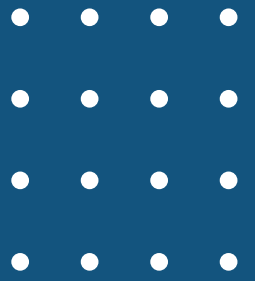


2022 - 2026

MAMSB STRATEGIC BLUEPRINT



Malaysian Association of Money Services
Business (MAMSB)
Persatuan Perniagaan Perkhidmatan Wang
Malaysia
Level 2, Bangunan AICB
10, Jalan Dato Onn, 50480 Kuala Lumpur



FOREWORD

The inaugural Strategic Blueprint (Blueprint) was developed in 2015 by MAMSB to shape and enhance the Money Services Business (MSB) industry for the coming five years (2015 to 2020). The comprehensive Blueprint was an enabling instrument for the newly established association to focus on several strategic outcomes which I can confidently say has contributed positively to achieving MAMSB's vision and accomplishing its objectives. The focal point and foundational aspect of the Blueprint was to enhance the level of professionalism amongst our MSB players and to uplift the industry from a brick and mortar one to a modern and sustainable financial sector.

The Blueprint expired in December 2020 and the Bank advised for a review and evaluation of the same in preparation for the development of a new Strategic Blueprint (2022- 2026) (SBP). As reported in MAMSB's 2019 Annual Report, the Association managed to successfully accomplish approximately 55% of the identified action plans; where 53 initiatives were completed, 13 in the "Exploratory Stage", 12 – "In Progress" and remaining 18 initiatives were pending commencement. In 2019 to 2020, due to the pandemic with the imposition of various movement control orders, the status on the several initiatives remained status quo.

The 4th Term Council came into mandate on 12th September 2022 and we mobilised a Taskforce in January 2021 to undertake the development of the new MAMSB Strategic Blueprint (SBP). The Taskforce was required to not only evaluate the initiatives of the Blueprint but ensure the incorporation of more relevant, significant, and dynamic action plans to prepare the industry for its next phase. The SBP is a reinforcement of the 6 Key Strategic Thrusts with inclusion of new ideas and action plans to address sustainability issues whilst maintaining a strong competitive and dynamic MSB eco system.



The proposed action plans in the SBP will indeed facilitate MSB players to prepare and get empowered with information, knowledge, skills and training through capacity building initiatives, industry wide and focused discussions, introduction of business models and innovative products and most importantly shifting of mind sets to ensure the industry remains resilient, relevant, and sustainable.

The Secretariat as before, will play a pivotal role in ensuring the vision and objectives of MAMSB are achieved through the SBP. The Secretariat is expected to engage members via various committees and taskforces in planning and implementing action plans that contribute to achieving these strategic outcomes. To be effective, the Secretariat will require 4 primary enabling factors, namely (1) members participation; (2) identifying processes, (3) management of information and (4) finance.

In conclusion, MAMSB will come up with an overall implementation roadmap (Appendix II – SBP) consisting of initiatives which aspires to be in alignment with the “Desired outcomes and targets for 2026” identified in the Executive Summary of the Bank’s Financial Sector Blueprint. As the President of the Association, I hope we will be able to successfully implement all the 30 Strategic Objectives identified for a resilient and dynamic MSB industry in the next 5 years not only in Malaysia but in ASEAN. Thank you.

Dato' Sri Jajakhan Bin Kader Gani

President- MAMSB



STRATEGIC OUTCOME: NO 1

ENHANCED PROFESSIONALISM & COMPLIANCE CULTURE

Education and continued capacity building are undeniably the two most instrumental tools for enhancing MSB Members level of professionalism and inculcating strong compliance culture. As there are differences in the set up and level of standard of operations as well as business practices amongst Licensees, continuous efforts must be made to enhance professionalism and compliance culture among Members in the MSB industry.

