

# Helsinki Fintech

2020

## Guide

HOW TO INTERACT WITH  
**FINNISH BANKS?**

**OLLI REHN**

EUROPE'S FINTECH FUTURE  
BRIGHT DESPITE PANDEMIC CHALLENGE

**OPEN**

**BANKING**  
INSIGHTS





# FINTECH FARM

Fintech Farm is an independent financial technology hub and a digital finance service company connecting banks and other entities with fintech companies. Fintech Farm provides innovation, knowledge, acceleration, matchmaking, and training services for the financial industry. Fintech Farm is a part of HUB13 Ltd. and has built a vibrant community of over 100 financial industry organizations within the last 4 years.

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## CONTENTS

- 05 THE FINNISH FINTECH LANDSCAPE
- 07 TOP 20 FINNISH FINTECHS IN 2020
- 11 OPEN BANKING INSIGHT: ACCOUNT AGGREGATION PLATFORM COMPARISON
- 15 HOMEBUYING GETS A BLOCKCHAIN MAKEOVER
- 19 REHN: EUROPE'S FINTECH FUTURE BRIGHT DESPITE PANDEMIC CHALLENGE
- 23 HOW TO INTERACT WITH FINNISH BANKS?
- 29 WHAT HAPPENED IN FINNISH FINTECH SINCE THE LAST GUIDE?
- 31 VALUE THROUGH PARTNERSHIPS
- 33 FINLAND'S MOST REVOLUTIONARY FINTECH: CLOUDASSET
- 37 OUR GLOBAL NETWORK
- 39 'NETFLIX FOR MOBILITY': HOW A FINNISH MOVEMENT WANTS TO CHANGE THE WAY WE GET AROUND
- 43 HIGHLIGHTING THE DEVELOPMENT OF PAYMENTS



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# STORMY IN FINTECHLAND

Text: Janne Salminen

A year ago, we published the first Helsinki Fintech Guide to provide the industry a guidebook to the Finnish fintech landscape. The reception was great, and it did gain some long-needed visibility to the industry, not only in Finland but all over the world.

In general, 2019 was a year of success. Finnish startups gained most VC investments per capita in the entire EU, where fintech played a major role. Big individual investments, such as AlphaSense's and ePassis's +40 M€ rounds together with a whole lot of smaller rounds summed up into a total 150 M€ in 2019, which is more than one-third of the total fintech investments ever in Finland.

Collaboration, which is one of the strengths in Finland, also took significant steps forwards, particularly in the field of public-private partnerships and data economy.

For 2020, everything was well-positioned and Finland finished a world happiness hat trick, but then everything changed. COVID-19 struck every single industry and made companies rethink their strategies, values, and budgets. For fintech companies, this meant frozen investments and massive hindrances in new partnerships.

The thing is, that digital finance will be a winner in a pandemic like this. It is only the first shock that slows down business, whether it makes any sense or not. While a traditional bank may be struggling to keep up with its everyday operations during a crisis, a new age bank has been like a fish in the water, truly showing what agility and resilience is.

As we get back to normal, without a doubt, digitality and scalability will be higher priorities in every company, and we have already seen several digital leaps due to the coronavirus.

At Fintech Farm, we were also well-positioned for the year with several new partnerships and services to launch. The pandemic has been a challenge, but we will push through. As the cancellation of Slush this year in Helsinki has been a big loss for startups, we will host a replacing, finance and fintech specific gathering - Nordic Fintech Summit in November.

In this publication, we will introduce you to the key players, figures and events in the Finnish fintech landscape. We hope you find them useful.

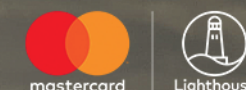
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Lighthouse Program is Mastercard's platform for building partnerships with leading fintech companies. The program brings together fintechs, investors, advisors and Nordic & Baltic banks to scale innovative ideas. This is the right opportunity to grow your business through collaborations with Mastercard and major banks.

“The opportunity to meet with advisors, start-up's, prospect customers and a handful of global connections in a one on one environment makes the success and long-term benefits of the program a real possibility- that in the end is up to you to grab a hold of.”

Monika Liikamaa  
Co-Founder and Chair



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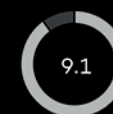
Numbers from  
past programs



Partnership rate

€32M

Raised by startups during  
or after Lighthouse



Program Quality  
Score

55

Lighthouse alumni  
companies

370k

Lighthouse media  
impressions

“The Lighthouse MASSIV has provided us momentum to explore partnerships with Mastercard and others. We believe the program will in the future be the benchmark for how Nordic Fintech startups communicate their positive impact on the society and the planet.”

Jari Ala-Ruona  
Founder and CEO



Lighthouse MASSIV uses open problem solving and collaborative development to bring solutions to market that tackle the UN's Sustainable Development Goals. Together startups and corporates have a chance to move rapidly from concept to market. This is a perfect program for those interested in using technology for social impact.



# THE FINNISH FINTECH LANDSCAPE

Statistics: Fintech Farm ©



Always up-to-date statistics available at  
[www.helsinkifintech.fi/fintech-landscape/](http://www.helsinkifintech.fi/fintech-landscape/)

We have divided the landscape into 12 categories where:

- 1. APIs & Platforms** has 19 companies, with a revenue of around 160 M€. Five companies within this sector have received funding and two companies are regulated by the Finnish FSA.
- 2. Blockchain** sector has 4 companies, generating a revenue of 1.7 M€ in 2018.
- 3. Cryptocurrencies** has 7 companies, generating a revenue of 28.5 M€. One company is regulated and one company has received outside funding.
- 4. Customer Service & Acquisition** has 10 companies generating a revenue of 20.9 M€. One company within this sector is regulated by the Finnish FSA and one company has raised funding.
- 5. Data & Analytics** has 14 companies, generating revenue of 12 M€. Three companies within the sector have received funding and one is regulated.
- 6. Financial Software** is the largest sector with 37 companies. The companies generate a total revenue of over 290 M€. None of the companies are regulated. Seven companies have received external funding.
- 7. Financing** has 27 companies generating revenues up to 364 M€. 10 companies are being regulated and 7 have received funding.
- 8. Insurtech** has 3 companies out of which one is regulated. They generate a revenue of 4.2 M€.
- 9. Investing** category has 12 companies generating a revenue of 5 M€. One of the companies has a license and another one has applied for one.
- 10. Payments** is the second-largest category with 32 companies. They generate a revenue of 218 M€. 11 companies are regulated and 9 have received funding.
- 11. Security & Compliance** has 12 companies generating a revenue of 2.7 M€. None of the companies are licensed. Two companies have received external funding. Majority of the companies have been founded after 2014.
- 12. Wealth Management** has 9 companies generating a revenue of 11.4 M€. The companies are not regulated. One company has received funding.

## Key Figures

**190+**  
fintech companies

**1 120 M€**  
in revenue

**+7 380**  
employed

**445 M€**  
in funding

Please note all revenue figures are from 2018, license status checked June 2020.



# Top 20

## Finnish fintechs in 2020

Statistics: Fintech Farm ©

The amount of fintech companies in Finland has steadily grown throughout the past year. Today, we have around 190 fintech companies delivering solutions that range from sustainability calculators to helping SMEs secure funding and more. Out of the currently active companies, 50% have been founded in 2014 or after. The ecosystem is continuously evolving and out of the companies featured last year, for example, Poplatek was sold to Nets, Eone Oy to Speqta and Futusome to Mohawk Analytics. Some companies, such as Klever App ended up ending operations.

