



The role of financial technology in developing Islamic banking - The experience of Al Salam Bank of Algeria -

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Abstract:

The main objective of the study is to know the role of financial technology in developing Islamic banking through studying the experience of Al Salam Bank Of Algeria. To achieve this, we relied on the deductive approach with its tools of description through extremism in the various concepts related to Islamic banks and financial technology, and the analysis tool of During the study of the experience of Al Salam Bank Algeria, some results were reached, including: Al Salam Bank Algeria benefits from the continuous development of financial technology by providing financial services characterized by the simple implementation of better technologies and uses that maintain digital security for customers and ease of access to digital transactions, starting in 2015.

Key word : Islamic banks, financial technology, Islamic financial technology, Al Salam Bank Algeria.

Jel Classification Codes : G23, E58

1.Introduction:

Banks play an important role in economic life, as they are the basis of the modern economic system. The majority of the people of the Islamic world believe in the prohibition of usury, and therefore they face great embarrassment in dealing with banks due to their dependence on the usury system.

Hence comes the role of Islamic banks to meet the desires of Muslims from the Arab and Islamic world and the rest of the world. However, Islamic banks, even if they serve this purpose, have developmental purposes that commercial banks are unable to do, as they have a greater ability to collect savings from middle- and low-income groups, as well as from religious believers, rich and poor alike. Islamic banks, in their direct investment, also play an important role in the development process, making them of great importance to developing countries.

Financial technology can make financial services faster, cheaper, safer, more transparent, and more available. It has a real ability to change the structure of traditional financial services. On the other hand, it constitutes a threat that must be guarded against to the stability of the financial and banking sector and to achieve safety and integrity in it, as it has many advantages. Opportunities and challenges at the same time for banks and financial institutions.

Banks are among the most prominent users of financial technology, as they have over time adopted various forms of technology to provide the banking market with new financial services and products. Islamic banks are not isolated from these developments and have also become required to keep pace with technological developments to ensure their market share without compromising their principles based on the principles of Islamic Sharia. Al Salam Bank Algeria is considered among the Islamic banks that have sought to adopt financial technology to maintain its competitiveness and expand its customer base, and from here the main question can be asked as follows:

What is the role of using financial technology in developing Islamic banks?

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From the main question emerge the following sub-questions:

- What is the concept of both Islamic banks and financial technology?
- What is the importance of using financial technology in Islamic banks?
- How has Al Salam Bank Algeria performed with its use of financial technology?

1-2- Research Importance:

The importance of the study stems from:

- The importance of Islamic banks in providing cash liquidity for investment projects in partnership with employers, as well as working to achieve social development.
- The importance of financial technology in making financial services faster, cheaper, safer, more transparent, and available to a large segment of people.
- The importance of using financial technology techniques and tools in Islamic banks.

1-3- Research Objectives:

The main objective of the study is to know the role of financial technology in developing Islamic banking through studying the experience of Al Salam Bank Algeria, and from the main objective the following sub-objectives emerge:

- Highlighting the concept of both Islamic banks and financial technology.
- Explaining the importance of using financial technology in Islamic banks.
- Study and analysis of Al Salam Bank Algeria's use of financial technology.

1-4- Research methodology

To answer the main question and reach the objectives, the deductive approach was followed with its tools of description and analysis, the description tool through our discussion of various concepts and characteristics related to both Islamic banks and financial technology, and the analysis tool through our analysis and interpretation of various statistics related to the use of financial technology by Al Salam Bank The Algerian

1-5- Research Sections :

The study was divided as follows:

- The concept of Islamic banking
- The concept of financial technology
- The importance of using financial technology in Islamic banking
- The experience of Al Salam Bank Algeria in using financial technology.

2. The concept of Islamic banking

2-1- Definition of Islamic banks

There is a plethora of differing views about the definition of Islamic banking, Some of them can be mentioned as follows:

- Islamic banking is a form of banking based on Islamic principles. Basically, in Islamic banking it is not allowed to pay and receive interest but rather it is based on profit sharing. Islamic banks focus on generating returns on investments through investment tools that are "Shari'a" compliant (Kuw ait finance house, consulted on: September 2023.).
- a form of modern banking based on Islamic legal concepts developed in the first centuries of Islam, using risk-sharing as its main method, and excluding financing based on a fixed (Diederik, april 2001.) .

Among the previous definitions, the Islamic bank includes several elements, the most important of which are:

- The Islamic Bank is an Islamic financial and banking institution.
- The Islamic Bank aims to achieve economic development, justice and social solidarity.
- The Islamic bank opens current accounts, accepts bank deposits, and provides services in accordance with the principles of Islamic Sharia.
- The Islamic bank is distinguished by its legal dimension in mobilizing and employing resources.

