Application to Provide Merchant Acquiring Services under the Financial Services Act 2013 (FSA)

Frequently Asked Questions (FAQs)

Introduction

These FAQs are intended to provide general guidance and clarification on the application process to provide merchant acquiring (MA) services under section 17(1) of the FSA.

> ***Important Notice -*** *It is an offence under the FSA for a person to provide MA services without being registered with BNM. Section 17(3) of the FSA provides that the offence shall, on conviction, be liable to imprisonment for a term not exceeding eight years or to a fine not exceeding 25 million ringgit or to both.*

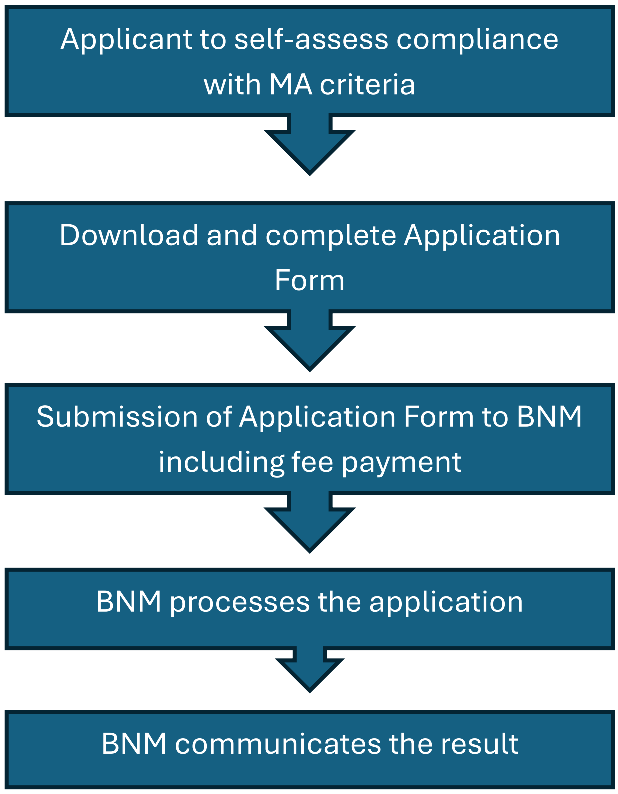
No	**Questions**	**Answers**
1	Who is eligible to apply for registration as a merchant acquirer?	Only an entity that is incorporated in Malaysia under the Companies Act 2016 is eligible to apply for registration under section 17(1) and 18 of the FSA. The requirements for the purpose of registration to provide MA services is set out in Part 1 of Schedule 1 of the Financial Services (Requirements and Submission of Documents or Information) (Registered Business) Order 2013 [P.U. (A) 206/2013].
2	What constitutes MA services?	An entity is considered to be providing MA services if it fulfils the following criteria: i. enters into a contract with merchant(s), which results in a transfer of funds to the merchant(s) by a) conducting or being responsible for fund settlement; or b) issuing fund settlement instructions; ii. facilitates the merchant's acceptance of payment instruments; and iii. is a direct participant of payment instrument network(s) to provide MA services.
3	What does "a direct participant of a payment instrument network for MA services" mean?	A **"direct participant"** generally refers to a principal member of a payment instrument network for purposes of providing MA services. This denotes an entity participates in the network in its own capacity to provide MA services, rather

		than through an intermediary or another participant. A **"payment instrument network"** refers to a payment system that enables payments to be made using a payment instrument under its brand and provides clearing and/or settlement services to its members, namely issuers and/or acquirers. In general, a payment instrument network includes payment system operators (e.g., Payments Network Malaysia Sdn Bhd (PayNet), Visa and MasterCard).
4	Do payment gateway services/ payment facilitator/ third party acquirer require registration as a merchant acquirer?	Entities that describe themselves as payment gateways, payment facilitators, third-party acquirers, or other intermediaries are not automatically required to register as merchant acquirers, nor are they exempt from that requirement. Registration requirements are determined by the entity's actual business activities, contractual arrangements, and operational responsibilities, rather than by the label or terminology used to describe its business model. In assessing whether registration is required, applicants should consider whether they: i. enter into contractual arrangements with merchants; ii. conduct or are responsible for fund settlement, or issue fund settlement instructions; iii. facilitate merchants' acceptance of payment instruments; and iv. participate in a payment instrument network to provide merchant acquiring services. Applicants should conduct a self-assessment and/or seek professional legal advice to assess whether their business model, contractual arrangements and operational responsibilities would require approval from BNM.

