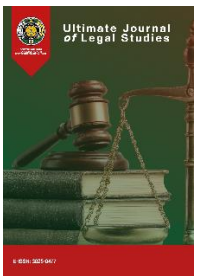
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Open Banking Regulation in Indonesia After SNAP: Regulatory Gaps

Dandy Anugrah Muchlis[*1] https://orcid.org/0009-0008-0754-7224
[1]*LL.M. Student at International Programs in Law, Graduate School of Law, Kyushu University, Fukuoka, 819-0395, Japan*
[*]Corresponding Author: muchlis.dandy.824@s.kyushu-u.ac.jp

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ABSTRACT

Indonesia's National Open API Payment Standard (SNAP) has established common technical, operational, security, and governance requirements for payment-related API connectivity. Yet technical interoperability is not equivalent to a comprehensive legal regime for open banking. This article assesses the adequacy of Indonesia's framework through a structured comparison with the European Union's Second Payment Services Directive (PSD2), using five criteria: legal entitlement to access, consent and data protection, third-party provider governance, liability and consumer redress, and regulatory coordination. The article employs normative legal research through statutory, conceptual, and comparative approaches. It examines SNAP and its implementing instrument alongside relevant payment-services rules, Law No. 27 of 2022 on Personal Data Protection, and the Financial Services Authority's consumer-protection regulation. The EU comparison is used functionally rather than as a proposal for wholesale transplantation. The analysis finds that Indonesia already has relevant safeguards distributed across multiple instruments; therefore, the principal issue is not a total absence of regulation. Rather, the framework's payment-focused scope and dispersed allocation of obligations may leave uncertainty about the relationship between customer-authorized data access, provider eligibility, responsibility across service chains, and redress. The article recommends clarifying the regulatory perimeter for data-access services, aligning consent and data-use rules, specifying responsibility and complaint-handling pathways, and strengthening coordination between competent authorities. These reforms should build on existing law rather than assume that a single new statute is necessarily required.

Keyword: Open Banking, Personal Data Protection, SNAP, Third-Party Providers.

ABSTRAK

Standar Nasional Open API Pembayaran Indonesia (SNAP) telah menetapkan persyaratan umum terkait aspek teknis, operasional, keamanan, dan tata kelola konektivitas API dalam layanan pembayaran. Namun, interoperabilitas teknis belum dapat disamakan dengan kerangka hukum open banking yang komprehensif. Artikel ini menganalisis kecukupan kerangka regulasi Indonesia melalui perbandingan terstruktur dengan Second Payment Services Directive (PSD2) Uni Eropa berdasarkan lima kriteria, yaitu hak akses secara hukum, persetujuan dan pelindungan data, tata kelola penyedia pihak ketiga, pertanggungjawaban dan pemulihan hak konsumen, serta koordinasi regulasi. Penelitian ini menggunakan metode hukum normatif dengan pendekatan perundang-undangan, konseptual, dan perbandingan. Analisis mencakup SNAP beserta instrumen pelaksanaannya, ketentuan layanan pembayaran, Undang-Undang Nomor 27 Tahun 2022 tentang Pelindungan Data Pribadi, serta peraturan Otoritas Jasa Keuangan mengenai pelindungan konsumen. Perbandingan dengan Uni Eropa digunakan untuk mengidentifikasi alternatif

pengembangan regulasi, bukan sebagai dasar untuk mengadopsi seluruh kerangka hukumnya secara langsung. Hasil penelitian menunjukkan bahwa Indonesia telah memiliki berbagai instrumen yang memuat mekanisme pelindungan yang relevan. Dengan demikian, persoalan utamanya bukan ketiadaan regulasi, melainkan cakupan pengaturan yang berorientasi pada layanan pembayaran dan tersebarnya kewajiban hukum dalam berbagai instrumen. Kondisi tersebut berpotensi menimbulkan ketidakpastian mengenai hubungan antara akses data berdasarkan persetujuan nasabah, kelayakan penyedia layanan, pertanggungjawaban dalam rantai penyediaan layanan, dan mekanisme pemulihan hak. Artikel ini merekomendasikan penegasan cakupan regulasi layanan akses data, penyelarasan ketentuan persetujuan dan penggunaan data, perincian pertanggungjawaban serta mekanisme penanganan pengaduan, dan penguatan koordinasi antarlembaga berwenang. Reformasi perlu dikembangkan dengan bertumpu pada kerangka hukum yang ada tanpa menganggap pembentukan undang-undang baru sebagai kebutuhan mutlak.
Kata Kunci: Open Banking, Penyedia Pihak Ketiga, Perlindungan Data Pribadi, SNAP.

