

**Implementation Guidance on e-KYC by MSB Industry
Frequently Asked Questions and Answers (FAQs)**

Introduction

The FAQs are intended to provide clarifications to reporting institutions on the compliance with the policy document on “Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) – Money Services Business (Sector 3) (Supplementary Document No. 1)”.

No.	Questions	Answers
1.	What are the capabilities of which a system must demonstrate for the purpose of establishing business relationship using e-KYC?	<p>The system used for the purpose of establishing business relationship through e-KYC must at a minimum be able to effectively identify and verify the customers, which includes the capabilities to:</p> <ul style="list-style-type: none"> (i) Authenticate and validate a customer’s ID. This can be supported by features such as hologram checks; optical character recognition; and other security checks such as the MRZ Code on passports and microprint on national IDs; and (ii) Verify a customer’s identity. For this purpose, the system is expected to enable the reporting institution (RI) concerned to effectively perform customer verification, such as by being able to: <ul style="list-style-type: none"> a) Support facial recognition through video, video call or photo taken through ‘selfie’; and subsequently perform facial matching against the photo on the customer’s ID; b) Detect the use of pre-saved photos or pre-recorded video by the customer; and c) Detect any manipulation or alteration made to the video or photo.
2.	Besides using a bank account to make payments of remittance transactions performed using e-KYC, can such payments also be made through an e-wallet by a customer?	Yes, customers on-boarded through e-KYC are also allowed to make payments for remittance transactions using an e-wallet besides bank account. However, the RI concerned is required to ensure that its customers fulfil the requirement of having a bank account in order to undertake such remittance transactions.
3.	How to differentiate between customers on-boarded through e-KYC and over-the-counter to ensure remittance transactions conducted by them are in accordance with the specified transaction limits for outward remittances?	<p>The RSP concerned must ensure that the system deployed is able to tag its customers based on the on-boarding methods and assign the transaction limits according to the respective customer groups i.e.</p> <ul style="list-style-type: none"> (i) Customers on-boarded through e-KYC: <ul style="list-style-type: none"> • Not exceeding an aggregate amount of RM30,000 per day for an individual, including expatriate; and • Not exceeding an aggregate amount of RM5,000 per month for an individual who is a foreign worker (ii) Customers on-boarded over the counter: Not exceeding an aggregate amount of RM50,000 per day <p>Notwithstanding this, a customer on-boarded through e-KYC is allowed to transact at a higher limit of RM50,000 per day, provided that proper face-to-face KYC has been conducted on the customer concerned.</p>

Any updates to the FAQs will be notified to the licensees from time to time.

Should you have additional queries related to the policy document, please submit your queries via any of the following means:

a) Mail : Director
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