The aim is to position MAMSB as an educational hub for the MSB industry. To this end MAMSB will endeavour to develop Learning Modules/Training Modules by either engaging subject matter experts within the industry or external consultants to conduct training series/ workshops/ courses to further enhance Members to be more professional in several areas which include but without limitation to:

- COMPLIANCE & REPORTING REQUIREMENTS
 - MSB BUSINESS OPERATIONS
 - FINANCIAL TECHNOLOGY
- DIGITAL PRODUCTS AND INNOVATION,
- BUSINESS ETHICS AND MSB CODE OF CONDUCT
 - RISKS ASSESSMENTS,
- CORPORATE GOVERNANCE AND LEGAL & REGULATORY REQUIREMENTS

Further Importance will be given to (i) regulatory updates, (ii) surveys and feedbacks via GOCO and industry engagements (iii) collating of data to ensure industry awareness. MAMSB aims to extend its collaboration on training with other relevant sectors like e-payments, fintech for financial sustainability. MAMSB shall also undertake constructive engagements with the Bank on regulatory developments and address issues relating to MSB industry for effective and consistent implementation of regulatory requirements and address issues relating to industry.

STRATEGIC OUTCOME: NO 2

Competitive and Dynamic MSB Industry

There are many factors that are instrumental in driving the MSB Industry towards a more competitive, dynamic and sustainable platform and one such enabler is Digitalisation. Both local and globally, markets are riding fast on waves of digitalisation. At the national front, the MSB landscape is undergoing its own transformation in customer trends that prefer remote access via digital products and offerings as compared to the traditional Over-the-Counter (OTC) style of transacting. Although the adoption of this new norm was due to the pandemic, but customers will continue to want fast, frictionless, convenient and accessible services. Digitalisation has swept across nations, and we are left with no option but to ride along or risk being vulnerable. The MSB industry too must prepare itself to ensure that the industry has clear digital strategies and sound business plans to keep it sustainable.

In the process of sustaining businesses and to remain dynamic in the industry, some Members chose option 1 - to undertake a merger and acquisition exercise to strengthen equity and assets or option 2 – to become a full agent of a principal licensee. The Association will play a pivotal role in steering the members towards consolidation and to facilitate the vulnerable licensees in several ways to remain sustainable.



STRATEGIC OUTCOME: NO 3

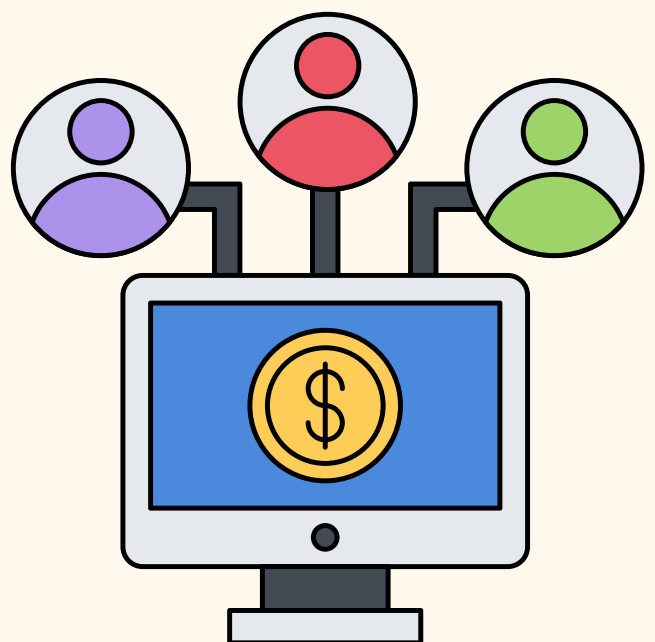
Increase Usage of Formal MSB Channels

One of the toughest challenges faced by the industry today is managing the presence of illegal MSB operators. While it is the responsibility of the Bank to undertake enforcement measures on MSB illegal activities, MAMSB will continue to assist in several ways: (i) reporting illegal operators to the Bank for enforcement actions (ii) promoting and encouraging the public to use legal channels (iii) collaborating with relevant partners on awareness programmes. These efforts shall continue in a robust way to protect MSB industry from being used as conduit for illegal activities.

The awareness programmes will aim at focusing on the following sectors;

- (1) Foreign migrant workers community in “hotspot” areas.
- (2) Organisations involved in employing foreign workers - like FOMEMA and CIDB
- (3) Embassies/High Commissions of 5 major corridors (Indonesia, Philippines, Bangladesh, India and Nepal)
- (4) Municipalities within and outside Klang Valley
- (5) Tourism Agencies & Associations
- (6) Ministries like MOTAC and KDN
- (7) Public at large

Awareness Programmes - The Bank has presented its findings on areas within the Klang Valley and various states in the Peninsular and East Malaysia where illegal operations have increased (especially during the pandemic) and become rampant. The Bank has advised for MAMSB to undertake several initiatives to help mitigate the problem via the mobilisation of a taskforce in May 2022.





