

Implementation Guidance on eKYC by Approved Money Changers 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. 2)”.

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 money changing 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 money changing 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 exchange transactions.
3.	Must customer due diligence (CDD) be performed by a RI when on-boarding new customers using e-KYC for conducting money changing transactions below RM3,000?	Yes, the RI needs to conduct CDD on new customers who are on-boarded through e-KYC to perform money changing transactions for any amount, including transactions below RM3,000.

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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