1. Introduction

Indonesia's banking sector has experienced substantial transformation in the post-pandemic era, driven by the widespread adoption of digital banking. These digital innovations have improved accessibility, efficiency, and the overall user experience of banking services, fundamentally altering customer interactions with financial institutions (Gardezi, 2025) Within this rapidly evolving digital landscape, open banking has become a central element of Indonesia's financial ecosystem (Jameaba, 2020). The rise of open banking has paralleled the increasing use of cashless payment methods and digital wallets, indicating a broader transition toward integrated, technology-driven financial services. These advancements have promoted greater interoperability among financial institutions and service providers, while broadening consumer access to digital financial products and services.

The effects of this transformation extend beyond conventional banking institutions. Financial technology (fintech) companies have emerged as significant participants in this evolving environment, providing innovative financial solutions that both complement and, in some instances, compete with traditional banking services. Consequently, the relationship between banks and fintech firms has become increasingly influential in shaping the future of Indonesia's digital financial ecosystem. Open banking represents a major development in financial regulation, as it fundamentally alters the mechanisms by which data, payments, and financial services are accessed and distributed (Babina et al., 2024). Rather than confining banking data within a single institution, open banking enables authorized third parties to access such data securely through application programming interfaces (APIs), typically with customer consent (Basel Committee on Banking Supervision, 2019). In Indonesia, this initiative is closely linked to Bank Indonesia's National Open API Payment Standard (SNAP) (Bank Indonesia, 2021) and the policy direction articulated in the Indonesian Payment System Blueprint 2025 (BSPI 2025) (Bank Indonesia, 2019), both of which identify open banking as a core initiative for modernizing the national payment system.

The Indonesian context is interesting because open banking has developed through a mix of regulatory experimentation and sectoral rules rather than through one comprehensive statute. SNAP provides a national standard for Open API payments, but the deeper legal question is whether a technical standard can also serve as a true legal foundation for rights, obligations, and accountability in open banking (Billiam et al., 2022). This question matters because open banking is not merely about interoperability; it also concerns consent, personal data, liability, consumer protection, competition, and supervisory authority. The policy background is BSPI 2025. The Blueprint identifies open banking as one of five major initiatives, alongside retail payment systems, market infrastructure, data, and regulatory compliance. Its broader goal is to support a digital economy and finance ecosystem that is safer, more efficient, and more inclusive, while preserving stability and consumer protection. In that sense, open banking in Indonesia is not an isolated fintech policy, but part of a long-term payment-system transformation.

Despite these developments, Indonesia's regulatory framework for open banking continues to exhibit several structural limitations. The regulatory approach adopted by the Financial Services Authority (OJK) remains predominantly institution-oriented, affording financial institutions considerable discretion in determining

partnership arrangements and third-party access mechanisms rather than establishing a comprehensive access regime grounded in clearly defined legal rights and obligations. Furthermore, although the SNAP has provided a foundation for technical interoperability, its implementation has not been accompanied by a sufficiently adaptive legal framework. This regulatory imbalance has generated legal uncertainties in several areas, particularly those relating to data governance, liability allocation, and consumer protection. Consequently, a critical examination of the adequacy of SNAP and the broader regulatory architecture governing open banking is warranted to identify potential reforms necessary for strengthening Indonesia's digital financial ecosystem.

The central research problem is how to assess whether Indonesia's rules provide adequate legal governance for open banking. A claim that the framework is 'incomplete' requires a benchmark. Without an explicit benchmark, a list of perceived gaps risks becoming a series of policy preferences rather than a doctrinal conclusion. This article therefore assesses the Indonesian framework against five criteria derived from the legal functions necessary for a workable open-banking regime: (1) legal entitlement to access; (2) consent and data protection; (3) authorization and supervision of third-party providers; (4) liability and consumer redress; and (5) regulatory coordination.