Out of the 143 companies in our database that reported revenues in 2018, 45% reported profits. The amount is lower than in the previous year, as many of the companies have been in the midst of large-scale development projects that allow them to develop their products further. Therefore, we expect to see them turn more profitable in the coming years and this is part of the normal growth cycle for early-stage companies. It should be noted that the 2020 revenue figures are expected to fall due to COVID-19, so once we are able to report the 2019 figures, they will not represent the current situation and

the impact of the current reality is fully expected to be visible in a few years' time. Financial software, financing and payments companies bring currently the largest revenues out of all the categories. There is clear growth in APIs & platforms and we expect to see more companies succeed in this area in the coming years. Blockchain companies are still relatively uncommon in Finland but through initiatives like DIAS, we expect growth in this area.

As of May 2020, 72% of the fintechs employed 20 or less people, with only a handful of companies employing over 300 people. The numbers employed by fintech companies in Finland are growing and currently, 14% of the companies employ 50+ people.

Fundingwise, 2019 was a successful year for fintech in Finland, as one third of all investments were completed during last year. Majority of this funding was secured by AlphaSense and ePassi that both secured investments worth over 40 M€. Out of the sectors, data & analytics secured a majority of the funding (mainly due to the success of AlphaSense). Other

areas that have attracted funding are financing, APIs & platforms and payments. Overall, we do see an increase in gathered funding for Finnish fintech companies, which shows that the ecosystem has matured slightly and receives more attraction internationally. That noted – most of the companies are still non-funded.

Overall, Ferratum kept its place as Finland's largest fintech company with Basware and Samlink following nearby while Enfuze is currently the largest company in the startup category. Since the revenue figures reported here are still the figures from 2018, we are interested to soon see, has there been changes in the top three.

### Top 20 companies

Company	Founded	Revenue (k€)	Profit (k€)	Funding (k€)
Ferratum	2005	262 148	37 799	48 000
Basware	1985	141 417	-15 052	8 200
Samlink	1994	103 100	10 500	
UKKO.fi	2012	84 974	1 380	
ePassi	2007	63 207	1 688	41 500
Saldo Finance	2010	44 938	19 936	
Finago	1990	39 884	189	
Crosskey	2004	32 945	1 491	
Mash	2007	28 900	8 600	63 100
Profit Software	1992	24 676	2 066	
OpusCapita	1984	24 104	690	
LocalBitcoins	2012	23 897	13 863	
Blue Finance	2011	20 030	11 446	40 000
Fellow Finance	2013	11 959	3 357	10 000
Eone	2001	11 950	1 384	
Administer	1985	11 082	290	5 000
Lemonsoft	2006	9 484	1 912	
LVS Brokers	2012	8 922	-112	
Smartum	2006	8 826	340	
Privanet	2000	8 292	-3382	4 988





## Top 20 startups (Founded since 2014)

Company	Founded	Revenue (K€)	Profit (K€)	Funding (K€)
Enfuce	2016	4 136	-233	5 000
Voima Gold	2017	1 568	-1 169	3 200
Tomorrow Tech	2016	1 391	431	
Silo.AI	2017	1 230	-564	10 000
Streamr	2014	1 188	265	26 000
Cloudasset	2014	1 143	336	
UB Rahoitus	2015	1 117	-271	
Privaon	2014	1 104	72	
Siltaraha	2016	1 055	32	
Fennoa	2014	659	44	
GetJenny	2016	548	-94	2 000
VertaaEnsin.fi	2015	474	-1 258	
Empirica	2015	349	-83	
SkenarioLabs	2015	288	-78	
Lumoame	2016	246	-176	
Renance	2015	210	-7	
Zapflow	2015	197	-140	700
Avalo	2015	173	-8	
Aibidia	2014	166	3	
Groundfunding	2015	150	-78	

## Why Finland?

1<sup>st</sup>Safest  
country in  
the world1<sup>st</sup>Happiest  
Country in the  
World1<sup>st</sup>Soundest  
banks in  
the world1<sup>st</sup>Best  
governance  
in the worldACHIEVE YOUR GOALS WITH  
FINLAND'S DIGITAL STRENGTHS

World-class technology, a talented workforce, excellent R&D opportunities, great place for you to live – these are just a few of the reasons to establish operations in Finland.

## ENABLING THE FINTECH TRANSFORMATION

Finnish fintech companies create new solutions for the ongoing transformation of banking and financial services. Finland's strengths include cybersecurity, mobile E2E solutions, open-source software, user experience and artificial intelligence. The launch of the Second Payment Services Directive (PSD2) within banking services in Europe and open banking have boosted the number of innovative Finnish fintech companies.

Foreign companies can harness Finland's fintech ecosystem for research, development and innovation activities. Our companies also have customers that are early adopters of new fintech solutions in their business.

## DID YOU KNOW

WHY FINLAND IS THE PERFECT SPOT FOR DIGITAL TRUST RELATED BUSINESS?

1<sup>st</sup>digital  
competitiveness  
in the EU1<sup>st</sup>availability of  
latest  
technologies1<sup>st</sup>mobile  
app  
creation2<sup>nd</sup>quality of  
math and  
science  
education1<sup>st</sup>in the EU to develop an official artificial  
intelligence strategy, and the government is  
committed to turning Finland into  
the leading country in the application of AI

## CONTACT US

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[www.businessfinland.fi/en/do-business-with-finland/explore-finland/ict-digitalization/digital-trust/](http://www.businessfinland.fi/en/do-business-with-finland/explore-finland/ict-digitalization/digital-trust/)

Interested in developing or using Digital Trust solutions in business operations? Check out the funding and internationalization services of the Digital Trust Finland program.

[www.businessfinland.fi/en/for-finnish-customers/services/programs/digital-trust-finland/](http://www.businessfinland.fi/en/for-finnish-customers/services/programs/digital-trust-finland/)

1. Digital Economy and Society Index 2019  
2. WEF Global Competitiveness Report 2017–2018  
3. Global Innovation Index 2019

BUSINESS  
FINLAND

1. The Fund for Peace, Fragile States Index  
2. Sustainable Development Solutions Network, World Happiness Report  
3. World Economic Forum, The Global Competitiveness Report  
4. Legatum Institute, The Legatum Prosperity Index



# OPEN BANKING INSIGHT:

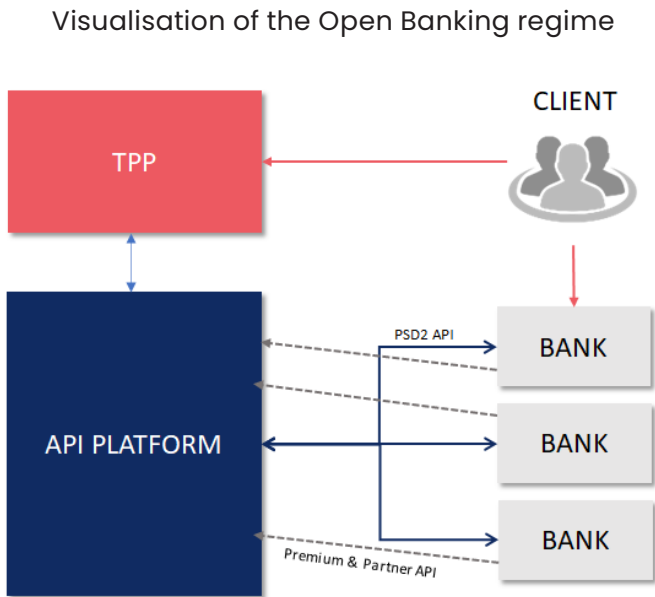
## ACCOUNT AGGREGATION PLATFORM COMPARISON

By: Fintech Farm

As the PSD2 deadline for banks to open up their APIs for Third Party Providers approached, it created a fertile breeding ground for account aggregation platforms. Account aggregation platforms, in their simplest form, are tools that connect to multiple banks through one API. These APIs are the heart of the whole open banking regime.

However, Open Banking is much more than just PSD2 APIs and many of the platforms offer premium services like data enrichment services and beyond mandatory APIs and data.

This is a summary of our Open Banking Insight, that takes a deep dive into the API platforms that connect to banks in Europe, especially in the Nordics and offer TPPs (Third Party Providers) a one-stop-shop with access to multiple financial institutions.



