

Toward an Innovative and Sustainable Jordanian Digital Financial System

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Digital transformation in the financial sector is no longer merely a technological trend, a systems-modernization project, or a means of adding new service-delivery channels. It has become an integral part of the financial system's very architecture, shaping the way products are designed, institutions are managed, risks are measured, and relationships with customers are built.

The transformation we are witnessing today goes far beyond replacing paper-based transactions with electronic ones, and it extends well beyond the use of applications and digital platforms. We are seeing a comprehensive reshaping of financial and banking business models, driven by data, artificial intelligence, cloud computing, instant payments, financial technology, and other technologies that are redefining the very concept of financial services.

Against this backdrop, customer expectations, the nature of competition, and sources of risk have all changed. Financial institutions are now expected to innovate faster, make better use of data, and operate with greater organizational flexibility, while at the same time becoming more secure, responsible, and capable of protecting their customers and preserving their trust.

This is the core equation of successful digital transformation: to innovate without undermining stability; to expand digitally without leaving anyone behind; to benefit from data without compromising privacy; and to accelerate service delivery without doing so at the expense of security and trust.

Jordan's financial and banking sector has made significant progress in its digital-transformation journey, supported by an advanced regulatory vision, sustained investment, continued development of the payments infrastructure, and rising levels of human and technical capabilities.

The Central Bank of Jordan has also played a pivotal role in creating an enabling environment for this transformation through the development of payment systems, support for financial innovation and financial inclusion, enhancement of regulatory and supervisory frameworks, and strengthening of cybersecurity and financial-consumer protection.

At the same time, banks in Jordan have continued to invest in modernizing their systems, expanding their digital channels, and strengthening information security. A recent study prepared by the Association of Banks in Jordan indicates that banks' spending on technology and digital transformation reached JOD 221 million in 2025, equivalent to 8.5% of their revenues and 15.1% of their total expenditures. The fundamental issue, however, is not the scale of spending in itself, but the value generated by that investment in terms of improving the customer experience, enhancing efficiency, increasing the accuracy of decision-making, and strengthening the capacity for innovation and risk management.

The next phase therefore requires moving beyond the digitization of services toward building fully integrated digital institutions that use technology throughout the entire value chain – from understanding customer needs and designing products to pricing, credit, risk management, compliance, fraud prevention, and customer service. In this context, artificial intelligence opens broad opportunities in areas such as fraud detection, credit-risk assessment, data analysis, anticipation of customer needs, and process automation.

Digital transformation, however, does not bring opportunities alone. As digital systems expand and the volume of data increases, exposure to cyber risks and digital fraud also rises. Cybersecurity can therefore no longer be viewed as a purely technical matter confined to information-technology departments; it has become a strategic issue linked to business continuity, financial stability, customer protection, institutional reputation, and trust in the financial system.

Innovation also requires smart financial regulation that does not treat regulation and innovation as opposing forces, but rather as complementary elements. Sound regulation provides innovation with trust, clarity, and sustainability, while responsible innovation helps improve efficiency and broaden access to financial services.

The future of financial services will increasingly be built around partnerships and open ecosystems that bring together banks, fintech companies, technology-service providers, data platforms, and other stakeholders. Within this framework, Jordan has a strong foundation on which to build and a genuine opportunity to strengthen its position as a regional hub for financial innovation and technology.

Building an innovative and sustainable digital financial system cannot be achieved through technology alone. Technology is an enabler; genuine transformation requires vision, leadership, institutional culture, human capabilities, governance, and trust.

Digital transformation is not a project with a beginning and an end, but a continuous capability for learning, adaptation, and renewal. The clearer our vision, the stronger our partnerships, and the smarter our investment in people and technology, the better positioned we will be to build a Jordanian financial system that is digital, innovative, secure, inclusive, resilient, and sustainable.