

SYNPULSE ARTICULATES  
ITS VISION OF API  
STANDARDISATION

AND 'OPEN FINANCE'  
FOR ASIA'S WEALTH  
MANAGEMENT  
ECOSYSTEM



# INTRODUCTION

■ *Hubbis and our exclusive partner for the event, Synpulse, held a private discussion in November to focus the attention of guests (all specialists from private banks, wealth managers and FinTechs/WealthTechs) on the value of open API protocols and innovation in wealth management. Specifically, they wanted to highlight the progress they have made in Switzerland with the Synpulse-orchestrated OpenWealth Association, of which Synpulse Switzerland Managing Director Raphael Bianchi, a lead speaker at the event, is the founding president. The Association is essentially a club of like-minded financial institutions, WealthTechs, FinTechs, wealth management/service providers and others, all of whom are aiming to boost and fast-track API standardisation, semantics and user-friendliness. The Association has grown apace in numbers and effectiveness in Switzerland, and Synpulse is now embarking on a mission to launch a new arm in Singapore, which will also serve as a bridgehead to the rest of Asia. Raphael was joined by Simon Alioth, Vice-President & CEO of the OpenWealth Association, as well as Managing Director of the firm's digital connectivity and transformation platform Synpulse8. Together, they explained that their first objective is to connect more directly and intensively with local private banks, EAMs, MFOs and others in Singapore's wealth market, as well as with the city-state's increasingly extensive WealthTech/FinTech community in order to engage in a two-way dialogue around key challenges and opportunities for more seamless connectivity and flow of data and information in more standardised formats between the independent wealth intermediaries and the custodian banks. They then plan to move to stage two in Asia, creating a new arm of the OpenWealth Association and expanding the concept and collaboration in the region.*

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### *Key Observations & Insights*

#### THE KEY SPEAKERS FROM SYNPUULSE:

- » Raphael Bianchi is a Senior Partner, Synpulse Switzerland, and also Co-CEO of Synpulse8, the firm's financial and wealth-industry collaborative digital transformation offering. Allied with these roles, Raphael is helping to spearhead the expansion of the OpenWealth Association, of which he is the founding president. Although based in Switzerland, Raphael has considerable experience of Asia, having opened Synpulse's Singapore office back in 2008, since when he has learned that the wealth markets in Asia are significantly different from Switzerland or Europe.
- » Simon Alioth, Vice-President & CEO of the OpenWealth Association, as well as Managing Director of Synpulse8. Simon and his team are responsible for the orchestration of the OpenWealth community. The use cases and the resulting OpenWealth API specification are created, maintained and distributed by the Synpulse OpenWealth team together with the community. With his background as a software engineer and 15 years of experience in management consulting in the wealth management industry he is equipped to bring the OpenWealth API standard to all relevant wealth markets.
- » Also in attendance was James Dellborg, Senior Director at Synpulse Management Consulting in Singapore, who introduced his Swiss colleagues and set the scene for the event. James leads the Synpulse practice in SouthEast Asia that supports family offices and external asset managers. He has prior industry experience working for multiple Private Banks in the APAC region and is no stranger to the industry with 20 years of overall experience in financial services including 12 of those in APAC.



### INTRODUCTION

#### **The New & Better World of OpenWealth – an Overview from Synpulse Expert James Dellborg**

James Dellborg welcomed the guests and offered a brief introduction to the concept of the OpenWealth Association in Switzerland and its achievements to date, highlighting key friction points in how custodian banks and independent wealth advisors and intermediaries currently exchange data with one another, as well as outlining Synpulse's key mission to help advance this sphere of engagement and interaction.

#### **Overcoming major obstacles**

"In private discussions here in Asia, some of the banks have told me that they are literally at breaking point due to numerous ongoing manual processes, and the convoluted way in which they send or obtain data from other banks and intermediaries," he explained. "The situation has become intolerable for many of them."