The European Union's Second Payment Services Directive (PSD2) regime provides a useful comparator because it expressly recognizes payment initiation and account information services and sets legal rules for their relationship with account-servicing payment service providers. The comparison is not based on an assumption that the EU system is universally superior or should be copied in full. Rather, it identifies regulatory functions that can be examined against Indonesia's different institutional and legal setting. PSD2's Articles 66 and 67 establish rules on payment initiation and account information access; Articles 72 and 73 address evidentiary matters and liability for unauthorized transactions. The General Data Protection Regulation (GDPR) applies independently to personal-data processing

This article to what extent does Indonesia's current legal framework govern the five core functions of open banking, and what reforms are justified by comparison with the EU approach? It argues that Indonesia has relevant rules distributed across payment-system, data-protection, and consumer-protection instruments, but that the interaction and scope of those rules require closer clarification for API-enabled financial data access. The contribution is a structured legal assessment that distinguishes a genuine absence of rules from fragmentation, ambiguity, and implementation questions.

2. Method

This article employs normative legal research using statutory, conceptual, and comparative approaches. The statutory approach examines the legal status, scope, and interaction of the Indonesian instruments relevant to payment APIs, data protection, and consumer protection. The principal materials are Bank Indonesia's SNAP implementing regulation, the payment service provider framework, the PDP Law, and OJK Regulation No. 22 of 2023. The analysis does not assume that SNAP is the sole legal instrument governing open banking.

The conceptual approach distinguishes technical interoperability from legal access rights. Interoperability concerns the ability of systems to exchange data or instructions under common specifications. A legal access regime additionally determines the circumstances in which access must or may be granted, who is eligible to request it, what customer authorization is required, the purposes for which data may be used, and how responsibility is allocated. These concepts guide the interpretation of legal provisions rather than serving as substitutes for them.

The comparative approach is functional. It compares the treatment of similar regulatory functions under Indonesian law and EU law, while recognizing differences in institutional design and the scope of the respective regimes. The EU is not treated as a model for wholesale transplantation. The comparison is used to identify alternative legal techniques and questions that Indonesian law must answer.

3. Result and Discussion

3.1. Indonesia's Legal Framework

3.1.1. SNAP: an important but bounded instrument

The SNAP serves as Bank Indonesia's framework for standardizing open application programming interfaces

(APIs) in the payment sector. Bank Indonesia introduced SNAP through Governor Decree No. 23/10/KEP.GBI/2021 and designated it as the principal standard for implementing open API-based payment services in Indonesia. Through this framework, Bank Indonesia establishes uniform technical specifications, governance requirements, and security standards that enable payment service providers to exchange data and conduct transactions using interoperable rules and formats. As a result, SNAP promotes greater integration, efficiency, and consistency within Indonesia's digital payment ecosystem (Billiam et al., 2022).

At its most basic level, an application programming interface (API) is a mechanism that enables two computer applications to communicate over a network through a common language and set of protocols (Fonteneau, 2022). The workflow below illustrates how APIs function within an open banking environment and how participating institutions exchange data and services through standardized interfaces.

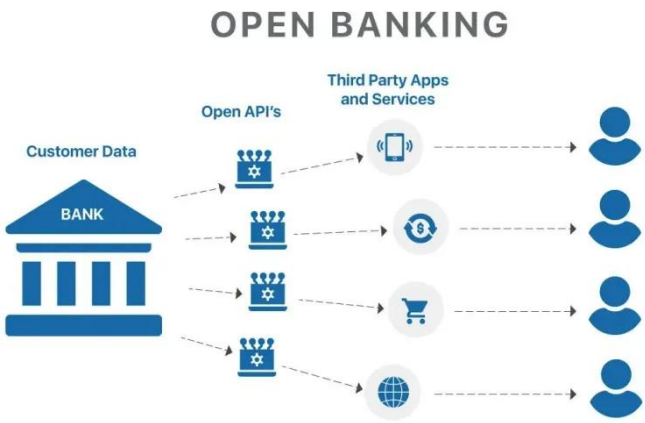


Figure 1 (Mirji, 2025)

In the context of open banking, APIs facilitate the secure exchange of data and services between financial institutions and authorized third parties. Building on this concept, the SNAP seeks to ensure that digital transactions in Indonesia operate in a more efficient, secure, and standardized manner. SNAP establishes common standards for data formats, authentication procedures, and information exchange mechanisms, thereby enabling interoperability among payment service providers and other participants in the digital financial ecosystem (Billiam et al., 2022). Through this standardization, SNAP reduces technical fragmentation and supports the development of an integrated and reliable payment infrastructure.