LICENSEE PARTICIPATION

MAMSB will also monitor Licensees on their expansion plan – opening of branches to identified hotspot areas, mobile kiosk at underserved areas, promoting digital platforms and ensuring MSBs have better business visibility. A reporting system will be developed for a strong reciprocal and accountable collaboration with the Bank.

CONSUMER ENGAGEMENTS

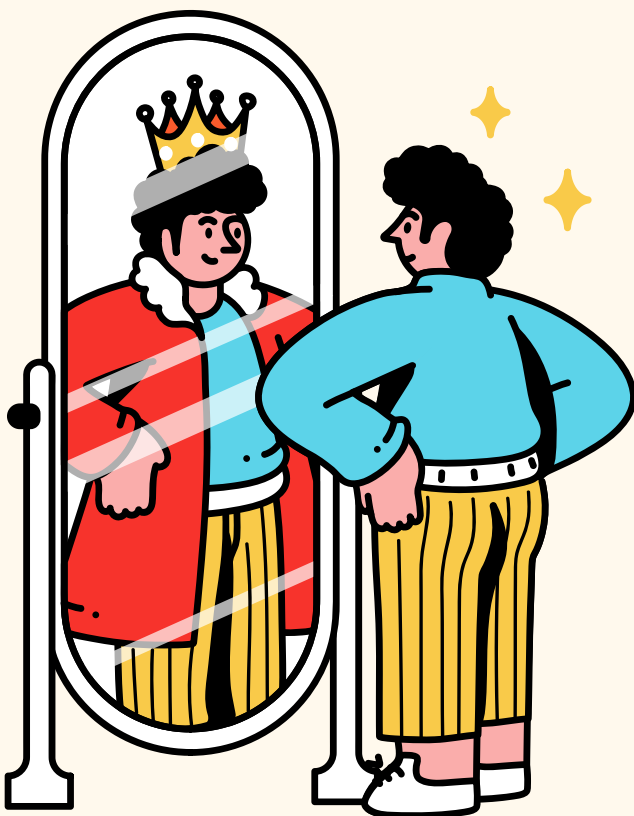
The public must be provided with information, processes, and consequences to cause a shift away from using illegal channel. Customers need easier outreach to use formal channel. Illegal remittance operators must be reduced. These actions cannot be a standalone operation by MAMSB but need wide collaboration with the Law Enforcement Agencies to weed out the illegal operators in the market.