Accordingly, an Islamic bank can be defined as "a financial institution that carries out banking transactions and invests funds in accordance with Islamic Sharia, whether in the field of accepting

deposits and providing services or in the field of financing and investment, with the aim of achieving the greatest economic and social returns and raising the standard of living.”

2- 2 -Characteristics of Islamic banks

Islamic banks are characterized by some characteristics that distinguish them from other banks, the most important of which are:

- Islamic banks derive their economic intellectual framework from the theory of succession, meaning that man is appointed successor by the Lord of the Worlds on earth, so money is God’s money, Since the person is left behind in this money, he will take into account the provisions of Islamic Sharia in collecting the money and using it.

- Commitment to the provisions of Islamic Sharia in all its banking activities, Islamic banking is restricted to Islamically acceptable transactions, which exclude those involving alcohol, pork, gambling and so on. The aim of this is to engage in only ethical investing, and moral purchasing (Brian, 2011) . That is, taking into account that the product and all its stages of the production process and all the reasons for its production are within the halal circle and in the interest of society, and this is in application of the principle of things by their intentions, meaning that every word or action has an intention, so if the intention of concluding contracts is unlawful, they become invalid.

- Not dealing with interest (usury): One of the important sources of wrongful or unjustified earning is receiving any monetary advantage in a business transaction without giving a just counter value. Riba represents, in the Islamic value system, a prominent source of unjustified advantage. Riba is a sin under Islamic law, and even those hired to write the contract or who witness (and thus confirm) the contract are a party to the sin. There is a consensus among Muslim scholars that this prohibition extends to any and all forms of interest and there is no difference between interest-bearing funds for purposes of consumption or investment (FUAD, AL-OMAR, & MOHAMMED ,ABDEL-HAQ, 1996).

- The social character of the Islamic bank: The most important pillar of Islamic banks, which distinguishes them from others, is the establishment of a zakat fund and its legal and banking management. This is because zakat is a binding religious duty that addresses many of society’s problems. It is an obligatory necessity for Islamic social solidarity, and the social character of the Islamic bank requires it to include social gains and psychological gains in his calculations when he studies the feasibility of projects, because without this view of social responsibility, Islamic banks lose many of their distinctive elements.

- There are other characteristics that distinguish it from other banks, which is that it follows some Sharia rules, such as succession, sheep in return, and matters according to their objectives. These Sharia rules are represented in the following:

- No harm or harm: that is, it is not permissible for a person to harm another person in terms of himself or his property, and this is the meaning of no harm, but no harm means that it is not permissible to return harm with harm.
- Custom is well-established: that is, custom is resorted to when there is no source in Islamic law, provided that it does not contravene law or public morals.
- Tax by guarantee: that is, the owner of the money is entitled to a profit in exchange for using his money in speculation, and the speculator is entitled to a profit in exchange for his work.

2- 3 -The Rise of the Islamic Banking

With the rise of Islamism, opposition against the Western, interest-based banking system grew. The first thorough studies devoted to the establishment of an Islamic bank appeared in the 1940. In the forties and fifties, several experiments with small Islamic banks were undertaken in Malaysia and Pakistan. The first great success was the establishment of an Islamic bank in the Egyptian village of Mit Ghamr, in 1963(Diederik , april 2001) During the same period, Malaysia was working to develop mechanisms for saving Muslim funds to perform the Hajj, through the establishment of the Pilgrims Savings Foundation, and in 1969 it was merged into the Board of Directors and the Pilgrims Fund (Marifa Academy, 2014) .

Other successes include the establishment of the inter-governmental Islamic Development Bank in Jeddah in 1975, and of a number of commercial banks such as the Dubai Islamic Bank, the Kuwait Finance House and the Bahrain Islamic Bank, in the seventies and eighties. At the same time, the banking system in Iran and Pakistan was ‘Islamised’ to a Islamic Banking, The following table shows the rapid growth in the number of Islamic banks in each quintile:

Table 1: The evolution of the number of Islamic banks in the world in the period 1970-2022

the year	1970	1975	1980	1985	1990	1995	2000	2005	2010	2020*	2021**	2022***
Number of Islamic banks	1	3	25	52	100	160	250	370	450	526	566	600

Source: (IFSL esearch, 2010)

