

*Vietnamese banks have actively researched and invested in technologies of the fourth industrial revolution, said Nguyễn Kim Anh, Deputy Governor of the State Bank of Vietnam (SBV).*



*A seminar on the banking sector in the fourth industrial revolution was organised in Hà Nội on Friday. — Photo cafef.vn*

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Some of the technologies applied include cloud computing, big data analysis, artificial intelligence and applications and solutions such as biometric authentication and open

application programme interface (open API).

These technologies help to improve operational efficiency and overall customer experience, Anh said.

Banks also utilise distribution channels and access, and interact with users on digital platforms, smartphone applications and social networks. They have applied digital technologies to improve the efficiency of internal systems operations and business process optimisation.

As a result, banks can improve their customer relationship management, helping them to better understand the habits and tastes of their customers to provide the best products and support risk management, said Anh.

Speaking at the event, Deputy Minister of Science and Technology Pham Do Dung said that banking is one of the leading sectors in applying scientific and technological advances in management and business.

This has created a solid foundation and competitive advantages in the context of digital economy development as the world economic centre gradually shifts from the West to the East.

However, according to Deputy Minister of Science and Technology Pham Do Dung, besides the advantages there are many risks and challenges when the development of new technologies such as blockchain, big data and artificial intelligence requires the banking industry to adapt its management and product structures.

The risks also come from issues such as cyber security, he said.

Deputy Governor Nguyen Kim Anh also said that the banking sector will face great challenges in completing the legal framework for banking operations in accordance with the context of industrial revolution 4.0 development. Other challenges for banks include changing their

governance and business model to adapt to customer trends, alongside threats in cyber security risk prevention and customer information protection.

Economic experts said that to develop rapidly and efficiently in line with the trends of the world, the banking sector should concentrate resources to apply new legal frameworks, and create a good ecological environment for credit institutions and fintech companies to develop financial services in the digital platform to increase the access of people and businesses.

In addition, the experts also advised the sector to invest in IT infrastructure to modernise and automate most of the banking process, and to develop banking services through digital technology.

This requires the resources of not only banks and credit institutions, but also of the Government. The Government needs to invest in the development of national technological infrastructure, and implement incentives to encourage banks to develop financial products and services.

*Source: VNS*