



From Innovation to Responsibility: The New Framework for Artificial Intelligence in the Banking Sector

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In recent years, the Jordanian banking sector has witnessed remarkable acceleration in the adoption of digital technologies, driven by the Economic Modernization Vision, which places digital transformation and financial innovation at the heart of its strategies. In this context, in August 2025, the Central Bank of Jordan announced the issuance of a regulatory framework for the use of artificial intelligence in the Jordanian banking sector an advanced step that has been considered pioneering at the Arab regional level.

This initiative does not view artificial intelligence merely as a technological tool, but rather as a strategic enabler that requires clear regulations and a sound governance framework to ensure responsible use of modern technologies, enhance customer trust, and strengthen the competitiveness of the financial system in Jordan and globally. It reflects the Central Bank's recognition of the importance of balancing financial innovation with maintaining the stability of the banking system and protecting customers.

The new guidelines have set a clear framework for banks, based on the principles of transparency, prevention of bias, data privacy, and customer protection from risks deemed unacceptable. They also require banks to establish specialized committees to review AI tools before adoption, and to implement systems for managing related risks.

From an economic perspective, these guidelines are expected to contribute to raising efficiency in banking operations, starting from creditworthiness assessment, early fraud detection, and extending to the provision of customized and rapid customer services. They also open the door to innovative financial products such as instant digital loans and smart payment solutions, thereby enhancing financial inclusion and keeping pace with the aspirations of the digital generation.

The existence of a clear regulatory framework also provides reassurance to investors and customers that the use of technology is governed by safe and responsible standards.

Although the regulatory framework entails costs for banks, it will grant Jordanian banks a distinctive advantage, particularly by enhancing their competitiveness over the long term and strengthening their ability to keep pace with global trends. However, this also requires banks to adopt numerous measures, such as integrating with the framework, updating digital systems to ensure compatibility, developing specialized data analytics and AI models, and meeting the need for efficiency in operations.

On another level, compliance with these guidelines requires investment despite the relatively high costs in policies and procedures aligned with regulatory principles. Such efforts may demand significant time and direction within banks before they become fully effective.

With this step, Jordan presents a distinguished model in the region, particularly as some Arab countries have only recently begun to focus on this area. Jordan has chosen not to begin by merely expanding digital applications, but rather from the perspective of regulation and governance, to establish a balance between responsible use of technology, innovation, and consumer protection. This strengthens the Kingdom's position as an attractive environment for financial and technological investments and grants its banks a leading reputation at the regional level.

These guidelines are also expected to open the door for Jordanian banks to responsibly experiment with innovative AI-driven solutions such as intelligent assistants, conversational technologies, and predictive analytics that support credit and investment decisions. The success of this experience will depend on banks' ability to invest in training their workforce, strengthening their skills in AI and data analytics, building partnerships with fintech companies, and launching awareness campaigns that explain to customers the benefits and safety of AI-powered financial services. Regional and international cooperation will also play a key role in exchanging expertise.

In conclusion, the issuance of the regulatory framework for artificial intelligence applications by the Central Bank of Jordan represents a qualitative shift in the digital transformation journey of banks. It places banks before the responsibility of investing in human capital, developing partnerships with fintech companies, and launching customer awareness initiatives on the use of smart banking services. If Jordanian banks succeed in transforming these principles into practical practices, Jordan will be at the forefront of Arab countries building a modern financial system that combines innovation with responsibility, making the Kingdom a model to be emulated in the region.