



Press Release

Brussels, 5 March 2018

Belgians positive towards integrated banking app

KBC Mobile gives direct access to current accounts held with other banks

KBC Mobile to become first multi-banking app on Belgian market

Since 13 January 2018, under the reviewed European *Payments Services Directive* (better known as 'PSD2') all European banks are required to make current accounts and details of these accounts available to authorised third parties (banking and non-banking) at the client's request.

The EU expects these new possibilities to ultimately lead to heightened competition and innovation.

On behalf of KBC, Profacts conducted an in-depth online market survey in early February on the impact of PSD2 among 1 000 Belgians. (For more information on KBC's multi-banking app, read the [separate press release](#)).

What stands out is that people in the Flemish, Walloon and Brussels regions all share the same opinion on PSD2. Even age is hardly a factor.

Market survey offers interesting new insights

The survey first focused on the willingness of Belgians to allow banks to share financial information through an integrated app. The outcome was interesting, to say the least:

- **More than half of those surveyed are interested in an integrated banking app, stating a preference for their principal bank's app (53%).** A total of 64% selected the KBC Mobile app based on its user-friendliness.
- **9 in 10 Belgians trust their principal bank to protect and manage their financial information; 82% would never share their financial information with social media companies, 62% would never share them with internet companies, 46% would never share them with E-commerce companies, 36% with FinTech companies, 33% with commercial companies, and 11% would never share their financial information with another bank.**
- **8 in 10 Belgians want to be able to revoke their authorisation to share their financial information on a case-by-case basis.**

Main findings of the survey:

Thanks to PSD2, Belgians welcome the new directive for the sharing of financial information, but sharing this information with external parties is still somewhat frowned upon in Belgium. Banks play a pivotal role in the provision of transparent, detailed and continuous communication on the impact PSD2 will have on their clients.

KBC first to implement PSD2 into operational multi-banking app

Because KBC implemented the possibilities thanks to PSD2, KBC, KBC Brussels and CBC mobile banking clients will already be able to check the balance of their personal and professional current accounts held with other financial institutions by the end of March. This currently includes accounts held with Argenta, Belfius, BNP Paribas Fortis and ING.

The KBC multi-banking app is now ready and undergoing extensive testing. As soon as the aforementioned and other Belgian banks have released their APIs¹, clients will be able to enjoy optimum ease of use.

- By the summer, they will be able to easily and efficiently make payments from their accounts with other banks in KBC Mobile.
- Other entities of the KBC Group in Central Europe and Ireland are set to follow suit later this year based on the experiences with the implementation of the multi-banking app in Belgium.
- The integrated multi-banking app satisfies the need expressed by the respondents of the market survey on PSD2.

At a press conference this morning, **Erik Luts, Chief Innovation Officer at KBC Group**, summarised the many opportunities of PSD2 embraced by KBC: *'We look forward to welcoming PSD2, which will be transposed into Belgian law later this year. We want to start giving our clients the best and most user-friendly and secure experience with the many opportunities PSD2 presents, and put them to good use in a proactive and assertive manner. We intend to do so with utmost respect for our clients' privacy and strive for maximum protection of the information they entrust to us. Especially considering the fact that 9 in 10 Belgians rely mainly on their principal bank to protect and manage their financial information.'*

We are therefore very excited to be the first Belgian financial institution within the new legal framework to offer our clients the multi-banking features in our mobile banking app. We have already launched the pilot project with our staff and will use their experiences and feedback – as well as those of our clients later this month – to further optimise the app's functionality and user-friendliness. Our aim is to be fully PSD2-compliant by autumn, to coincide with the sector-wide implementation. As soon as the other banks have released their APIs, clients will be able to enjoy optimum ease of use.'

Multi-banking in KBC Mobile: user-friendliness first

There are two ways to check your balance or make a transfer from an account with another bank:

- **A direct connection ('API flow') provided to KBC by the other bank.** This method is already used by CBC and is the most user-friendly method for clients.
- **A link to the other bank's online banking platform:** if the other bank has no API in place yet or hasn't yet made it available to KBC, KBC will use a direct link to the other bank's online application, in accordance with PSD2 regulations. In this case, the client logs in to the online/mobile banking app using the old procedure (with their card reader).

