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Navigating the SAMA
Business Continuity Management
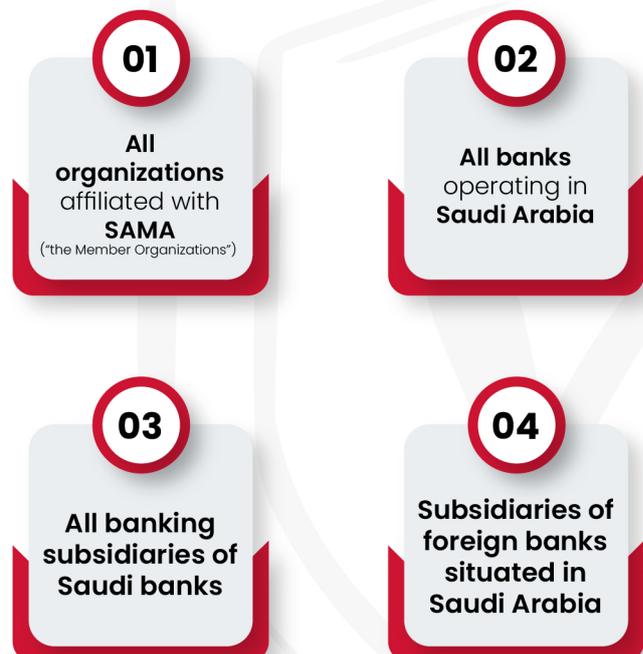Requirements:

BCM
Business Continuity
Management

Introduction to the SAMA BCM Framework

In today's rapidly changing business world, being proactively prepared to manage unforeseen challenges is not only advantageous but highly essential to survive in the extremely dynamic risk landscape. To acknowledge this reality, the Saudi Arabian Monetary Authority (SAMA) has introduced a comprehensive Business Continuity Management (BCM) Framework which is a strategic blueprint for assisting its Member Organization to maintain their critical operations even during unforeseen adversaries.

The SAMA BCM Framework is more than regulating guidelines as it serves for Member Organizations to navigate through the complexities of maintaining consistency and assurance in their operations especially during challenging periods. This document explores Business Continuity Management Framework providing insights into its key areas and the benefits it brings to Member Organizations.

Who need to Comply with it?

01
All **organizations** affiliated with **SAMA** ("the Member Organizations")

02
All banks operating in **Saudi Arabia**

03
All banking subsidiaries of Saudi banks

04
Subsidiaries of foreign banks situated in Saudi Arabia

The SAMA BCM Framework comprises of **13 key areas** with more than **75 controls**; in line with the two most significant international standards such as **ISO 22301** for Business Continuity Management System and **ISO 31000** for Risk Management Guidelines that ensures end-to-end coverage; needed for an organization's resilience.

1. BCM Governance

The BCM Governance entails establishing a robust governance framework for business continuity management (BCM) that enables the organization to effectively and efficiently direct, control and monitor the BCM efforts. This includes designating senior management responsibility, allocating adequate budget resources, forming a dedicated BCM Committee, setting up BCM Policy, appointing a qualified BCM manager, and defining the roles and responsibilities of key personnel involved in the BCM program.

2. BCM Strategy

In the BCM Strategy, organizations must align their BCM efforts with their overarching strategic business objectives. This involves developing a well-defined strategy with long-term objectives, creating a roadmap with specific timelines for achieving these objectives, and ensuring a continuous review process to maintain alignment with evolving strategic goals.

3. Business Continuity Policy

The Business Continuity Policy centres on documenting and communicating an organization's commitment to BCM. It entails crafting a clear and comprehensive policy that articulates the objectives, scope, and responsibilities of the BCM program that is well aligned with the organization's business objectives. Additionally, it emphasizes the importance of monitoring and measuring compliance with this policy.

4. Business Impact Analysis (BIA) and Risk Assessment

This area mandates organizations to estimate the impacts of disruption over business by conducting a thorough BIA and RA and identify the critical business services, services, and activities. The scope includes identifying these critical activities, assessing associated risks, prioritizing them, and periodically updating this assessment. The control considerations involve defining methodologies, performing these assessments, prioritizing activities, and ensuring continuous risk monitoring and management.

5. Business Continuity Plan (BCP)

The BCP focuses on developing detailed plans for critical activities. This involves the definition, approval, and maintenance of these BCPs, along with the creation of procedures for crisis response. Compliance with these plans should be closely monitored to ensure their effectiveness during disruption.

