

ABS | Public Programmes

FOREIGN EXCHANGE POLICY: AN OVERVIEW AND COMPLIANCE REQUIREMENTS

Learning Level: Intermediate

PROGRAMME DESCRIPTION

Foreign Exchange Policy (FEP) is part of broad prudential toolkits under Bank Negara Malaysia, aimed at preserving Malaysia's monetary and financial stability. The policy will continue to support the competitiveness of the Malaysian economy by facilitating a more conducive environment for domestic and cross-border real economy activities while ensuring a healthy balance of payments position and safeguarding the value of ringgit.

As a first line of defence, financial institutions play an important role in ensuring compliance with FEP to ensure the effectiveness of the policy. Given FEP has become increasingly risk-based, it is important for financial institutions to adopt and maintain a robust FEP compliance approach by:

- instilling strong FEP awareness among its employees to ensure the policy intent is being met for effective compliance and to prevent breaches/non-compliance from the onset.
- implementing a sound internal compliance framework based on the industry-wide standards as outlined in the Minimum Due Diligence documents.

In addition, financial institutions must also understand the ramifications of non-compliance to the FEP rules, which would include administrative or enforcement action. Financial institutions are expected to take swift action by reporting any non-compliances or breaches of FEP rules transparently and addressing any weaknesses in a timely manner.

PROGRAMME OBJECTIVES

This programme is structured with the aim to:

- provide an overview of the FEP rules, focusing on four primary FEP Notices, i.e. Notice 1, 2, 3 and 4. The remaining Notices of 5, 6 and 7 will be covered briefly.
- enhance participants' knowledge and comprehension of the FEP rules and its due diligence process via group discussions that are centred on anonymous real-life case scenarios.
- expose participants to the common factors or elements of non-compliances and breaches.

LEARNING OBJECTIVES

By the end of the programme, participants will be able to:

- interpret aptly the FEP rules and understand its policy intents.
- demonstrate the use of the FEP rules and its due diligence measures when undertaking/facilitating a customer's banking transactions.
- justify appropriate due diligence procedures as practised by the industry to ensure continuous compliance.
- identify and resolve the issues leading to non-compliance of FEP.

PARTICIPANT PRE-REQUISITE

This programme is not a foundation-level programme; hence, the participants shall meet the following criteria to qualify in attending the programme:

- have at least 3-5 years of solid working experience across the financial sectors in handling FEP-related banking transactions.
- possess good and sound knowledge of the overall FEP rules, including the banking industry's minimum due diligence documents on FEP transactions.
- familiar with the content and documents available in the Bank Negara Malaysia (BNM)'s FEP website <https://bnm.gov.my/fep>.

TARGET AUDIENCE

Bank's Executive (Managers of intermediate level and above) from financial institutions i.e. Onshore banks and Development Financial Institutions who deals directly in FEP related banking transactions and **meets the programme pre-requisite criteria**

PROGRAMME OUTLINE

DAY ONE

Overview on FEP

- FEP from market perspective: Sharing session by Head Of Treasury of a Licensed Onshore Bank

Notice 1: Dealing in Currency, Gold and Other Precious Matters

- Compliance Requirement on Notice 1
- Case studies, discussion and presentation on Notice 1

Notice 2: Borrowing, Lending and Guarantee

- Compliance Requirement on Notice 2
- Case studies, discussion and presentation on Notice 2

DAY TWO

Recap of Day 1

Notice 3: Investment in Foreign Currency Asset

- Compliance Requirement on Notice 3
- Case studies, discussion and presentation on Notice 3

Notice 5, 6 and 7

- Compliance Requirement on Notice 5,6 and 7
- Case studies, discussion and presentation on Notice 5,6 and 7

DAY THREE

Recap of Day 2

Notice 4: Payment and Receipt

- Compliance Requirement on Notice 4
- Case studies, discussion and presentation on Notice 4

Comprehensive case studies, discussion and presentation

Overall summary

TRAINING METHODOLOGY

Interactive presentations, group discussions and quizzes

ABOUT THE TRAINERS

Senior Analysts and Analysts of BNM-Foreign Exchange Policy Department with extensive knowledge in the policy, assessment and compliance aspect of the FEP .

List of trainers (tentative):

1. Wong Ching Yieng
2. Zulazwer Hassan
3. Siti Muzaimah Nor Mohhajir
4. Khairun Syakirin Aznan
5. Guneshwary Shanmugam

PROGRAMME DETAILS

Date : 26 – 28 August 2025

Time : 9.00 am – 5.00 pm

Venue : Bangunan AICB

Closing date for registration: 18 July 2025

PROGRAMME FEE*

MYR 3,000 per pax

**Subject to 8% Service Tax*

(The cost of the programme includes lunch and other refreshments, as well as programme materials for one participant. This is a non-HRDC claimable course.)

Note: Asian Banking School reserves the right to close registration earlier than the stated deadline once the number of registered participants reaches thirty (30). Each bank may register between two (2) to three (3) participants. Registration will be accepted on a first-come, first-served basis.

To register for this programme, please visit the Public Programme page on our website at www.asianbankingschool.com/our-programmes/public-programmes

ABOUT ASIAN BANKING SCHOOL

The **ASIAN BANKING SCHOOL (ABS)** is dedicated to developing talent and is the largest specialised provider of quality banking training programmes in the ASEAN region.



As the industry's preferred partner in learning and development, ABS offers customised and open enrolment training programmes that cover a comprehensive list of banking areas developed by its Specialist Training Consultancy Team or in collaboration with strategic learning partners that includes some of the top business schools in the world. This includes its Executive Education programmes with Bayes Business School (formerly Cass) in London, the University of Cambridge Judge Business School, Frankfurt School of Finance and Management, INSEAD, the University of Edinburgh Business School, Bologna Business School, Bangor Business School, ESSEC Business School, Tsinghua University and the Saïd Business School, University of Oxford.

ABS began operations in 2015 and has continued to set the standard for developing talent in the banking industry through its innovative, unique, and relevant training programmes that have transformed the banking education landscape. In 2023, ABS established its Singapore office as part of its expansion plans to provide personalised training consultancy services within the region and is well positioned to be a gateway to the global markets.

CONTACT US

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