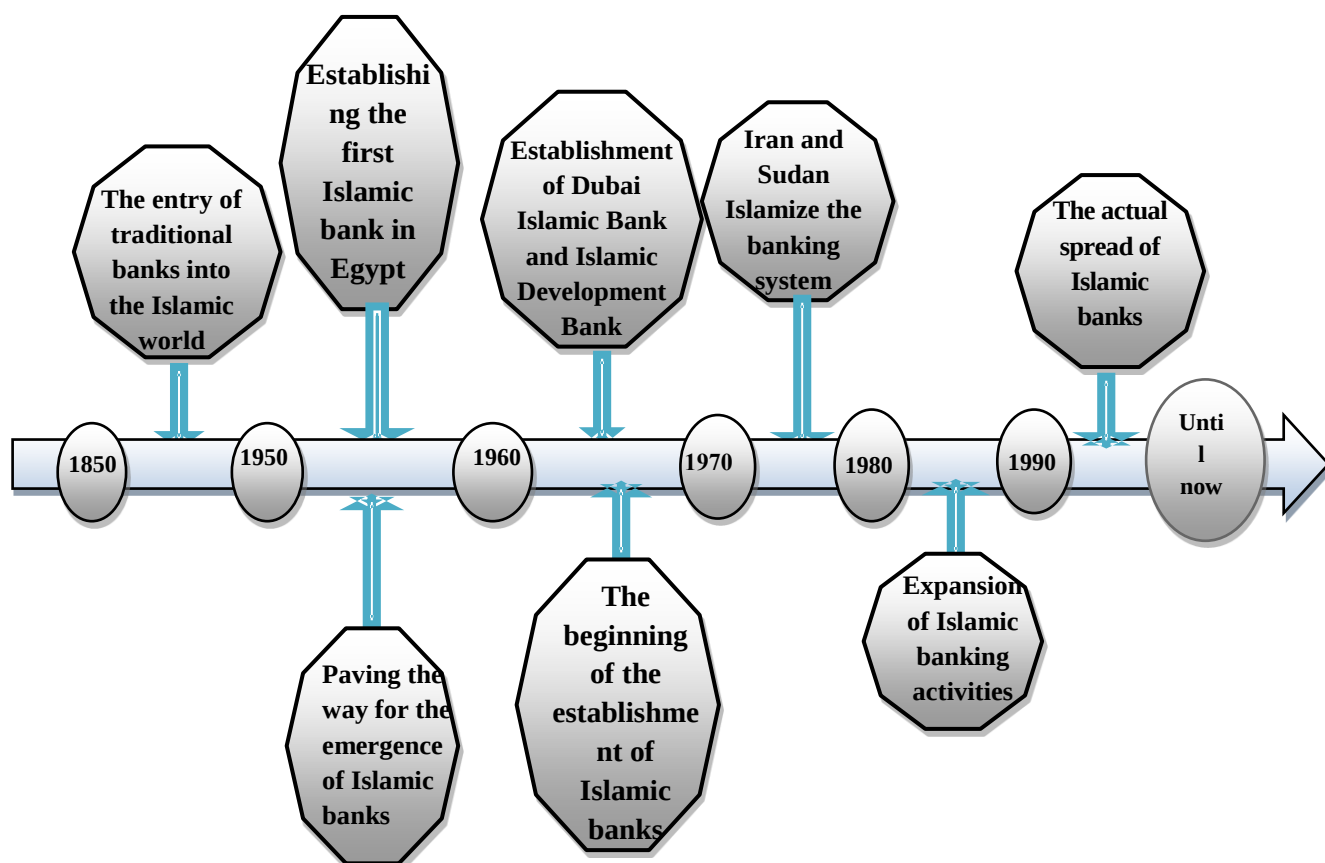
* Ali Ismail, consulted on: March 2024.

** Development Report 2022.

*** Widad Abu Shakra, consulted on: March 2024

He development of the establishment of Islamic banks can be summarized in the following figure :

Figure 1: Historical development of Islamic banking



Source: Prepared by researchers.

3. The concept of financial technology

3- 1- Definition of financial technology

There are several definitions of technology that can be mentioned, but not limited to the following:

- The Bank of England explains the concept as follows: The word ‘fintech’ is simply a combination of the words ‘financial’ and ‘technology’. It can be defined broadly as technology-enabled financial innovation that could result in new business models, applications, processes, or products with an associated material effect on financial markets, institutions and the provision of financial services (Embracing the promise of fintech , 2019).
- Fintech refers to the application of software and hardware to financial services and processes, making them faster, easier to use and more secure. The fintech industry includes everything from payment processing solutions to mobile banking apps (Sam Daley, consulted on: August 2023).

Through the previous definitions, financial technology can be defined as the use and application of innovative technologies in the financial industry, in order to find modern solutions that are compatible with new challenges and improve the financial industry.

