

Evolving Landscapes

Eng. Maqbool Al Wahaibi, CEO of Oman Data Park, discusses the transformative impact of digital banking on the financial sector as emerging technologies, bolstered by Artificial Intelligence, pose the next big paradigm shift



Eng. Maqbool Al Wahaibi
CEO, Oman Data Park

Oman Data Park has evolved significantly since its inception as a technology company, experiencing robust growth across various sectors. What growth phase are you currently in, and where do you envision heading next?

Oman Data Park (ODP) is transitioning towards providing an end-to-end digital ecosystem, poised to further

disrupt the market and deliver exceptional value across different segments. Our journey began as a data center colocation provider in 2012, expanding into cybersecurity in 2014. Subsequently, we ventured into the cloud space, offering cloud services that empowered organisations to benefit from economies of scale.

From a business standpoint, we're currently enjoying a Compound Annual Growth Rate (CAGR) of 19 per cent, a figure projected to escalate to 32-33 per cent over the next couple of years. The momentum for growth is palpable.

We focus on Infrastructure as a Service (IaaS) with Nebula AI, while our offerings have progressed to encompass Platform as a Service (PaaS), and today, we're deeply entrenched in software as a service (SaaS) over the cloud. Concurrently, we've enhanced our ecosystem of partnerships, recognising the importance of collaboration in driving progress.

Presently, we're engaged with various partners in the cloud and cybersecurity domains, including hyper scalers like Amazon Web Services (AWS), Oracle Cloud Infrastructure (OCI), Microsoft Azure, and discussions are underway with Google. By aligning ourselves with these industry giants, we aim to position their services alongside our own, such as Nebula AI, which further bolsters our value proposition.

THOUGHT LEADERSHIP



Our overarching goal is to align with Vision Oman 2040, where we aspire to elevate technology's contribution to GDP to 10 per cent. Currently, the ICT sector contributes approximately 2 per cent to the nation's GDP, and our aim is to substantially augment this figure by leveraging the collective efforts of stakeholders, spearheaded by the Ministry of Technology, Communication, and Information Technology (MTCIT).

Central to our ethos is customer-centricity, driving every decision and action. We believe in preserving our core while propelling progress through innovation and diversification.

Fintech is a prime example of a segment flourishing within our ecosystem. Numerous startups, both local and international, benefit from our infrastructure and managed services, facilitating their rapid growth. Similarly, digital and Open Banking solution providers like Antom further leverage our expertise to enhance their offerings and drive innovation in the sector.

Our economic model relieves businesses of operational and economic burdens, allowing them to focus on growth. By offering utility-based pricing models, we ensure businesses can access state-of-the-art infrastructure without significant upfront investments, thereby maximising their profitability.

In parallel, we're committed to bridging the skillset gap, empowering Omani youth with niche skills required by the market. Additionally, artificial intelligence (AI) holds immense potential in shaping the future, with Dr. Haider Lawati leading our AI initiatives. Collaborations with industry leaders like Nvidia and AWS' AI Division underscore our commitment to driving AI innovation.

AI is our next flagship endeavor, poised to propel ODP into a new era of technological advancement. By harnessing AI's transformative power, we aim to elevate not only individual organisations but also the entire economic landscape of Oman.

What does the future hold for banking, and how do you envision AI shaping this transformative journey?

The banking industry is evolving rapidly. Traditional banks may no longer resemble the institutions we know today. They might even adopt new names, reflecting their transformation into digital entities. This shift will see banks entering various new arenas, driven by necessity as the world moves forward.

One significant change will be in how banks interact with customers. For example, banks will use advanced language learning models (LLMs) to offer personalised financial advice. Imagine asking your bank's chatbot

for travel advice based on your budget. The chatbot, having access to your financial history that dates back decades, could recommend destinations that won't strain your finances. It might suggest cost-effective accommodations and ticket options, ensuring you stay within budget.

These AI-driven services will make financial planning more accessible and accurate. Banks, armed with comprehensive knowledge of your financial capabilities, will help you make these informed decisions, reducing the risk of financial overreach. Banks won't need to ask basic financial questions because they already have the data. They will understand your spending patterns, income, and even your propensity for risk.

This personalised guidance is essential, especially when we consider that poor financial decisions often stem from a lack of proper advice.

In the banking sector, the necessity for organisational-based LLMs is paramount, primarily due to the highly confidential nature of the data stored within these institutions. There exists significant potential for progress in this realm. Take, for example, contract management: picture a robot swiftly analysing multiple contracts, identifying essential clauses within seconds.

Additionally, in data analysis, banks can tap into vast reservoirs

of historical data to make more informed decisions, pinpoint areas for improvement, and bolster customer relationships.

e-KYC processes represent another critical avenue for minimising risks in credit offerings. Traditionally time-consuming, LLMs powered by AI agents can accomplish this task in seconds with heightened accuracy.

These advancements are further exemplified by innovations like ChatGPT 4o, highlighting the technology's transformative and scalable potentials.

How will Open Banking and Open APIs impact the potential of the banking and finance sectors?

Innovations such as these hold significant potential for the banking and finance sectors. They can enhance financial inclusion by providing more personalised and accessible financial services to a broader range of customers. Open Banking, for instance, allows for greater data sharing between banks and third-party providers, leading to the creation of innovative financial products and services that cater to specific customer needs. This can foster a more competitive environment, encouraging traditional banks to improve their offerings and customer experience. Of course, upon fruition, this will be further enhanced with ODP's cybersecurity systems and AI offerings to explore their true potentials. Additionally, Open APIs facilitate seamless integration between different financial platforms, promoting efficiency and reducing operational costs.