6. IT Disaster Recovery Plan (DRP)

IT DRP tasks the organization with establishing a plan to ensure the recovery and restoration of critical technology services and infrastructure components. This includes the creation of alternative data centres, rigorous backup and recovery processes, and the implementation of security controls. Compliance and effectiveness of the IT DRP are key areas of concern.

7. Cyber Resilience

Cyber Resilience emphasizes the importance of ensuring the reliability and robustness of critical infrastructure and software. It necessitates thorough risk assessments for infrastructure changes, adherence to rigorous development and testing procedures, and regular architectural reviews to meet availability and continuity requirements.

8. Crisis Management Plan

The Crisis Management Plan outlines the necessity of having a well-defined plan in place to effectively manage major incidents. This includes setting criteria for declaring a crisis, establishing a command centre, defining crisis management teams and their roles, contact details, steps during and after a crisis, communication plans, and conducting regular crisis management tests to ensure readiness.

9. Testing

Testing validates the effectiveness of Business Continuity Plans (BCPs) and Disaster Recovery Plans (DRPs). It necessitates regular testing of these plans through simulation exercises, ensuring they cover various scenarios, and documenting results. Continuous monitoring and periodic evaluation of testing outcomes are crucial to maintaining a resilient BCM program.

10. Awareness and Training

This is one of the key elements that contribute to transforming the culture of an organization. It focuses on establishing and maintaining a training and awareness program that fosters BCM competency among staff and establishes a risk-based culture. This includes ensuring that employees and relevant third parties are familiar with BCM policies and plans, have defined roles and responsibilities, and receive training to meet the required level of experience, skills, and competencies.

11. Communication

Communication underscores the importance of maintaining clear and regular communication with SAMA regarding BCM matters. It requires reporting disruptive incidents promptly, coordinating media communication in such cases, seeking SAMA's approval for significant decisions, and sharing test results. Effective communication is key to ensuring transparency and compliance.

12. Periodic Documents Review

Periodic Documents Review mandates organizations to establish a process for regularly reviewing and updating BCM documents. This includes ensuring that all documents, including policies, plans, and procedures, remain up-to-date and relevant. It is essential to have a standard version controlling with a clearly defined last review date for each document to track their currency.

13. Assurance

Assurance emphasizes the need for independent reviews and audits of the BCM program. Organizations must conduct these reviews and audits by qualified external or internal parties. These reviews aim to ensure the effectiveness of BCM activities and provide assurance regarding compliance with the SAMA BCM Framework. Identified gaps and improvements should be reported to senior management and the BCM committee for action.

Benefits for the
Member Organization

Implementing the SAMA BCM Framework brings several valuable benefits such as:

1. **Business Resilience:** It enhances business resilience by ensuring the continuity of crucial operations during disruptions, thereby minimizing potential revenue losses, and maintaining market position.

2. **Regulatory Compliance:** Adherence to the BCM framework demonstrates a commitment to Saudi Arabian compliance standards, reducing the risk of regulatory penalties and scrutiny.

3. **Proactive Risk Management:** SAMA BCM instils a culture of proactive risk management among employees, equipping them to efficiently address challenges and disruptions. It places a strong emphasis on data security

4. and privacy, helping companies prevent data breaches and remain compliant with data protection regulations, safeguarding against reputational damage and legal liabilities.

5. **Assurance:** The framework also promotes efficient recovery through rigorous testing and documentation of business continuity plans. This enables companies to bounce back swiftly from disruptions, reducing operational downtime and financial impact.

6. **Trusted Brand and Reputation:** SAMA BCM compliance signals a dedication to operational excellence and resilience, enhancing the company's reputation and trustworthiness.

In summary, SAMA BCM implementation offers a comprehensive approach to risk mitigation, competitive advantage, and stakeholder confidence, all contributing to the company's overall operational effectiveness and success.

How we can **Help?**

At ECOVIS Al Sabti, we have a wealth of experience helping Member Organizations navigate Business Continuity laws. Our team of Business Continuity Management specialists locally available in the Kingdom closely monitors the development of Business Continuity and other regional legislation to assist our clients in meeting the compliance challenge. If you require further information creating an effective Business Continuity plan, do not hesitate to contact us. We are here to support your journey towards BCM compliance in Saudi Arabia.

In conclusion, the SAMA BCM Framework and its accompanying regulations bring about significant changes in Business Continuity compliance. Member Organizations must proactively prepare and adapt to ensure compliance while safeguarding Business interests.

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