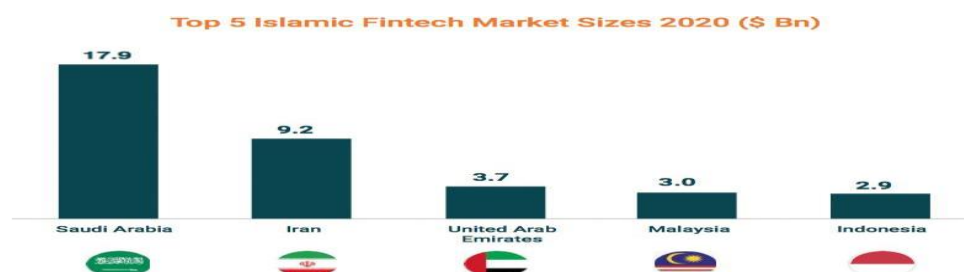
In recent years, Islamic fintech – which focuses on the use of technology to deliver Shariah-compliant financial solutions, products, services and investments – has been gradually gaining prominence.

An increasing number of Muslims are seeking to benefit from digital finance and banking services that follow the principles of Islamic Sharia, and this leads to the expectation that the global Islamic financial technology market will grow strongly in the coming years. Cedar Management Consulting experts chart some of the key developments in this sector and future expectations for the coming years.

The Kingdom of Saudi Arabia, the United Arab Emirates, Iran, Indonesia and Malaysia are considered the leading countries in terms of the volume of Islamic financial technology transactions within the countries of the Organization of Islamic Cooperation (OIC).

Overall, the size of the Islamic financial technology market in OIC countries is estimated at \$49 billion (*The global Islamic fintech banking market, consulted on: August 2023*).

Figure 2: Islamic Fintech Market Sizes 2020



Source: (*The global Islamic fintech banking market, consulted on: August 2023*) .

The Islamic financial technology sector will flourish in the coming years as it is expected to grow within OIC countries at a compound annual growth rate of 21% to reach \$128 billion by 2025, compared to a compound annual growth rate of 15% for the traditional financial technology sector. Therefore, it is considered a great growth opportunity for banks and financial technology companies.

3- 2- The Evolution of Financial Technology

Financial technology has gone through several stages that can be divided into three stages:

A. Financial Technology (1866-1980): The features of this stage are the following:

- The rise of joint-stock companies, insurance, and banking in the late seventeenth century, all of which relied on double entry and which were essential to the Industrial Revolution,
- The emergence of the telegraph, railways, and steamships in the late nineteenth century helped establish cross-border financial ties through these technologies.

- In 1866, the basic infrastructure that enabled a strong financial wave was created by laying a communications cable across the Atlantic Ocean.
- The establishment of an interbank computer office in the United Kingdom in 1968, followed by the clearing system in the United States and the interbank payments system in 1970(Kannya, 2018, p84-85).
- The emergence of giant mainframe computers, which produced a number of products related to financial technology, such as the Swift system.

B. Financial Technology (1980-2008): Signs of the emergence of this stage began with the launch of the first ATM machine by Barclays Bank in 1967. Among the features of this stage are the following:

- The first appearance of the mobile phone in 1983.
- The first appearance of online banking services in 1985.
- In 2001, at least 8 banks in the United States used electronic banking with a number of online customers.

This stage ends with the global financial crisis in 2008, making way for the greater emergence of financial technology innovations in the next stage.

C. Financial Technology (2008-present): This stage, which can be called the stage of optimal exploitation of the most important technological resources, which is data, was characterized by important developments, including:

- The emergence of emerging companies specialized in the field of financial technology
- The emergence of a number of non-banking institutions that have begun to perform the role of banks in some functions,
- In 2009, digital currencies appeared with the aim of providing payment solutions via phone and the Internet.
- Direct person-to-person money transfer services, as well as mobile payment services, appeared for the first time in 2011.

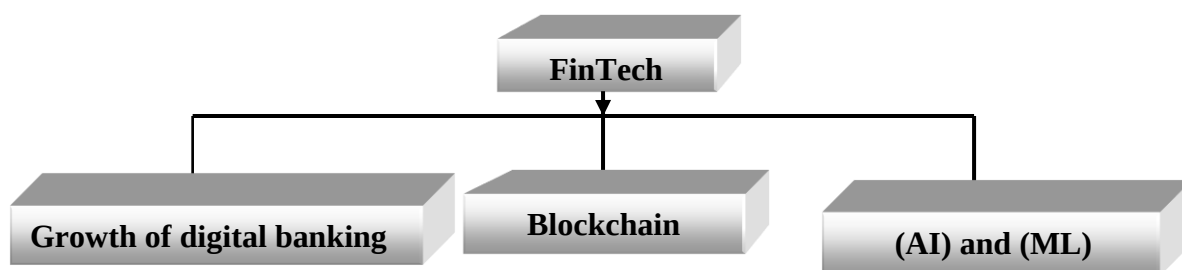
3- 3- FinTech Trends

Over the years, fintech has grown and changed in response to developments within the wider technology sector. In 2022, this growth was defined by several prevailing trends:

- **Growth of digital banking:** Digital banking is easier to access than ever before. Many consumers already manage their money, request and pay loans, and purchase insurance through digital-first banks. This simplicity and convenience will likely drive additional growth in this sector, with the global digital banking platform market expected to grow at a compound annual growth rate (CAGR) of 11.5 percent by 2026.
- **Blockchain:** Blockchain technology allows for decentralized transactions without a government entity or other third-party organization being involved. Blockchain technology and applications have been growing quickly for years, and this trend is likely to continue as more industries turn to advanced data encryption.
- **Artificial Intelligence (AI) and Machine Learning (ML):** AI and ML technologies have redefined the services they provide to customers. They can reduce operating costs, detect fraud, increase customer value and are more accessible, so we expect them to play an increasingly large role in the continued evolution of financial technology - especially as more traditional banks transition to digital banks.

