Suruhanjaya Komunikasi dan Multimedia Malaysia
Malaysian Communications and Multimedia Commission

PUBLIC INQUIRY

REVIEW OF COMMISSION DETERMINATION ON THE MANDATORY STANDARDS FOR THE PROVISION OF MOBILE CONTENT SERVICES DETERMINATION NO. 4 OF 2009

This Public Inquiry is prepared in fulfilment of Section 55(2), 55(4), 58 and 61 of the Communications and Multimedia Act 1998.

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PREFACE

The Commission is hereby holding a Public Inquiry on the proposal for the revision of the Mandatory Standards for the Provision of Mobile Content Services (Determination No. 4 of 2009) and invites industry, members of the public and interested parties to participate by submitting written feedback on the questions and issues raised in this Public Inquiry. Submissions are also welcomed on any other relevant matters where no specific questions have been raised. All submissions should be substantiated with reasons and, where appropriate, evidence or source of reference. This Public Inquiry will commence from 2 May 2025 (Friday) until 16 June 2025 (Monday). Written submissions, in both hard copy and electronic form, should be provided to the Commission in full by 12 noon, 16 June 2025 and addressed to:

Malaysian Communications and Multimedia Commission
MCMC Tower 1
Jalan Impact, Cyber 6
63000 Cyberjaya, Selangor Darul Ehsan

Attention to : Communication and Postal Regulation Department
Email : cprd.pi@mcmc.gov.my

In the interest of fostering an informed and robust consultative process, the Commission may publish or make available extracts of or the entire submissions to interested parties. Any commercially sensitive information should be provided under a separate cover and clearly marked "CONFIDENTIAL".

However, for any party who wishes to make a confidential submission, a "public" version of the submission should also be provided.

Incomplete and/or late submissions will not be considered.

The Commission thanks the public and all interested parties for their participation in this consultative process and for providing submissions and feedback.

GLOSSARY

CMA 1998	Communications and Multimedia Act 1998 (Act 588)
Commission	Malaysian Communications and Multimedia Commission
Content Code	The Malaysian Communications and Multimedia Content Code 2022
DCB	Direct Carrier Billing
General Consumer Code	General Consumer Code of Practice for the Communications and Multimedia Industry Malaysia
IP	Internet Protocol
MCS	Mobile Content Services
MMS	Multimedia Messaging Services
MSMCS	Commission Determination on the Mandatory Standards for the Provision of Mobile Content Services
PCS	Public Cellular Services
SMS	Short Messaging Services
USSD	Unstructured Supplementary Service Data

PART A: BACKGROUND

1 INTRODUCTION

1.1 The current scope of Mandatory Standards for the Provision of Mobile Content Services ("MSMCS") regulations addresses services delivered through Short Messaging Services ("SMS") using a short code platform. However, the delivery or provisioning of mobile content services ("MCS") has evolved from traditional messaging services (SMS/MMS/USSD) to IP-based services on electronic platforms. However, these technologies are not subject to the current mandatory standards. Therefore, a more holistic framework to govern the provisioning of MCS regardless of platforms is crucial.

1.2 Technological advancements make content accessible over IP-based or electronic platforms, enabling consumers to acquire or subscribe to their preferred MCS. This has facilitated consumers' access to MCS both locally and internationally.

1.3 The network service providers in Malaysia have extended their Direct Carrier Billing ("DCB") offerings content to include 'in-app' purchases through their mobile applications. Consumers can acquire content like game items, virtual coins, and other additional features using their prepaid or postpaid airtime to be billed to their accounts. Consumers use DCB as the primary payment facility, charging transactions via mobile airtime as an alternative to debit, credit cards, or mobile wallet services. The concern arises when consumers claim they received unsolicited content and were charged without consent.

2 MINISTERIAL DIRECTION

2.1 Pursuant to the powers conferred by sections 7, 8 and 104 of the Communications and Multimedia Act 1998 ("CMA 1998"), the Minister issued the Ministerial Direction No. 3 of 2007, on 23 October 2007 to direct the Commission to determine a Mandatory Standard on the Provision of Mobile Content and Services.

