FIGURE 3

REGULATORY ASSESSMENT ON BURSA MALAYSIA

BACKGROUND

In September 2021, the SC completed its regulatory assessment on Bursa Malaysia, focusing on its technology infrastructure, critical application systems and competencies. It examined how the operations are supported from both the technical and strategic perspectives, as well as ascertain the integrity and reliability of the brokers' front-end system.

In carrying out the review, the SC emphasised for Bursa Malaysia to have the following:

■   Comprehensive technology blueprint and roadmap that align with its long-term business objectives; and

■   Robust technology risk management framework to ensure a high level of system availability, reliability, scalability, and recoverability.

OBSERVATIONS

There were no immediate concerns regarding Bursa Malaysia's IT infrastructure and systems ability to meet its current needs.

Nevertheless, the following remediation plans were recommended for Bursa Malaysia to undertake within the next one to two years:

■   Move towards a proactive approach in monitoring potential issues, compared to the current reactive approach, which may delay the response time and increase the potential system downtime risk;

■   Implement a more rigorous testing framework to support the introduction of new systems to meet future needs;

■   Strengthen operational discipline to minimise the impact of system performance and mitigate risks of not providing continuous efficient service; and

■   Upskill and reskill staff to augment technological change.

OUTCOME

Generally, Bursa Malaysia had taken steps to implement the recommendations outlined under the regulatory assessment. Bursa Malaysia will take lead in future-proofing its trading landscape to align with future business needs:

■   Remediate and change to address current gaps and immediate concerns:

  •   Implement all remediation activities set forth in the regulatory assessment;
  •   Embark on a journey to upskill existing talents and hire the right resources for its needs; and
  •   Initiate a shift in mindset from reactive to proactive monitoring of IT systems and applications.

■   Innovate and transform to prepare Bursa Malaysia for the future:

  •   Adopt proactive monitoring to enhance ability to discover emerging issues in a timely manner;
  •   Develop and plan future technology infrastructure to cater to new business needs and evolving market; and
  •   Commit the necessary financial resources to enable transformation.