The following figure shows the different trends in financial technology:

Figure 3: FinTech trends



Source: Prepared by researchers

4. The importance of using financial technology in Islamic banking

Digital banking has become widespread with more banks striving to make their products and services available across different devices and platforms.

The Islamic banking sector has remained behind in adopting deep digital transformation technologies compared to the traditional banking sector, although there is no significant difference between the preferences of Muslims and non-Muslims with regard to digital banking services. But the Islamic banking sector has remained lagging behind in adopting deep and transformative digital transformation strategies compared to its traditional counterpart. For many Islamic banks, this is somewhat revolutionary, as in the past branches were the first and dominant point of contact with customers.

Their digitization efforts need to catch up quickly. As is the case with their traditional counterparts, Islamic banks have no choice but to adopt modern technologies and renew and modernize the way they conduct their business to attract customers with widespread use of technology. The use of technology for Islamic banking services is a necessity, not an option, and one of the most important benefits of using financial technology in Islamic banks is :

4- 1- Technology is a good enabler

FinTech plays a big role in promoting financial inclusion. Through access to banking services anywhere, at all times, at the lowest costs, in the shortest possible time, compatible with customers' desires, and available to the majority of people in various regions, regardless of the educational and financial level of customers, and providing Islamic financial and banking services to the largest population in the Islamic world.

Islamic banks would do well to leverage technology to differentiate themselves by developing their own offerings and enhancing customer outreach (Rosie Kmaid, consultation on: July 2023).

4- 2- Improved Security

Fintech has also improved the overall security of the banking industry. This is largely due to the use of sophisticated technology such as biometrics and blockchain. Biometrics, such as fingerprints and facial recognition, have made it increasingly difficult for fraudsters to access consumer accounts. And blockchain, which is a type of distributed ledger technology, has enhanced the security of payments and transactions (Mona Hasan, consulted on: July 2023) .

4- 3- Driving business value with Artificial Intelligence

An ideal platform has been created for the expanded use of artificial intelligence in Islamic banking services. This is a result of the tremendous growth of new and innovative technologies. The benefits of artificial intelligence in this aspect touch many functions. It includes risk management, product delivery, marketing, and customer service. It has the ability to run operational processes in a good and efficient manner.

4- 4- Increase the intensity of competition

Financial technology has also increased competition in the banking industry, as Islamic banks have become able to provide innovative products, services and solutions that traditional banks

cannot provide. This has led to more choices for consumers and more pressure on banks to innovate and keep up with the competition.

4- 5- Islamic banks keep pace with the era of digitization

Islamic banks can achieve more growth if they rely on providing digital services, as there are clear preferences on the part of customers to conduct their banking services on digital platforms, and therefore the Islamic bank's reliance on financial technology has become a necessity and not an option to gain the largest market share and outperform traditional banks.

4- 6- Speed in accessing financial services:

One of the most important implications of financial technology is making banking services faster and more accessible. Customers can access their bank accounts, pay bills, transfer and get paid within seconds, thanks to fintech innovations such as mobile banking apps and digital wallets.

Therefore, it can be said that financial technology has many benefits for Islamic banks, which can be summarized as follows:

- Enabling banks and Islamic financial institutions to manage their risks more effectively, by providing advanced analytics and monitoring tools.
- It helps improve customer experience by providing more personalized services and customized solutions, as customers may have different needs and preferences.
- Enabling customers to access financial services more easily, quickly and safely, especially for Islamic banks, where customers may have limited access to financial services due to restrictions imposed by Islamic Sharia.
- Reducing transaction costs and simplifying processes, making customers' access to financial services easier and more cost-effective.

