

Open Banking Slipsheet

October 2025



Open Banking in a Nutshell

What
A framework for banks to share financial data (with consent) with licensed third parties via standard APIs to enable financial services.

Why
Empowers customers with the control of their data, drives product and service innovation, deepens financial inclusion and efficiency

Who
Financial services institutions (banks, OFIs, MFBs), fintechs / third party providers (TPP), Central Bank of Nigeria (CBN)

How
Through APIs published on an accessible and centralised developer portal, complete with detailed API documentation and a sandbox environment for testing and integration.

Open Banking in Nigeria

With a view to enhance financial inclusion, improve competition in the financial services space and promote efficient services, the CBN issued the regulatory framework and operational guidelines for Open Banking in Nigeria, which sets out the rules under which the sharing of financial data will happen.

The Framework

Objectives includes:

- To promote Innovation
- To broaden the range of financial products and services
- Deepen financial inclusion

It also establishes principles for data sharing across the Banking and payment ecosystem, Data and Application Programming Interface (API) access requirements, principles for API, Data, technical designs and information security specifications.

Encouraging ecosystem partnership and collaboration with clarity on data sharing and liability

Operational Guideline

Designed to provide guidance and practical instructions to participants on how Open banking should be implemented.

Its coverage include the following:

- technology & API Standards
- security Standards
- consent Management
- customer Experience & Contextual Use Cases
- processes & Operations.
- risk management

Ensuring technical consistency across platforms through standardised APIs in line with the regulatory requirements

Guiding Principles for API Specifications

<p>Openness Accessible to all interested and permissioned parties</p>	<p>Reusability Premised on existing standards and taxonomy of technology</p>	<p>Interoperability Premised on existing standards and taxonomy of technology</p>	<p>Modularity Loose coupling with provision for flexible integration</p>	<p>Robustness Scalable, improvable, evolvable and transparent</p>	<p>User-centric Scalable, improvable, evolvable and transparent</p>	<p>Security Ensures data privacy and safe exchanges and transactions</p>
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Open Banking Operational Guidelines

CBN's operational guidelines highlight the following areas for banks (or participants) to ensure readiness and compliance.

<p>Business & Monetisation Models</p> <ul style="list-style-type: none"> Service enablement and embedded finance API monetisation strategy 	<p>Cybersecurity & Risk Management</p> <ul style="list-style-type: none"> Encryption, access controls, and monitoring Incident response and breach reporting Risk classification by data sensitivity 	<p>Technology & API Infrastructure</p> <ul style="list-style-type: none"> Standardised APIs (REST, JSON, ISO 20022) Secure API gateways and monitoring Sandbox environments mandated
<p>Regulatory Compliance & Governance</p> <ul style="list-style-type: none"> Registration with CBN's Open Banking Registry (OBR) Comply with AML/CFT and reporting Oversight, enforcement, and audits by CBN 	<p>Data Governance & Privacy</p> <ul style="list-style-type: none"> The customer owns the data; consent is mandatory Must comply with NDPA Audit trails and data lifecycle policies required 	<p>Operational Resilience</p> <ul style="list-style-type: none"> Ensure continuity, failover, and resilience Real-time monitoring and performance KPIs Infrastructure stress-testing
<p>Partnerships & Third-Party Management</p> <ul style="list-style-type: none"> SLAs, Data Sharing Agreements (DSAs), and liability terms Clear definitions for API providers/consumers Fintech collaboration frameworks and governance 	<p>Customer Experience & Consent</p> <ul style="list-style-type: none"> Explicit, auditable consent processes Revocable, user-friendly designs Transparent data use practices 	

• Roles and Responsibilities of Participants

Central Bank of Nigeria (CBN)

- Facilitation of the development of common banking industry API Standards.
- Enforces compliance and security standards.
- Enforcement of the framework, among others.

API Consumers (AC)

- A consumer is a participant that uses API released by the providers to access data or service.
- API users are required to execute a Data Access Agreement and Service Level Agreement with the provider.
- Ensure an annual re-validation of the Data Access Agreement and Service Level Agreement.
- Comply with data privacy laws and all consumer protection regulations, among others.

Developer Community

- Individuals and entities that develop APIs for participants based on requirements.
- Advocate for adoption through hackathons, forums, and use-case demonstrations.
- Employ secure coding and development standards and practices among others.

API Providers (AP)

- A provider is a participant that uses API to avail data or service to another participant.
- Required to define the data and services accessible through the APIs
- Establish Data Access Agreement and Service Level Agreements with other participants
- Carry out Know Your Partner (KYP) due diligence on partner participants before executing said agreements; among others

Fintechs/Others

- Organisations that offer cutting-edge financial services, products, and solutions.
- It must be ensured that it uses API to create innovative, interoperable products and solutions.
- Avoid making changes to APIs provided by providers without their permission.