3 LEGISLATIVE CONTEXT

3.1 The CMA 1998 governs the communications and multimedia industry in Malaysia and establishes the regulatory and licensing framework applicable to the industry.

3.2 Section 56 of the CMA 1998 provides for the modification, variation or revocation of a determination by the Commission.

3.3 Section 106(1) of the CMA 1998, the Commission may determine the modification, variation, or revocation of a mandatory standard in accordance with Section 55 of the CMA 1998 if it is satisfied that the mandatory standard is no longer consistent with all the matters listed in Section 105(1), (b) and (c).

4 PUBLIC INQUIRY PROCESS

4.1 This Public Inquiry is undertaken in view of the following provisions under the CMA 1998:

4.1.1. Subsection 55 (2) until (9) of the CMA 1998, determination by the Commission.

4.1.2. Section 58(1) of the CMA 1998, the Commission shall, in response to a Ministerial direction, hold a Public Inquiry on any matter of a general nature which relates to the administration of CMA 1998 or its subsidiary legislation which will serve the objects of CMA 1998.

4.1.3. Section 61(1)(d) of the CMA 1998, the Public Inquiry period shall be a minimum of forty-five (45) days, within which inquiry submissions are invited.

5 OUTPUT OF PUBLIC INQUIRY PROCESS

5.1 The objective of this Public Inquiry is to review and enhance the existing mandatory standards for the provisioning of MCS. The Commission's preliminary findings are set out in this Public Inquiry Paper. Following the consultation period, the Commission shall take into consideration all submissions received within the Public Inquiry period.

5.2 The Commission is required under section 65 of the CMA 1998 to publish a report setting out its findings as a result of any inquiry it conducted, and such report shall be published within thirty (30) days of the conclusion of the inquiry and the Commission may extend that period by not more than thirty days.

PART B: OVERVIEW OF THE COMMISSION DETERMINATION ON THE MANDATORY STANDARDS FOR THE PROVISION OF MOBILE CONTENT SERVICES

1. The Commission Determination on the Mandatory Standards for the Provision of Mobile Content Services Determination No. 4 of 2009, which came into force on 1 July 2010, was developed to regulate the provisioning of MCS by network service providers and application service providers class licensees that provide messaging services and public cellular services. It also ensures appropriate consumer safeguards by:

    a) Requiring mobile content services providers ("MCS providers") to practice appropriate advertising to assist customers in making informed decisions about the service and charges of the services;
    b) Providing customers with sufficient information to enable them to make informed decisions about the service and charges of the services;
    c) Ensuring that MCS providers provide MCS based on international best practices;
    d) Ensuring complaints are handled through prioritisation of the consumer's interest; and
    e) Ensuring consumers can easily unsubscribe from subscription-based services and opt-out of marketing related to MCS.

Review of the Mandatory Standards for the Provision of Mobile Content Services

2. As technology advances and the MCS landscape evolves, the Commission has identified key areas that require updates to ensure the regulation remains relevant, effective, and aligned with industry practices. The goal is to enhance consumer protection, improve transparency, and support fair service provisioning for MCS subscribers.

3. To maintain a robust regulatory framework, the Commission benchmarks proposed updates against international best practices, ensuring alignment with global standards while addressing market needs in Malaysia. These enhancements aim to strengthen consumer safeguards, improve service quality, and promote responsible industry practices.

4. The Commission proposes retaining critical standards that continue to be essential for consumer protection, service transparency, and compliance. These include regulations on price information, termination of subscription, customer service, chat and contest services, donation services, and general obligations for Application Service Provider ("ASP") class licensees providing PCS, MCS, and Network Service Providers providing billing and mobile content platform for the provision of MCS. Maintaining these standards ensures fair billing practices, prevents misleading advertisements, and upholds industry accountability.

5. The Commission proposes deleting standards related to SMS formatting, which include formatting for SMS for confirmation acquisition, SMS for confirmation registration, response SMS for a no fee time-based subscription, response SMS for time-based subscription service attracting subscription fee, response SMS for content-based subscription service, SMS for renewal reminder for time-based and content-based subscription and SMS renewal confirmation for time-based and content-based subscription service which the Commission views these formats as not practical and obsolete.

