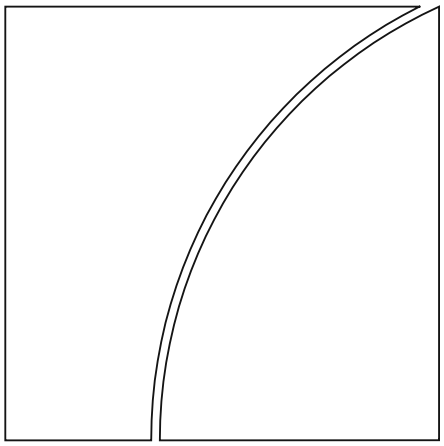
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The carrot, the stick and the yardstick: big techs' implications for open finance

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The carrot, the stick and the yardstick: big techs' implications for open finance[1]

Executive summary

Open finance can play a significant role in transforming financial services. It can drive efficiency, competition and innovation in the financial sector. In addition, it can empower consumers by granting them more control over their data and allowing them to benefit from more cost-efficient and personalised products. Its potential may be particularly significant in emerging market and developing economies (EMDEs), where it can help broaden access to financial services and thus support financial inclusion and, potentially, financial health. But successful initial adoption does not necessarily ensure the long-term viability of an open finance ecosystem.

The long-term viability of open finance initiatives may be affected by three interlinked conditions: incentives, liability allocation and performance measurement. Participants, including financial institutions, new entrants and consumers, need adequate and sustainable incentives to engage meaningfully in the ecosystem. To foster trust, responsibility for liability, mitigation and resolution needs to be allocated clearly. Authorities need appropriate performance measures to assess whether open finance is achieving its intended policy objectives. At the same time, the type of players that participate in an open finance ecosystem would have implications for these three conditions.

Big techs may directly or indirectly participate in open finance. Direct participation occurs when a big tech firm or its financial subsidiary is already a licensed financial services provider or becomes a licensed third-party provider (TPP) in the context of open finance. Both cases enable big techs to access customer-permissioned data and facilitate or provide financial services. Indirect participation occurs when a big tech provides the front-end customer interface or distribution platform while partnering with a regulated financial institution or TPP that provides the underlying financial service. In many jurisdictions, however, big techs are active mainly in payments markets. Experience in these markets provides a good illustration of likely scenarios in which big techs participate in consented data-sharing arrangements.

Big tech participation can influence the incentives of other open finance participants, while reshaping the market. The presence of big techs can provide a powerful incentive for incumbent financial institutions to engage more actively in open finance. Competitive pressure from large technology platforms can encourage incumbent banks to invest in the quality of application programming interfaces (APIs) and data capabilities and to move beyond minimum regulatory compliance to defend customer relationships. For fintechs and other small data users, big tech participation can incentivise niche specialisation. However, these firms could also be pushed towards unequal partnerships with big tech platforms or large incumbents. For consumers, big tech participation can lead to greater convenience and personalisation but may come at the cost of data privacy and reduced consumer agency.

Big tech participation exposes a potentially important imbalance in existing approaches to reciprocity in data-sharing. Big tech firms can derive substantial value by combining customer-permissioned financial data obtained through open finance with behavioural, commercial, locational and other non-financial data accumulated through their core businesses. This is the advantage of big techs over other open finance ecosystem participants. Extending the open finance framework to include the sharing of non-financial data could help reduce this imbalance. One option worth considering is a more

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customer-centric approach under which the scope is determined by the data that customers are willing to share rather than by traditional sectoral boundaries. In practice, however, this could potentially compound legal, operational and jurisdictional challenges. Reciprocity is therefore an imperfect, though possibly necessary, mitigation measure that needs to be complemented by other competition and regulatory safeguards. Careful regulatory design is necessary to avoid unintended consequences.

Liability arrangements need to reflect participants' actual control over risks, data and customer interactions rather than their formal regulatory status alone. This is particularly important when big tech firms participate indirectly and exercise influence beyond routing transactions: regulated entities may remain legally responsible for compliance and customer redress even though a big tech partner exercises substantial influence over the customer interface, data processing and operational systems. A risk-based approach that allocates responsibility according to a participant's role, data access and operational control could better align liability with the sources of risk.

Advances in artificial intelligence (AI) make the alignment between actual control and accountability even more important. Increasingly autonomous AI agents could access customer financial information, compare products, negotiate terms and execute transactions through channels enabled by open finance. They may do so without fitting neatly into existing concepts of consent or participants' roles. Existing frameworks therefore need to anticipate how AI agents could alter the chains of consent and accountability on which current liability arrangements depend. The role of big tech firms sharpens this concern. They can simultaneously act as distribution platforms and as providers of AI models used by regulated institutions. This widens the potential gap between formal liability and actual influence over financial decisions.

Big tech participation can support financial inclusion but may diminish competition and consumer empowerment as network effects and platform dependency become established. Embedding financial services into platforms already used by underserved customers can expand access and potentially lead to meaningful usage. Competition from big tech firms can also push incumbents to improve their digital capabilities and services. Over time, however, the same scale, data advantages and network effects that generate these benefits may enable dominant platforms to consolidate customer relationships, control key interfaces and accumulate further data advantages. Gatekeeping, self-preferencing, manipulative design and high switching costs could ultimately reduce customer choice and replace concentration among traditional financial institutions with concentration around big tech platforms.

It is thus important to track measures of market concentration and indicators of consumer empowerment, and to pursue policy actions where necessary. If strengthened consumer empowerment and enhanced competition are the objectives, authorities should progressively monitor relevant indicators, such as ease of consent, redress outcomes and market shares. Issues related to consumer empowerment could be addressed by clear, explicit and granular consent mechanisms, and clearly defined dispute resolution rules. Issues related to market concentration could be addressed by restrictions on big tech entry or constraints on how they can use platform data.

The challenge is to unlock the value that big techs bring to open finance without undermining policy objectives. This requires financial authorities to consider incentives, liability and performance measurement together rather than as separate policy issues. Incentive structures influence who participates and how market power develops; liability arrangements determine whether accountability follows actual control of risks; and performance measurement allows authorities to identify whether perceived benefits are ultimately contributing to policy objectives. As open finance ecosystems mature, the three conditions provide a practical framework for periodically reassessing the adequacy of rules governing big tech participation. At the same time, effective implementation of the three conditions requires cooperation among multiple authorities within and, in the case of global big techs, across jurisdictions.

Section 1 – Introduction

1. **Open finance can be a key enabler of transformation in digital financial services, particularly in emerging markets and developing economies (EMDEs) (Eroglu et al (2026)).** Open finance refers to sector-wide arrangements for sharing customer-permissioned data through standardised application programming interfaces (APIs) among regulated financial institutions and authorised third parties.[2] It can improve inclusion, efficiency and competition in the delivery of financial services. As seen in experiences in jurisdictions such as Brazil, India and Korea, rapid expansion of the open finance ecosystem, particularly for payments, can be instrumental in enhancing access to financial services, as well as their depth and utility. Similar dynamics are starting to emerge in other regions, with their nascent open finance frameworks. It can therefore support financial inclusion and potentially contribute to improving the financial health of individuals and households. To achieve this, adoption of open finance initiatives should not only take off in the short term but should also be viable in the long term.

2. **For open finance initiatives to take off, financial authorities need to bear in mind key considerations in implementation design (CGAP et al (2024)).** Many EMDEs still struggle to establish their open finance frameworks, as securing initial adoption requires balancing several factors. Financial authorities need to have clarity on their policy objectives for implementing open finance. They must ensure the presence of enabling elements, such as accessibility of transaction accounts and establishment of digital public infrastructure. They also need to provide proactive leadership, ensure effective governance, oversight and regulatory frameworks (including for consumer and data protection) and promote the right incentives for participants, the establishment of necessary technical infrastructure and wider consumer buy in.

3. **To achieve the long-term viability of open finance, three interlinked conditions – incentives, liability and performance measurement – may need to be addressed.** Open finance initiatives taking off in the early stage of adoption does not guarantee long-term viability. A joint report by the Cambridge Centre for Alternative Finance, Financial Innovation for Impact and the Bank for International Settlements presented the key conditions for open finance to deliver long-term economic and social value (CCAF/Fii and BIS (2026)). The first condition is the existence of incentives to attract and sustain the participation of critical players, such as incumbent financial institutions or mobile money operators (ie the data holders), third-party providers (TPPs) (ie data users) and financial consumers (ie data subjects). The second condition is the establishment and enforcement of a credible liability framework. This is especially important since the growth of the ecosystem can be accompanied by data-related risks, transaction errors or operational failures. Having clear liability allocation, strong consumer protection and dispute resolution can help build trust in open finance. The third condition is having mechanisms in place for performance measurement. This includes not just tracking technical indicators of the performance of the ecosystem but also, particularly as the ecosystem matures, indicators of whether the policy objectives (eg competition, consumer empowerment) have been achieved.