While APIs clearly promote interoperability and standardized communication across diverse technological systems, an important question remains regarding the degree of openness that such systems should adopt. This issue can be examined through the distinction between private and public APIs. Private APIs may take the form of internal APIs, which organizations use to improve integration and operational efficiency across different departments and systems. They may also exist as external APIs that organizations customize for specific business partners, suppliers, or customers requiring direct system connectivity. Access to private APIs is generally restricted to employees and authorized third parties under contractual arrangements, making them largely invisible to the public. Banks have long relied on these private APIs, which continue to deliver substantial operational and commercial benefits by enabling secure and efficient data exchange within controlled environments (Zachariadis & Ozcan, 2017).

From a legal perspective, SNAP represents a significant regulatory development because it transforms open banking from a largely market-driven practice into a framework governed by recognized standards. By establishing common technical, governance, and security requirements, SNAP provides a formal foundation for interoperability and offers regulatory certainty for participants in Indonesia's digital financial ecosystem. Nevertheless, the existence of technical standards does not automatically create a comprehensive legal regime. SNAP primarily regulates the operational aspects of API-based interactions within the payment system, but it does not fully address broader legal issues concerning the collection, sharing, ownership, and protection of customer financial data.

This limitation creates several regulatory challenges. One notable concern is the risk of data siloing, whereby a small number of dominant institutions control access to valuable financial data through their API infrastructure. Such concentration may undermine the competitive objectives of open banking by creating barriers for smaller market participants. According to Bank Indonesia's 2024 report, approximately 78 percent of API transactions are concentrated among the five largest banks, while smaller state-owned banks account for only 6 percent of the market (Fitriana & Judijanto, 2025). This disparity suggests that, despite the adoption of interoperability standards, unequal access to data and digital infrastructure may continue to reinforce existing market dominance. Consequently, Indonesia's open banking framework requires not only technical standardization but also legal safeguards that promote fair competition, data accessibility, and consumer protection

The legal significance of SNAP depends largely on how regulators and market participants conceptualize its role within Indonesia's financial regulatory framework. If SNAP is viewed solely as a technical standard, its legal implications remain confined to operational compliance and the standardization of API-based transactions. Under this approach, SNAP primarily functions as a mechanism for ensuring interoperability among payment service providers. However, if SNAP is understood as an integral component of Indonesia's broader open banking framework, its interpretation must extend beyond technical requirements and be considered alongside legal norms governing personal data protection, consumer rights, regulatory oversight, competition, and dispute resolution. Consequently, the central legal issue is not the existence of SNAP itself, but rather the scope of its regulatory authority and the extent to which it can address the legal challenges arising from open banking and data-driven financial services.

3.1.2. BSPI 2025 as Policy?

The BSPI 2025 provides the strategic direction for the transformation of Indonesia's payment system and places open banking among its core policy initiatives. By incorporating open banking into its long-term roadmap, Bank Indonesia recognizes the framework as a key instrument for modernizing the financial sector, improving efficiency, and expanding financial inclusion. Consequently, open banking should not be viewed merely as a technological innovation or a temporary fintech trend; rather, it constitutes an integral component of the central bank's broader digital finance strategy.

Determining the most appropriate model of open banking for Indonesia requires an understanding of the policy objectives underlying its adoption. In this regard, the implementation of open banking is closely linked to the achievement of the second and third visions of BSPI 2025, which emphasize the acceleration of banking digitalization and the development of an integrated digital financial ecosystem. To realize these objectives, Bank Indonesia promotes the use of Open APIs to facilitate secure data exchange and interoperability among financial institutions and payment service providers. The Blueprint envisions a payment system that is integrated, interconnected, interoperable, secure, and reliable, while fostering competition and innovation within the financial sector. Accordingly, open banking serves not only as a technological framework but also as a regulatory instrument designed to support the broader transformation of Indonesia's digital economy (Kusniati, 2024).