And that, he said, is why the wealth industry needs open finance to advance significantly. "That is our mission with the OpenWealth Association, which we instigated in 2021 in Switzerland and that was imagined and designed in order to help the wealth industry substantially improve connectivity and flows between the custodian banks and the significant independent wealth community, helping both sides better connect in a more systematic and sustainable way than the older or still-current manual processes permit."

#### **Addressing the major pain points**

He explained that there are several central issues that need urgent attention. The first is custody feeds, with question marks continually hanging over the format of sent or received data between banks and wealth management intermediaries, with lack of clarity being a consistent theme and multiple different formats amongst the different entities frustrating both the senders and recipients.

"The wealth industry generally has been suffering for too long from ineffective and weak standards for sharing data, with a very significant reliance on manual processes for handling information, as any of the banks and independent wealth firms here today will likely confirm, and that is compounded by poor overall data quality and consistency," he reported.

The second pain point for intermediaries, as well as banks, is the lack of reliable automation to enable transactions to move seamlessly through their systems without a concomitant high level of manual effort.

"The EAMs and family offices need to sidestep the need to call dealing desks directly, which is inefficient, inaccurate and time-consuming, and they need better ways for orders and bulk orders to be placed, as well as improved and automated execution capabilities," he explained.

Then there are concerns over account opening, the earliest and often the most cumbersome or downright frustrating step in engagement between custodians and intermediaries and between the EAMs and their private clients.

#### **Bypassing the many potholes and pitfalls**

James commented: "Many EAMs or family offices here in the room today will have relationships with multiple different banks, to fulfil their offerings to their private clients, and you will know only too well how

unwieldy, repetitive and time-consuming it is to send and resend multiple rounds of data and verification and KYC or AML information to multiple different custodial banks just to get an account opened.”

He said this is particularly troublesome when thinking about how to deal with ongoing KYC/AML events, like event-driven reviews, or some news that emerges on a client, prompting all the custodian banks to suddenly call their customers and ask for explanations as to exactly what had happened.

### **Onboarding – the first and worst pressure point**

James conducted a very quick ‘Slido’ survey of the attendees, and immediately found that account opening causes these parties the most misery and is the most urgent area requiring attention. “It is both a threat to efficiency and effectiveness and costs, but clearly also an opportunity at the same time, which is the perfect sweet spot,” he said,

The fourth key area for improvement is the ability (or currently lack of) for intermediaries and banks to offer and expedite new products and services, without the need to fully develop their own infrastructure.

“In short, there are multiple different scenarios and challenges that any of you here today will face to differing degrees, and there may also be other challenges that I have not listed here and that frustrate you regularly,” he commented. “But what it all underscores is the fact that the wealth industry has been crying out for some level of standardisation in the way in which data can be exchanged.”

### **Welcome to OpenWealth (Asia)**

Accordingly, he said the mission for this event was to explain what they had achieved to date with the OpenWealth Association in Switzerland and to exchange ideas between Synpulse and the wealth management practitioners in Asia on their frustrations and what they might want to see as solutions.

James explained that the event was conceived as a forum for them to cover the major issues and concerns and then offer some views on the standardisation opportunities, which actually already exist and that have been at least in part fast-forwarded in the Swiss wealth market through these initiatives.

“Ultimately, we are hoping that in partnership with you, the wealth industry practitioners here, there’s an opportunity to build a Singapore/Asia OpenWealth Association that helps drive towards better practices and solutions,” he stated, before handing the microphone to Raphael Bianchi.





**Insights and Observations from OpenWealth Association Advocates Raphael Bianchi and Simon Alioth**

Supported by an excellent and highly detailed slide show ([Link to PDF](#)) and explaining that he was wearing effectively two hats - one representing their digital transformation hub Synpulse 8 and the other representing the Swiss-headquartered OpenWealth Association - Raphael said that his particular mission for the event was to focus on the missions and achievements of the Association, and to begin paving the way ahead for an Asian arm that would project similar objectives and take similar approaches.

Zooming in on the evolution of Open Finance, Raphael explained that their belief is there are new business models to benefit from, there will be much more collaboration across the whole wealth industry, and one day, well beyond financial services, we will all see a far more open economy where data is shared even among different industries and in different scenarios.