4. **The type of players an open finance ecosystem attracts would have implications for the three conditions that influence long-term viability.** Discussions and studies about the benefits of open finance adoption typically focus on the entry of small fintech firms and startups as TPPs using customer-permissioned data to develop and offer more innovative financial services. However, in many jurisdictions, big tech firms may also be important and active participants in the open finance ecosystem. They may be accredited data users and directly provide financial services to consumers. They may serve as distribution partners for incumbent players or TPPs. They may also provide the technology infrastructure that facilitates transactions within the ecosystem. Depending on the type of role they play, participation by big tech firms

[2] Open finance encompasses open banking and extends data-sharing beyond payments to other financial services.

can influence the incentives of other players, alter liability allocation among participants and impact the fulfilment of financial authorities' policy objectives.

5. **Big tech firms' unique characteristics raise distinct issues for financial authorities adopting open finance.** The term "big tech firms" refers to large technology companies – whether global, regional or domestic – providing digital services and platforms (eg e-commerce, social media, telecoms). Central to their business model are significant network externalities that their platforms generate (eg data derived from core big tech activities can help them enlarge the scope of their activities and expand into others) (BIS (2019); Frost et al (2019)). Aside from their size, technology expertise and network effects, big tech firms bring with them control over digital interfaces, brand recognition and market power. These characteristics can be instrumental when pursuing financial inclusion, but they can also lead to less competition, result in platform dependency and ultimately undermine consumer empowerment.

6. **This paper examines how big tech participation in open finance impacts incentives, liability and performance measurement.** It complements CCAF/Fii and BIS (2026) and focuses on experiences in 11 jurisdictions with open finance initiatives already in place or being piloted, or where big tech firms are actively participating – or expected to actively participate – in open finance.[3] It draws information from 21 responses to a short questionnaire – complemented in a few cases by interviews – provided by seven financial authorities, two big tech firms, two data holders, two data users, two consumer groups and six other open finance participants (eg aggregators, industry associations), as well as desktop research.[4] Section 2 discusses the different roles that big tech firms play in open finance. Sections 3–5 summarise the key findings from CCAF/Fii and BIS (2026) on incentives, liability and performance measurement, respectively, then consider the impact of big tech participation on each of the three conditions. Section 6 concludes.

Section 2 – The role of big techs in open finance

7. **Big tech firms can be direct participants in open finance ecosystems.** Big techs' level of participation in open finance is influenced by jurisdiction-specific regulations, market structures and strategic priorities. A big tech firm (or one of its subsidiaries) may already be an existing regulated entity in the financial system, eg as a payments institution. Within the open finance context, a big tech firm can become a fully licensed and regulated TPP. In both cases, the big tech firm can access (ie "read" and "write") customer-permissioned data for purposes of facilitating, developing and offering financial services. This role has far-reaching and unique implications for open finance, which are discussed in the succeeding sections.

8. **Big tech firms can also be indirect participants in open finance ecosystems.** Here, a big tech firm, providing primarily a front-end integration or digital distribution platform, partners with direct open finance participants, ie financial institutions and fully regulated TPPs. The implications of this role for open finance are covered in the subsequent sections. However, it should be noted that these implications may be true whether big techs partner with regulated financial institutions within or outside the context of open finance.

9. **Big techs can also play the role of ecosystem enabler.** As ecosystem enablers, big tech firms provide supporting infrastructure and back-end technology, such as API management, cloud platforms

[3] Australia, Brazil, European Union (EU), India, Indonesia, Nigeria, the Philippines, Singapore, South Korea, the United Arab Emirates and the United Kingdom.

[4] Australian Competition and Consumer Commission, Central Bank of Brazil, European Commission, Reserve Bank of India, Bank Indonesia, Korea Financial Telecommunications and Clearings Institute, Bangko Sentral ng Pilipinas, a global big tech, Naver, Nubank, Wema Bank, Open Banking Nigeria, Maya Bank, Mastercard, Yutadhi, Spiralem, Sahamati, Open Data Institute, Invela, Nebras Open Finance LLC and Open Banking Limited.

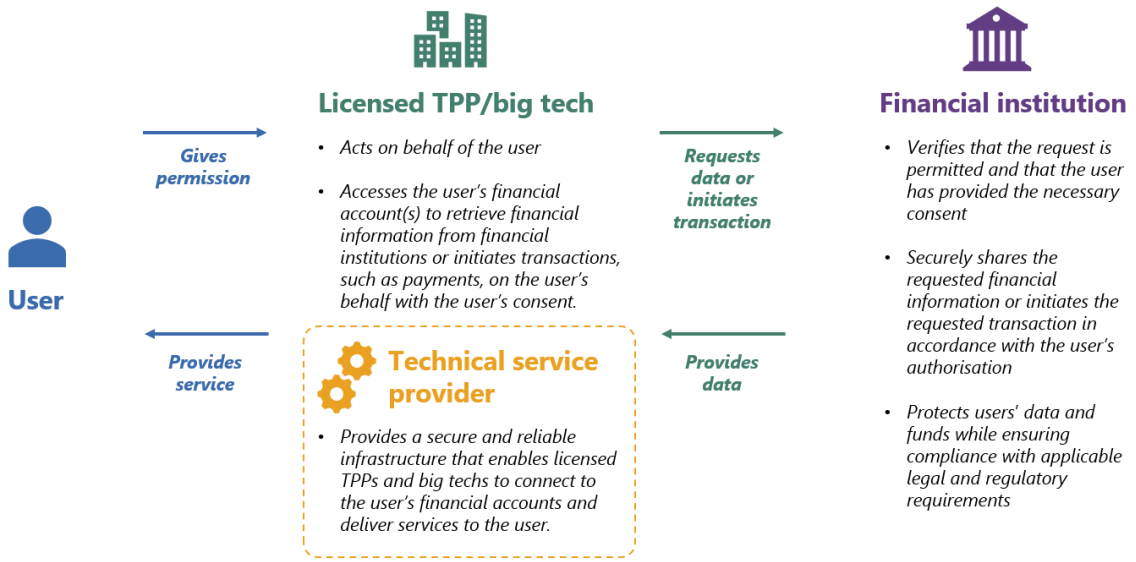
and data processing. While direct and indirect participants in the ecosystem use this foundational infrastructure and solutions, provision of these back-end services is a supporting role that may have less direct influence on the conditions of long-term viability of open finance. Use of infrastructure and technology provided by big techs could intensify dependency and concentration risks. But since financial institutions use such big tech services even outside the open finance ecosystem, this effect would be true whether these services are provided within or outside open finance.

10. **In some jurisdictions, big tech participation has become more significant as open finance ecosystems have expanded.** In Brazil, for example, big techs initially focused on supporting the expansion of their own financial services businesses, but they have subsequently expanded their participation, including through direct participation in payment initiation services. Over the same period, payment initiation activity of big techs grew substantially, alongside the phased rollout of Open Finance Brazil. Between August 2024 and May 2026, weekly payment initiation API calls increased from approximately 3 million to over 60 million (Open Finance Brazil Association (2026)). Monthly payment initiation transactions through Pix, Brazil's instant payment system, also rose from approximately 600,000 to 23 million (Central Bank of Brazil (2026)). This has also been the case in South Korea, where the Korea Financial Telecommunications and Clearings Institute (KFTC) noted that new user signups and account registrations via big tech platforms increased rapidly. Moreover, big techs also recognise the benefits of direct participation. According to Mercado Pago, in 2023, 80% of credit origination for new sellers on its e-commerce platform depended on open finance data (Abranet (2024)).

Big tech as a direct participant

11. **Direct participation involves obtaining a regulatory licence to participate in the financial system, either as financial institutions or as TPPs.** This enables big tech firms to access customer-permissioned data and facilitate the delivery of financial services, such as payments, credit and insurance. This role entails compliance with stringent regulatory frameworks, including on licensing, prudential, consumer protection and liability requirements. Hence, while this approach offers big tech firms greater control over the design and distribution of financial services, it also imposes significant operational and compliance costs.