Considering that the basic concept of joint capital for financial technology is compatible with the rules determined by Islamic Sharia and enjoys the same values and ethics that represent the basics of Islamic finance, it is considered that Islamic finance has more opportunities than traditional finance in benefiting from financial technology. (Mustafa, Reza, Rabbani, et al., 2020, p. 69), but it is not without its challenges, and the biggest challenge may be the limited quality and original research related to Islamic financial technology (Hazik, M., & Hasnain, 2019). Among these opportunities and challenges facing Islamic financial technology, we find:

Opportunities for Islamic FinTech

- Helping to provide financial services at the lowest cost, and this is the motivation for Islamic banks to convert to digital in their dealings.
- The possibility of linking it to Blockchain, cryptocurrencies and other areas such as cross-border payments
- Ease of gaining customer trust due to the ease of use and access to Islamic financial technology, as well as its transparency.
- Providing and offering a wide range of advanced and innovative Islamic financial products and services, and giving customers the freedom to choose to use both traditional financial services in addition to new and innovative services.
- Islamic fintech companies can help new startups significantly
- Easily gain the trust of Muslim investors because of its compatibility with the rules stipulated by Islamic Sharia
- With the adoption of Islamic financial technology by Islamic banks, they have the opportunity to offer their customers an interest-free account with electronic banking debit cards from international service providers such as MasterCard and Visa. These cards can be used and controlled via smartphone apps for seamless access and money transfer
- Adopting financial technology-based applications enables Islamic banks to attract more capital and investment funds through credit associations and savings rotations, where a group of entities contribute periodic payments to a special Islamic savings program

offered by Islamic banks. The Islamic banking sector also has a potential opportunity to provide its clients with investment advice related to Sharia-compliant stocks for long-term investment purposes.

- Islamic financial technology is of great importance in the financial inclusion of Islamic banks, as technology delivers services to all parts of the world without distinguishing between living classes or other social or economic conditions.

Challenges posed by Islamic financial technology:

- The gap between the field of traditional and Islamic finance is widening. Islamic financial technology must keep pace with the rapid developments taking place in the field of conventional finance
- High levels of risk due to increased transparency and clarity, and therefore the application of technology exposes banks to many risks of various kinds.
- The scarcity of scientific research characterized by quality and originality in the field of Islamic financial technology
- Lack of qualified and trained human resources in the field of Islamic financial technology.
- Lack of clarity in government policy regarding the field of financial technology.
- Islamic financial technology must protect institutions and investors from fraudulent business practices, and maintain stability.
- The modernity of Islamic financial technology leads to the inability of investors to ascertain the size of investments that are worth investing.

5. The experience of Al Salam Bank Algeria in using financial technology.

Through this topic, we will try to know the emergence of Al Salam Bank Algeria, the most important banking services provided by it in light of its use of financial technology, and how this was reflected in its performance.

5- 1- Introducing Al Salam Bank Algeria

Al Salam Bank Algerian is a bank with multiple tasks and services that operates in accordance with Algerian law, and in accordance with the provisions of Islamic Sharia in all its dealings, the bank was approved by the bank of Algerian in September 2008, to start its activities, aiming to provide innovative banking services, Al Salam bank operates according to a strategy that is in line with the requirements of economic development in all vital facilities in Algeria, by providing modern banking services stemming from the original principles and values established by the Algerian people, in order to meet the needs of the market, and investors, and its transactions are controlled by a legitimate body consisting of the top scholars in Sharia and economics.

AL Salam Bank Algeria's branch network currently consists of 23 branches spread across the country, pending the opening of other branches. In line with the bank's vision and strategy, which seeks to provide and bring its banking services in various formats closer to its customers, with the best quality, and the following table shows the distribution of the Algerian Salam Bank branches by region:

Table 2: Distribution of Algerian Salam Bank branches by region.

Middle	East	West	Souh
Daly Ibraim branch (2008)	Setif branch (2012)	Oran branch	Ouargla branch (2018)
Qubbah branch (2015)	Constantine branch (2016)	Ottoman Oran branch (2020)	Adrar branch (2018)
Blida branch	Batna branch (2018)		Biskra branch (2018)
Hassiba branch (2018)	Annaba branch (2019)		Ain Oussara branch (2019)
Sidi Yahya branch (2018)	Messila branch (2019)		
Istoali branch (2019)	Bejaia branch (2021)		
Elements branch (2022)	Ain Melilla branch (2021)		
Bab Al-Zouar branch (2009)	Constantine Retaj Mall branch(2022)		
	Bordj Bou Arreridj branch (2022)		

Source: Prepared by researchers based on the official website of Al Salam Bank Algeria.

We note that Al Salam Bank Algeria has spread its branches throughout the country to include various regions, especially the eastern and northern regions, while we note that the western and southern regions still need coverage from the bank to benefit from its services, as in the west there are only two branches in one province, which is Oran, and even In Grand South there are only four branches.