Open Banking Registry

- Operates the registry, verifying entities and ensuring secure, transparent registration.
- Maintenance of Open Banking Registry.

• Value Proposition

While compliance with the CBN's mandate is a key driver, open banking offers real, strategic business value to organisations beyond just regulatory obligation.

Business

Retail



- Customer-Centric Innovation:** Enable hyper-personalized financial products (e.g., tailored loans, budgeting tools) driven by real-time financial data from Open Banking APIs.
- New Revenue Streams:** Monetise premium APIs and partner integrations via pay-per-use models, freemium tiers, and affiliate commissions.
- Improved Customer Acquisition & Retention:** Leverage embedded finance and third-party fintech ecosystems to reach underserved or digital-first customers.

Corporate



- Embedded B2B Services:** Enable SMEs and corporates to integrate banking services (e.g., treasury) directly into their ERP or apps.
- Open Ecosystem Play:** Build marketplaces for third-party business tools (accounting, payments, lending) and monetise via commissions or platform fees
- Faster Credit Decisioning:** Use aggregated financial data and alternative credit scores to reduce turnaround time for SME lending.

Information Technology

Core IT Operations



- Increased Interoperability and Ecosystem Participation** by leveraging common API standards, allowing organisations to innovate faster.
- Enhance Customer Lifetime Value** by leveraging deep transaction insights to deliver personalised and context-aware financial products and services.
- Accelerate Product Innovation** by empowering internal and third-party developers with a modular infrastructure to rapidly build, test, and deploy innovative financial products.
- Simplify partner onboarding** by using consistent API standards and pre-defined data access models.

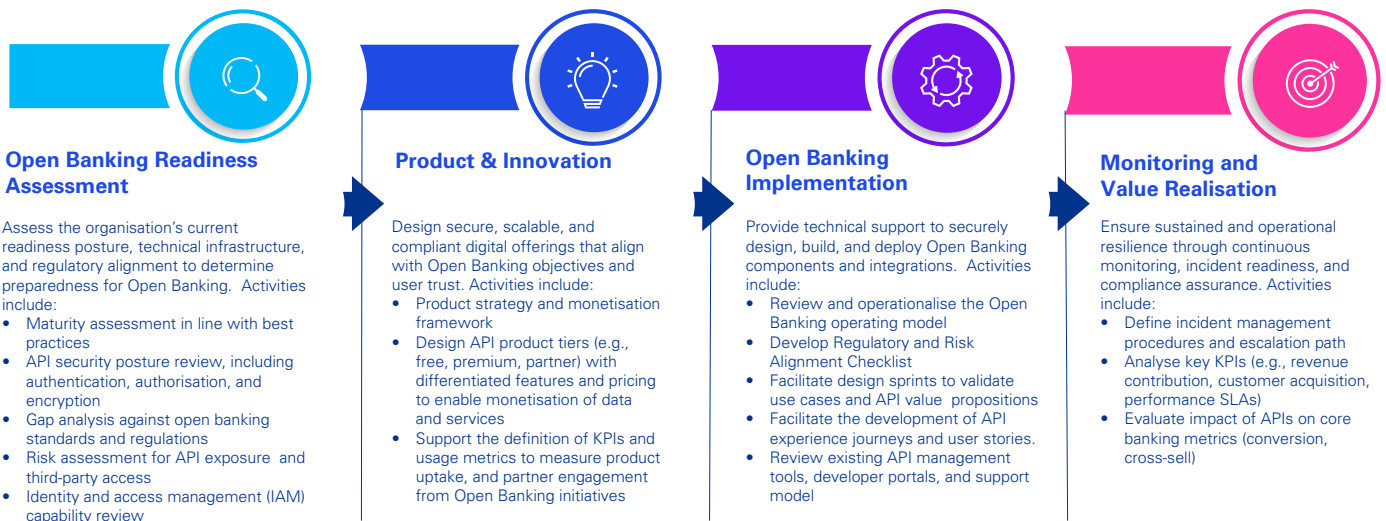
Cyber



- Secure-by-Design API Frameworks:** Implement API security best practices, rate limiting, OAuth2.0, mutual TLS, to ensure confidentiality and integrity.
- Regulatory Compliance:** Embed privacy, consent management, and data-sharing controls aligned with NDPA and Open Banking regulations.
- Zero Trust & Identity-Centric Security:** Enforce fine-grained access control, strong customer authentication (SCA), and secure identity federation.

• Journey to Open Banking – How KPMG can assist

To support the secure and resilient implementation of Open Banking, KPMG supports its clients across the following phases of the journey:



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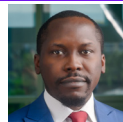
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