The Blueprint also helps explain the policy rationale behind SNAP. Open banking is designed to foster digital transformation, support financial innovation, and connect banks with fintech firms through standardized APIs. The open banking initiative is therefore linked to broader objectives such as financial inclusion, market competition, and the reduction of fragmentation in payment services. In regulatory terms, BSPI 2025 gives SNAP its policy legitimacy. Yet the Blueprint is not a substitute for detailed legal regulation. It provides direction, not a complete rulebook. The open banking goal in BSPI 2025 needs to be translated into concrete rights and duties: who may access data, under what consent model, through what technical standards, with what liability structure, and subject to what supervisory controls. Without these legal details, the Blueprint remains a policy agenda rather than a fully enforceable framework.

3.1.3. Personal Data Protection Law

The Law No. 27 of 2022 on Personal Data Protection Law (UU PDP) occupies a central position in the legal framework governing open banking in Indonesia because the operation of open banking fundamentally relies on the collection, processing, and sharing of personal data. As a comprehensive data protection regime, the PDP Law establishes the legal principles and obligations governing the processing, storage, transfer, and protection of personal data (Indonesia, 2022). Consequently, it serves as a key normative foundation for

assessing whether open banking initiatives can function in a manner that is both lawful and secure. Any framework that facilitates data sharing between financial institutions must therefore comply with the requirements of the PDP Law, particularly those relating to consent, data security, accountability, and the rights of data subjects.

At the same time, the increased use of Open APIs creates significant competitive implications within the banking sector. Open APIs promote modular and interoperable financial services, enabling third-party providers and competing institutions to integrate their products more easily into existing financial ecosystems. This development reduces traditional barriers to entry and weakens the exclusive control that established banks have historically exercised over customer information. As customer data becomes more portable and accessible through authorized data-sharing mechanisms, smaller banks and fintech firms gain greater opportunities to analyze customer needs and offer competing products and services. While this increased competition aligns with the objectives of open banking by encouraging innovation and consumer choice, it also challenges incumbent institutions that have traditionally relied on proprietary customer data as a source of competitive advantage. Accordingly, the legal framework for open banking must strike a balance between facilitating data portability and competition on the one hand, and ensuring robust protections for personal data and consumer rights on the other (Zachariadis & Ozcan, 2017).

The significance of the PDP Law is twofold. First, it strengthens the rights-based dimension of open banking by making data privacy a matter of legal entitlement rather than merely contractual convenience. Second, it offers a general framework that can be used to fill some of the gaps left by SNAP. However, the UU PDP is not tailored specifically to banking APIs, payment interoperability, or third-party financial data access. That means the law can support open banking, but it does not by itself create a detailed open banking regime.

This is where legal harmonization becomes necessary. SNAP provides the operational standard for API-based payment exchange, while the PDP Law provides the general privacy framework. To make them work together, Indonesia needs clear rules on the scope of consent, the purpose limitation of data use, cross-controller responsibility, security safeguards, breach notification, and enforcement mechanisms. Without that alignment, the legal framework may be fragmented even if each instrument is valid on its own.

3.2. The EU Regime: Comparative Insight

The European Union provides a useful regulatory reference for Indonesia because it demonstrates how open banking can evolve from a technical standard into a comprehensive legal regime. While Indonesia's SNAP primarily functions as a framework for standardizing API infrastructure and interoperability, the European model under PSD2 establishes a broader rights-and-obligations framework that governs the relationships among banks, payment institutions, third-party providers, and consumers. This distinction highlights the difference between regulating the technical operation of open banking and regulating the legal relationships that arise from it.

The development of the European framework began with the adoption of the first Payment Services Directive (PSD1) in 2007. PSD1 sought to harmonize payment services regulation across the European Union and support the creation of a single integrated payments market. To promote competition and innovation, the Directive introduced a new category of regulated entity known as a "payment institution," enabling non-bank firms to provide certain payment services under a common regulatory framework. This reform facilitated the entry of new market participants, including fintech companies, and allowed licensed institutions to operate across multiple EU member states. For example, PayPal obtained authorization as a payment institution in Luxembourg, enabling it to offer services throughout the European Union (Fenwick, 2026).

Despite these achievements, PSD1 faced several limitations as digital finance and financial technology rapidly evolved. The emergence of open banking, new payment technologies, and innovative fintech business models exposed regulatory gaps that PSD1 had not anticipated. In response, the European Commission proposed revisions to the framework in 2013, culminating in the adoption of PSD2 in 2015. PSD2 expanded the regulatory scope of payment services, strengthened consumer protection requirements, and, most importantly, established the legal foundation for open banking by requiring banks to provide authorized third-party providers with access to customer account data, subject to customer consent and appropriate security safeguards. Through this approach, the European Union transformed open banking from a voluntary

technological practice into a legally enforceable framework that balances innovation, competition, consumer protection, and data governance (Fenwick, 2026).