6. The summary of the standards to be reviewed, retained and deleted are outlined in Table 1 below:

Table 1: Summary of the Proposed Amendments to MSMCS Standards

Paragraph	Standards	Proposal
1-2	Citation and commencement	Revise
3	Interpretation for Mobile Content Services	Revise
4-5	Interpretation	Retain
6	Licensees subject to these mandatory standards	Retain
7-14 & 17	Standards on acquisition or subscription for MCS	Retain
15	Standards on acquisition or subscription for MCS	Revise
16	Standards on acquisition or subscription for MCS	Delete
18-22, 25, 29-31	Standards on subscription-based service	Retain
23-24, 26-28, 32-34	Standards on subscription-based service	Delete
35-38	Standards on price information	Retain
39-42, 44-45	Standards on termination of subscription-based services	Retain
43	Standards on termination of subscription-based services	Delete
46	Standards on information keyword	Retain
47-48	Standards on information keyword	Delete
49	Standards on unrecognised or invalid keyword	Retain
50-59	Standards on provision of information of MCS	Revise
60-62	Promotion via television	Revise
63-65	Promotion via Print Media	Revise
66	Promotion via Radio	Revise
67-73	Standards on marketing message or advertisement via SMS	Revise

Paragraph	Standards	Proposal
74-76	Standards on Change of Short Code	Retain
77-80	Standards on providing customer service	Retain
81-83	Standards on chat services	Retain
84-87	Standards on contest services	Retain
88-89	Standards on donation	Retain
90-91, 94-95	Obligation of network service providers and PCS provider	Retain
92-93	Obligation of network service providers and PCS provider	Revise
96, 99-102, 104,106 - 112	General obligations of PCS provider, MCS Provider and Network Service Provider	Retain
97-98, 103,105	General obligations of PCS provider, MCS Provider and Network Service Provider	Revise
113-116	Standards on Suspension and Re-Activation Process	Retain
117	Refund	Retain

[1]Note: The Commission Determination on the Mandatory Standard for Provision of Mobile Content Services Determination No.4 of 2009 has been attached for ease of reference.

Addition of New Standards to the Mandatory Standards for the Provision of Mobile Content Services

7. Further, to align with current global best practices in the provisioning of MCS and to ensure that MCS providers fulfil obligatory requirements in addressing consumer concerns, the Commission has proposed adding new standards to the mandatory standard. This will create a dedicated instrument to effectively address MCS-related issues.

8. A total of eight (8) proposed new provisions/standards under the MSMCS, which include:
    i. Content compliance with any provisions under CMA 1998 or any written law in Malaysia
    ii. Promptness in resolving customer complaints
    iii. Monitoring of accumulated charges
    iv. Spend limit
    v. Fraud and abuse
    vi. Applicable guidelines (MCS Guidelines)
    vii. Audit by the Commission
    viii. Report submission

[1] Mandatory Standard Mobile Content Services

PART C: PROPOSED AMENDMENTS TO THE MANDATORY STANDARDS FOR THE PROVISION OF MOBILE CONTENT SERVICES

9. In accordance with Part B of this Public Inquiry, the Commission has outlined the proposed updates, including revisions, retention, deletion, and additions of standards. The Commission seeks stakeholder feedback on these proposed amendments.

Proposed Revision and Addition to MSMCS

10. **Content of MCS**

10.1. The current MSMCS covers MCS's principles and operational mechanics provided via messaging services (SMS, MMS, USSD). To ensure the MSMCS is relevant, the Commission proposes that the fundamental principles be redefined. The operational aspects, such as the subscription method, will be specified in the guidelines for MCS.