STRATEGIC OUTCOME: NO 4

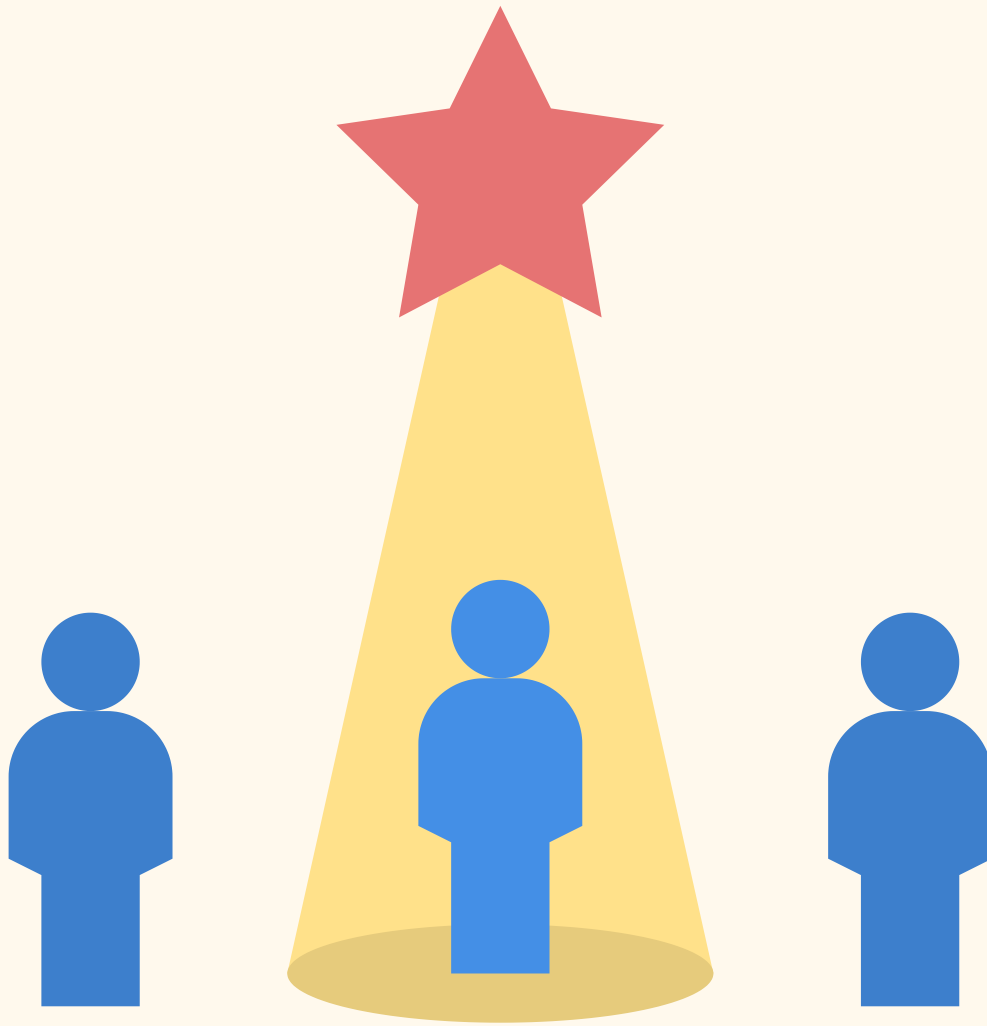
IMPROVED REPUTATION & PUBLIC CONFIDENCE

All the efforts towards achieving 3 other SOs, namely:

1. Enhanced professionalism and compliance culture (SO1);
 2. Competitive and dynamic MSB industry (SO2).
 3. Availability of competent, capable and adequate talent pool (SO5)-
- all have direct and indirect impact on SO4: Improved reputation and public confidence. SO4 in return promotes usage of formal MSB channels (SO3).



When the MSB industry has adequate competent and capable persons (SO5) who will uphold high professionalism and compliance culture (SO1) as well as provide competitive and dynamic money services (SO2), the reputation of the MSB industry as well as the public confidence (SO4) will be improved. It will encourage increased usage of formal MSB channels (SO3) by the public. On Improved Reputation - The positioning of MAMSB as a regional and international benchmark on MSB developments and best practices will continue through its collaborations with domestic & international MSB related entities.



STRATEGIC OUTCOME: NO 5

Availability of Competent, Capable & Adequate Talent Pool

The availability of competent, capable and adequate talent pool for all levels of staffing is a major problem faced by Members. This SO: No 5 is very important as it is the starting point to bring about modernisation and professionalism as well as improved reputation and public confidence in MSB industry in Malaysia.

While much effort has been made by MAMSB to provide the necessary trainings, it is timely to re-focus and develop a more holistic talent development programme giving priority to technology and innovation. The challenge is to design appropriate programme that not only meets the current training needs of members but also to provide career advancement for employees in the MSB industry. This will include evaluating certification and accreditation of training programmes, the trainers as well as key posts such as CEOs, Compliance Officers and front desk officers.

Sourcing, identifying and cultivation of talent pool is an ongoing process. MAMSB has recognised the need for an Inhouse Talent Recognition Award Program for talents discovered. Award process must be in tandem with their contribution to the MSB industry.

STRATEGIC OUTCOME: NO 6

Efficient & Sustainable MAMSB

MAMSB in its effort to be sustainable and be able to carry out its role and responsibility as an industry lead body for the MSB industry, it requires sufficient financial resources. After the relocation of the MAMSB office to the AICB Building which amounted to approximately RM300,000 in renovation and high maintenance in tenancy sums, the depleting coffers of the Association has to be replenished. There is pressing need to generate revenue for the Association by 2nd Quarter 2022.

The Council shall from time to time ensure that sufficient initiatives are taken to keep the operations of the Association running to meet the Members needs