We recently signed an exclusive partnership with fintech provider, Antom. They are an international company with Omani roots and

will be completely powered by ODP. Cohesively, our objective is to unify Oman's digital financial ecosystem – and through their Digibanc SaaS platform, we can handle complex legacy systems and cutting-edge technology on the cloud to ensure that clients can scale up their operations.

The system can also leverage on pre-configured modules, workflows, and integrations to ship solutions faster. All of this is designed to ensure that the client's APIs are safe and secure, with industry-leading security, governance, and compliance protocols in place. Rest assured, once the Open Banking framework is finalised by the CBO, we will be prepared to roll this out to our banking and finance clients, who can then build on the platform by bringing in innovative customer solutions.

How do you anticipate the BFSI sector in Oman to evolve in its embrace of digitalisation?

I believe there are three key components to this equation. The first and most important component is the legislative framework, which is managed by the Central Bank of Oman. They have been very proactive in legislating elements within the digitalisation space, particularly for the BFSI sector. We anticipate new legislations for digital and Open Banking to be introduced this year, further driving innovation. The pace of these legislative efforts is both welcomed and satisfying.

The second component involves solution providers, such as Antom and OmPay in the fintech space, and Bima in aggregators sector. These companies are responding to strong market demand, which is driving their success.

Both local startups and international companies are thriving, supported by a welcoming environment for foreign

direct investment (FDI) in technology. The availability of technology and solutions is robust, and I see no significant challenges here.

The third and most critical component is the skillset. Currently, we need to accelerate efforts to address the skill gap, starting from the educational level. There is a discrepancy between the current curriculum and market demand, which can only be minimised by updating curriculums from early stages of education. This approach will ensure graduates possess the necessary skills to meet market needs.

To address today's skill gap, we have launched programs aimed at skill development. One such initiative is the Sahab Programme – 'Sahab' being the Arabic word for 'cloud.' This annual program trains 25 to 30 graduates in disciplines such as cloud infrastructure, cybersecurity, and artificial intelligence. Participants receive on-the-job training for a year, after which ODP may hire some of them. Others will enter the job market with valuable skills, ready to serve other companies, even our competitors.

Other organisations in Oman are also making similar efforts. There is a collaborative initiative between the Ministry of Labor and various business units across different sectors, including banking, oil and gas, and technology. This proactive approach will reduce the training burden on institutions and better prepare our youth for the workforce.

From a consumer's perspective, what significant changes do you anticipate as Large Language Models become more prevalent?

AI will fundamentally transform banking and finance by enhancing our financial decision-making processes. At its core, finance is about understanding



your economic situation – how much you have and how much you can afford. Large Language Models (LLMs) and AI chatbots will play a significant role in helping individuals make safer financial decisions. Instead of relying on gut feelings or vague assumptions about affordability, AI will provide precise, data-driven insights into our financial health.

For example, many people make impulsive financial decisions based on anticipated income or external pressures. However, these decisions can lead to financial strain and debt because they aren't based on a clear understanding of their financial situation. Currently, banks aren't providing the necessary support to help consumers make informed decisions, which contributes to financial distress.

With AI, this will change. AI-driven tools and chatbots will offer personalised financial advice, helping consumers understand their true affordability. Banks, as the custodians of our financial data, will be able to leverage AI to provide insights based on our spending habits, income, and financial history. This means we can make better-informed decisions about

our finances, reducing the risk of debt and financial instability.

AI will enable banks to provide tailored advice that takes into account our complete financial picture. Unlike other institutions that may not have a comprehensive view of our financial status, banks can use AI to offer precise recommendations. This will help consumers avoid biased or inaccurate self-assessments and ensure they are making decisions based on accurate data, such as net income after taxes and other deductions.

Oman Data Park introduced Nebula AI to the market three years ago. Can you tell us how its utilisation has evolved, and as LLMs mature, what are the potential opportunities for the offering in the banking and finance sectors?

Nebula AI, with its array of Nvidia GPUs, was always designed to cater to the growing demands for AI-based applications within the sector. Unlike traditional CPUs, LLMs and other AI applications require the advanced computational power that GPUs provide. We anticipated this need and ensured that it was equipped and ready for banks to utilise these resources.

Over the past three years, we've seen a significant increase in the adoption of Nebula AI by the banking sector. Banks are leveraging our GPU capabilities to power various applications from fraud detection to customer service enhancement. The demand for these resources is only expected to grow over the next decade, as AI becomes even more integral to operations.

At ODP, we felt it was our responsibility to provide these capabilities locally, so banks in Oman wouldn't need to source GPU resources from outside the country. This not only supports the local economy but also aligns with the nation's data residency mandate, ensuring that the technological infrastructure necessary for AI advancements remains within Oman.

Aside from that, Nebula AI offers flexible business models for accessing GPU resources. Banks can utilize these GPUs on an hourly, daily, or yearly basis, providing the scalability and flexibility they need to manage costs and adjust resources based on demand. This hyper scaling opportunity is one of the key benefits of ODP's offerings, enabling banks to efficiently scale their AI operations as needed.