

Bangkok FinTech Fair 2019: Collaboration for the Future of Finance

Bank of Thailand Learning Center

18-19 July 2019

Dr. Veerathai Santiprabhob, Governor of the Bank of Thailand, opened the “Bangkok FinTech Fair 2019: Collaboration for the Future of Finance”, held between 18 – 19 July 2019 at the Bank of Thailand Learning Center. This marks the second time since last year’s inaugural FinTech Fair, which focused on financial services for people and SMEs. Over the past year, there were concrete developments on financial innovations and extended services. This year’s Bangkok FinTech Fair therefore aims at broadening the collaboration between various service providers, including financial institutions, non-banks and FinTech firms as well as relevant public and private sectors. The objective is to build an ecosystem that enables the use of financial technology to develop products that meet customers’ needs and enhance institutional efficiency. Moreover, the collaboration covers international payment connectivity and new payment solutions using state-of-the-art technology.

The highlights of the Bangkok FinTech Fair 2019 included discussions in the main conference room on FinTech developments, including Thai and international flagship projects. The discussions and presentations on FinTech took place in the TechTalk Room. Accomplishments of ASEAN FinTech collaboration were showcased in the ASEAN FinTech Connectivity Room. Booths from commercial banks, service providers and public sectors, both domestic and international, displayed their financial technology to provide opportunity for participants to learn from the real experiences and better understand new FinTech products.

Also on the program were press conferences on the development of national financial infrastructures, including the National Digital Identity (NDID) and the launch of the new QR Payment service for businesses called “MyPromptQR”. These two projects will help drive Thailand’s financial and digital payments.

The Bangkok FinTech Fair 2019 had more than 3,500 participants, ranging from top executives and staff from financial institutions, payment service providers, FinTech firms, public and private sectors as well as foreign central banks and financial institutions, international organizations, professors and university students, and interested parties. The general public were invited to follow the proceedings from Bank of Thailand’s Facebook live, which was broadcasted during these two days and attracted over 56,000 viewers.

Key Highlights

The Seven Wonders of Thai FinTech

The Bank of Thailand demonstrated the success of recent FinTech development through “The Seven Wonders of Thai FinTech”. These are projects to improve livelihoods of Thai people, which include: (1) PromptPay, (2) Thai QR Payment, (3) Cross-border payments, (4) e-Donation, (5) Blockchain Community Initiative, (6) Project Inthanon and (7) DLT scripless bonds. These projects have laid strong foundations for digital financial adoption for individuals as well as businesses. This is especially true for PromptPay, which is the world’s fastest growing fast-payment system with 49 million IDs in two years and 6 million transactions per day, and also for Thai QR Payment, which is the first standardized QR Code for payment connecting five international card schemes with the migration of 5 million acceptance points throughout the country.

Themes from the Main Plenary Session

Interoperable Infrastructure

National payment infrastructures are important foundations to support financial development and economic growth. They are established by building on well-designed use cases, well-structured collaboration, well-planned communication and customer protection, and well-monitored development. Moreover, these infrastructures are customer-centric, as they take customers’ needs into account. For instance, in London where transportation users do not want to buy tickets for public transportation, the contactless payment was created to accommodate this change of consumers’ behavior. Digital economy is considered successful when protection and innovation are well balanced while security, privacy and ethics are taken into account.

Innovation & Inclusion

In the rapidly changing environment, the way goods, services and money move around will probably change more in next five years more than it happened in the past 100 years. The key to successfully achieve inclusive digital transformation is to place focus on people and their needs instead of focusing only on the technology. In addition, access to finance and financial inclusion for all have long been major policy objectives, as it would benefit the previously unserved or underserved people.

Interconnectivity

Customer experience needs to be seamless for cross-border payments, which is particularly true for ASEAN. The current trends are the rising of digital payments (smartphones & QR code) and the increasing of new players in the market. One of the challenges is how to successfully drive the interoperability among different networks, such as cards, blockchain, banks, and mobile wallet providers, to benefit all stakeholders. Above all, partnership is the key for innovation.

Information

Consumers expect banking services to be on par with their everyday digital service providers e.g. Facebook, YouTube, and LINE. In this regard, banks have to be efficient, consumer-centric, and constantly adapt to customers' needs. Data analytics is another tool that will play an important role in analyzing financial data in order to assist in economic and financial policy-making. In the future, all partnerships will involve some form of collaboration in terms of data (information acquisition) and/or analytics (applications and business insight).

Cybersecurity

The foundation of trust in financial technology is security, privacy and transparency. All stakeholders need to work together to build the trust. Furthermore, each stakeholder needs to share responsibility to prevent and overcome cyber threats and also needs to share related information with the broader banking community in order to improve our collective defense against cybersecurity threats.

Culture & Ecosystem

The best digitally driven financial ecosystem is the one that creates the right incentive structure and healthy competition for ongoing development that will drive productivity, immunity and inclusivity of a country. Such an ecosystem consists of multiple interdependent and interconnected stakeholders which harness the benefits of digital disruption. For instance, customer-first approach and data are key factors to provide new services and financial inclusion. In order to foster these developments, it is essential for relevant stakeholders to be agile and adaptive so that they can best collaborate among each other. On the other hand, the regulations shall be supportive and move from entity-based to activity-based preparing to encounter with modern technologies and new innovative services.

Themes from the "Tech Talk" Event

The Tech Talk was organized in the theme of "ABCD Techs in depth and use cases". ABCD includes A: AI and APIs, B: Blockchain and Biometrics, C: Cloud and Cybersecurity and D: Data Analytics. Nowadays, data is worth more than gold and needs to be shared to create certain collaboration. The standards and interoperability can be achieved through APIs and reconciliation of consensus protocols. Security and scalability shall be done uniquely by design. For instance, localizing data center might not make data more secure for all environment. In addition, mindset and creative environment are the key drivers to intra/inter organizational innovations.

Themes for the ASEAN FinTech Connectivity Event

ASEAN FinTech Connectivity consists of presentation, panel discussion, and showcases. These presentations focused on ASEAN FinTech landscape, the collaboration and development of FinTech in ASEAN, and how FinTech transform the banking industry with good customer experiences. Moreover, perspectives on the partnership for the FinTech ecosystem and the views of the fast-changing of payment landscape from experts including Google, True and SWIFT were expressed during the panel discussions. Also, brand-new payment products that

would change the way ASEAN connects were presented to elaborate the real use cases. In addition, innovative products and experiences from leading FinTech in ASEAN were presented to showcase the real beneficial use cases to the audience.

Press Conference

During the Bangkok FinTech Fair 2019, there were two major press conferences: (1) National Digital Identity (NDID) and (2) The New Chapter of QR Payment: MyPromptQR. Both services will be launched to the general public in the fourth quarter of 2019.

NDID is a national infrastructure for electronics authentication which is a centralized platform that allows members from public and private sectors to connect and authenticate their customers digitally. The current members are commercial banks, security companies, and insurance companies.

MyPromptQR aims to expand Thai QR Payment to business sector that has large amount of customers per day e.g. convenient stores and department stores. This service will make payments faster and more convenient for both business and individuals. More importantly, MyPromptQR is the first service that is developed on ISO 20022, the international standard for payment message communication, which is a substantial foundation for innovative services in the future.

Exhibitions

There were a total of 68 booths from banks, payment service providers, payment card networks, Thai FinTech Association, ASEAN FinTech firms, consulting firms, technology firms, governmental agencies, and national infrastructure companies. The exhibitions were arranged for the participants to learn from real FinTech experiences and use cases.