Direct participation in open finance by big techs Graph 1



Source: Authors' elaboration.

12. **Big tech firms often participate directly in open finance ecosystems by establishing financial subsidiaries, particularly for payment services.** These regulated subsidiaries enable big tech firms to embed financial services seamlessly into their platforms while limiting the scope of regulatory obligations and, in the case of global big techs, tailoring their operations to meet the regulatory requirements of each jurisdiction. Examples include:

- In Brazil, Google Pay has a Payment Initiation Service Provider (PISP) licence, while Mercado Libre through its subsidiary, Mercado Pago, has both a payments institution and a PISP licence and operates as a data recipient and data provider in the open finance ecosystem.
- In the European Union, Google Payments Lithuania UAB holds an e-money institution licence (authorised by the Bank of Lithuania) under the revised Payment Services Directive (PSD2)[5] and the Electronic Money Directive, allowing it to passport payment services, such as payment initiation and account information, throughout the European Economic Area.[6]
- In Indonesia, platforms like GoPay, OVO and ShopeePay are licensed TPPs under the National Open API Payment Standard (SNAP). SNAP remains focused primarily on payment-related APIs rather than broader data-sharing. For credit underwriting, these players instead draw on proprietary and other alternative data outside SNAP.
- In South Korea, the Financial Services Commission (FSC) has granted big tech firms like Kakao Pay (embedded within the KakaoTalk messaging application) and Naver Financial (the financial arm of the search engine portal Naver) licences to operate under the MyData framework, which is the country's open finance framework.

[5] The European Commission proposed Payment Services Directive 3 (PSD3) in June 2023, which would revise and update PSD2. PSD3 is currently progressing through the EU legislative process and, when adopted, will govern payment services authorisation including PISP and Account Information Service Provider licences alongside Financial Data Access (FiDA).

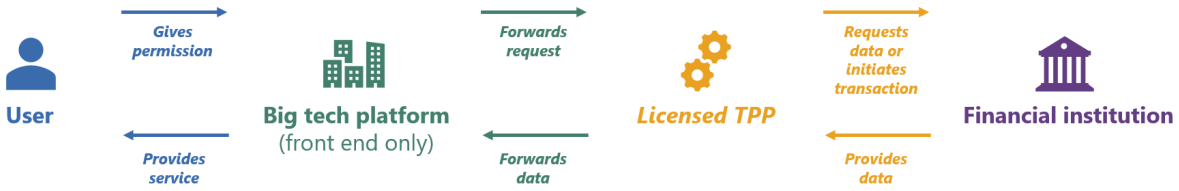
[6] Google, however, is not actively offering these services.

- In the United Kingdom, Apple operates through its local subsidiary called Apple Payments Services Limited, which holds a direct licence from the UK's Financial Conduct Authority (FCA). This enables Apple to act as an Account Information Service Provider, allowing card holders to see their account balance ahead of making purchases.

Big tech as an indirect participant

13. **Indirect participation means providing front-end integration or digital distribution platforms for financial services.** This involves partnering with regulated entities. Big tech firms can integrate financial services into their platforms, while regulated financial services providers retain responsibility for compliance with financial regulation. Partnership between big techs and regulated entities can take multiple forms. For example, embedded finance arrangements – where financial products of regulated entities, such as payments, credit or savings, are integrated into big tech firms' e-commerce, ride-hailing or social platforms (Barakova et al (2024)) – could be enhanced to benefit more from the customer-permissioned data-sharing that open finance enables.

Indirect participation in open finance by big techs — Graph 2



Source: Authors' elaboration.

14. **Indirect participation by big techs in open finance is common in both advanced economies and EMDEs.** In many cases, indirect participants leverage digital public infrastructure. Examples include:

- In Brazil, Samsung Wallet and WhatsApp Pay embed Pix into their user interfaces to facilitate payments but rely on licensed TPPs to provide payment services.
- In India, Google Pay, WhatsApp Pay and PhonePe operate as third-party application providers (TPAPs) within the Unified Payments Interface (UPI) ecosystem. These platforms enable users to link their bank accounts, check balances and initiate instant payments. They partner with licensed banks that process the transactions, rather than operating as licensed financial services providers themselves.
- In Singapore, Grab partners with regulated entities, such as banks and insurers that are participants of the Singapore Financial Data Exchange (SGFindex), which is the digital public infrastructure that operationalises customer-permissioned data-sharing in the country.
- In the United Kingdom, Amazon Pay's "Pay by Bank" functionality relies on FCA-regulated TPPs to process real-time account-to-account transfers, embedding financial services into its ecosystem without holding a TPP licence.

Section 3 – Incentives

15. **Different players need to have clear incentives for engaging in the open finance ecosystem.** Regulatory mandates may establish a baseline level of participation, especially in the initial stages, but they are not sufficient to sustain participants' interest and meaningful engagement. A framework that relies on legal obligation alone risks producing formal compliance without substance – institutions that meet the letter of the requirement while contributing little to the ecosystem's intended purpose. Converting compliance into genuine and effective data-sharing demands a set of financial and non-financial incentives (CCAF/Fii and BIS (2026)).

16. **Financial incentives should consider the operational cost implications for open finance participants.** Incumbent financial institutions, ie the data holders, bear the costs of making technical interfaces available for sharing customer data. Their ability to recover these costs through a pricing or commercial model could act as an incentive for better quality interfaces and data. At the same time, the same commercial model results in costs for data users and may impact their incentives to actively participate. Regulation-led commercial models provide predictability and remove pricing as a source of ecosystem friction. However, the value derived from data access may be disproportionately large for participants that can combine financial data with extensive non-financial datasets, regardless of the commercial model. Under a free-access model, this advantage is not reflected in what participants pay. Market-driven models, on the other hand, allow pricing to reflect the actual value of data exchange, but they create risks in concentrated markets where incumbents or other large players hold decisive negotiating leverage. These trade-offs raise questions worthy of further consideration.[7]

17. **Among non-financial incentives, data reciprocity can be a powerful element by helping to rebalance incentives between data holders and data users.** The underlying principle is straightforward: give something, get something in return. This is particularly appealing to data holders that might otherwise perceive open finance as a one-sided obligation. The practical implementation of the principle, however, may take on different forms: direct or bilateral reciprocity, where there is two-way consented sharing of data between two counterparties; public-data reciprocity, where consented sharing of data results in consented access to government datasets; and generalised or multilateral reciprocity, where participants gain access to shared ecosystem infrastructure as the benefit of participation (eg common APIs, technical standards, trust frameworks or consent management services). Here, customer consent still governs each individual data flow. Reciprocity operates at the ecosystem level, because participants contribute to and benefit from common infrastructure rather than receiving data from the counterparty in return.

18. **There has been relatively less attention given to designing customer incentives.** Customers are often treated as passive participants whose engagement is expected to follow the supply of innovative financial services. As a result, customers may struggle to recognise the benefits that they can derive from open finance. Financial authorities may therefore consider investing in customer awareness and other mechanisms that make the value of customer participation more tangible. In addition, customer experience should be placed at the centre of ecosystem design (eg consent processes and user interfaces). This can be done, inter alia, by embedding data-sharing in moments of actual customer need (eg when initiating payment, applying for credit) rather than being presented as a standalone consent exercise. After all, open finance will only function if customers decide to engage and share their data.

[7] For example, whether high-volume data users should contribute to API infrastructure costs in proportion to the value they extract; whether regulation-led free-access models inadvertently subsidise the participants with the most to gain from the data-sharing arrangement.

Big tech participation and incentives for data holders, data users and financial consumers

19. **Respondents in a number of jurisdictions noted that the entry of big techs has incentivised incumbent players to intensify investment in the technical infrastructure necessary for open finance.** The prospect of big tech competitors acquiring direct customer relationships in financial services has led incumbent players to improve API quality and strengthen their data capabilities in ways that regulatory mandates alone had not achieved. In several jurisdictions, respondents observed that the presence of big techs has accelerated internal investment decisions among incumbent banks that had previously treated open finance compliance as a minimum-cost exercise. This dynamic has been observed not only in larger open finance markets but also in a number of EMDEs more broadly (eg Brazil and Nigeria), suggesting that competitive pressure from large platform firms can, under the right conditions, function as a structural incentive for incumbents to make relevant investments.

