

## **Khaled Al-Dhaher: Closing remarks - SAMA-BIS Innovation Summit**

Closing remarks by His Excellency Dr Khaled Al-Dhaher, Vice Governor for Supervision and Technology of the Saudi Central Bank, at the SAMA-BIS Innovation Summit, Riyadh, 20 November 2025.

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Honorable Governors, dear colleagues, and distinguished guests.

I would like to start by thanking you for joining us in this summit and for your valuable active participation. This summit went beyond discussing a shared vision for financial transformation in our region - it helps shape it to achieve a digital future that is inclusive, resilient, and grounded in trust.

Our dialogue and experience sharing are what make this summit a success.

As we conclude the SAMA-BIS Innovation Summit here in Riyadh, I am honored to have the opportunity to highlight some of the insights that have surfaced over the last two days.

We gathered here with a common objective, which is to understand how innovation can serve our people, strengthen financial integrity, and empower our region to lead responsibly. Innovation in finance is a collective endeavor shaped by regulators, technologists, academics, and industry leaders working side by side, and it is significant when it solves real-world problems and adds real value to the stakeholders. Therefore, it is critical to listen to the market, clients, corporate, retail, and SMEs, and understand needs and challenges, while working towards addressing these needs in a safe and stable financial environment.

Across sessions, a unifying theme emerged: The need to build an ecosystem that is open, interoperable, and resilient. This new financial architecture must be built on 'trust by design,' and this trust should not be considered a byproduct of innovation; it should serve as its foundation. The implication is that our systems must be secure, explainable, and inclusive – whether in tokenizing money, developing and deploying AI, or preparing for the Quantum disruption.

### **Day One: Cross-Border Payments**

Our summit began yesterday with a focus on the role of central banks in fostering innovation and cross-border collaboration.

Keynote addresses by His Excellency SAMA Governor Mr. Ayman M. Al-Sayari and Mr. Pablo Hernández de Cos reminded us that innovation must preserve and enhance stability, resilience, and trust. Leaders from regional central banks and beyond then reflected on the G20 roadmap, highlighting the urgency of building payment systems that are faster, cheaper, transparent, and inclusive. The message was clear: regional leadership is essential to global progress.

In the BIS Innovation Hub's Agora Project, we saw a fascinating showcase of how tokenization and smart contracts can reshape wholesale cross-border settlements.

We then transitioned to a discussion about the design principles of tokenized money and payments to ensure that digital value transfer is secure.

The Machine-Readable Rulebook project, presented by SAMA's Innovation Hub, was a demonstration of how AI models can be used to annotate obligations according to a predefined taxonomy and transform them into a machine-readable format. This enables benefits such as systematically comparing similar regulatory obligations across jurisdictions and identifying areas of potential over- or under-regulation.

As we wrapped up the first day, we explored how AI can enhance cross-border payments by making them faster, cheaper, more transparent, and more inclusive.

We also examined practical safeguards that can be implemented to ensure that AI-generated payment decisions are sound while minimizing potential errors and biases.

## **Day Two: Mitigating Emerging Technology Risks**

Today, discussions shifted from possibilities to responsibilities when Dr. Rashad Cassim's keynote reminded us of the risks that accompany innovation, and that cybersecurity, misinformation, and divergent systems are central to the future of finance.

We heard from the South African Reserve Bank and the BIS Innovation Hub in Hong Kong, highlighting how challenge-based collaboration can unlock scalable solutions.

Whether through digital identity or data portability, the emphasis continues to be on building systems that are inclusive by design.

The critical need for standards and interoperability was stressed in a fireside chat, noting that without a common language, even the most advanced systems risk becoming silos and limiting their potential. The vital need for interoperability resurfaced in discussions around "Scaling Tokenization Safely", in addition to the importance of legal frameworks and operational resilience.

We were reminded that the most dangerous risks are often the quietest ones, including AI drift, hallucination, and subtle inaccuracies. These challenges demand continuous monitoring and prudent design. This guided us into discussions about "Governance by Design", and the need to embed accountability and transparency within AI from the beginning. This is a moral imperative, not a technical one.

Mr. Wolfgang Engel, Mr. Azam Alameddin, and I spoke about a subject of particular interest to me, regarding the evolving role of central banks in facilitating innovation, and recognizing that their roles require more proactive 'seeding' as opposed to a more traditional approach of reactive oversight. In this context, we shared the example of SAMA's internal Fintech Application Assessment Tool.

While the shift from closed proprietary architecture towards modular systems in the financial system is lauded for its many benefits, we heard about the new risks that this approach gives rise to and how risk management needs to evolve in response.

Last but not least, we discussed the potential threat from Quantum computing, and the transformative power and risks of which may not be as distant as some believe.

Our colleagues discussed the strategic role of central banks in anticipating risks, and how a clear strategy for developing Quantum-safe cryptography and cross-sector collaboration is needed.

I recognize that this summit has given us all a lot to digest. Therefore, I would like to highlight three notable takeaway points:

#### **Institutionalizing Innovation:**

- Central banks must embed innovation into their structures, from dedicated innovation hubs and sandbox programs to clear, structured approaches, and international collaboration and partnership.

#### **Strengthening Regional Interoperability:**

- Repeatedly, expert speakers and practitioners have stressed the importance of regional coordination.
- Projects such as Agora and future tokenization pilots can lay the foundations for a truly interoperable financial network across our region. However, we must do our part to connect across jurisdictions to join the dots.

#### **Building Resilience on a Forward-Looking Basis:**

- AI drift, cyber vulnerabilities, and quantum disruption are risks that demand proactive governance.
- We must invest in forward-looking approaches to testing, experimentation, and shared frameworks.

I firmly believe that the collaboration between SAMA and the BIS Innovation Hub provides a model approach that we hope even more of our peers will choose to adopt.

Before I conclude my remarks, I would like to extend our gratitude to:

1. His Excellency SAMA Governor, Mr. Ayman M. Al-Sayari, for his visionary leadership, and to Mr. Pablo Hernández de Cos for cross-collaboration throughout BIS.
2. The governors, deputy governors, and heads of innovation centers for their deep insights and valuable contributions.
3. The Moderators and speakers for their thought-provoking comments and dialogues.
4. The BIS Innovation Hub for their enthusiastic support and leadership at this Summit and in our many bilateral engagements.

5. All the staff and team members who work behind the scenes, backstage, and at the registration desks for all your hard work. Thank you.

Thank you to all the participants and delegates for your time, energy, and commitment to our shared goals. On behalf of the Saudi Central Bank, and in partnership with the Bank for International Settlements, I thank you all for your active participation. We look forward to welcoming you again to Saudi Arabia in the near future. Thank you, and wish you a wonderful experience for the rest of your stay in Riyadh and a safe trip back home.