Existing Content of the MSMCS
Outlines principles and operational mechanics of MCS provided via messaging services (SMS, MMS, USSD).
Proposed revision to Content of MCS
Outlines principles and operational mechanics of MCS provided via messaging services (SMS, MMS, USSD) and/or electronic platforms. Principles: 1. Conventional (SMS, MMS, USSD) 2. Electronic messaging (chargeable and non-chargeable contents) or digital content on electronic platforms provided by PCS and MCS providers, excluding OTT services/app marketplace, e.g., Apple Appstore, Google Playstore, Coda, etc. MCS should be provided in a manner that: 1. Is adaptable to evolving technologies and platforms including but not limited to SMS, MMS, electronic messaging or digital content. 2. Upholds consumer protection, privacy and security principles. 3. It facilitates access, payment, and management of the MCS through traditional mobile billing and emerging models like Direct Carrier Billing (DCB) offered by Network Service Providers. 4. Standardise principles and operational standards across various devices and platforms while ensuring transparency and maintaining consumer control. "Electronic Platform" refers to IP-based platforms, such as websites and mobile apps for the delivery of electronic messaging or digital content.

Question 1:
The Commission seeks views on the proposed revision to MCS content, including conventional and electronic messaging or digital content.

11. **Interpretation of MCS**

11.1. The Commission acknowledged the importance of adequate information regarding the types of MCS, such as chargeable and non-chargeable. Accordingly, requirements covering chargeable and non-chargeable MCS will be established in the revised MSMCS. These requirements include provisions highlighting the responsibility of MCS providers, who may also act as aggregators, to address the elements of chargeable and non-chargeable MCS for consumers.

11.2. The Commission proposes expanding the interpretation of MCS to encompass all technology platforms and apply to all types of services, whether delivered via conventional or electronic platforms, regardless of whether they are chargeable or non-chargeable.

Existing MCS Interpretation

Paragraph 3 of the MSMCS:

"Mobile Content Services or MCS" means any messaging service which provides content and is accessible on a mobile access device or fixed access device, for which charges may be imposed over and above the standard network charges of the relevant service provider and consist of:

(a) the provision of content to any person, including but not limited to content such as information, news updates, data, quizzes, jokes, greeting messages, ringtones, wallpapers, logos, and games for which charges may or may not be imposed to the customer;

(b) the provision of service to any person, including but not limited to chat services, participation in contests, fundraising and voting; or

(c) a combination of (a) and (b), but shall not include value-added services provided by service providers such as mobile internet access service and data carriage services, auto redial, back-up SIM card, call barring, call directory, call divert, call transfer, call waiting, caller ID, caller number non-display, conference call, favourite numbers, IDD, missed call alert, multi-SIM card, number retention, number porting, mobile voice and message roaming, speed dial, voicemail, video call services or any other value added service; and

(d) Short Messaging Service ("SMS") Broadcast.

Proposed revision to MCS Interpretation
"Mobile Content Services, or MCS", means any mobile content and services provided by MCS Providers through any Communications Systems and billed via DCB offered by Network Service Providers. These mobile content and services are typically designed to leverage mobile devices' portability and connectivity to provide entertainment, information, and utility directly to customers, for which charges may be imposed over and above the standard network charges of the relevant PCS provider. MCS shall consist of: (a) the provision of content to any person, including but not limited to entertainment, news updates, education and information, visual and audio media; (b) the provision of a service to any person, including but not limited to subscriptions, notifications, advertisements, contest participation, donation, voting; or (c) a combination of (a) and (b) but shall not include Value-Added Services provided by PCS providers; and (d) Short Messaging Service ("SMS") Broadcast. "Communications System" – has its meaning set out in the CMA 1998. Communication System refers to a Mobile Access Device, Fixed Access Device or Electronic Platform. "Mobile Access Device" means any portable electronic communication device that connects to a network or accesses digital information and content. "Fixed Access Device" means any electronic communication device that is designed to remain in a statutory location, rather being portable or mobile. "Value-Added Services" means auto redial, back-up SIM card, call barring, call directory, call divert, call transfer, call waiting, caller ID, caller number non-display, conference call, favourite numbers, IDD, missed call alert, multi-SIM card, number retention, number porting, mobile voice and message roaming, speed dial, voicemail, video call services or any other value-added service.

Question 2:
The Commission seeks views on the proposed revised interpretation of MCS, which includes Communications Systems as a delivery method to better protect consumers from unauthorised charges on their bills.