20. **The intense competition for customers in the presence of big techs drives incumbent players to take advantage of open finance.** In general, incumbent players like banks are not receptive to the idea of big tech participation in financial services. They are concerned about customer disintermediation, where big techs become the primary customer interface while banks continue to bear much of the regulatory, operational and financial responsibility. Big techs could end up capturing customer relationships, transaction data and future margins. However, if big tech participation becomes inevitable, incumbents will be pushed to make better use of open finance data to improve customer services and be able to effectively compete with big techs for customer relationship.

21. **Small data users in the jurisdictions surveyed, such as fintechs and startups, are incentivised to shift towards specialisation and/or partnerships with big techs.** Open finance does change the conditions these players face, but it does not remove the structural advantages of big techs. Big tech participation in open finance can be good for small players. Big techs can increase customer awareness, normalise account linking, deepen API usage and expand the market. However, smaller players cannot directly compete against big techs that have lower customer acquisition costs, stronger brand trust and the ability to bundle finance into existing customer journeys. The incentive therefore is for small players to focus on achieving niche depth rather than breadth. Open finance supports this strategy by giving them the data to build differentiated products. Small players could also partner with big techs, with the latter distributing their products while they manage the risks and regulatory responsibilities. Such partnerships are, however, unlikely to be concluded on equal terms, given the significant disparity in market power between small data users and big tech platforms.

22. **Small data users' strategies for dealing with big techs' entry may eventually lead to big techs assuming dominant market positions.** If they choose to become niche players, they could eventually be absorbed by large players in the ecosystem, including by big techs. Big techs may also decide to directly participate in open finance by offering their own products, thus depriving small players of a good source of revenue from big tech partnerships. As mentioned above, even if such partnerships continue, they will likely be on unequal terms. In general, big techs could potentially displace smaller competitors and local fintechs. This may be amplified by regulatory approaches that limit the ability of TPPs to generate revenue, such as zero merchant discount rate (MDR) policies for fast payments. Such approaches require cross-subsidisation, which big techs are better positioned to sustain. Hence, over time, big techs could eventually assume a dominant intermediary role in financial services.

23. **Big tech participation in open finance can incentivise consumer adoption (Eroglu et al (2026)).** Consumer adoption is a central incentive for open finance because the framework only works if consumers are willing to link accounts and share data. Financial consumers may associate big techs with speed, reliability and well designed products. Big techs can bring convenience, easy accessibility, familiarity and integrated experiences to open finance. Many consumers are already active users of big tech platforms, lowering customer acquisition costs and leveraging existing behavioural patterns that make

account linking and consent feel routine. Combining non-financial data (eg behavioural data from social media, transaction histories across e-commerce platforms) with financial data from open finance can result in significant benefits for consumers. The network effects and platform stickiness inherent to big tech ecosystems further amplify these incentives, making data-sharing and data portability under open finance more attractive and accessible to consumers. Big techs give consumers a stronger reason to participate in open finance which in turn raises the volume of data available to all data users.

24. **The benefits of big tech participation for consumers may come at the expense of reduced consumer agency.** Open finance should in principle result in improved transparency and disciplined data practices if appropriate safeguards are in place. In practice, however, there is a risk that consumers may effectively exchange heightened behavioural data exposure for access to more personalised services, often without fully understanding the scope of that exchange. They may not understand the scope of use of their data, the extent of profiling or the potential downstream consequences of sharing information. Behavioural profiling could result in manipulative design practices, such as the use of pre-selected options, interface designs that encourage agreement without meaningful engagement, creation of false urgency, artificial scarcity or hidden charges. Such practices influence consumer behaviour in ways that undermine informed decision-making or steer them towards commercially preferred outcomes.

25. **Consumers may continue using services not because they actively choose to do so, but because the cost of exiting or modifying choices is too high.** Such costs may come in the form of cumbersome or frustrating processes required to withdraw consent. This risk is not unique to big techs, but it may be amplified on platforms where convenience, default settings and the breadth of services make it harder to disengage. These risks are particularly acute for vulnerable consumers including those with limited digital literacy, elderly users and individuals in financial difficulty who may be least equipped to recognise or resist design practices that undermine informed decision-making. Robust regulatory frameworks encompassing clear standards on consent design, purpose limitation and data use transparency are necessary to guard against such practices and safeguard consumer interests, particularly where big tech firms exercise substantial control over the customer interface.

Big tech firms' incentives to participate in open finance

26. **While it is not surprising that big tech participation in open finance can alter the incentives of other participants, a key question is whether big techs have incentives to participate in the first place.** A big tech's strategic objective is to enable seamless, secure and interoperable services across its platform. Offering auxiliary services, such as financial services, can significantly enhance user experience. As mentioned, the data these auxiliary services generate can improve core services, which can further result in much better user experience. This attracts even more users to big techs' platforms.

27. **Direct participation in open finance – or finance in general – is not always an attractive option for big techs.** As direct participants, big techs can access and share consented data, initiate services or transactions and offer financial services directly to customers. This approach enables connectivity with multiple financial institutions at a relatively low cost. However, this also means they will be subject to financial regulation. If big techs are already participating in the financial system, eg as payments institutions or digital banks, then they are subject to the full suite of prudential, conduct and consumer protection requirements. If they participate as TPPs within the open finance framework, they will be subject to narrower obligations focused on authorisation, data security and consent, but this also means a narrower scope of activities. In addition, finance offers lower margins to big techs compared with their core business areas, although this is mitigated by opportunities to expand their multiservice platforms (ESMA (2020), Doerr et al (2023)).

28. **There are ways for big techs to mitigate the issue of regulatory scope.** Some big techs establish financial subsidiaries, which lets them participate directly while keeping regulated activities within a separate entity and limiting the scope of obligations. Other big techs, meanwhile, may choose to simply

partner with financial firms in the distribution of their products, ie as indirect participants in open finance. This allows them to offer financial services on their platforms without the attendant regulatory obligations (Barakova et al (2024)). For many big techs, participation comes in the form of integrating payment services into their user interface.

29. **Big techs tend to favour the front-end integration of payment services.** The provision of front-end integration of such services typically requires only regulatory authorisation with minimal regulation since it does not involve access to detailed customer data. It only requires information about customers' payment accounts so that the big tech platform can connect to their banks and receive confirmation of the success or failure of payments (ie big techs simply rely on existing payment rails).

30. **Front-end integration of payment services brings significant benefits with little, if any, downside.** Payment initiation gives big techs direct customer interaction at the highest-frequency touchpoint, strong brand reinforcement and high indirect revenue potential, since it aids user acquisition for the big tech platforms' core services. It also allows big techs to accumulate data on customers' transaction flows routed through their platform, providing a partial but potentially valuable picture of customer behaviour and financial activity. Any provider controlling the customer interface can capture some of these benefits, but they are worth more to big techs. Big techs can channel the interface into their existing user base and core services, and can combine the transaction data with the behavioural, commercial and locational data they already hold. This turns a payment touchpoint into a platform for cross-selling and a source of data advantage that smaller providers are unlikely to replicate.[8]

31. **The data accumulated through this integration can be used to build behavioural insights and customer profiles, without having to share consented data in return.** Regardless of whether this front-end payment integration forms part of the open finance ecosystem, it makes it increasingly difficult to draw the boundary of what constitutes data access. This blurring of the boundary of data access, in turn, makes it harder to justify the application of a different regulatory treatment to this role compared with a direct participant in open finance. This preference for front-end payment integration also highlights a gap in reciprocity design: big techs can accumulate transactional and behavioural data through the payment initiation role without incurring any corresponding data-sharing obligation. This is because such payment flows are typically outside the scope of existing reciprocity frameworks. This gap warrants explicit attention as reciprocity frameworks are reviewed.

Reciprocity: an unresolved scope question

32. **The concept of reciprocity is straightforward but how scope is defined can lead to further informational imbalance in the system.** Reciprocity means any party that can access consented data should also share consented data. While the principle is intuitive and present in several open finance frameworks, its practical implementation has proven challenging, partly explaining why it is not more widely embedded across data-sharing frameworks. The data in scope is typically limited to financial data. This is where the issue lies in the context of big tech participation. For big techs, the distinctive value of open finance is not primarily from the financial data they gather through the ecosystem but from their ability to combine it with the vast non-financial datasets they already have. For example, big techs with multiservice platforms will have a full picture of a person's life, such as physical location, interests, preferences, social relationships, purchasing habits and even daily routines. There are many ways in which this information can be combined with financial data to extract more value. A reciprocity obligation limited to financial data, therefore, amplifies the informational imbalance (Eroglu et al (2026)).