5- 2- Al Salam Bank Algerian services in light of financial technology

Al Salam Bank Algeria offers many services under financial technology, these services and bank cards can be mentioned as follows:

- Digital services in Al Salam Bank Algeria

• Salam direct

Technology of direct viewing through the website of various banking operations, which is for individuals and institutions and for the latter can be classified according to the following table:

Table 3: Salam Direct Services for Institutions

Premium package (حزمة برميوم)	Gold Pack (حزمة غولد)
view balances, review balances, see recent operations, text messaging service, opposition to the check, serch for account operations, upload account statements, print account statements, print bank account details, check book request, follow up facilities, viewing of termdeposits, transfer between accounts, transfer to beneficiaries, the introduction of intensive conversions, sending conversion intensive files, implementation report.	All Premium ⁺ services: - Merge accounts, - Electronic clearance of tax dues.

Source: Prepared by researchers based on the official website of Al Salam Bank Algeria

- **Salam Smart Banking**

The “ Salam Smart Banking “ application of Al Salam Bank – Algeria opens a new door for you on your bank 24/7 and 7/7 via your smartphone or electronic tablet wherever you are,.

Disclosure of balances and latest transactions, search and arrange the latest operations, finance simulation, currency exchange.

- **Foreign trade platforms**

There are two types: Pre-localization platform and documentary accreditation platform, to make international bank transfers safe, Al Salam Bank-Algeria provides safer documentary payment methods that comply with international standards and are compatible with the needs of customers of customers as buyer or seller.

Al-Salam Bank-Algeria sets up a special web portal to process pre-resettlement requests for import and which allows you to fill in the form of opening a Documentary Credit for the import process, and this is 24/24 hours and 7/7 days all year round via the Internet safely, this is via the link: <https://e-portail.alsalamalgeria.com/>.

- **Wempai survey payment service (ويمباي)**

This service allows the customer to pay for purchases via his smartphone, all he has to do is scan the QR code displayed on his merchant's phone.

He can also request or transfer money quickly to his family members who are participating in Wimbai, so the phone number of one of his family members is chosen in the contact list, then he enters the amount and performs the process by entering the secret code.

- Bank cards

Al Salam Bank Algeria has developed many payment cards, whether for individuals or companies, as follows:

- **Payment and withdrawal card**

There are two types of debit and payment cards Amina for individuals and debit and payment cards for companies, this card has the following characteristics:

- Flexible withdrawal and payment ceilings;
- The possibility of using your balance 24/24 hours, 7/7 days a week;
- Pay the value of your purchases at all points of sale that are equipped with automatic payment machines bearing the CIB badge;
- Withdraw cash across the country at any CIB-branded ATM;
- Pay for your purchases or pay a bill online (request E-Amina from your customer advisor).

- **Savings card (أميني):**

It is represented in the “ Omniaty “ savings card, which is a simple and safe way of saving, accessible to all members of your family, and allows you to invest your money while ensuring that it is available any time, its advantages are as follows:

- Account available upon request;
- Profits credited to your account on a quarterly basis;
- Freedom of deposit and withdrawal;
- The calculation of profits on the deposited amounts starts from the day following the deposit process;
- Flexible withdrawal and payment ceilings;
- The ability to use your balance 24/24 hours a day, 7/7 days a week;
- Pay the value of your purchases from all points of sale that are equipped with automatic payment machines bearing the CIB badge;
- Withdraw cash across the country at any ATM 7/7 days and 24/24 hours;

- Pay for your purchases or pay a bill online.

- **Visa cards**

Al Salam Bank Algeria put many visa cards, each one according to its specificity, in front of its clients who deal in hard currency, and these cards are as follows:

- Salam Prepaid Visa;
- Salam Visa Classic;
- Salam golden visa;
- Salam Platinum Visa;
- Al-Salam is an export visa.

Within the framework of keeping pace with financial technology, Al Salam Bank Algeria provided various digital services and payment cards of various types in to provide liquidity, ease and security to its customers, in order to maintain its customers and gain new customers, the following table shows the development of electronic services provided by Al Salam Bank Algeria:

Table 4: the evolution of electronic services provided by Al Salam Bank Algeria

the year	Services provided
2015	Use email as a means of communication
2016	Issuing the Salam card directly, activating the tax payment service, and the electronic payment card.
2017	Omniaty product, the Salam Visa card and its distribution later, Dar Al-Salam housing for public upgrades and preparation without a mortgage.
2018	The Salam Smart Banking application to view the balance via mobile phone, the distribution of the Salam International Visa card with its three levels, the launch of new products such as Dar Al Salam for rent.
2019	Opening a Facebook page for the bank, developing my gift product, omniaty product.
2020	Amina payment card.
2021- 2022	Launching the pre-domestication platform and documentary credit platform, pament service via survey and Wempai.

Source: Prepared by researchers based on the official website of Al Salam Bank Algeria.

5- 3- The performance of Al Salam Bank Algeria developed after the use of financial technology.

The following table shows us the development of Al Salam Bank Algeria's performance after its use of financial technology by displaying some performance indicators:

Table 6: Development of the performance of Al Salam Bank Algeria befor and after the use of financial technology from 2014 to 2022.