In this study, we compared the companies across 11 categories that we identified as important for the buyer looking for a platform: Technology, Products, Services, Connected Banks, Compliance, License as a Service, Data Ownership, Partner / Premium API, Enriching Data, Deployment Time and Pricing. The companies included in this study are: Crosskey, Enable Banking, Enfuze, Klarna, Neonomics, Nets, Nordic API Gateway, Tink and Token.

### Functional Capabilities: Overview of all compared functionalities

Functionality	Crosskey	Enable Banking	Enfuze	Klarna	Neonomics	Nets	Nordic API Gateway	Tink	Token
Technology	✓	✓	✓	✓	✓	✓	✓	✓	✓
Products	—	—	✓	✓	—	✓	✓	—	✓
Services	✓	—	✓	✓	✓	—	—	—	✓
Connected Banks	—	—	—	✓	✓	—	—	✓	✓
Compliance	—	—	✓	✓	—	✓	✓	✓	✓
License as a Service	✗	✗	✓	✓	✓	—	✓	✓	✓
Data Ownership	✓	✓	✓	✓	✓	✓	✓	✓	✓
Partner / Premium API	✓	—	—	—	✓	✓	—	✗	—
Enriching Data	✓	✗	✗	—	—	✓	—	—	—
Deployment Time	✓	—	✓	—	✓	✓	✓	✓	✓
Pricing	✗	✗	—	—	—	—	✓	✓	—

✓ Implemented

— On Roadmap / not all functions

✗ Not available

No company received a tick on all categories, showing that the platforms have chosen to focus on certain categories over others. Overall, Klarna, Neonomics, Tink and Token have the most functionalities available. However, it should be noted that Token's presence in the Nordic countries is limited compared to the rest of the compared companies.

Compliance and Security

Functionality: Security & Compliance	Crosskey	Enable Banking	Enfuze	Klarna	Neonomics	Nets	Nordic API Gateway	Tink	Token
PCI DSS compliant	✓		✓	✓	—	✓			
GDPR compliant	✓	✓	✓	✓	✓	✓	✓	✓	✓
FSA license	✗	PISP (Applied (Finland))	PISP (Finland)	Banking License (Sweden)	PISP (Norway)	PISP (Denmark)	PISP (Denmark)	PISP (Sweden)	PISP (UK)
License as a service	✗	✗	✓	✓	✓	—	✓	✓	✓

All open banking providers have to comply with data protection rules. In addition to the key security measures, some companies are also Payment Card Industry Data Security Standard compliant, meaning they maintain a secure environment for all card information.

Most of the companies hold a PISP or banking license, and they aim to offer license as a service for Third Party Providers without their own license.

**Conclusions:** During the course of the study it became apparent that none of the platforms are alike and each has its own special features. The areas with the most similarities are technology and data ownership, while there is variance in all other categories. Klarna and Token have the largest amounts of connected banks globally while the others are more regionally focused in the Nordics. Here, especially Nordic API Gateway and Tink have had success in collaborating with Nordic financial institutions, but newcomers such as Enfuze are starting to achieve recognition for their technology.

Crosskey, Neonomics and Nets are currently the only ones with real cases utilizing Premium APIs. We expect to see further development in this sector in the coming years. Enriching Data is another sector, where there is variance between the platforms but growth is expected due to the benefits for the end consumer.

Read the full insight with full details and more conclusions at:  
[www.helsinkifintech.fi/guide/open-banking-insight/](http://www.helsinkifintech.fi/guide/open-banking-insight/)

Products

Functionality: Product	Crosskey	Enable Banking	Enfuze	Klarna	Neonomics	Nets	Nordic API Gateway	Tink	Token
Consumer Account information service	✓	✓	✓	✓	✓	✓	✓	✓	✓
Consumer Payment initiation service	✓	✓	✓	✓	✓	✓	✓	✓	✓
Consumer Confirmation of funds	✓	—	✓	✓	—	✓	✓	✓	✓
Corporate Account information service	✓	✓	✓	✓	—	✓	✓	✗	✓
Corporate Payment initiation service	✓	✓	✓	✓	—	✓	✓	✗	✓
Corporate Confirmation of funds	—	—	✓	✓	—	✓	✓	✗	✓

All companies studied provided consumer account information and payment initiation services. Enfuze, Klarna, Nets, Nordic API Gateway and Token had the widest product functionalities covering both consumer and corporate side services. Tink on the other hand focuses only on consumer information.

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# HOME BUYING GETS A BLOCKCHAIN MAKEOVER

Text: James Etheridge



**Sami Honkonen**  
is the CEO of Tomorrow Tech and  
Digitaalinen asuntokauppa DIAS Oy.

It is not often that we hear ‘blockchain’ and ‘success story’ mentioned in the same breath. Since emerging ten years ago with a promise of shaking up the internet and financial world, the digital ledger technology has so far struggled to find a purpose beyond virtual currencies like Bitcoin. Breakthrough commercial applications remain few and far between.

But one initiative in Finland’s real estate sector is giving blockchain’s supporters reason to cheer. Launched last summer, DIAS, a digital trading platform built on a form of enterprise blockchain technology, is changing the way people buy and sell homes, turning a process laden with paperwork into one as easy as transacting in a company’s stock.

The brainchild of Helsinki-based software company Tomorrow Tech, and developed together with Finland’s major banks, DIAS is quickly building a reputation as a time and money saver.

“Our goal is for you to be able to execute a real estate transaction in a matter of minutes,” says Sami Honkonen, DIAS’s chief



executive. “We want to automate the whole process.”

After handling its first sale – of a property in the town of Tuusula – last June, DIAS says that it is now processing trades worth “tens of millions of euros” a week.

Deals are executed electronically on a decentralized digital ledger where all parties can easily track their progress.

Once the contracts are digitally signed, a chain of events is set in motion: the bank transfers funds to the seller, the estate

agent receives their fees, and ownership records are updated in the Finnish land registry. Finally, the taxman collects its dues. “If you’re buying a home, you can still finalize everything over a cup of coffee or a

glass of champagne with your agent,” Honkonen explains, “but instead of signing physical paper documents, everyone now pushes buttons on their smartphones. Doing things digitally means you can also handle everything securely from your own sofa.”

Presently, almost half of trades occur in the evening as customers take advantage of the ability to trade remotely. That partly

“  
it took us twenty  
or thirty meetings  
to get them on  
board with our  
idea.”

reflects the need for social distancing amid the COVID-19 outbreak. People also simply like the convenience.

**Buying a home can be a toilsome affair.**

From the point of agreeing a price with the seller, the process can run for several months, testing the nerves of even the most patient dealmaker. Inspections must be performed, house papers examined and a mortgage approved.

In some cases, the paperwork may have errors or be out of date. Records detailing the work repairs on a property, for example, are usually passed around in PDF format. By closing, they may be three months old and missing information about any recent work carried out. That can delay proceedings.

Honkonen believes much of the homebuying process can be streamlined and sped up.

Placing everything on an incorruptible ledger reduces mistakes. There are fewer

back-and-forths between all the parties. Nor is there a need to store documents in a physical vault below the bank. All that could significantly reduce costs for banks and estate agents.

“When we started to engage the banks, they were of course already studying blockchain and seeing how they could use it in their business. They were receptive,” Honkonen says. “Still, it took us twenty or thirty meetings to get them on board with our idea. We were a three-person company.”

In late 2018, DIAS formed a joint venture with some of its banking partners, with OP, Nordea, Danske and Aktia each taking a minority shareholding. Bolstered by new funds, development of the platform accelerated. Then followed a mock transaction. Before long, DIAS was open for business.

Today, the company has almost complete coverage of Finnish mortgage market. The vast majority of the country’s estate

agents – more than 3,000 in all – are also equipped to use the platform.

**Next up is a possible move into the commercial property market.**

“One of the hardest things has been building the platform.