12. **Standards on Acquisition or Subscription for MCS**

12.1. To address the issue of customers accidentally clicking on advertisements or content that may lead to triggering of MCS purchases, the Commission proposes to retain the existing "double confirmation" standard for SMS-based subscriptions while requiring

MCS provided via an electronic platform to have a "multiple confirmation" process be implemented.

12.2. For MCS subscription via electronic platforms, the Commission requires the MCS providers to implement a multi-levels Customer Verification Process (two or more steps), including but not limited to SMS, email, in-apps, or any other notification platforms.

12.3. To ensure consistency, the Commission proposes that notifications be sent to customers upon the receipt of the acquisition or subscription of MCS through electronic platforms will be sent as follows:

Existing standards on SMS notification of MCS acquired or subscribed via messaging services
Refer to paragraphs 7-34 of the MSMCS, which outline: Standards on acquisition or subscription for MCS Standards on subscription-based service
Proposed revision on notification of MCS acquired or subscribed via electronic platforms
Paragraphs 7-14, 17-22, 25, and 29-31 for the acquisition and subscription of MCS via SMS will be retained. In addition to this, the Commission proposes new standards for subscription-based service via electronic platforms as outlined below: **Standards on Subscription-based Service via Electronic Platform (PROPOSED ADDITION)** The MCS provider must complete the Customer Verification Process and send the customer an acquisition or subscription confirmation notification via email, in-apps, or any other notification platforms that: (a) at the start of the message, confirm that the customer has acquired or entered into a subscription agreement, and (b) is sent: i. as quickly as possible following receipt of the customer's acquisition or subscription confirmation; ii. within 24 hours of receipt of the customer's acquisition or subscription confirmation; and iii. before any other messages are sent to the customer as part of that MCS. The notification method specified above shall include: (a) confirmation or successful subscription notification or renewal of service in the notification sent to customer who seeks to acquire or subscribe to a subscription-based MCS;

(b) the order ID or transaction ID or any identifier of the MCS;
(c) the price and frequency of charging;
(d) details of the primary mechanism to enable customers to unsubscribe; and
(e) information of any support services provided by the MCS provider.

"Customer Verification Process" refers to the method used by an MCS provider to verify that user of the device is the account holder or has the account holder's authorisation to acquire or subscribe to the MCS via an electronic platform. During the acquisition or subscription of MCS, MCS providers are required to implement a multi-level (two or more steps) verification process, including but not limited to SMS, email, in-apps, or any other notification platforms.

"Request Notification" refers to the message sent by the MCS providers to the Customer for their registration to acquire or subscribe to MCS.

The Commission seeks views on the following:

Question 3: Please state whether the current practice adopted by MCS providers on subscription via electronic platform for notification sent upon successful acquisition (particularly for MCS provided by a third party and billed via DCB) is sufficient to safeguard consumers in terms of billing accuracy. If not, please elaborate and provide suggestions.

Question 4: The Commission's proposal regarding the applicability of the standard and the customer verification process for acquiring MCS via electronic platforms.

Question 5: Is it practical for customers to provide consent for auto opt-in for each subscription or renewal of MCS regardless of any delivery platform for MCS subscription? If not, please elaborate and propose.

13. Standards on Advertisement

13.1. Currently, most MCS advertisements can be viewed through electronic platforms, such as advertisement banners or content placements on social media platforms. The charging and price information are sometimes not displayed in the main body of the advertisement. Hence, the Commission proposes that all important information be displayed on the same page regardless of the advertisement platform.

13.2. All MCS advertisements shall comply with applicable advertising standards, the Content Code, General Consumer Code and guidelines under the MSMCS, ensuring transparency and consumer protection. Furthermore, initial access to advertisement links must not trigger MCS subscriptions.

