

## Asian Financial Forum 2018

### The Era of Fintech: Convergence, Empowerment, Reconstruction

#### Synopsis

The global economy has entered a new norm where technological innovations once again change human life at an astonishing rate. New inventions such as high-speed rail, Alipay, bicycle-sharing and online shopping are results of the economic transformation and upgrade in China. Technology and services that originated in developed economies are now being applied and realised in China on a larger scale.

Financial technology is contributing to intelligent manufacturing in China, boosting its economic growth. Artificial Intelligence (AI) is also having a huge impact on the financial sector and we shall take a closer look into the Era of Fintech.

What exactly is AI capable of doing? Will AI replace Wall Street? How are fintech innovations such as investment consultancy, digital currency and blockchain technology developing in China? How should traditional commercial banks respond to the rapid development of financial technology? How should fintech be effectively regulated around the globe?

This session discussed how financial technology can be introduced in China and achieve sustainable, secure and legal growth.

#### *Welcome Remarks and Moderator of Panel Discussion*

- **Mr Zhou Jiangong**  
CEO of Yicai Media Group

#### *Moderator*

- **Ms Hang Yu**  
Chief Correspondent in Hong Kong, Yicai Television

#### *Speakers*

- **Mr Phang Yew Kiat**  
Vice Chairman and Chief Executive Officer of Credit China FinTech Holdings Limited (CCF)
- **Mr Jason Wang**  
Co-General Manager of Baidu FSG Insurance Services and the group's founding member)
- **Mr Jiang Li**  
CTO for Microsoft China
- **Ms Zhang Yue**  
Senior Vice President of CreditEase

Zhou Jiangong opened the session by evoking the global financial crisis of a decade ago when the term “fintech” didn't exist. Now, he said, China is leading the way in

fintech innovations – stimulated by having more mobile device users and more people using mobile payment systems than anywhere else in the world.

Jason Wang said the growth of fintech has been remarkable as new methods develop and people around the world realize the value of such financial services, while Zhang Yue pointed out that traditional finance companies see fintech as a redemption, and tech companies as a way to make money.

The discussion turned to how the traditional financial sector in China had become concerned about changes such as the automation of databases, and then quickly adapted. Jiang Li said this had happened before with the advent of the Internet, which Chinese firms initially looked upon simply as a tool, but soon saw the disruption it was causing in the retail sector and wanted to catch up. Wary of being left behind again, he considers that is why China is leading the way when it comes to AI.

Pang Yew Kiat said he believes that in some sectors there is a hesitation to “reinvent the wheel, but maybe that’s what we should be doing.”

He explained how his company targeted the estimated 500 million people in China not being served by traditional banking services, providing them with simple banking services via apps, which can process a loan application within a minute.

Jason Wang then explained the growth of Baidu in fintech terms, to show what opportunities exist. He explained the company is developing a driverless car and intelligent home technology, and recently entered the entertainment industry since progress in technology has led to more leisure time for Chinese citizens. Fintech enables financial inclusion, he said, and Baidu has focused on financing people like students with no credit line but plenty of ideas.

The panellists agreed the growth of AI will help facilitate smoother operations across the financial world and beyond, but Zhang pointed out that a “human connection” is still necessary for major deals.

The consensus was that fintech regulation is a global issue to be addressed through co-operation, and regulation is also essential for the development of digital currency and block chain technology in China as their growth is inevitable.

**ENDS**