Getting through the security and compliance requirements that eight banks have, that was the difficult part,” says Honkonen. “But implementing new processes is much simpler when you have a platform that’s already secure and compliant.”

DIAS is also exploring whether it could expand outside of Finland, though Honkonen is mindful of the challenges involved.

“The real estate business is broadly similar between countries,” he says. “However, once you get into how the processes are actually implemented, you see they differ greatly from one country to the next. So it’s not necessarily a case of flicking a switch and scaling from one market to another.”

“We’ll see how this plays out.”

“

Implementing new processes is much simpler when you have a platform that’s already secure and compliant.





## REHN: EUROPE'S FINTECH FUTURE BRIGHT DESPITE PANDEMIC CHALLENGE

Text: James Etheridge

**In every downturn, there will be a few winners.**

**C**ould fintech be one this time? Olli Rehn, governor of the Bank of Finland and former EU economy commissioner, thinks so.

Faced with a dramatic slump in consumer spending and tightening funding conditions as the coronavirus pandemic takes its toll on the global economy, many of Europe's crop of young fintech companies will be enduring their toughest test yet.

But the crisis is also catalyzing a welcome change: amid the lockdown, people are increasingly taking to digital services to buy, sell, borrow and lend.

For Rehn, there is a sense that



Olli Rehn  
Photographer: Karoliina Vuorenmäki  
© Suomen Pankki

**“**Innovations in the financial sector are an important part of the toolkit to overcome the crisis

if fintechs can weather the storm, they will emerge to find more opportunities than before.

“The pandemic has hit the economy hard, and all industries will face challenges in the near future,” he tells Fintech Farm. “At the same time, digitalization has taken a big leap forward as work and all kinds of transactions take place more and more remotely. This will have a lasting impact on the development of working life and consumer behavior.”

For many Europeans, adapting to life in lockdown has meant taking a crash course in Zoom video conferencing software and filling online grocery baskets. But, Rehn notes, the tumult has also brought into sharper view the benefits and necessity of an array of fintech services, such as digital banking, payment systems and crowdfunding platforms.

“Innovations in the financial sector are an important part of the toolkit to overcome the crisis,” he says.

A big part of Europe's fintech success is down to forward-thinking regulation that can accommodate new types of financial services. In Rehn's view, supervision has been working well.

“We have a very well-developed payment infrastructure in Europe, which enables real-time payments across the continent,” he says. “The Eurosystem is also playing an important role in developing this infrastructure, providing a solid basis for the development of safe and efficient financial services in Europe.”

The result today, Rehn says, is that citizens and businesses “can have confidence in the services they use and in their data protection.”

With a wave of pandemic-inspired fintech products incoming, the question now facing policymakers and financial supervisors is how they can sustain that confidence.

The European Commission, which is currently consulting on a new long-term digital finance strategy, knows that it has a delicate balance to strike: ensuring the stability and integrity of the bloc's financial system without stifling innovation.

Among its key focus areas, the Commission is mulling how to further reduce finance sector fragmentation within the single market, promote data-driven platform models, and bolster the sector's digital operational resilience in the wake of the



“

The purpose of financial regulation is to create an equal and safe operating environment in which companies have good opportunities to grow, internationalize and innovate.

virus outbreak. Any future regulatory framework, it warns, must not “unduly hinder” new technologies and innovative business models. At the same time, consumer protections must be safeguarded.

Rehn is optimistic that the right balance will be found.

“Europe’s strengths,” he says, “are to be at the forefront of industry regulation that creates a safe environment for operators and users. The purpose of financial regulation is to create an equal and safe operating environment in which companies have good opportunities to grow, internationalize and innovate.”

Granted, mid-pandemic fintechs may have more immediate priorities than to dream of the world stage. But Rehn urges them to continue to think long-term.

The hope in Brussels is that, whatever regulatory design does take shape, Europe will offer a springboard for home-grown fintechs to develop ultimately into truly global digital platforms.

“The corona crisis will eventually be overcome, and digitalization in some parts of Europe is only just beginning,” he says.

“The financial sector is one of the digital pillars of the economy, so fintech’s future prospects are quite bright despite the temporary challenges.”

Olli Rehn

Photographer: Karoliina Vuorenmäki  
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## HOW TO INTERACT WITH FINNISH BANKS?

Finnish banks are in various stages of maturity when looking at their interaction and engagement with fintechs and startups. Nonetheless, they all committed to boosting the ecosystem and supporting growth as this is seen as pivotal for the future of banking. But how does each bank approach collaboration and the ecosystem? To shed some light on this matter, we interviewed the Heads of Fintech Engagement at Aktia, Danske Bank, Nordea and OP. Each bank answered the following questions:

1. Can you explain your bank's approach to fintech collaboration and ecosystem development?
2. What obstacles do you see as hindering cooperation and ecosystem growth?
3. How has COVID-19 impacted your fintech strategy and overall digitalization efforts?
4. What is to be expected in the horizon post COVID-19?
5. Any tips, comments or greetings to our readers?

**In the Picture:** Teppo Havo Danske Bank, Vesa Riihimäki Nordea, Kim Alen Aktia, Oki Tåg NewCo Helsinki, Kristian Luoma OP, Emmi-Julia Tiitta Fintech Farm

### 1. CAN YOU EXPLAIN YOUR BANK'S APPROACH TO FINTECH COLLABORATION AND ECOSYSTEM DEVELOPMENT?

#### NORDEA – VESA RIIHIMÄKI

Nordea has had several years already a collaboration and partnership strategy. We understand that the transformation is so fast and big that the only way to ensure great customer experience is to partner selectively with the best and grasp the new opportunities that arise. This is the best, the most cost effective and the fastest way. Nordea Ventures and Nordea Open Banking have made several CVC type investments, partnership agreements, but also a lot of collaboration and open ecosystem type of co-creation via our sandbox.



We see fintech and start-up partnerships as a growing area for adding value for our customers

#### AKTIA – KIM ALEN

Collaboration is one of our core values. Aktia is the right size bank for the fintech collaboration and for supporting ecosystem development. We are not a too large or too small bank. This enables us to work in an agile way with fast decision-making. We are systematically screening value-adding potential strategic partnerships in both the personal and corporate banking segment. We see fintech and start-up partnerships as a growing area for adding value for our customers according to our

overall strategy of being a great asset manager and the good bank.

#### OP – KRISTIAN LUOMA

We scout fintech startups for two purposes: 1) to find partners we can work with to accelerate fulfilment of our strategic priorities and 2) to understand what capabilities are necessary for the future competitiveness for the finance industry. For our partnership and ecosystem development, we operate multiple accelerator partnerships to find the startups we want to work with. We also make investments to relevant startups based on partnerships.

#### DANSKE BANK – TEPPU HAVO

We strongly believe that we can create more value for our customers through partnerships, which is a core pillar in our

strategy, and talented fintech companies are playing an important role in this. By being an integral part of the fintech ecosystem, we are able to gain insights on how the solutions of tomorrow will be shaped – business model-wise as well as technology-wise.

However, if you truly want to be a part of the ecosystem, it means that you also have to give. Not just fulfilling regulatory requirements, like offering basic API's, but

other things as well. Sparring, investing and offering a wide variety of opportunities for fintech companies are some of the ways we are trying to make ourselves useful for the whole community.

## 2. WHAT OBSTACLES DO YOU SEE AS HINDERING COOPERATION AND ECOSYSTEM GROWTH?

### NORDEA – VESA RIIHIMÄKI

Banking market in Finland and in the Nordics is limited compared to the UK or Europe or Global opportunities. It is not always viable for a fintech startup to build a business case within relatively small volumes markets. Fintechs do not always have the needed capabilities and resources to ensure big enough penetration with a limited amount of banks involved.

### AKTIA – KIM ALEN

I think everyone has the willingness to increase partnerships which is important. There is a lot of willingness and various innovative solutions available, but the question is how to find the best possible partnerships efficiently, which would add value for all stakeholders including customers, partners and the bank. In addition, further European and global API standardization is needed to increase time to market and to increase the ecosystem

implementation efficiency.