A defining feature of PSD2 is that it transforms data sharing from a matter of commercial discretion into a legal obligation. Under the PSD2 framework, banks cannot unilaterally decide whether to grant access to customer account data based on their own business interests. Instead, once a customer provides informed and explicit consent, banks must provide regulated third-party providers with access to relevant account information through secure and standardized interfaces. This approach places customer control over data at the center of the regulatory framework while ensuring that access occurs within a system of regulatory supervision and accountability. For this reason, scholars and policymakers often characterize the European Union's open banking framework as a regulation-led model. The legal framework establishes clear rights and obligations for all participants, including banks, third-party providers, and consumers. This differs from Indonesia's current approach, which remains largely centered on interoperability standards, industry cooperation, and contractual arrangements between market participants. The significance of the European experience lies not in providing a model that Indonesia should replicate without modification, but in demonstrating how legal certainty, standardized access rules, and robust consumer protections can strengthen the effectiveness and enforceability of open banking (Fenwick, 2026).

PSD2 introduced two new categories of regulated third-party providers. The first is the Payment Initiation Service Provider (PISP), which is authorized to initiate payments directly from a customer's bank account on the customer's behalf. The second is the Account Information Service Provider (AISP), which may access and aggregate customer account information from one or more financial institutions, subject to customer consent. Together, these entities expand competition and innovation by enabling new financial services that operate alongside traditional banking institutions. To protect consumers and maintain the security of financial transactions, PSD2 also requires the implementation of Strong Customer Authentication (SCA). This security mechanism generally relies on multi-factor authentication, requiring customers to verify their identity through at least two independent authentication factors. By combining mandatory data access with strict security requirements, PSD2 seeks to balance innovation and competition with consumer protection and data security (Fenwick, 2026).

The GDPR is also very important. Since open banking incorporates personal data, GDPR criteria like data minimisation, purpose limitation, and lawful processing become extremely important. To put it another way, the EU views banking data sharing as both a financial services and a data protection concern rather than just a commercial one. The view that PSD2 laid the groundwork but left gaps in consumer protection, API harmonisation, and fraud prevention is reflected in the EU's current transition to PSD3 and the Payment Services Regulation. This teaches Indonesia a crucial lesson: even well-established open financial systems require ongoing legislative improvement.

3.3. Comparative Assessment

3.3.1 Legal entitlement to access

The EU comparison reveals a difference in regulatory technique. PSD2 expressly recognizes rights to use payment initiation and account information services and sets corresponding duties for account-servicing providers. Indonesia's SNAP standardizes payment-related API connectivity within a framework that expressly refers to cooperation agreements. This contrast supports a question about the extent to which Indonesian law creates a direct, enforceable entitlement for a customer-authorized third-party service, as distinct from regulating access once providers have entered a qualifying arrangement.

The conclusion should remain narrow. The reviewed instruments support the proposition that SNAP's defined subject matter is Open API Pembayaran; they do not, by themselves, establish that all data access in Indonesia is unregulated. The next step is to map the applicable provider categories and activities under the payment-services rules and identify whether any account-information services are covered by those categories or other rules. A specific regulatory gap should be claimed only after that mapping is completed.

3.3.2 Consent and purpose limitation

The PDP Law gives Indonesia a general legal foundation for personal-data processing, while SNAP addresses aspects of data protection and governance within payment API arrangements. The issue is whether these

sources collectively give participants clear operational rules for authorization, data minimization, purpose limitation, and the cessation of access. PSD2 Article 67 offers a useful comparator because it expressly restricts an account information service provider's access to designated accounts and its use of data to the service explicitly requested by the user (European Parliament & Council of the European Union., 2015). The GDPR separately governs the lawful processing of personal data (European Parliament & Council of the European Union, 2016).

A proportionate reform would clarify the relationship between payment API authorization and data-protection obligations, including the information a customer should receive, the scope and duration of authorization, how authorization can be withdrawn, and what happens to data already obtained. The reform should also distinguish the withdrawal of consent from other lawful bases for processing and from legitimate record-retention duties. This avoids an oversimplified rule under which all data processing is treated as consent-based.