He explained that in Europe, the thrust to open banking has thus far centred largely on payment services, the regulatory approved (and client consented) provision of client data between banks and other parties, including WealthTechs/FinTechs, all to help improve payments and processes.

**Standardising wealth management data exchange**

But he explained that the mission of their OpenWealth Association initiative in Switzerland centred more on wealth management, and on UHNW, HNW, and mass affluent customers, and is all about finding and developing use cases to develop

open banking in the context of the wealth industry. “Custodian banks in Switzerland had told us that they want to open up, that they need to have the right technology and protocols to leverage data more effectively and smoothly, but they also told us they need real business use cases that will justify how they invest in incremental infrastructure,” he explained.

At the same time, he said that underlying their broader initiatives was the wealth industry’s drive towards greater client centricity. “That is the beating heart of the wealth business and is also absolutely essential for the independent providers, as they





centre their proposition on their end customer and strive to provide an elevated client focus and experience; that is how they win and retain private clients.”

### Developing the ‘use cases’ for custodian banks and independent firms

He said the use cases were therefore clear – the custodians and the independents need to work together to expedite better and more efficient and more seamless flows in the value chain, connecting more accurately,

with greater automation and more rapidly between the custodian banks that serve the family offices and EAMs, which in turn significantly improves the connectivity between those intermediaries and their own private clients, who also enjoy an elevated user experience.

If the connectivity and flows between the banks and the intermediary firms are not largely automated, he cautioned that the entire process remains highly cumbersome, and highly inefficient, data will not always be of the

necessary quality, and there will still be far too many manual processes. “The use case for the banks to focus on this and spend time and effort is clearly that all of these hindrances produce poor outcomes for all concerned, and very importantly makes such connectivity and flows so inefficient, costing lots of time and money,” Raphael stated.

### Proving and improving

Raphael said that in working through the collaborative forum of the OpenWealth Association, they could soon prove the value and integrity of such advances, could soon prove that having a standard language is essential and that having the right engagement between different parties and systems was essential.

“The banks quickly saw the value in all this, and that promoting standard processes was incredibly valuable to them and their customers, and then to the end clients,” he stated. “This has allowed us to build rapidly in terms of the numbers of different parties involved in the Association, and also in the communication, collaboration and drive towards greater standardisation and efficiency.”





### The parties still retain control of their ecosystems

Raphael also explained that in the context of wealth management, Open Finance does not mean an entirely borderless universe – the parties can collaborate discretely within their own selected ecosystems without the need or obligation to open client and other data to third parties.

“Instead, it is all about making any particular ecosystem more effective, more standardised, more efficient and lower cost,” he elucidated. “This is the rationale for bringing together all these players in Switzerland, driving towards our ‘EAM use case’, as we call it. Ultimately, we are aiming towards almost a plug-and-play protocol to connect different systems amongst different parties in the ecosystem, with standards of connectivity and flows, and with flexibility and with built-in agility.”

### Unified objectives, standardised outcomes

Raphael explained the concept was therefore to unite minds and objectives amongst these various parties participating in the Association and therefore to



communicate and collaborate towards finding common ground, common standards and acceptable solutions.

He said they had achieved that in Switzerland and it is today a thriving organism that continues to drive innovation and improvements. “And our objective is now to set about the same sort of process and mission here in Asia, through Singapore first as the hub,” he told guests. “And that is why we are here today, starting out on this journey, and also learning from you - the market practitioners - so that we can tailor solutions and practices to suit the local environment and culture. We clearly have a head start with our Swiss Association and we

can build on that and also our close relationships here in this region that have already expressed an interest in the concept of working with us to drive this forward in Asia.”

### Close and open relationships

He explained that the success of the initiative in Switzerland is founded on their well-established and close relationships with vendors, the banks, the independent wealth community, the regulators and other parties, including entities such as the banking association in Switzerland, and with technology providers like SIX that not only provides market data in





Switzerland, but has a whole API infrastructure already in place. “We are all powering towards common views and then common standards,” he stated.