Collaboration is the key for solving these issues. Further, banks' legacy systems and old core banking systems slow down the development and increase costs when partnering up with fintech and start-ups. Luckily, we in Aktia finalized the core banking renewal project a few years ago.

### OP – KRISTIAN LUOMA

Finland has a lot of interesting ecosystems in growth, and that obviously influences the amount of talent available in the fintech space. We are still lacking big fintech exits, that would enable us to have 2nd generation founders and 3rd generation founders in fintech startups (like some of the other European Fintech hubs have been able to do). Cooperation is always relevant to the strategic priorities, so it is natural that

partnerships don't always form. We scout startups from 64 regions and countries to find initiatives that we can work with.

### DANSKE BANK – TEPPU HAVO

To be honest, from bank perspective one of the most crucial things is the way we operate. Although significant leaps have been taken during the last few years, a

“Finland has a lot of interesting ecosystems in growth, and that obviously influences the amount of talent available in the fintech space.”

big organization like Danske Bank has still a lot of inertia slowing things down in certain situations. There is will to get things done, but there are also regulatory issues, acceptances, product approvals and many other things that can often be frustrating for more nimble partners.

## 3. HOW HAS COVID-19 IMPACTED YOUR FINTECH STRATEGY AND OVERALL DIGITALIZATION EFFORTS?

### NORDEA – VESA RIIHIMÄKI

Nordea has not changed the strategy, we continue to support our customers and drive for better value offered to our customers going forward. In practice many digitalization projects have gained even more focus – it has already helped us to serve our customers faster and better.

### AKTIA – KIM ALEN

Even though COVID-19 has caused negative impacts for individuals, companies and the society, it has also shown how important fintech and digitalization strategies are in the banking of today.

Our digital efforts during the COVID-19 have increased in Aktia and we have recently signed new start-up and fintech cooperation agreements which add value for our customers digitally. It is delightful to see how customers can do daily banking with modern digital tools.

If we think about other examples, imagine how many dream house deals have been finalized with DIAS, which enables a

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Even though COVID-19 has caused negative impacts for individuals, companies and the society, it has also shown how important fintech and digitalization strategies are in the banking of today.

100% digital real estate trading process. In addition, mobile payments are a nice example of initiating payments in a fast but also safe way without touching payment terminals.

### OP – KRISTIAN LUOMA

We do see a fast acceleration of digital-first products and changes in the way data is being used. This is an exciting time to be working with fintech.

### DANSKE BANK – TEPPU HAVO

COVID-19 has definitely had some effects. As the burden in daily operations of business and retail activities has risen due to increased service demand, there has been a lot of discussion for new measures



## Participant banks



of streamlining the work – and about the alternative ways of doing so.

On the other hand, the situation has had similar effects to us than it has had in the Venture Capital business. For many VC's, the first driver during the crisis has been to ensure the robustness of their existing portfolio before reaching out to the market again. For us, COVID-19 has probably altered our partnership approach a bit; as there are lot of ongoing projects and investments, we have to concentrate more on them.

#### 4. WHAT IS TO BE EXPECTED IN THE HORIZON POST COVID-19?

##### NORDEA – VESA RIIHIMÄKI

There is a global strong public discussion on how COVID-19 has pushed digitalization an extra boost. We do also see similar future – digitalization is getting more focus and it helps us also to enhance our customer experience.

##### AKTIA – KIM ALEN

I think many new ways of remote working habits and customer behaviour changes

are going to be permanent. Many customers have realized the benefits of and learned to use new digital solutions which further decrease the need for cash. COVID-19 has also shown us that remote working and online meeting tools are an efficient way to manage the workday. Even though digital capabilities have increased during COVID-19, I suppose the need for various social activities and services have also increased, which will support economic growth post COVID-19.

##### OP – KRISTIAN LUOMA

Most customer interaction will take place over digital interfaces, at least more often than now. We will also find models to evaluate risk that is more realtime by nature (incl. but not limited to data assets that indicate performance).

##### DANSKE BANK – TEPPU HAVO

In the long term, I am interested in the development of the Finnish and Nordic Fintech market. UK is still the most mature market in Europe, but how quickly can we catch up? I believe that the ongoing wave of strategic development in Nordic banks will offer significant opportunities for many

fintech companies – and, in turn, speed up the process.

#### 5. ANY TIPS, COMMENTS OR GREETINGS TO OUR READERS?

##### NORDEA – VESA RIIHIMÄKI

Nordea is a relevant partner candidate also during and after COVID-19. As a startup you can always discuss with Nordea Startup & Growth in any of the Nordic counties – they can help you with financing growth or opening relevant equity partner doors and they can also sit down and have business mentoring regarding your growth plans.

##### AKTIA – KIM ALEN

I encourage to think further despite the COVID-19. We will win this crisis and go forward. I also encourage to contact us with new collaboration ideas as old ways won't open new doors. You can easily reach our open banking & fintech team via [openbanking@aktia.fi](mailto:openbanking@aktia.fi). I would also like to wish you a nice and relaxing summer.

##### OP – KRISTIAN LUOMA

With COVID-19 we'll have to find new ways to craft partnerships. Being open and clear about the intent and strategic goals is crucial for both startups and incumbents to find collaborations that are fruitful.

##### DANSKE BANK – TEPPU HAVO

Finnish startup ecosystem has an acknowledged reputation of openness and cooperation, hoping to do my bit for the fintech community and help as much I can – so let's be in touch!

As it becomes clear fintech is in the heart of digitalization for all banks interviewed and despite the potential found in the Nordics, these banks cannot only rely on the home market for innovation hence they have teams scouting far and wide for innovation.

Engagement processes and organisations vary which poses complexities for fintechs looking for new business opportunities with the banks. Therefore, to improve access and the feedback loop, Fintech Farm teamed up with NewCo Helsinki to create a new collective screening service for these participant banks.

If you are interested in cooperating with the banks, visit our website at: [helsinkifintech.fi/matchmaking/](https://helsinkifintech.fi/matchmaking/).

There you will find an introduction to the new service and a form to submit your proposal. All submissions will be collected and pre-screened by us, after which they will be shared with the banks. You will also receive feedback for all proposals. If you have any questions – please contact [emmi-julia@hub13.fi](mailto:emmi-julia@hub13.fi) for more information.



**FINTECH FARM.**

# WHAT HAPPENED IN FINNISH FINTECH SINCE THE LAST GUIDE?



FINTECH FARM.



## VALUE THROUGH PARTNERSHIPS

Everybody knows Citi. It has been in business for more than 200 years and it is one of the world's largest banks. The bank has been present in the Nordic countries since 1970 and the Helsinki office was established in 1977. In Finland, Citi serves corporations, financial institutions and the public sector, as well as provide services to subsidiaries of foreign multinational companies.

### HOW DOES A COMPANY THIS BIG AND OLD STAY RELEVANT TO ITS CUSTOMERS?

One of the answers is fintech partnerships. Citi collaborates with fintech companies to support their growth and scale-up and invests in fintechs through Citi Ventures and Citi's accelerator program. Their goal is to identify the most compelling ideas that could create value for customers, partners, and themselves. They aim to test and validate ideas with customers rapidly, to get them to market as fast as possible.

During the recent year, Citi has been engaged in screening and identifying candidates in the Nordic region that would match their criteria. The methodology focuses on mentoring in the startups' specific financial fields and product development for the global financial industry.

"We want to identify and connect with fintech companies ready to scale up and go global – to support their growth and provide access to our global network and global



**In the Picture:** Ornit Shinar, Head of External Innovation and Venture Investing Israel at Citi. Photo by Sivan Farag

capital. The role of the accelerator is to explore emerging trends in technology and financial services and accelerate the engagement process of innovative startups with Citi," says Ornit Shinar, Head of External Innovation and Venture Investing Israel at Citi.