Existing standards on advertisement
Refer to paragraphs 50 – 66 of the MSMCS, which outline: Standards on provision of information of MCS Promotion via television Promotion via Print Media Promotion via Radio
Proposed revision on advertisement
All MCS providers shall provide sufficient, clear, accurate, true, up-to-date information in a simple and straightforward language in all its MCS advertisement materials. All MCS providers shall ensure that any MCS advertisement message sent to a customer by push message is recorded in a transaction log in a clear format. For the advertisement of subscription-based MCS, all MCS providers shall ensure that the advertisement: (a) states clearly, but not limited to the terms of the MCS subscription, the period of subscription, the charges and the frequency of the charges, maximum charges for a particular content to be sent to the customer; (b) contains a clear notice that the responsibility to unsubscribe the MCS is on the customer; and (c) sets out clear instructions on how the customer can terminate or unsubscribe to the MCS; and All MCS providers shall not display or imply that one price applies to all content unless all contents advertised are sold at that price. All MCS providers shall ensure that the price information is easily legible, prominent, and presented in a way that does not require close examination by the Customer. All MCS providers shall ensure important information on MCS, such as price and frequency of service, is displayed on the same page as the subscribed button, regardless of the advertisement channel, including via SMS, TV, radio, print, website, mobile access device, fixed access device or electronic platform.

Question 6:
The Commission seeks views on the obligation of MCS providers in distributing advertisements for MCS. All MCS providers shall adhere to applicable advertisement standards regardless of the advertising platform.

14. Standards on Non-Chargeable MCS (Marketing)

14.1. In the existing MSMCS, the MCS providers have 30 days after the termination of the subscription to send marketing messages. However, the Commission believes that such a period has led to numerous spam complaints due to the inconvenience customers experience when receiving marketing messages.

14.2. To address this issue, the Commission proposes imposing conditions on MCS providers on sending any marketing messages to customers who are not subscribed or after a subscription has been terminated. This is to ensure a better consumer experience and reduce unwanted communications.

14.3. The proposed amendment for the standards as outlined below:

Existing Standards	**Proposed Revision**
Refer to paragraphs 67-73 of the MSMCS, which outline: Standards on marketing message or advertisement via SMS	<u>Marketing</u> (a) All MCS providers shall give the customers the option of not receiving marketing messages prior to or on commencing subscription of the MCS if the MCS includes the provision of marketing, prompt, or inducement messages as a component of the service. (b) All MCS providers shall not send marketing messages to customers who have terminated the related MCS subscription.

Question 7:
The Commission seeks views on the proposed standards on imposing conditions on MCS providers when sending any marketing messages to customers who do not have active MCS subscriptions or after the termination of the MCS subscription by the customer.

15. Prohibition of Masking Short Code

15.1. The misuse of short codes or sender IDs for fraudulent activities, including impersonation of MCS providers, PCS providers, agencies, and financial institutions, has made it challenging to identify the sender. The Commission proposes prohibiting masked short codes to mitigate this

issue, ensuring customers can recognise the sender ID when receiving SMS.

Existing Standards	**Proposed revision of prohibition of masking short code**
Paragraph 97 of the MSMCS All MCS providers shall not mask or allow to be masked any short codes for the purpose of providing MCS, including any SMS from international gateway. Paragraph 98 of the MSMCS All PCS providers are allowed to do the short code masking using their company name of the PCS providers.	Any concealment of short codes shall refer to the relevant provisions under the Numbering and Electronic Addressing Plan.

Question 8:
The Commission seeks views on the proposed revised standards on the prohibition of masking short code.

16. **Standards on Record Keeping**

16.1. All PCS and MCS providers must retain detailed customer records related to MCS, including, but not limited to, transaction logs and copies of all advertisements. These records must be maintained for at least 18 months after each transaction or the issuance of an advertisement.

16.2. The Commission views that all information required for investigation shall be produced as and when required. A storage period of 18 months is proposed to empower consumers to be vigilant and ensure timely reporting of any MCS issues.

16.3. The Commission's proposed revision to the current MSMCS, which requires all PCS and MCS providers to maintain records with an adjustment period, as outlined below:

Existing Standards	**Proposed Revision**
Paragraph 103 of the MSMCS All MCS providers and PCS providers shall maintain complete transaction logs and database in respect of all MCS for a minimum period of 24 months including but limited to	All MCS and PCS providers must retain detailed customer records related to MCS, including, but not limited to, transaction logs records and database, which must be maintained for at least 18

Existing Standards	Proposed Revision
transaction logs on MCS transaction at SMS centres and information on the content of the SMS.	months after each transaction or the issuance of an advertisement.