33. **Different stakeholders appreciate the arguments for expanding the scope of reciprocity to non-financial data.** Many types of respondents – financial authorities, data holders, data users, consumer

[8] Chioda et al (2026), for example, show that payments transactions data are far more useful than traditional "digital footprint" data in predicting creditworthiness for applicants that do not have a formal credit history.

advocates and other open finance stakeholders – are supportive of expanding the scope of reciprocity obligations. They argued that if big techs use non-financial data from their platforms' core services to improve their financial products and services (eg through better credit underwriting or more personalised services), then it is reasonable that reciprocal access to those data be made available. Needless to say, such use and sharing of customer data should be subject to customer consent.[9] This avoids a scenario similar to regulatory precedents in some jurisdictions in which use of a platform was made contingent on users accepting cross-platform data collection, which should have required separate and voluntary consent.

34. **Some respondents acknowledged that the case for expanding reciprocity to non-financial data brings with it some issues.** The case for expansion may not have political support. Big tech respondents also pointed out that non-financial datasets are typically governed by separate privacy regimes across multiple jurisdictions and cautioned that compelling broad cross-sectoral data-sharing could compound operational complexity and create unintended legal barriers to participation in the ecosystem. There are also practical considerations, especially in the case of global big techs operating in domestic markets. In such cases, non-financial datasets are held in a jurisdiction that is different from where the open finance obligations apply, which makes it challenging to enforce the reciprocity obligation. Where expanding the scope of reciprocity is not feasible, some respondents suggested that the activities big techs may undertake should be limited proportionally.

35. **The prevalent approach to reciprocity is data-centric.** This means the framework itself defines the scope of data that can be shared and, in most cases, this only applies to financial data. This is the case, for example, with the FiDA framework in the European Union which remains under trilogue negotiation as of mid-2026, with phased implementation anticipated from 2027. Notably, ongoing legislative discussions have included proposals to restrict big tech access to financial data under FiDA precisely because of the informational asymmetry concerns, making FiDA a live test case for how regulators will ultimately calibrate open finance reciprocity in the presence of large platform firms.

36. **A shift from a data-centric to a customer-centric approach to defining the scope of reciprocity may partially help to address the informational imbalance.** Some respondents suggested a reframing by focusing instead on the types of data customers would consent to share. In practice, however, determining what falls within the scope of such an obligation raises substantive questions including whether processed, enhanced or combined data are covered. Where the scope is not clearly defined, it is also difficult to standardise data formats and APIs, which limits interoperability and the usability of shared data. Careful regulatory design, including clear definitions of in-scope data and corresponding technical standards, would therefore be needed before a customer-centric approach could meaningfully reduce informational asymmetries.

37. **Two country cases are worth noting to illustrate different experiences in trying to adopt a customer-centric approach to reciprocity.** In essence, this is already the approach of Australia's Consumer Data Right (CDR), which mandates data-sharing across designated sectors, with banking and energy currently live and further sectors under phased implementation. Under this framework, once an entity becomes an Accredited Data Recipient (ADR), it can pull and utilise customer data and is also legally bound to share customer data with other framework participants when directed by the customer. However, so far, no big tech has been designated as an ADR under the CDR framework. In Colombia, the data-sharing mandate defined an objective (ie financial inclusion) rather than specific data or participants that should be in scope. As such, data-sharing was initially interpreted as extending to non-financial data and entities. The final regulation, however, applies only to supervised institutions and it also removed the reciprocity requirement on the premise that doing so would support innovation.

[9] Although this still does not preclude privacy and data protection concerns.

Section 4 – Liability

38. **Liability frameworks provide clarity about what happens when things go wrong, but the multi-party nature of open finance makes this challenging.** Open finance largely builds on existing financial, data protection and consumer protection laws rather than creating an entirely new liability framework. However, open finance's multi-party, data-intensive nature introduces new accountability, consent and dispute resolution challenges that existing bilateral regimes may not fully address. For example, the involvement of multiple participants, such as incumbent data holders and TPP data users, creates novel questions about the allocation of responsibility and regulatory jurisdiction. These issues underscore the importance of clear liability frameworks and effective coordination among financial, data protection and consumer protection authorities (CCAF/Fii and BIS (2026)).

39. **There is no single liability model that is appropriate for all jurisdictions.** Regulators can choose among single-party, multiple-party, fault-based or hybrid approaches, each involving different trade-offs between customer protection, operational feasibility and incentives for innovation. Fault-based models can avoid penalising compliant participants but depend heavily on strong digital infrastructure, audit trails and enforcement capacity, which may be lacking in many EMDEs. In practice, effective enforcement of liability allocation depends not only on formal rules but also on institutional capacity, market practice and cross-authority coordination.

40. **Open finance liability frameworks also need to be complemented by other elements, such as consent and dispute resolution mechanisms.** Consent mechanisms can be an effective regulatory tool to help clarify where liability lies. To be effective, it requires careful design around data scope, purpose, duration and revocability. It also needs to be supported by measures such as customer dashboards, consent managers, accreditation regimes and data minimisation requirements. However, technical mechanisms alone are insufficient. Evidence from more mature open banking markets suggests that consumer awareness of data rights including the right to revoke consent remains low even where dashboards and consent managers are available, pointing to the need for accompanying financial literacy and disclosure requirements (Murray and Buckenham (2025)). Dispute resolution mechanisms, on the other hand, operationalise liability allocation. Dispute resolution mechanisms for open finance generally extend existing financial sector processes rather than replacing them, with some jurisdictions introducing faster timelines or dedicated escalation pathways to reinforce consumer confidence.

Liability and big tech participation

41. **Direct participation by big techs further complicates the multi-party nature of open finance.** It means customer data can flow to their platforms and potentially to multiple downstream use cases, some of which may fall outside the original consent scope. Such use could contravene data privacy and open finance requirements, depending on the jurisdiction, and makes accountability harder to establish and enforce across the data-sharing chain. For example, big techs add data processing layers, inference layers and product experiences that existing open finance frameworks did not contemplate. Attributing responsibility for a specific harm (fraud or data misuse) across that extended chain presents genuine legal and procedural challenges that existing frameworks were not designed to resolve.[10] To address the issue, some respondents suggested focusing on where the data flows and not just on the regulated status of the activity. This requires an infrastructure – whether industry- or regulator-led – that allows for continuous risk monitoring across the data chain. In turn, this enables accountability to rest with the entity benefiting from and controlling the data.

[10] It should be noted that this issue exists even without big techs. However, the entry of big techs exacerbates the problem.

42. **Indirect participation by big techs can misalign formal liability and actual control of risks.** Indirect participation involves big techs taking care of the distribution of financial services – and, thus, customer engagement – while the regulated entities continue to carry compliance responsibilities and liability obligations. In the case of global big techs, the difference in size between the customer-facing party and the party that assumes responsibility is quite pronounced. The regulated entity has little to no operational influence over the relevant systems that the big tech partner uses to engage with customers, as well as over how customer data obtained through open finance arrangements may be used within the big tech ecosystem. This issue is compounded by differences in capacity to absorb liability between big techs and customer-facing parties. For example, a data breach involving data shared through open finance that is operationally manageable for a big tech partner may result in huge reputational damage, stringent regulatory scrutiny and high customer remediation costs that amount to an existential threat to smaller regulated entities.

43. **The degree of misalignment between liability and actual control depends on the big tech platform's role.** Where an indirect participant is a non-custodial, front-end pass-through interface that routes transactions over rails operated by regulated institutions, the regulated entity typically retains transactional decision-making, custody of funds, scheme and interbank relationships, balance sheet management and compliance functions such as transaction monitoring. The gap is widest where the platform also controls interface design, data use and profiling or the AI models used in decisions.

44. **Some respondents advocate for a risk-based liability model as the logical policy direction.** This entails assigning responsibility according to the nature of a participant's role, its level of data access and degree of operational control, rather than its formal regulatory status alone. Regulatory requirements alone may be insufficient to address the liability capacity gap between large platform firms and their smaller sponsor or partner entities. Some market participants have begun to explore industry-led risk-sharing mechanisms as a complementary approach to ensuring that the liability position of smaller participants does not depend entirely on the goodwill or financial resilience of the larger platforms with which they operate. This can come in the form of mandatory financial guarantees or insurance requirements calibrated to activity risk levels.