**In the Picture:** Citi team visiting Fintech Farm, from left: Rinku Goel, Ornit Shinar, Ari Makela, Ola Sundell, Janne Salminen, Anneli Sundstrom and Emmi-Julia Tiitta.

### FINANCIAL INSTITUTIONS HAVE SIMILAR CHALLENGES ALL OVER THE WORLD AND ARE INTERESTED IN STARTUPS THAT CAN RESOLVE THESE ISSUES. ORNIT SHINAR HAS BEEN A REGULAR VISITOR TO THE NORDIC REGION DURING RECENT YEARS TO MEET WITH FINTECH ENTREPRENEURS.

Ornit Shinar also sees many opportunities in these uncertain COVID-19 times – to birth new domains, and adopt more efficient models and methods. Many of the large companies around us were created during the previous crisis.

"It is all about building bridges between brilliant ideas and the potential market. Fintechs come to us with amazing ideas and we guide them along the path to success. In the Nordics, you have many interesting fintechs, not least within payments and the open-banking area that could scale up and go global when we find them and when there is a right match," she adds.

### CITI ACCELERATOR

Citi Accelerator is a program designed for commerce & payments, fintech, data analytics & AI, cybersecurity & enterprise, prop-tech & digitization start-ups. The program is focused on advanced companies that have a working product and preferably multiple clients.

The companies participating in the program receive the opportunity to gain access to Citi worldwide as well as its network. The companies are mentored by key decision-makers from the bank. The goal of the mentorship is to understand how to best tailor a product to a large financial organization's needs, as well as to define and access relevant customers, and may potentially result in pilots or POCs with Citi or other companies.

Citi has eight innovation labs around the world and the accelerator in Tel Aviv to build bridges between brilliant ideas and the market.

# FINLAND'S MOST REVOLUTIONARY FINTECH: CLOUDASSET

Cloudasset was chosen as Finland's most revolutionary fintech during the Future Digital Finance Forum of October 2019, following an open call for candidates and a judging done by Jupe Arala from Vendep Capital, Sami Toivoniemi from Deloitte and Isobel Nordström from Citi. In this interview, we discuss Cloudasset with its founder Hasan Malik, hear about how he founded the company and what problems it is here to solve.



In the Picture: Hasan Malik

## PLEASE INTRODUCE US TO CLOUDASSET

Cloudasset is a Helsinki headquartered high tech company with two separate lines of business; **RAMP** focused on AI and Decision Systems and **P3** which is the fintech line of business. RAMP solves mega scale use cases that have significant impact on the quality of life. It has been used by the Government of Thailand to create a digital water resource management system, with capabilities for capacity planning on an annual basis, allocating water resources and even predicting floods to ensure continuity for manufacturing and agricultural processes.

P3 was born out of the problem statement

that the world's payment system is old, disjointed and has no transparency. P3 links three different attributes: People, Payments and Product (hence the name 'P3') by creating a single, unified digital payments platform enabled by modern technology, without the burden of legacy, tying together all back-end flows.

This platform is scalable, fitting the needs from small and medium-sized financial institutions and corporations to national scale services creating payment ecosystems in real time. RAMP's enhanced data technology and machine learning skills have been plugged into

P3, so the brands support each other, but fundamentally solve different problems.

## TELL US A BIT ABOUT YOUR LIFE AND CAREER PRIOR TO FOUNDING CLOUDASSET?

I have been working now for quite a while. I was doing some smaller technology jobs when I was in University and making four pounds an hour, five pounds an hour, which was phenomenal as a student. It was always in e-business or IT – the two industry buzz words back then. People like me were in demand because we understood what e-business was and how to use it to engage with customers. When the first dotcom boom & bust cycle happened, I was working for BT and had the good fortune to work with some very large customer cases. We had the largest enterprises of any nature as customers, so a lot of very strong grounding happened during those days. BT gave me a great opportunity to move to Singapore where I ran an alliance between BT and HP. After that I joined HP itself and had a number of emerging markets under me in Asia.

This gave me a lot of good exposure to upcoming markets and at large the business opportunity across South East Asian region. Following this I worked for a JV of HAIER, one of the largest electronics conglomerates from

China. They represent a massive breadth of products, focused on the telecom business side and gave insight into how China operated – that was gold dust for me. After that I joined AGT, a Swiss high-tech company focused on homeland security and the protection of critical assets using highly advanced data fusion technology. It was a complete eye opener, really seeing how technology plays such a massive role in the lives of individuals.

Year 2014 was when I hit 40, and as it was my lifelong ambition that no matter what I was doing, I will quit my job and I will setup on my own. Despite being recently promoted to Head Global Sales, I thanked my leadership and put in my resignation papers. In September 2014 Cloud Asset was born.

## WHAT WERE YOUR MAIN GOALS WHEN FOUNDING THE COMPANY?

The main drive was to look at complex use cases – when we setup Cloudasset the first use case that we had staring us in the face, was the way financial technology is evolving with small iterations on top of the old and that was not in my opinion the perfect way of going

about it. The second thing was that there was a lot of hype around bitcoin and while knowing how the technology works, I see it

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**P3 was born out of the problem statement that the world's payment system is old, disjointed and has no transparency.**



more of a swap mechanism, more like an intermediary rather than a currency. I don't see it has a real intrinsic value instrument compared to for example gold that has been there for ever and will continue to be or conventional currencies that are the primary mechanism of commerce and exchange today. So, our focus was on those tried and tested methods used in commerce and payments interactions – so for us P3 was a very clear concept right from the beginning. What we started with was the payment system of the future and at the same time having worked in public safety and security, I thought water was a major threat. Cross border payments came later followed by use cases for future health.

### HOW HAVE THESE GOALS CHANGED OVER THE TIME?

We have stayed quite consistent to be honest. Never raised external funding, we had some basic ideas that we need to be really focused on solving problems and fulfilling needs: what are the customer's real needs and what are the real problems that we are seeking to address. I wanted to keep that pressure, continued focus as a reminder. External funding would have

made things too easy; the focus would have gone away from solving problems to making fast revenue gains as our external investors would expect rapid returns and we needed time to realise our products and promise to the market without any distraction. But what has happened during the years is that we as a team have matured a lot, the company has matured a lot and

our products are now real with good market fit. We have understood in the process that whilst we can develop phenomenal technology, we need to also develop excellent business context with our technology capability. Of that business context, one aspect is the value proposition and the other aspect is the universe you live in, the relationships you build with potential partners

and enablers. Similarly, we have learned to leverage the likes of AWS, rather than doing everything ourselves. You cannot rush a good dinner; you have to let things progress nicely, so we have taken our time to really create our purpose in this world.

### WHAT IS NEXT FOR CLOUDASSET?

First – find a way to get back to Helsinki (Hasan was in Pakistan for customer engagements during the interview with no return flights due to the COVID-19

lockdown)! The team will grow this year – we need key hires: we need someone to spearhead our Business Development & Market Penetration Strategy and leads for managing key large accounts. This has to be very much Europe focused as we go deeper into engaging in Finland as well, we are building a strong go-to market on the sales side. On the operations side we need to run 24/7 managed services for our large customers, so we are hiring very strong players to enrich our team. We also need to bring people on board for product creation and product design – so a lot of people will join the team this year. We need to ensure we deliver on time and monetise our customer engagements so we have inflow of income which we can continue to invest in the company.

There is a possibility that later this year we will bring onboard a strategic investor now that we feel that we are absolutely real. The investor would function as a parent or a big sister that can help us scale rapidly. We would have done it earlier this year, but this COVID-19 disruption came in and I had to really reassess the impact on our business. As things are now stabilising a little bit, we see that we can learn from this so that the impact on us will be positive. We are going to open an office in London later this year when the COVID-19 situation calms down and we are going to announce a very strong strategic partnership in Asia as well; we are in discussions with a very large technology company there that thinks we are doing good things and they would like to collaborate with us.