3.3.3 Third-party authorization and supervision

Indonesia already regulates payment service providers and imposes conditions on relevant API participants. The question is whether the regulatory perimeter is functionally complete for the range of services commonly described as open banking. If an entity initiates payments, it may fall within existing payment-service authorization rules; if it only aggregates account information, the legal classification and supervisory route require specific examination. The article should not recommend a centralized licensing regime until it has demonstrated which provider functions are not adequately covered.

The EU approach offers a design lesson: define the regulated services, establish eligibility and authorization requirements for the entities providing them, and specify their continuing duties. Indonesia could pursue that logic through existing BI or OJK instruments, coordinated rules, or new regulations if a verified gap warrants them. The institutional choice should follow the legal analysis, rather than precede it.

3.3.4 Liability and consumer redress

PSD2 provides specific rules for unauthorized payment transactions, including an immediate refund obligation in Article 73 and a mechanism for recourse against a payment initiation service provider where that provider is liable. Indonesia's legal framework contains payment-services regulation and general consumer-protection rules, but the original manuscript did not analyze the applicable provisions sufficiently to prove that liability is generally unregulated. The revised claim is therefore that the interaction of these rules in multi-party API services needs targeted examination.

A useful doctrinal test is to analyze at least three scenarios: (1) an unauthorized payment initiated through a third-party service; (2) unauthorized access or onward disclosure of account data without a payment loss; and (3) an operational failure in an API connection that produces a duplicated, delayed, or incorrectly executed transaction. The applicable legal basis and remedy may differ across scenarios. A payment refund rule may not resolve a privacy claim, and a data-protection remedy may not itself restore a payment account to its prior state.

The recommended reform is to clarify the consumer-facing complaint pathway and the allocation of responsibility among relevant providers, while preserving recourse between providers where one party caused the loss. Any proposed rule should identify the event that triggers responsibility, the evidence each party must retain, the time limits for responding, and the relationship between payment correction, compensation, and data-protection remedies.

3.4 Reform Proposals

The comparative analysis supports four targeted proposals. First, regulators should clarify the regulatory perimeter by identifying which API-enabled services fall within payment-service licensing and SNAP, and whether additional account-information services require a distinct legal category or explicit treatment under existing rules. The goal should be functional clarity, not simply the creation of a new label. Second, relevant authorities should clarify the interaction between SNAP and the PDP Law. Guidance should address the roles of the parties involved in processing, the information needed for meaningful customer authorization, permitted purposes, data minimization, revocation, retention, and incident notification. These rules should supplement, not dilute, statutory data-protection obligations.

Third, the framework should make responsibility and redress clearer in multi-party services. A consumer should be able to identify where to submit a complaint, receive a timely explanation, and obtain a remedy under the applicable law. Providers should retain records sufficient to investigate unauthorized access, erroneous payments, and technical failures. Rules should distinguish refund or correction obligations from compensation for other forms of harm. Fourth, Bank Indonesia, OJK, and the competent data-protection authority should coordinate their regulatory expectations. A published responsibility matrix, consistent incident-reporting expectations, and a clear referral process for complaints could reduce uncertainty. The legal instrument should be selected after reviewing existing mandates and the scope of each identified gap.

These proposals do not require the assumption that Indonesia must enact a single comprehensive open-banking statute. A coordinated set of regulations, amendments, or interpretive guidance may be sufficient for some problems; others may require a new legal basis if existing authority does not permit the proposed obligation. The choice should be evidence-led and proportionate.

3.5 Regulatory Gaps

The first major gap concerns consent and data access. Open banking fundamentally relies on a customer's explicit authorization to share account and payment data with authorized third-party providers (TPPs) (Babina et al., 2024). However, the legal framework governing consent in Indonesia remains insufficiently developed for the specific context of open banking. Although the UU PDP establishes general principles regarding consent and personal data processing, it does not provide detailed guidance on how consent should be obtained, managed, verified, or revoked within API-based financial services. As a result, even though SNAP standardizes the technical mechanisms for data exchange, uncertainty remains regarding the legal requirements for obtaining meaningful and informed customer consent.

