
- brings optional options due to the **different features** of bank **products**

Technical part

Technical characteristics of standard:

- REST
- JSON
- API error handling
- versioning
- OAuth2
- API definition of best practices



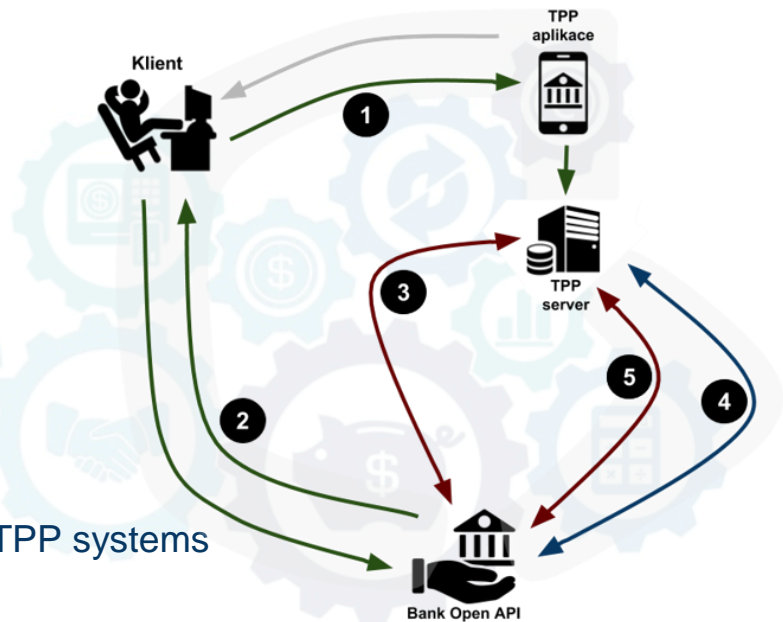
Security standard

What COBS **defines** in the security area:

- request authorization
- APIs for enrollment to COBS
- API authorization for initiated payments

What COBS does **not define** in security:

- user authentication flow
- processing of certificates in the ASPSP and TPP systems



Data/content standard the heart of solution

The **main part** of the standard is a **detailed description** of the messages and their elements. The description is divided into:

- element definition
- element occurrence specification
- element structure
- element type
- element usage example

4.14.1.2.2.1 currencyExchange (Exchange rate)

JSON record:

entryDetails.transactionDetails.amountDetails.instructedAmount.counterValueAmount.currencyExchange

Occurrence: [0..1]

Definition: Information on currencies and Exchange rates used.

Application: Used in case that the payment currency and account currency are different, and an Exchange rate was used to make the transaction.

Type: This message element consists of the following elements:

LEVEL	MESSAGE ELEMENT	OCCURRENCE	FORMAT TYPE	PRESENTATION
++++	sourceCurrency	[1..1]	CurrencyCode	Amount definition
++++	targetCurrency	[0..1]	CurrencyCode	Exchange rate

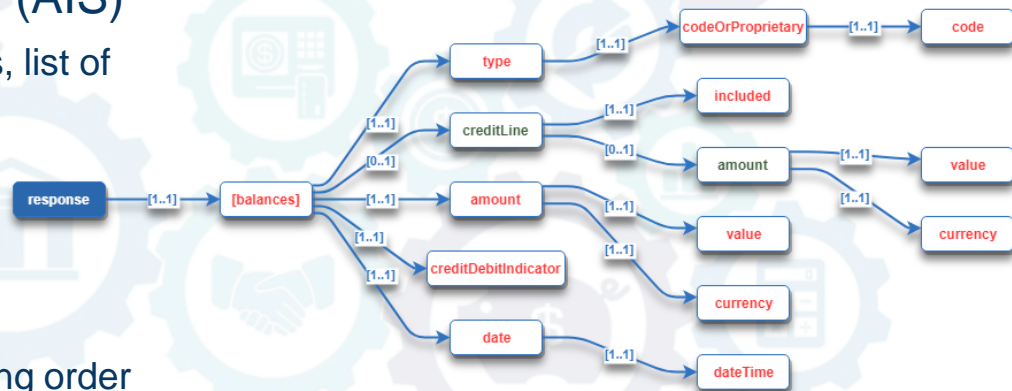
JSON example of element:

```
"currencyExchange": {  
  "sourceCurrency": "EUR",  
  "targetCurrency": "CZK",  
  "exchangeRate": 27.01  
}
```

API services included in the standard

What COBS can do:

- **payment account information (AIS)**
 - account list, balances, transactions, list of standing orders
- **payment initiation (PIS)**
 - sufficient funds verification
 - payment, bulk payment and standing order initiation and authorization
- **verifying of the sufficient funds (CIS)**



Good examples

Request and response examples of API calls:

```
{
  "exchangeIdentification": 123456,
  "debtorAccount": {
    "identification": {
      "iban":
"CZ0708000000001019382023"
    },
    "currency": "CZK"
  },
  "merchant": {
    "identification": "471 16 129",
    "shortName": "NEOLUXOR"
  },
  "transactionDetails": {
    "currency": "CZK",
    "totalAmount": 10050.15
  }
}
```

```
{
  "responseIdentification": 98765,
  "exchangeIdentification": 123456,
  "response": "APPR"
}
```

Where IT lives



developers.erstegroup.com



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COBS



developers.csob.cz/cs/documentation



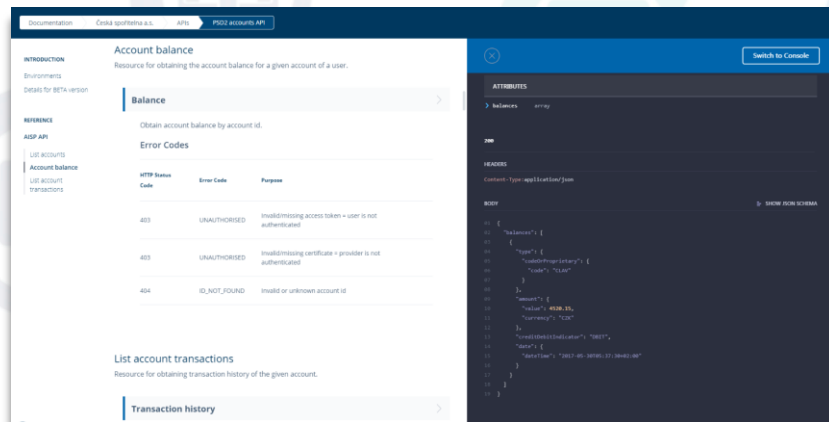
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Next steps