45. **The allocation of liability is clearer in principle than in practice.** When something goes wrong in the chain that includes a big tech platform, the question is where liability should initially fall. The priority should be to make sure customers whole. Accordingly, in many jurisdictions, the regulated entity closest to the customer (including a regulated third-party provider (TPP) that runs the customer interface in the direct model) is responsible for first-line redress to avoid the scenario where the consumer must investigate which open finance participant is at fault. This framing, however, does not fully account for indirect participation models. Where a big tech firm controls the customer-facing interface without being a regulated participant itself, it is the big tech, not the regulated entity, that is effectively closest to the customer yet bears no formal redress obligation. The regulated entity retains full liability while being one step removed from the customer interaction. This concern is most pertinent where the platform exercises control beyond routing transactions. Where it operates purely as a pass-through interface, several respondents considered that first-line redress should remain with the account-servicing institution, with risk sharing between provider types managed through standardised audit trails, service-level agreements and bilateral risk allocation. In practice, consumers may find themselves seeking redress from an unregulated platform with automated support and no obligation to respond. This is a structural gap that represents one of the most consequential consumer protection challenges arising from the participation of big tech in open finance.

46. **Behind the scenes, participants can allocate final liability through audit logs, indemnities, warranties, service-level agreements and dispute rules.** The effectiveness of these mechanisms depends, however, on the availability of tamper-proof, granular audit trails and robust information-sharing arrangements across participants – prerequisites that may not yet be in place in many jurisdictions.

Regulated entities, particularly the TPPs, may not have sufficient resources to absorb the loss that may initially be allocated to them. So, while it is important that big techs bear responsibility in proportion to their role, data access and operational control, operationalising this while protecting the interest of consumers can be challenging. These challenges point to the need for authorities to consider specifying minimum redress obligations and information-sharing requirements calibrated to the nature and scale of each participant's role, rather than leaving such arrangements to be determined solely through contractual arrangements between participants.

47. **Big tech participation brings consumer consent and dispute resolution challenges.** As mentioned, the value of open finance for big techs is not primarily from the financial data they can access but from combining such data with the vast amounts of data they already have in their platforms. This combination can significantly enhance customer behavioural profiling, which in turn can be used to develop hyper-personalised products and services. Consumers often do not fully understand these downstream uses and their implications when providing consent. Evidence on digital financial literacy supports this concern. For example, consumer understanding of how personal data are used in digital financial services has been identified as a significant gap (OECD/INFE (2023)). In addition, digital product design and lack of digital capability have been identified as key sources of consumer detriment (OECD (2026)). As such, in the presence of big techs, financial authorities need to ensure explicit and granular consent mechanisms, clear purpose limitation and consumer visibility into how their data are used. In terms of dispute resolution, big tech customer support tends to be overly automated and cross-border operations – in the case of global big techs – make accountability unclear. Financial authorities therefore need to clearly define escalation channels and require specific response timelines.

AI, big techs and liability

48. **AI-driven decisions in the context of open finance add to the multi-party challenge.** Open finance makes richer, multi-source customer data available as input to AI models used in credit decisions, financial recommendations and behavioural profiling. Big techs can amplify this, as they combine such data with the data they already hold. The liability allocation mechanisms discussed above are harder to apply when decisions are AI-driven, and the participation model determines how liability is allocated. When big techs are direct participants, as they are also likely to develop or provide the AI models, it follows that liability for consumer harm from AI-driven decisions is more readily attributable.[11] Even then, the opacity of AI systems means that attribution is rarely without complexity.

49. **Liability attribution is more complicated in relation to indirect participation.** Regulated entities may be using AI models in making credit decisions or financial recommendations. Such AI models may be provided by the same big techs that serve as distribution partners of the regulated entities. As indirect participants, big techs are typically not subject to regulatory requirements even if, in this case, their models are instrumental in making decisions that affect customers. This creates a situation in which the entity with the greatest influence over the outcome bears the least regulatory accountability – a structural gap that existing liability frameworks were not designed to address. This exacerbates the issue of misalignment of formal liability and actual control of risk. The liability attribution challenge is compounded when the AI system draws on data inputs from multiple open finance participants, making it difficult to isolate the source of an erroneous or harmful output. Indeed, in multi-party arrangements, there is still a question of responsibility for ensuring that regulatory expectations regarding external transparency and accountability are met when it comes to using AI-driven decisions (Crisanto et al (2024)). Several authorities have begun to identify AI-mediated liability in open finance as a priority area requiring further regulatory guidance.

[11] Use of AI may also lead to cyber risks. While this further complicates the assignment of liability in a cyber attack scenario, this issue is not explicitly covered in this paper.

50. **Big techs need not be participants for their AI capabilities to impact open finance.** Emergence of more advanced AI, such as agentic AI, and its direct use by consumers present unique challenges that current open finance frameworks may not have anticipated. Direct consumer access to such AI capabilities is, in most cases, made possible through big tech platforms. A consumer can provide an AI agent with access to their financial information and ask it to identify financial services that have the most favourable terms. The AI agent can request offers from multiple providers of financial services, evaluate the offers, negotiate the terms and execute the transaction. In this case, the AI agent achieves the objective of open finance but without the regulatory guardrails. It also raises the question of accountability – for example, whether providing AI agents with access and instructions is tantamount to providing consent in the open finance space, or whether the financial services provider is accountable if something goes wrong or would still be considered the customer-facing institution. A financial authority in one jurisdiction, which is in the middle of the legislative process for finalising its open finance framework, acknowledged that its proposals have not considered such issues and that incorporating AI development considerations would mean fundamentally revising the proposed framework.

51. **A distinct challenge arises where AI agents are used independently of any big tech or regulated entity.** Such AI agents could interact directly with open finance APIs on a consumer's behalf. In these cases, the chain of accountability that liability frameworks rely upon may be absent entirely. Existing consent models assume a human principal who actively initiates each data-sharing act. Where an agent acts autonomously on standing instructions, that assumption breaks down. From a policy perspective, the important questions are how AI agents' delegated authority (and its revocation) is verified and where accountability lies when AI agents act outside the delegated authority. Industry-led, open and interoperable protocols are emerging to structure agent-initiated transactions and to evidence user authorisation (for example, the Universal Commerce Protocol and the Agent Payments Protocol). These can provide auditability and verifiable authorisation at the protocol layer. However, they are voluntary, their adoption is still at an early stage, and they do not by themselves allocate liability or resolve questions about consent and accountability. These issues arise independently of big tech participation and warrant explicit treatment in open finance frameworks as AI agent adoption grows.

52. **Allocating liability in the context of AI is particularly challenging given the multiple actors involved in the supply chain.** Imposing accountability based on actual operational control is attractive but difficult to enforce when it comes to AI use. Different actors may have control over different things – including data inputs, model development, model customisation and interface design. Identifying where in this chain things go wrong and which party has control and should be made liable would be a complex undertaking.

Section 5 – Performance measurement

53. **Performance measurement in the context of open finance should be viewed through the lens of the authorities' policy objectives.** Defining policy objectives is the first key consideration for open finance, as highlighted by a group of international organisations (CGAP et al (2024)). Authorities need to have clarity as to the policy objectives they expect open finance to achieve. Having clear policy objectives leads to informed public policy discussions and decisions. These objectives depend on a jurisdiction's broader financial sector goals, its unique market conditions and priorities. Authorities may be pursuing open finance to make the financial system more inclusive, empower consumers, foster competition or boost innovation. Once the policy objectives are defined, there should also be ways to measure the impact of open finance towards meeting these objectives. Having a formal monitoring and evaluation framework to measure progress towards achieving the policy objectives supports decision-making and fosters accountability.

54. **However, it is understandable that performance measurement starts with indicators of technical performance.** In the initial stages of implementation, authorities need to monitor and confirm that the infrastructure is live, stable and operating as intended (CCAF/Fii and BIS (2026)). Technical indicators, such as API availability and uptime and transaction volumes, provide this confirmation. These indicators can identify where the system may not be working properly and, thus, enable effective oversight by the system operator and authorities. Technical indicators are therefore instrumental to maintaining trust in the open finance ecosystem.

