



# Comparison of the use of EBICS and API technology for Open Banking solutions

- Concerning the comparison there is actually **no either - or**, but rather the question of (corporate) customer's needs and requirements
- The advantage of EBICS is that it is one unique (**multibank-capable**) and open communication **standard (i.e. open source)**, while there are a variety of API solutions with different objectives and focuses - therefore the barrier to entry to the API market is likely to be higher due to the diversity of APIs.
- For the time being API solutions will not become a competitor to EBICS in the typical EBICS application areas, whose **monolithic design** is of great advantage here.
- EBICS provides a secure direct communication link between the bank and its corporate client - **standard business transactions and formats** are easy to support and supplement (contracts are easy to extend)
- In addition, it is also easy to integrate **bilateral/individual use cases** via EBICS because of its format independence and independence of business transactions.
- Specific API solutions rather serve more as a supplement for corporate customer requirements that cannot be served so well via EBICS. However, with the concept based on web socket technology, there is the possibility to **cover certain real-time requirements**.
- The **Electronic Distributed Signature (EDS)** represents a high added value with EBICS. Here, a payment order "waits" for complete authorisation in the bank system. The required signatures can be completed by the (different) authorised persons regardless of location and time. This does not yet offer an API solution.
- A technical advantage of EBICS compared to API solutions is the fact that the activity in the **communication is always initiated by the corporate customer**. Many companies want precisely this architecture for **security reasons**. Additionally the web socket solutions are also supportive in order to make corporate customers aware of available data on the EBICS system.