

# The implementation plan for Phases III and IV Open Application Programming Interface

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) today (May 13) announced the implementation plan for Phases III (Account information) and IV (Transaction) of the [Open Application Programming Interface \(Open API\) framework](#).

Following the implementation of Phases I and II of the Open API framework in January and October 2019 respectively, the HKMA commissioned an external consultant to analyse and recommend the ways forward for the implementation of Phases III and IV, taking into consideration international practices and local market situation.

Based on the recommendations in the study report entitled "[The Next Phase of the Banking Open API Journey](#)", the HKMA has decided to adopt a progressive approach to implementing Phases III and IV API functions that enable viable use cases, involving lower implementation cost and risk. The initial batch of API functions, covering deposit account information and online merchant payments, are expected to be implemented progressively by the 28 participating banks starting from December 2021 according to the timetable specified in the [Annex](#). To promote secure and efficient implementation, the HKMA will facilitate the Hong Kong Association of Banks (HKAB) to develop a set of standards covering key areas of customer experience and authentication, technical and data standards, information security, and operation standards. The HKAB will also refine the current Common Baseline document to include the scope of Open API Phases III and IV implementation. Both the standards set and the refined Common Baseline document are expected to be published by the end of 2021.

The HKMA will continue to monitor the implementation progress, assess the market developments, and further consider the need for other measures to maximise the benefits of Open APIs.

"As we prepare to enter the next phase of the banking Open API journey, we would endeavour to develop an implementation plan to encourage Open API adoption within the banking industry by striking a good balance between ensuring proper risk management and satisfying unmet customer needs. The HKMA will continue to facilitate the strengthening of trust across all banking Open API participants and promote a healthy ecosystem conducive to financial innovation," the Deputy Chief Executive of the HKMA, Mr Howard Lee, said.