55. **Indicators that measure policy outcomes remain at an early stage.** This is because many open finance frameworks are still at an early stage of implementation, so the focus is naturally on technical indicators. Nevertheless, technical indicators, while not substitutes for actual policy outcome indicators, may serve as proxy indicators for policy outcomes, especially during the early stage of implementation. For example, the number of successful data-sharing consents may provide an indication of consumer empowerment, while the number of active TPPs may offer an early signal of market participation and competitive activity. The idea is that authorities should establish the conceptual, institutional and data foundations necessary to support a more comprehensive future assessment of policy outcomes as early as possible.

How can big techs' participation impact the policy objectives of open finance?

56. **Big techs' participation in open finance can be transformative for financial inclusion.** Use of social media, which is hosted on big tech platforms, is the second most popular use of mobile phones and internet in low- and middle-income economies (Klapper et al (2025)). In at least one advanced economy, there are also indications that the population with lower income tends to use social media more (Ucar et al (2021)). In addition, use of these platforms by informal sellers and small and medium-sized enterprises (SMEs) is becoming a significant driver in the digital economy and has been shown to improve SME performance in EMDEs (Owolabi (2024), Klapper et al (2025)). Hence, embedding financial services within platforms that underserved populations already use regularly offers a practical pathway to expanding access and, potentially, the use of financial services. It could also amplify welfare effects accruing to lower-income individuals from the use of big tech platforms (Brynjolfsson et al (2023)). Admittedly, these potential benefits are present if big techs participate in the financial services sector in general and are not specific to the open finance context.

57. **Big techs can initially empower consumers.** Big techs can offer customers convenience, speed and personalisation. Being able to access financial services in a familiar interface and integrated with other platform services improves convenience and the speed of delivery. Big techs can offer more personalised financial services by leveraging all the data available to them. As such, big techs' participation in open finance brings opportunities not only for improved customer experience but also for stronger consumer empowerment by providing customers with choices that better meet their needs.

58. **Big techs can foster competition, at least in the short term.** Big tech participation can stimulate competition in the short term by challenging incumbent financial institutions. The convenient, fast and personalised experiences that customers enjoy on big tech platforms raise their expectations about financial services providers. This puts pressure on incumbent players to modernise their infrastructure, make better use of data-driven services and improve service offerings to compete with big techs. In the context of open finance, this pushes incumbent players to aim for an active data and digitalisation strategy rather than just passive compliance with the data-sharing framework. Ultimately, enhanced competition between big tech firms and traditional players would bring benefits to consumers.

59. **In the medium term, however, big tech participation can take agency away from consumers.** Big techs are good at creating experiences that feel empowering. At the same time, there is risk that they consolidate control over customer data leading to a loss of privacy or consumer autonomy, and platform dependency. Platform dependency effects are already observable in some payments

markets, where device ecosystem integration and network effects create significant switching costs (CFPB (2023)). Combined use of behavioural and financial data could lead to predatory profiling, discriminatory pricing and manipulative nudging. This could result in reduced product choice for consumers and design practices that steer consumers towards commercially preferred outcomes without their full awareness. This would be exacerbated if consumer rights are not enforceable, pricing is not transparent, data portability is hard to execute, consent processes are unclear and redress mechanisms do not work.

60. **Big tech participation could ultimately lead to less competition and may incentivise anti-competitive behaviour.** The data, network, activities (DNA) feedback loop could lead to big techs dominating a market. It enables big techs to attract more users resulting in more data that can be used to offer additional and enhanced services and activities, which in turn attracts even more users (BIS (2019), Restoy (2021), Carstens et al (2021)). In the United States, for example, Apple and Google's control of mobile operating systems has given them structural advantages in payments markets, including through restrictions on third-party access to contactless payment infrastructure, enabling rapid gains in payment volumes (CFPB (2023)). A dominant platform can decide which financial products consumers see (gatekeeping) and promote its own products over others (self-preferencing). These risks are sharper in open finance. Where data-sharing is mandated, big techs can access data held by financial institutions, while the scale of their user bases and the insights from their own data may give them far more than they share in return, so reciprocity may be uneven in practice. Market power could also affect pricing dynamics, for example if introductory offers that build market share are followed by less favourable terms once consumers are dependent on the platform. Left unchecked by regulatory intervention, it could lead to one form of concentration (large incumbent players) being replaced with another (big tech platform concentration and dependency) (Croxson et al (2023)).

61. **Addressing competition issues arising from big tech participation can be done either ex post or ex ante.** Ex post solutions rely on monitoring changes in market structure and competitive dynamics. Appropriate regulatory interventions are then introduced if concentration or anti-competitive behaviour is observed. The ex ante approach establishes codes of conduct and preventative upfront rules for dominant digital platforms, such as those against self-preferencing and lock-ins. In open finance, ex ante tools could also include reciprocity requirements calibrated to the scale of a participant's user base and data holdings. Australia's digital competition regime, which advanced significantly following the Australian Competition and Consumer Commission's (ACCC) final Digital Platform Services Inquiry report of March 2025, is an example of the ex ante approach (ACCC (2025)).

62. **Financial authorities recognise the benefits and risks of big tech participation in open finance but do not view it as a prerequisite to achieving their policy objectives.** Responses from authorities for this paper acknowledge that big tech participation can be an important enabler particularly for the financial inclusion objective. Nevertheless, authorities note that similar outcomes may also be achievable through the active participation of large incumbent financial institutions and innovative fintech players, though the empirical evidence on the relative effectiveness of different models remains limited. While there is limited information on the participation of big techs in consented data-sharing arrangements, their participation in payments markets provides a good illustration of how authorities recognise the policy dilemma of trying to accelerate adoption while preventing market concentration. One example is the 30% cap that the National Payments Corporation of India (NPCI) set on any single third-party app's share of UPI transaction volume. The compliance deadline has been extended twice, most recently to December 2026 (Business Today (2024)). Both leading TPAPs continue to operate above the threshold (PhonePe at ~46% and Google Pay at ~33%), illustrating the practical difficulty of enforcing concentration limits once network effects have taken hold. Whether market caps are an effective and proportionate tool, and what other measures could address concentration arising from big techs' role in transaction initiation, warrant further examination.

Important policy outcome indicators relating to big techs

63. **Financial authorities emphasised the importance of consumer empowerment and concentration indicators.** Given the risks outlined earlier, authorities noted that where big techs participate in open finance, monitoring consumer adoption rates is not sufficient. It is also critical to monitor metrics that measure consumer empowerment and competition outcomes, particularly if these are the stated policy objectives. As mentioned above, however, such policy metrics are not the current focus given the early stage of implementation of many open finance frameworks. It is also acknowledged that in some cases – particularly when it comes to consumer empowerment – it may be challenging to isolate the specific impact of big tech participation.

64. **Consumer empowerment indicators can measure the impact of big tech participation on consumer autonomy or agency.** Such metrics should shed light on whether customers are able to make meaningful choices and act on it. These could include indicators of informed consent, frictionless revocation and the ability to switch financial services providers. Equally important are redress indicators, such as dispute volumes and time to resolution. Things like consent abandonment rate, click-to-consent ratio, revocation friction and revocation latency could be used carefully as they may provide mixed signals (eg less friction may improve user experience but may undermine informed consent) (CCAF/Fii and BIS (2026)).

65. **Market concentration indicators can monitor changes in market structure and competitive dynamics.** In the open finance context, relevant indicators include the share of active consents, API calls, successful payment initiations, wallet flows and credit originations held by each participant, as well as the number of TPPs that depend on a dominant platform. Brazil illustrates why such indicators matter. At least one big tech-owned payment initiator already ranks among the top 10 Pix initiators by volume, based on Pix transactions undertaken via open finance. This suggests that, in more advanced open finance ecosystems, the systematic collection of concentration indicators would already reveal material big tech market positions. Authorities would naturally be interested in measuring concentration at the overall market level. Here, measurement of markups or economic rent, as well as the use of common tools such as the Herfindahl-Hirschman Index would also be useful.

66. **Another dimension of competition outcome impacts consumers directly in terms of the pricing, variety and quality of product offerings.** Indicators can be designed to capture these elements but direct attribution of impact to big tech participation may be challenging. Competition outcome indicators of this type are, however, almost universally absent from existing open finance monitoring frameworks, making the gradual accumulation of data advantages and network effects by big tech participants structurally difficult to detect. Authorities could build competition monitoring into a more comprehensive performance measurement framework for open finance. A practical constraint, however, is that where big techs participate indirectly, the regulated entity may not hold the disaggregated data needed to report on big tech-specific market share, suggesting that data reporting obligations may need to extend to indirect participants.