With that, he handed the floor to Simon Alioth, Vice-President & CEO of the OpenWealth Association, as well as Managing Director Synpulse8.

### Many benefits to be derived

Simon said he would focus on the OpenWealth standard and the benefits. “I like to use the analogy of power sources and note that as there is no global standard, we are all forced to take adaptors with us when we travel to different countries to achieve connectivity,” he explained. “It would all be far easier if there were universal plugs and sockets across the world, but there are not. However, in the world of wealth management, we want to - and we actually can - do away with all these disparate standards and then no matter which bank you connect to, you will simply plug in and play.”

He said that as a non-profit organisation and coordinating



body, the OpenWealth Association is platform agnostic. He explained that they are simply working to define the language as to how the parties in the ecosystem can communicate effectively with each other, and aim to cover the complete customer management lifecycle, from onboarding, KYC, documents, and all positions and transaction in custody services completed by an order placement for trading. “To expedite smooth custody in all its forms and complexities, we are all helping develop a the standardised OpenWealth API protocol, he said.

### Seamless exchange of information

The order placement API works like FIX, but it is much cheaper to run for all parties, he added. He said the APIs are defined together in the community, and cover all cases including, for example, complex OTC derivatives. He noted that the customer management specifications are being designed to work seamlessly from onboarding onwards. The end client’s documents and data that go to the EAM or MFO for account opening can then be delivered





seamlessly to the custodian banks, which can obtain all the necessary data in a standardised format via OpenWealth API.

### The banks retain control of the acceptability of data and compliance

He noted that this does not preclude the custody banks from rejecting any data or documents. “The banks still have their own compliance processes and can make discrete choices over the actual data or documents, but the key is that the delivery is standardised and simplified and automated through the customer management APIs,” he stated.

He then went into somewhat more detail about the advantages. The custodians need less manpower and effort, as they receive documents and forms completed in a standardised format which they can process in automated systems using their own rules and compliance processes to analyse and accept or reject. “This dramatically reduces the onboarding time and cost, making it more efficient, and producing multi-party compatibility and connectivity,” he told guests.



### A win-win scenario

And from the viewpoint of the independent wealth managers, Simon explained that EAMs, MFOs and others then have fast and accurate access to the custody banks.

“Actually, it is already the case that if a custody bank is supporting OpenWealth, the EAM can connect and then plug-and-play immediately, reducing manual effort as they are now exchanging cleansed and standardised data coming with the custody banks in standard format.

He extrapolated from these comments, noting that the EAMs and other intermediaries then have an interface which saves money but also makes them fitter for the future. Moreover, it greatly benefits the private clients themselves who do not have to constantly repeat the delivery of their data, and who enjoy a more trouble-free wealth journey from onboarding to execution, reporting and safe custody.

### Creating value, achieving agility

“With OpenWealth APIs, you are already prepared for more





and more use cases,” Simon commented. “You are opening the door to exploiting the value you can deliver – you are improving the infrastructure in terms of the custody banking connectivity, you are opening up to more use cases in terms of diversified products such as structured products and others of more complexity, and you are also facilitating better curation and delivery of financial advice. These are three pillars addressed through these innovations.”

He closed his commentary by stating that with costs rising globally in wealth management, and with margins getting compressed in the industry, the curation and advance of optimised financial advice can help these players buck the revenue trends and build their business. “To overcome shrinking margins, you need to automate and reduce your costs and our OpenWealth sandbox, a product developed by Synpulse 8, will help you achieve exactly that.”



For further reading on Synpulse and their promotion of OpenWealth see also these recent Hubbis reports:

» [Synpulse's Raphael Bianchi on the Vision of API Standardisation for More 'Open Finance' in Asia](#)

And for a broader perspective on Synpulse, see also this Hubbis article on Synpulse CEO Yves Roesti:

» [Synpulse CEO Yves Roesti on Riding the APAC Region's Wave of Growth & Diversification](#)