Question 9:
The Commission seeks views on the proposed standards for record-keeping to be retained, but the storage period is to be reduced to 18 months.

17. General Standards on Content Compliance with the Provisions under CMA 1998

17.1. The current MSMCS only addresses indecent and obscene content but does not encompass the promotion of illegal activities, such as financial and loan services, in which the elements fall under false or misleading content.

17.2. To strengthen content regulation and prevent the promotion of illegal activities that do not fall under indecent and obscene content, the Commission proposes that all MCS and PCS providers ensure compliance with the CMA 1998, Content Code, General Consumer Code, and other relevant regulatory instruments.

17.3. Thus, the Commission proposes to widen the scope of prohibition in the MCS, to be aligned with the CMA 1998 and other regulatory instruments. The proposed addition of standards as outlined below:

Existing Standards	The proposed addition of new standards on content compliance with the provisions under CMA 1998
N/A	All MCS providers shall ensure the contents and advertisements comply with the provisions and/or any relevant guidelines specified under the CMA 1998, Content Code and General Consumer Code or any other regulatory instruments deemed appropriate.
Existing Standards	**Proposed Revision**
Paragraph 105 of the MSMCS All MCS providers shall not provide any indecent and	<u>Prohibition of indecent, obscene, false, menacing and grossly offensive content</u> All MCS providers shall not provide any indecent, obscene, false, menacing or grossly offensive

obscene content. The MCS providers may refer to Malaysian Communications and Multimedia Content Code for clarification.	content. The MCS providers may refer to Content Code for clarification.

Question 10:

The Commission seek views on the proposed standards on the obligation of MCS and PCS providers to ensure that the content complies with any applicable guidelines or provisions under the CMA 1998, such as the Content Code, General Consumer Code, or any other regulatory instruments that the Commission deemed appropriate to establish a comprehensive regulation.

18. Promptness in Resolving Customer Complaints

18.1. The Commission recognises the standards imposed on PCS providers through the Commission Determination on the Mandatory Standards for Quality for Service (Customer Service) Determination No. 4 of 2021. However, this obligation does not cover the MCS providers.

18.2. The Commission proposes to include a requirement for MCS providers to adequately resolve the complaints. The proposed standards are as follows:

Existing Standards	**The proposed addition of new standards for resolving customer complaints**
N/A	MCS and PCS providers shall adequately address all complaints and provide resolution to the complaints pursuant to the General Consumer Code, any subsidiary legislation or instruments issued under the CMA 1998.

Question 11:

The Commission seeks views on the proposed standard to include a requirement for MCS and PCS providers to resolve complaints pursuant to the General Consumer Code, any subsidiary legislation or instruments issued under the CMA 1998.

19. Standards on Monitoring of Accumulated Charges

19.1. Based on the complaints received by the Commission, there are customers being charged or billed for MCS subscriptions that are more than their usual purchases without receiving any alerts or warnings from

PCS providers. The Commission acknowledges the risk of being susceptible to making purchases for MCS after being attracted to content or advertisement received via conventional or electronic platform without fully understanding it, which results in an increase in their phone bill.

19.2. It is important for the PCS providers to monitor the charges accumulated by their customers to help minimise bill shock, especially in the event of subscriptions without knowledge. The monitoring includes postpaid and prepaid customers.

19.3. The proposed new standards for monitoring accumulated charges is outlined below:

Existing Standards	The proposed addition of new standards on monitoring of accumulated charges
N/A	The PCS providers shall establish and maintain a system to monitor customers' accumulated MCS charges, detect significant usage increases, and promptly notify customers when their charges reach a predefined threshold based on their usage profile.

Question 12:
The Commission seeks views on the proposed standards for PCS providers to monitor the accumulated charges to safeguard consumers.

20. Standards on Spend Limit

20.1. In alignment with international best practices, the Commission proposes that PCS providers implement a spend limit for prepaid and postpaid customers to help prevent customers from overspending on MCS subscriptions. This measure aims to increase customer awareness and provide them with better control over their expenditures. The proposed new standard on spend limit is outlined below:

Existing Standards	Proposed addition of new standards on spend limit
N/A	PCS providers shall apply the spend limit of MCS charges for each MCS provided. The PCS provider may allow a change in the spend limit and will only proceed if the customer initiates the request, and the consent or request shall be recorded in the customer's transaction logs.