67. **Monitoring policy outcome indicators should lead to policy actions.** In the case of consumer empowerment, deteriorating indicators could be addressed by requiring consumer visibility as to how their data are used, as well as having explicit and granular consent mechanisms with clear purpose limitations. It is also important to have clearly defined escalation channels and specific response timelines for dispute resolution. In the case of market concentration, financial authorities have already shown willingness to at least pause the entry of big techs in financial services that may pose competition risks. Experience in payments markets also shows the importance of appropriate timing in putting in place market caps, otherwise market disruption could result if network effects have already materialised. Putting in place such caps would have to be weighed against other policy objectives, such as expanding access to financial services. Other policy actions that have been considered include limits on the bundling of services or restrictions on the use of other data from big tech platforms (Restoy (2021)).

Section 6 – Conclusions

68. **Big tech participation can accelerate the development of open finance and significantly shape the outcomes over time.** Big tech firms bring large customer bases, established digital interfaces, technology capabilities, brand recognition and extensive data resources to open finance. At least in the short term, their participation can incentivise incumbent financial institutions to improve their digital capabilities, create new opportunities for fintechs and other smaller players and increase customer adoption. These effects can help open finance achieve objectives such as greater innovation, competition, financial inclusion and consumer empowerment. At the same time, the same characteristics that make big techs powerful catalysts for open finance – particularly their scale, network effects, control of customer interfaces and access to extensive non-financial data – can create new dependencies and reinforce their market power.

69. **Big tech participation can alter the incentives of other open finance participants, with both positive and negative consequences.** Competitive pressure from big techs can turn regulatory compliance into more meaningful participation by incumbent financial institutions, encouraging investments in APIs, data capabilities and improved customer services. Big tech platforms can also expand the overall market and provide distribution opportunities for fintechs, incentivising them to partner with big techs and/or specialise. Such partnerships are, however, unlikely to be concluded on equal terms given the significant disparity in market power between small data users and big tech platforms. This will likely reinforce rather than mitigate concentration risks. Big techs' role in user-facing services could expand over time, displacing smaller competitors and local fintechs. For consumers, familiar interfaces, convenience and personalised services can make participation in open finance more attractive. However, these benefits can come at the cost of reduced data privacy and agency. Consumers may not fully understand how their financial and non-financial data are combined and used.

70. **Prevailing approaches to reciprocity may be less well suited to addressing the informational asymmetries that big tech firms can create.** Existing frameworks generally apply reciprocity to financial data, ie open finance participants that access customer-permissioned financial data are expected to make comparable financial data available. For big tech firms, much of the value of open finance may come from combining financial data with behavioural, commercial, locational and other non-financial data accumulated through their core platforms. This value accrues to the big tech firm as a data user, whereas financial sector participants would not typically gain access to comparable non-financial data in return. Limiting reciprocity to financial data can therefore reinforce rather than reduce informational asymmetries.

71. **Expanding reciprocity to non-financial data in principle could help address this imbalance, but doing so raises practical, legal and jurisdictional challenges.** Since the underlying principle is that customers control the sharing of their data, a more customer-centric approach, where the scope of reciprocity is determined by what customers are willing to share, rather than by traditional sectoral boundaries, is worth considering. Determining the precise boundaries of such an obligation in practice, including whether inferred, processed or combined data fall within its scope, raises substantive legal and operational (including data security) challenges that would require careful regulatory design. For this reason, reciprocity alone may not prove to be a fully effective mitigation strategy. Competition regulation may offer complementary tools to address market power and data accumulation by big tech platforms. These tools merit closer examination.

72. **Liability arrangements need to reflect actual control over risks rather than regulatory status alone.** This is especially relevant where big tech firms participate indirectly. In such an arrangement, regulated entities may remain legally responsible for compliance and customer redress even though big tech platforms exercise substantial control over customer interfaces, data processing and operational systems. A risk-based approach that allocates responsibility according to the participant's role, data access and operational control could therefore better align liability with the actual sources of risk. At the same

time, consumer protection requires that customers are not left to determine which participant in a complex chain was ultimately responsible for a loss. First-line redress and final allocation of liability between participants may therefore need to be treated separately, with the latter supported by audit trails, contractual arrangements and appropriate risk-sharing or financial guarantee mechanisms.

73. **Advances in AI make this alignment between control and accountability even more important.** Big tech firms may simultaneously act as distribution platforms and providers of AI models used by regulated financial institutions. In that case, liability remains with the regulated institution while financial decisions may be heavily influenced by AI models, whose provider sits outside the financial regulatory perimeter. Agentic AI could pose a more fundamental challenge. AI agents acting directly for consumers could access financial information, compare products and execute transactions through open finance infrastructure without fitting neatly within existing concepts of TPPs, consent or customer-facing institutions. In practice, most such agents will be distributed through big tech platforms, preserving their interface control advantage within the ecosystem. Open finance frameworks therefore need to anticipate how increasingly autonomous AI systems, including those provided by big techs across both direct and indirect participation models, may alter the chains of consent and accountability on which existing liability arrangements are based.

74. **Big tech participation can play a significant role in advancing authorities' financial inclusion objectives, but it also poses risks to consumer empowerment and competition.** Integrating financial services into platforms that people regularly use can effectively expand access. However, evidence from EMDEs shows that access alone does not ensure meaningful financial inclusion, as account inactivity persists even where access has been substantially expanded. Consolidated control over customer data may lead to practices that harm the interests of consumers. These are exacerbated by the absence of consumer safeguards and digital and financial literacy. Big tech firms' inherent advantages can lead to platform concentration and dependency, resulting in less competition. Experiences in the payments market have shown that authorities are willing to intervene when needed to correct market dynamics, but these experiences also illustrate the practical challenges authorities face once network effects have become established. Big techs have so far engaged primarily through payments, meaning that some of the risks outlined in this paper remain largely prospective.

75. **It is important for financial authorities to track indicators relating to consumer empowerment and concentration in the presence of big techs, as well as pursue policy actions where necessary.** Scale and adoption of open finance should not be confused with success in terms of achieving certain policy objectives. Rapid adoption or rising transaction volumes may coexist with declining consumer agency, increasing concentration and platform dependency. Authorities therefore need to monitor indicators of informed consent, redress outcomes, as well as market shares (eg in terms of API calls, payment initiation, wallet flows and credit origination) and the degree to which other TPPs depend on dominant platforms. Consumer empowerment issues could be addressed by having clear, explicit and granular consent mechanisms, and clearly defined dispute resolution rules. Market concentration issues could be addressed by restrictions on big tech entry, such as market caps, or constraints on the use of non-financial platform data. These measures, however, need to be examined further for potential unintended consequences on policy objectives.

76. **The challenge for authorities is to capture the benefits that big techs can bring while ensuring that their participation does not undermine policy objectives.** This requires authorities to increasingly focus on economic function, control over data and customer relationships and emerging dependencies across the ecosystem. It also highlights the importance of considering incentives, liability and performance measurement together rather than in isolation. Incentive structures shape who participates and how market power develops. Liability arrangements determine whether responsibility follows actual control of risks. Performance measurement enables authorities to identify whether initially beneficial participation is ultimately supporting or undermining policy objectives. As open finance

ecosystems mature, these three conditions can provide financial authorities with a practical framework for periodically reassessing whether the rules governing big tech participation remain fit for purpose.

77. **The issues identified above highlight the need for close cooperation among different authorities – financial, competition, data protection and consumer protection – within and across jurisdictions.** Such cooperation matters because the entry of big tech platforms in financial services – whether domestically or across borders – have implications for financial regulation, data protection, competition and consumer protection, while authorities typically operate within specific mandates and jurisdictions. Domestically, this could take the form of a standing coordination forum or formal information-sharing arrangements. Across borders, for global big techs, it could build on supervisory colleges or similar forums, including regional networks. Big tech participation in open finance is still taking shape, and AI agents and platform-based finance are only beginning to scale, which makes this a constructive moment to develop these arrangements. Authorities that build cooperation early will be better placed to ensure that open finance continues to serve policy objectives and that its benefits are widely shared.

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