

E-BOOK

# Guide to Open Banking (PSD2)

*What you need to know*

This information applies to customers across UK and Ireland.



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# Your guide to Open Banking (PSD2)

This guide provides the essential information you need to prepare for the new legislation changes effecting Bank Feeds from 14 September 2019, designed to deliver faster access to information and create more innovation within the banking industry.







# What is Open Banking or PSD2?

Open Banking and the second Payments Services Directive (PSD2) are separate legislation changes that have been introduced in phases from 2018.

These changes have been designed to revolutionise the payments and banking sector by transforming the way you pay and access information.

This is great news for customers as it will bring you a whole host of benefits, including:

- Faster access to bank and payment information to support faster and better decision making.
- Improvements to customer rights in areas like complaints handling and currency conversion charges.
- Increasing competition among financial service providers, meaning lower cost of banking services for small business owners.
- Providing significantly better security when conducting transactions online or connecting to bank data (e.g. from accounting software).
- Enabling third-party access to account information and providing a framework for doing so.

# How might Open Banking (PSD2) impact my business?

Open Banking and PSD2 will make it easier for you to connect and manage your accounts with your banking or payment providers without compromising security.

You should also start to see the benefits mentioned earlier coming through the different banking and payments services you use.

For businesses that use Sage, Open Banking (PSD2) may impact the way you use bank feeds. Bank feeds are widely used by our customers because they reduce the need to manually enter data from your bank account into your accounting software, create rules to automatically reconcile transactions and even learn from how you categorise your accounts.

These changes will take place on 14 September 2019 and it's important you understand what you need to do next, if anything.







# How will my Sage Bank Feeds change?

There are three scenarios that depend on the bank you connect with and if their connection is ready for the changes.



1. **Your connection is Open Banking (PSD2) ready**



2. **Your connection isn't yet ready for Open Banking (PSD2) but your feed will continue to work until at least March 2020**



3. **Your connection isn't yet ready for Open Banking (PSD2) and your feed will stop working on 14 September 2019**

You can check which scenario applies to your bank using our simple tool on [www.sage.com/OpenBanking](https://www.sage.com/OpenBanking) or read on.

Find out more >



## *01. Your connection is Open Banking (PSD2) ready*

- Most banks that Sage customers connect to will be automatically moved onto new Open Banking (PSD2) connections on 14 September 2019.
- After this date, you may be prompted to re-enter your online banking details to re-authorise the connection between Sage and your bank.
- You'll be asked to re-enter your details every 90 days – helping to make sure your connection remains secure.
- We've got simple, step by step instructions and a short video on what you need to do. Just visit [www.sage.com/OpenBanking](https://www.sage.com/OpenBanking).



## *02. Your connection isn't yet ready for Open Banking (PSD2) but your feed will continue to work until at least March 2020*

- Some banks or account types that won't have new Open Banking (PSD2) connections ready in time for the change.
- The good news is – nothing will change right now. Your existing connection will continue to work until at least March 2020.
- In this time, we expect the majority of remaining banks to create Open Banking (PSD2) ready connections. When this happens, we'll automatically make the change for you. You can keep check on the latest status for your bank at [www.sage.com/OpenBanking](https://www.sage.com/OpenBanking).
- As we get closer to March 2020, if your bank isn't looking likely to have an Open Banking (PSD2) ready connection in time, we'll contact you.







### *03. Your connection isn't yet ready for Open Banking (PSD2) and your feed will stop working on 14 September 2019*

- A small number of banks or account types, including Irish banks and Irish bank accounts, won't have new Open Banking (PSD2) connections ready in time for the change.
- If your bank doesn't become Open Banking (PSD2) ready by 14 September 2019, your current Sage Bank Feeds will no longer operate.
- This means you'll need to manually import or enter bank statements into Sage.
- We're pushing banks to switch to Open Banking (PSD2) ready connections — and you can visit [www.sage.com/OpenBanking](https://www.sage.com/OpenBanking) to check on the latest status for your bank.



### Where can I find out more or get help?

Visit [www.sage.com/OpenBanking](https://www.sage.com/OpenBanking) and find more information about Open Banking (PSD2), helpful step-by-step support articles, videos, and how to contact us with any extra questions you might have.

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