<table>
<tr><td>5</td><td>How does an applicant apply to provide MA services?</td><td>An applicant that has determined, based on BNM’s Policy Document on Merchant Acquiring Services (issued on 15 September 2021), and where appropriate, obtained professional legal advice, that its business model requires registration to provide merchant acquiring services should proceed to download and complete the prescribed Application Form.

The application process will commence upon submission of a complete application form together with all the supporting documents required by BNM.

The application process is illustrated as follows:


</td></tr>
<tr><td>6</td><td>Is the applicant required to pay a processing fee for the MA application?</td><td>Where an applicant has determined that its business and/or activities fall within the MA regime, the applicant is required to pay BNM an application processing fee of RM500 upon submission of the Application Form. Payment must be made within seven (7) working days from the date the application is submitted, via either of the following methods:</td></tr>
</table>

		(a) RENTAS TRN code OBT01 Account number 1547010015; or **(b) Fund transfer** to: Bank Name: Malayan Banking Berhad Account Number: 514150127067 Account Holder's Name: BANK NEGARA MALAYSIA
7	Is consultation with BNM required before submitting an application for MA services?	No. Consultation with BNM is not required prior to submitting an application to provide MA services.
8	Can more than one entity within the same group of companies be registered and/or approved by BNM to provide MA services and/or other regulated payment services?	Where an entity within a group of companies has already obtained registration from BNM to provide MA services and/or approval to provide other regulated payment services (e.g., e-money issuance), such services should generally be conducted through a single registered or approved entity. Accordingly, entities within the same group of companies are discouraged from applying for multiple registrations to provide MA services or approvals to provide other regulated payment services where these services can reasonably be undertaken by an existing registered or approved entity within the group.
9	How should a newly incorporated entity complete the application form if its business operations have yet to commence?	For newly incorporated entities that have yet to commence operations, the application form should be completed based on the applicant's current status and proposed arrangements. Information may be provided with reference to the intended business model, governance structure, systems and security arrangements, risk management framework, and merchant acquiring setup. Where certain arrangements remain subject to finalisation, the proposed approach and relevant explanations should be clearly outlined in the application form.

		Applicants must also promptly notify BNM of any significant changes during the processing of the application and provide the relevant details as requested.
10	Where can the applicant find all relevant laws and regulations related to MA services?	The relevant law and regulations, as may be amended from time to time, are published on BNM's website and include, among others: • Financial Services Act 2013 [Act 758]. • Financial Services (Requirements and Submission of Documents or Information) (Registered Business) Order 2013 [P.U. (A) 206/2013]. • Financial Services (Requirements and Submission of Documents or Information) (Registered Business) (Amendment) Order 2021 [P.U. (A) 351/2021]. • Financial Services (Exemption) (No. 4) Order 2021 [P.U. (A) 362/2021]. • Policy document on Merchant Acquiring Services (issued on 15 September 2021). • Policy document on the Management of Customer Information and Permitted Disclosures (issued on 31 October 2025). • Policy document on the Risk-Based Authentication for Online Payment Card Transaction (issued on 4 November 2020). • Policy document on the Payment Card Framework (issued on 19 August 2022). • Policy document on Interoperable Fund Transfer Framework (issued on 30 June 2026). • Policy document on Technology Requirements for Payment Services Regulatees (issued on 12 March 2026). • Policy document on Risk Management in Technology (issued on 28 November 2025). • Policy document on Operational Risk Reporting (ORR) (issued on 30 January 2026).
11	Is there any deadline or submission window for submitting an application?	No. However, the applicant whose application has been closed/returned due to incomplete or unclear information may resubmit a new application only after **three (3) months**.

12	How can an applicant follow up on the status of the application?	An applicant may contact **pdapplication@bnm.gov.my** for any enquiries relating to the application. Should BNM require any additional information, clarification, or supporting documents during the assessment process, the officer-in-charge will contact the applicant accordingly.

Last updated: September 2026

Should you have additional related queries, please submit your queries via any of the following channels:

a) Mail : Pengarah
Jabatan Penyeliaan Perkhidmatan Pembayaran
Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur

b) E-mail: pdapplication@bnm.gov.my