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External funding would have made things too easy; the focus would have gone away from solving problems to making fast revenue gains

#### Key Figures:

Founded in

**2014**

Revenue

**~1 M€**

Employees

**37-40**

by end of year 60-65

Based in

**HELSINKI**

Offices

**THAILAND  
PAKISTAN  
ISRAEL  
HELSINKI**

**SOON  
LONDON**

cloudasset

# BE PART OF A GLOBAL FINTECH COMMUNITY

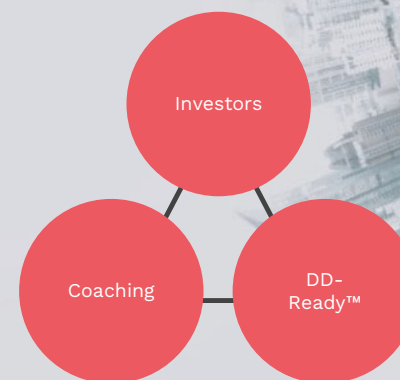
The Fintech Farm community is made of fintechs, banks, service providers and investors brought together to network, develop and co-create. An important part of this community is our global partner network. To support our members with international growth, we have teamed up with the other hubs from the Nordics and beyond. Our global network partners also include visibility platforms and due diligence support to ensure secure internationalisation.



# JOIN THE FINTECH FARM DEAL FLOW PROGRAM

Fintech Farm Deal Flow Program is a service, where Fintech Farm connects its clients with potential investors and industrial customers through Fintech Farm's global network.

The service is customized based on the Fintech's needs, identified when joining the program. Our network consists of investors and financial institutions from Northern Europe, Central Europe and Asia. Our network of partners is expanding steadily globally.



Interested? Join the Deal Flow Program at  
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## ‘NETFLIX FOR MOBILITY’: HOW A FINNISH MOVEMENT WANTS TO CHANGE THE WAY WE GET AROUND

Text: James Etheridge

In the Picture: Sampo Hietanen

During a champagne-fueled flight from London to Helsinki one April evening in 2006, civil engineer Sampo Hietanen was suddenly struck by a crazy idea: what if a city's residents could access all the transport they ever needed using a single digital key? They would no longer have to navigate dozens of different applications to plan, book and pay for trips. And with every form of mobility available on tap, they would have no reason to own a car.

Fast forward to 2020 and Hietanen is looking to deliver on that vision through an application called Whim. “The app is a promise of anywhere, anytime, on a whim. It's a promise of freedom,” he tells Fintech Farm during a video call.

Hietanen runs MaaS Global, the company that aims to develop Whim into a viable

proposition for cities everywhere. Since the application debuted in Helsinki three years ago, users have made more than eight million trips so far. Alongside a pay-as-you-go option, there are three monthly subscriptions. For about 60€, you get public transport, bikes and four short taxi rides each month. A 249€ tier adds scooters, discounted taxis and weekend car rental. Then there is the 499€ ‘Whim Unlimited’ option offering a vehicle whenever you need it. The service is rolling out to other cities in Europe and Asia using the same model, albeit with localized pricing.

MaaS Global believes Whim can entice urbanites to ditch their private cars, especially if they can get greater convenience and save money in the process. In Finland, for example, the average monthly cost of owning a car exceeds 600€ when accounting for maintenance, insurance and parking. (And that for an asset that is idle 95% of the time and does not cover all transport needs.)

Hietanen is under no illusions, though. “People love cars,” he says. “For us to convince people about MaaS, we need to be better than owning a car. We have to offer a service that guarantees your individual freedom.”



We have to  
offer a service  
that guarantees  
your individual  
freedom.

City residents are not the only audience MaaS Global is trying to win over. The company has been on a years-long roadshow from city to city to sell the benefits of MaaS to transport operators, politicians and the numerous other stakeholders vital to getting the technical infrastructure in place. Hietanen estimates that he has spoken at more than 2,000 events, across all continents.

“MaaS is a movement. It is the kind of concept that really takes a village to build. A huge ecosystem has to be moved. And then everybody has to kind of take a leap of faith at the same time,” he says.

It is a gamble many seem willing to take. MaaS Global's recent growth drive has brought the app to Birmingham, Antwerp and Vienna, with Tokyo and Singapore

deployments underway and a U.S. launch on the cards. The company last year also attracted three new investors, with BP Ventures joining Mitsubishi Corporation and Toyota Financial Services in taking stakes.

Since then, the pandemic-induced lockdown has dented revenues, though Hietanen remains optimistic about the company's future prospects given continued urbanization and the need to tackle a bigger crisis: climate change.

"It's been an action-packed couple of years," he reflects. "A relevant number of necessary players have done their strategy work and said: 'okay, let's do this'. The stars are aligning – perhaps more rapidly than even I would have expected."

#### FINTECH OPENS DOORS

Critical to deploying MaaS in any city is building and maintaining trust – not only among users, but across the ecosystem of partners involved. Numerous questions need to be resolved, not least who pays whom, how and when. This is where new-generation financial technologies come into play.

"Payment technology is the gate opener and it's technically the hardest part," Hietanen explains. "If money is moving, there has to be a lot of trust. In every city, systems have been designed as silos. In practical terms, opening a silo means opening a barrier on the London Underground or a car door in Sydney. They were not designed to be opened using the same app. The enabler for doing that is payment technology."

Solving the technical challenge promises to open up new possibilities too, such as subscriptions covering a whole country and international roaming packages.

Hietanen likens the approach to what Netflix does for television and film streaming, though notes that rather than a one-size-fits-all fee, there is scope for multiple levels,

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If money is moving, there has to be a lot of trust. In every city, systems have been designed as silos.

ranging from budget packages that come with the use of small electric hatchbacks to premium tiers that include SUVs for trips to the summer cabin. "People love freedom of choice. You want multiple options," he says.

Ultimately, Whim could evolve into a personalized service that anticipates users' needs and assures their mobility: when a train is cancelled, a car is automatically provided as an alternative. Or when heavy rain is forecast, a free taxi is laid on in lieu of a planned bike ride from the train station.

"All the doors will open for you," Hietanen says. "You won't have to worry."

## LEVERAGE THE CLOUD TO ENTER NEW MARKETS

There are many reasons for banks to seriously consider a cloud-based banking strategy. Digitalization changed banking forever with consumers demanding more innovative banking services, alternative business models and emerging technologies. To be able to stay on track, you need a fast, future-proof, banking platform that grows with you.

Cloud is not just a technology; it is a way for banks to store data, access advanced software applications and always run on the latest version in a secure and compliant fashion.

The Swedish fintech company Vilja (previously named LeanDev) offers a cloud-based future-proof platform with a high degree of self-service, flexibility and has the shortest time-to-market for launching new products and services. This enables banks and credit institutions to quickly launch new revenue streams and focus on creating the best banking experience for their customers.

*Today we have more than 15 banks and credit institutes in Sweden running on our platform and last year we took our first step into the Finnish market with our customer OPR Finance. We see a huge potential in the Finnish market as the cloud approach is becoming the viable approach to take* says Fredrik Ulvenholm CEO at Vilja.

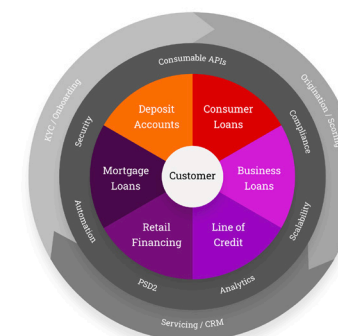
OPR Finance decided already last year to invest in a new cloud-based core banking platform to be able to secure their growth in a competitive, flexible, and compliant way.

- *There are multiple reasons for us to choose Vilja, but the two main reasons are*

*that we need a modern futureproof solution that allows us to rapidly grow in new markets and launch new products, and at the same time stay compliant. The platform was successfully up and running in two months' time* explains Jouni Selin, CEO at OPR Finance.