KBC Mobile users will be given access to their bank accounts with Argenta, Belfius, BNP Paribas Fortis and ING by the end of March. Other banks will be added as soon as they have their APIs in place and set up the link to their environment.

¹ API: Application Program Interface

How it works *(see attached demo)*

Adding a current account held with another bank to a KBC Mobile account is incredibly easy. Just click or tap 'Add a non-KBC account' and follow the steps in the menu. Clients are alerted by means of a special pop-up screen as soon as they switch from the KBC app to the other bank and will then need to follow that bank's login process. As soon as a non-KBC current account has been added to their KBC Mobile account, clients can switch between accounts within the app and view the balances of their accounts, all clearly listed in one screen.

By the summer, it will be possible to easily and efficiently make payments from non-KBC current accounts that have been added to their KBC Mobile banking app. They just select the originating account, enter the payment details, and confirm using their personal code or finger print (subject to certain limits). For amounts above this limit, they will need their card reader to complete the transaction.

We intend to further expand the multi-banking features, for instance to include information on specific transactions, or notifications on incoming payments on accounts held with other banks. A specific offer will be developed for corporate clients.

Erik Luts, Chief Innovation Officer at KBC Group : *'We are ready for PSD2. To further improve ease of use for our clients, we want to benefit from the other banks' APIs. We already invited some 14 banks at the end of January to share their technical interfaces with us, but they aren't available just yet. We have nevertheless decided to give our staff and clients the opportunity to **already** start getting accustomed to the multi-banking possibilities of KBC Mobile. We can use their experiences and feedback to make further improvements where needed. Maximum ease of use will only be realised once the other banks' APIs have been integrated.'*

Automatic payments – to banking and non-banking institutions

Under PSD2 – and subject to the client's prior permission – third parties approved by the regulatory authority require access to account information and permission to initiate direct payments. This will make the payment process even more convenient, because clients' regular suppliers will, for example, be able to settle invoices directly with the bank for online purchases in a webshop, for cinema or public transport tickets, to pay for parking, for prepaid top-ups, etc.

Erik Luts explains KBC's strategy: *'We are currently waiting for the appropriate and required legal framework before we can start making our clients' sensitive personal account information available to the external non-banking institutions approved by the regulatory authority. As part of this process, we will need to determine the best approach to meet each individual requirement. Especially considering the fact that Belgians have certain clearly defined requirements when it comes to sharing their information with external parties. Since clients authorise us to share their personal payment information with third parties, they should also have the right to revoke that authorisation whenever they see fit. This is also reflected in the survey results, as 58% of Belgians have expressed this preference'.*

To meet this preference, KBC will soon add a simple selection feature in KBC Mobile and in KBC Touch. Clients can then select each supplier they wish to grant permission, or, if applicable, revoke all authorisations granted to third parties with just one click or tap of a button.

Erik Luts, looking to the future: *'We aim to be a leader in financial services and to offer our clients the best possible user experience by providing value-added services. This includes adopting an open approach to partnerships both in and beyond our industry in order to encourage innovation and develop new, client-focused solutions together. We recently informed you of the integration of the 4411 parking app and your Monizze card into our Mobile app, and we are currently exploring several other options. This was one of the preferences clients expressed in the market survey.*

Ultimately, we want our clients to be able to use the KBC Mobile app for their everyday banking activities – to contact us, find information, for banking matters, using social media, and making purchases and reservations – instead of having to download a multitude of different apps for all of these activities. This will make their life so much easier.'

KBC Group NV

Havenlaan 2 – 1080 Brussels
Viviane Huybrecht
General Manager of Corporate Communication
KBC Group Spokesperson
Tel.: + 32 2 429 85 45

Press Office
Tel.: + 32 2 429 65 01 (Stef Leunens)
Tel.: + 32 2 429 29 15 (Ilse De Muyer)
E-mail: pressofficekbc@kbc.be

Check this document's authenticity at
www.kbc.com/en/authenticity

KBC press releases are available at www.kbc.com
Follow us on www.twitter.com/kbc_group

Stay up-to-date on all innovative solutions at
www.kbc.com/innovation.
