AWS User Guide for Financial Institutions in Malaysia

Steps for migrating Bank Negara Malaysia (BNM)-regulated workloads to AWS

> Increasing digitalization and advancement in financial technologies have further spurred financial institutions to continuously adapt their business models and processes through outsourcing in order to have access to, and reap the benefit of, these technologies. **This has led to growing interest in recent years to use cloud service providers to improve business agility in responding to customer needs and to achieve economies of scale**
>
> - BNM Outsourcing policy document, part A, section 1.2

At AWS, we understand the compliance needs of our regulated customers and strive to help them move towards cloud adoption faster and in a compliant manner. AWS has published this quick start guide to assist Malaysian financial institutions (FIs) in their cloud adoption journey. This guide examines the BNM Outsourcing and the BNM Risk Management in Technology (RMiT) policy documents and describes the set of steps that FIs should follow to launch regulated workloads on AWS.

1 Assess your Cloud Service Provider (CSP)

FIs must conduct appropriate due diligence to make an informed selection of CSP. (See BNM Outsourcing, part B, sections 9.1 – 9.5, and BNM RMiT, part B, section 10.49).

FIs can use publicly available compliance resources such as AWS whitepapers & guides or workbooks, audit reports and certifications that are available in AWS Artifact under Non-Disclosure Agreement (NDA) to assess the capability of AWS, including financial, operational and reputational factors.

2 Execute an outsourcing agreement

An outsourcing arrangement must be governed by a written agreement that is legally enforceable. (See BNM Outsourcing, part B, sections 9.6 & 9.7).

AWS can offer customers regulated by BNM a package of relevant terms in an AWS Enterprise Agreement designed to help customers meet the regulatory requirements of BNM. For additional information on the AWS Enterprise Agreement, please contact your sales representative.

3 Assess the outsourcing arrangements & systems

FIs must determine whether an outsourcing arrangement is material and identify critical and non-critical systems prior to using any cloud services. (See BNM Outsourcing, part B, section 8.7 and Appendix 4, and BNM RMiT, part B, section 10.50).

4 Obtain regulatory approval

FIs must obtain written approval from BNM before (a) entering into a new material outsourcing arrangement; or (b) making a significant modification to an existing material outsourcing arrangement. (See BNM Outsourcing, part C, sections 12.1 – 12.6).

FIs are required to consult BNM prior to using the public cloud for critical systems and notify BNM of its intention to use cloud services for non-critical systems. (See BNM RMiT, part B, sections 10.50 & 10.51).

AWS can support you by providing responses to any questions that relate to your use of AWS or that would be part of the AWS's scope of responsibilities under the AWS Shared Responsibility Model.

5 Establish security measures

FIs must ensure that appropriate measures are implemented to protect data accessibility, confidentiality, integrity, sovereignty, recoverability and regulatory compliance. (See BNM Outsourcing, part B, section 11.1, and BNM RMiT, part B, section 10.53).

AWS Solution Architects and the AWS Professional Services teams can provide guidance on best practices for security and availability to help you meet BNM's requirements.

6 Use AWS

Proceed with using AWS and enjoy the benefits of the cloud.

If you have questions or need more information, please contact your Account Manager, or visit aws.amazon.com/contact-us/.