- *It is a complex project moving from a scattered landscape with 15 different systems in five countries to one single platform. Being able to handle all the loan applications and invoicing in one platform will streamline our processes and require less maintenance, and therefore lower our TCO. Our employees can focus on strategic, value-added projects and not have to update the system in different instances* says Ville Rontti, CTO at OPR Finance.

#### The Vilja Platform



To learn more about our platform and how we can help you moving to the cloud, please contact Henrik Lindström, VP Sales at +46 70 6106677, email [henrik.lindstrom@viljasolutions.com](mailto:henrik.lindstrom@viljasolutions.com) or visit [viljasolutions.com](http://viljasolutions.com).

**vilja.**





## HIGHLIGHTING THE DEVELOPMENT OF PAYMENTS

In the Picture: Riikka Salminen

Visa is a global payment technology company, that connects people every day through innovative payment solutions. To understand their goals, strategy and approach to fintech we sat down with Riikka Salminen, their new Head of Finland, Sweden and the Baltics.

**YOU STARTED LAST YEAR IN YOUR NEW POSITION AT VISA. CONGRATULATIONS! WHAT IS YOUR APPROACH TO FINTECH, WHAT CHANGES HAVE HAPPENED WITH VISA'S APPROACH AND WHAT IS TO BE EXPECTED HERE IN THE NORTH?**

An important part of our approach is to stay close to the most vibrant and dynamic fintech regions so naturally the Nordic and Baltics are in focus for Visa's innovation partnerships as one of the world's most digitally mature and innovative fintech clusters. The region is also home to several of Visa's strategic partners such as Klarna, iZettle, and EVRY. Consequently, one of the most important changes that we have made has been in the way we work with

partners and clients. We have transformed our proprietary technology network into an open platform – Visa Developer Platform – allowing anyone to transform great ideas via APIs into new digital commerce experiences. We have also established a global network of innovation centers and studios to provide creative environments for partners to rapidly co-create new consumer experiences alongside Visa experts. And, we're investing and building new partnerships with the next generation of PayTech companies. In the Nordics we have grown our local team, presence, network and strategic partnerships. Our ambition is to open the doors for collaboration, bringing in innovative solutions to solve business challenges and drive the future of commerce.

**HOW STRONG IS VISA'S POSITION IN THE RAPIDLY CHANGING MARKET? WHAT IS YOUR APPROACH TO THIS CHANGE AND HOW DO YOU SUPPORT THE GROWTH OF THE ECOSYSTEM?**

As a global payment network unmatched in reach, value and scale, with trust at our core – Visa is well positioned in the payments ecosystem to collaborate with clients and fintech developers to deliver new products and services to consumers. Visa champions the global fintech community to drive the next generation of digital payments and we've opened up our network to new players and challengers. As part of that commitment, we've evolved our platforms and how we work

with partners and clients to encourage a broadening of the commerce ecosystem. Visa supports fintechs and new challengers in the ecosystem through a number of ways including:

- **Fast-Track** (launched first in Europe): We are making it easier for new players, from early stage start-ups to institutions looking to offer new payment solutions, to access our network and leverage our capabilities so they can grow their business.
- **Enabling partnerships:** We're committed to enabling fintechs fulfil their potential by creating new connections within our ecosystem, building relationships between our clients and partners for the betterment of the global payment ecosystem.
- **Investment:** Visa is investing in the ecosystem to encourage innovation in our sector and find new solutions to industry challenges.

Fast Track allows both new and established businesses to leverage the speed, security, reliability and scale of the Visa network to get up and running quickly, taking the process from months to weeks. The newest members of the Fast Track Program span a diverse range of companies, including digital currency wallets, consumer-centric and business-to-business (B2B) solutions providers. Digital currency enabled wallets have grown exponentially, with over 139 million user accounts in existence today. In support of this burgeoning market, digital

currency-focused Fast Track companies including: Fold, Genesis Block and TrustToken are connecting their consumers to Visa's 61 million merchants worldwide.

**VISA HAS BEEN DOING STRATEGIC INVESTMENTS INTO COMPANIES LIKE PLAID AND KLARNA – WHAT IS THE EXPECTED OUTCOME YOU ARE LOOKING FOR?**

As mentioned above, we support the ecosystem in a number of ways, including investments. We are investing in the ecosystem to encourage innovation in our sector and find new solutions to industry challenges.

**Plaid:** Our recently announced plans to acquire Plaid will allow us to have a significant role in connecting fintechs to financial institutions, and as the trend toward open banking continues, we will be very engaged in the applications layer. Important to note



We are investing in the ecosystem to encourage innovation in our sector and find new solutions to industry challenges.

this transaction is subject to regulatory approvals and other customary closing conditions.

**Klarna:** Visa invested in Klarna in 2017, this investment is part of our commitment to partnering with a new generation of partners and payment providers to bring secure, online commerce to many more consumers in Europe. Klarna develops products that address changing consumer preferences, giving them the flexibility and seamless experience they expect when shopping.

**CARD ISSUERS HAVE TRADITIONALLY BEEN BANKS, BUT NOW WE SEE FINTECH COMPANIES, RETAILERS AND MANY OTHER TYPES OF BUSINESSES ISSUING THEIR OWN CARDS. WHAT HAS THIS CHANGE MEANT FOR VISA AND HOW HAVE YOU BEEN ABLE TO RESPOND?**

Fintechs have played a big part in evolving the banking experience through surprise, convenience, ubiquity, digital identity etc. In Europe, consumers have really welcomed fintechs who have made it easier to do their banking, manage their subscriptions or make and receive payments. But it is not just consumers who have benefitted. A lot of the fintechs we work with have supported our banking clients and partners to digitise their offering with minimal fuss or have helped merchants reach more consumers with ease. Overall, the increased collaboration within the financial space,



The regulatory environment in Finland is fintech friendly

primarily driven by fintechs has been a key driver for innovation. We recognise the challenges fintechs face when they are trying to take their venture to the next level. So we have made it easier for them to access VisaNet and become Visa card issuers, without losing our dedication to uphold the integrity of the network.

**THE NEW TYPE OF CARD ISSUERS IN THE NORTH (EG. HOLVI, MONI, STI, P.F.C., TRANSFERWISE, PLEO) HAVE BEEN RELYING ON MASTERCARD, BUT NOW INDÓ CHOSE VISA. WHAT HAPPENED THERE, AND HOW DO YOU SEE THE FUTURE?**

This is a direct result of the initiatives we have put in place to make Visa more accessible to fintechs. Indo is an exciting opportunity and the first Icelandic Neo bank. It is great that they have chosen to become a Visa issuer through our Fast track program together with several other, similar clients that have chosen Visa during the recent months.

**FINALLY, WHAT ARE THE STRENGTHS OF THE FINTECH INDUSTRY IN FINLAND?**

The Nordic and Baltics are amongst the most innovative markets anywhere in the world and a key focus area for Visa. The Finnish fintech landscape is a vibrant start-up scene, regulation has seen the increase in new consumer experiences making fintech very relevant e.g. PSD2.

The regulatory environment in Finland is fintech friendly, with efforts to educate and understand fintech. Finland also has robust FSI regulation and capabilities and internationally trusted licences as 'passports' meaning that Finland is one of the best countries to do business in. There is a strong technology talent pool, that linked with the combination of technology and UX-capabilities really drives innovation in the area.

The majority of fintechs are located in the Helsinki/Espoo region or with easy access to the capital area. Established community builders such as the Fintech Farm, along with numerous events in the capital region really help to recognize growth opportunities. We look forward to collaborating with the community here!





# NORDIC FINTECH SUMMIT

3.11.2020 – Helsinki



**Tomi Närhinen**  
Savings Banks Group



**Daniel Kjellén**  
Tink



**Monika Liikamaa**  
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