This situation also raises questions about the relationship between SNAP and the UU PDP. If the UU PDP is intended to function as the overarching legal framework governing personal data, then SNAP occupies a subordinate role as a technical standard. However, the absence of explicit regulatory integration between these instruments creates uncertainty regarding their respective scope and interaction. Consequently, market participants may face difficulties in determining whether compliance with SNAP's technical requirements is sufficient to satisfy broader legal obligations relating to consent, data protection, and customer rights.

The second major gap concerns the governance of TPPs. Effective open banking systems typically operate under a clear accreditation, registration, or licensing framework that identifies which entities are authorized to access customer data and provide open banking services (Schissel & Barber, 2023). Such frameworks enhance consumer confidence, facilitate regulatory oversight, and establish accountability among market participants (Babina et al., 2024). To address this issue, Indonesia should consider establishing a centralized accreditation or licensing regime for TPPs, accompanied by standardized API access requirements. A centralized framework would promote legal certainty, reduce fragmentation, and ensure that all qualified providers can participate on equal terms. Such reforms would also strengthen consumer trust by providing a transparent mechanism through which customers can identify authorized entities that are permitted to access and process their financial data.

The third major legal gap concerns liability and consumer redress. Open banking increases the complexity of financial transactions by involving multiple actors, including banks, TPPs, payment service providers, and consumers. This interconnected environment creates risks such as unauthorized access, data breaches, fraudulent transactions, and operational errors. While SNAP establishes technical standards for interoperability, it does not itself determine how liability should be allocated when losses occur. As a result, uncertainty may arise as to whether responsibility lies with the bank, the third-party provider, or another participant in the transaction chain. This issue becomes particularly significant when consumer protection and personal data protection obligations intersect. Without clear legal rules governing liability and compensation mechanisms, consumers may face substantial difficulties in obtaining effective remedies when harm results from open banking activities.

The fourth gap relates to institutional coordination and regulatory governance. Open banking operates at the intersection of multiple regulatory domains, including payment systems, financial services supervision, consumer protection, and personal data governance. In Indonesia, these responsibilities are divided primarily between Bank Indonesia and the OJK. Although this dual regulatory structure has the potential to provide comprehensive oversight, it may also create uncertainty if the respective roles and responsibilities of each

institution are not clearly defined. As Indonesia moves beyond a bank-centric model toward a more open and competitive ecosystem, effective regulatory coordination becomes increasingly important. The success of open banking therefore depends not only on substantive legal rules but also on the establishment of a coherent regulatory architecture that ensures consistent supervision, enforcement, and policy implementation across institutions.

Taken together, these gaps demonstrate that Indonesia's open banking framework remains primarily focused on technical standardization rather than comprehensive legal governance. While SNAP has established an important foundation for interoperability, the development of a fully functioning open banking regime will require clearer rules on consent, third-party provider governance, liability, institutional coordination, and data portability. Addressing these issues is essential if Indonesia intends to move from a framework centered on API infrastructure toward a legal regime that promotes competition, innovation, consumer protection, and trust in the digital financial ecosystem.

4. Conclusion

This article has assessed Indonesia's open-banking framework through a structured comparison with the EU PSD2 regime. It has used five criteria: legal entitlement to access, consent and data protection, third-party provider governance, liability and consumer redress, and regulatory coordination. The analysis shows why technical interoperability and legal governance must be distinguished, but it also cautions against treating the absence of one comprehensive open-banking statute as proof that the entire field is unregulated. Indonesia has a substantive regulatory foundation in SNAP and its implementing instrument, the payment-service-provider framework, the PDP Law, and OJK's consumer-protection rules. The principal questions concern the scope of those instruments and their interaction when API-enabled services involve multiple providers and processing purposes. The EU comparison demonstrates one way to make access rights, provider duties, and liability more explicit, particularly through PSD2 Articles 66, 67, and 73, while the GDPR supplies a distinct framework for personal-data processing. The appropriate reform agenda is therefore targeted: clarify which services and providers fall within the regulatory perimeter; align API authorization with data-protection obligations; specify consumer complaint pathways and responsibility across service chains; and improve coordination among competent authorities. These recommendations are conditional on further provision-by-provision verification of the applicable Indonesian rules. Properly implemented, they would strengthen legal certainty and consumer protection while building on, rather than disregarding, Indonesia's existing payment-system architecture.

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