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total assets Million DZD	36309	40575	53104	85775	110109	131019	162626	237804	261693
percentage change %	/	+12	+31	+ 62	+ 28	+ 19	+24	+ 46	+ 10
Net result Million DZD	1383	301	1080	1181	2418	4007	3069	3389	4393
percentage change %	/	-78	+3	+ 9	+ 105	+ 66	-23	+ 10	+ 30
Net income Million DZD	2859	2214	2769	3990	7016	9331	7705	9268	11136
percentage change %	/	-23	+25	+144	+76	+33	-17	+20	+20
Total deposits Million DZD	32500	30120	34512	64642	85431	102405	129320	195031	215076
percentage change %	/	-7	+15	+ 87	+ 32	+ 20	+ 26	+ 51	+ 10
Net direct financing Million DZD	22548	21268	29377	45454	75340	93510	99252	150267	170759
percentage change %	/	-6	+4	+ 55	+ 66	+ 24	+ 6	+ 51	+ 14

**Khanossa Adila, Fodil Lahcene, The role of financial financial technology in developing Islamic banking –
The experience of Al Salam Bank Of Algeria - (pp 241-254)**

Number of Employees	/	/	/	325	496	566	590	640	694
percentage change %	/	/	/	/	+ 53		+ 4	+ 8	+ 8
Formation expenses Thousand DZD	/	/	/	10795	19943	28901	12348	17361	29391
percentage change %	/	/	/	/	+ 49	+45	-57	+ 41	+ 18

Source: Prepared by researchers based on the official website of Al Salam Bank Algeria

We notice from the table that there is a noticeable development and increase in the various performance indicators of Al Salam Bank Algeria, starting from the year 2016, that is, after the introduction of information technology, and we see a significant improvement, especially in the year 2017, when the rate of increase in the indicators more than doubled.

In the years 2019 and 2020, we notice that there is a decline in performance indicators, and this is due to the security and political events that Algeria went through in 2019, and then the global health crisis Covid-19, which also affected Algeria, affecting various economic sectors, including the banking sector, and during the years 2021 and 2022, we notice that there is a return. To the improvement in performance indicators, the bank issued many electronic cards in order to improve the banking services provided to it and in order to keep pace with financial technology, and due to the bank's adoption of a strategic plan for the years 2019-2021 by the Board of Directors with ambitious goals to advance the bank's services in a way that achieves customer satisfaction and generates profitable profits for shareholders, the objectives of the bank's new strategic plan are centered on the following (Annual report of Al Salam Bank, 2018):

- Promoting and providing Islamic banking services that are characterized by quality and efficiency
- Effective contribution to sustainable social and economic development.
- Achieving financial inclusion by working to facilitate access and provision of financial services that suit the needs and desires of all segments of society.
- Ensuring and working to improve the quality of services provided in order to mainly achieve customer satisfaction.
- Achieving a level of profitability that satisfies the aspirations of the bank's shareholders.
- Working to increase the quality and speed of services provided to customers through developing banking systems and procedures.
- Developing and raising the efficiency of the human resources working in the bank, so that they can provide the service in an optimal manner.
- Paying attention to social responsibility based on the bank's identity.
- Focus on implementing the latest special systems as a cornerstone for establishing the digital bank.
- Completing the development of the bank's supervisory capabilities and supervisory methods in accordance with best practices, creating precautionary indicators, early warning indicators, and remote monitoring, and developing governance and risk management systems.

6. CONCLUSION

Through our study of our research topic, which is the role of financial technology in developing Islamic banking - the experience of Al-Salam Bank of Algeria -, some results were obtained, which are as follows:

- The Islamic bank is considered a financial institution that carries out banking transactions and invests funds in accordance with Islamic Sharia, whether in the field of accepting deposits and providing services or in the field of financing and investment, with the aim of achieving the greatest economic and social returns and raising the standard of living.
- Islamic banks are characterized by some characteristics that distinguish them from other banks, the most important of which are succession, sheep in debt, matters according to their objectives, no harm or harm, and other characteristics.

- Financial services industry is imperatively aligning with digital transformation in order to preserve its competitiveness and longevity in the market.
- Islamic FinTech - which focuses on using technology to deliver Sharia-compliant solutions, products, services and investments - has gained great importance for Islamic banks.
- Financial technology has many benefits for Islamic banks as it enables them to manage their risks more effectively, by providing advanced analysis and monitoring tools, and working to reduce transaction costs and simplify operations, making customers' access to financial services easier and more cost-effective.
- Al Salam Bank Algeria benefits from the continuous development of financial technology by providing financial services characterized by the simple implementation of better technologies and uses that maintain digital security for customers and ease of access to digital transactions, starting in 2015.

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