Question 13:
The Commission seeks views on the proposed standards on spend limit.

21. Fraud and Abuse

21.1. The Commission observed that customers are increasingly exposed to scams involving one-time passwords and personal data compromised by irresponsible individuals. Hence, the Commission proposed new standards to mitigate these issues. The proposed standards is as follows:

Existing Standards	**The proposed addition of new standards on fraud and abuse**
N/A	PCS and MCS providers are to adopt security measures to prevent any security risk in the delivery of MCS pursuant to any subsidiary legislation or instruments issued under the CMA 1998.

Question 14:
The Commission seeks views on the proposal that PCS and MCS providers adopt security measures to prevent any security risk in the delivery of MCS.

22. Applicable Guideline

22.1. Given the evolving nature of the MCS delivery mechanism, the Commission proposes the establishment of MCS guidelines to clearly define the operational and functional details. These guidelines will serve to ensure consistency, transparency, and compliance by MCS providers. The Commission may initiate the development of these guidelines at a later stage and, if necessary, will consult with MCS providers to gather insights and ensure the guidelines address all pertinent industry considerations.

22.2. The proposed addition of the standards is as follows:

Existing Standards	The proposed addition of new standards on applicable guideline
N/A	The Commission may at any time issue guidelines that set (but not limited to) parameters, procedures, reporting templates and explanatory notes to the standard proposed in this document in respect of any provision in these mandatory standards.

Question 15:

The Commission seeks views on the proposed standards for the applicable guidelines to be established by the Commission.

23. Audit by the Commission

23.1. The Commission proposes to conduct audits from time to time on the reports submitted, perform tests and make service observations to assess MCS and PCS providers' compliance with the MSMCS.

23.2. This will assist the Commission in auditing the MCS and PCS providers to ensure a good governance process according to the established standards and guidelines.

Existing Standards	The proposed addition of new standards on Audit by the Commission
N/A	The Commission may, from time to time, conduct audits on MCS and PCS providers, on transaction logs, databases and any other records deemed necessary by the Commission.

Question 16:

The Commission seeks views on the proposed standards to include requirements for the Commission to conduct audits as and when necessary to monitor and ensure compliance with MSMCS.

24. Report Submission

24.1. The Commission proposes to have a requirement for MCS reporting as and when needed. The reporting may include but is not limited to MCS provisioned, short codes, number of complaints and resolutions taken, and refunds made to customers.

24.2. The proposal aims to assist MCMC in assessing the performance of the industry and the effectiveness of mitigation actions taken in addressing MCS-related issues.

24.3. The proposed addition of standards on report submission is as follows:

Existing Standards	Proposed addition of new standards on report submission by MCS providers
N/A	(a) The Commission shall require MCS providers to submit reports as and when required. (b) The Commission may request ad-hoc reporting for critical issues like fraud and abuse, and other information deemed necessary.

Question 17:
The Commission seeks views on the proposed standards for MCS providers to provide reports as and when deemed necessary by the Commission.

25. **Retention of Existing Provision**

25.1. Referring to Part B Paragraph 4 earlier, the Commission proposes retaining key standards that are still relevant in ensuring consumer protection, transparency and compliance.

No.	Standards	Paragraph
1.	Interpretation for "confirmation keyword" "contest service" "customer" "Information Keyword" "MSC provider" "public cellular service or PCS provider" "registration keyword" "service keyword" "Short Messaging Service or SMS broadcast" "termination keyword"	4-5
2.	Licensees subject to these mandatory standards	6
3.	Standards on acquisition or subscription for MCS	7-14, 17
4.	Standard on subscription-based service	18-22, 25, 29-31
5.	Standards on price information	35-38
6.	Standards on termination of subscription-based services	39-42, 44-45
7.	Standards on information keyword	46

No.	Standards	Paragraph
8.	Standards on unrecognised or invalid keyword	49
9.	Standards on change of short code	74-76
10.	Standards on providing customer service	77-80
11.	Standards on chat services	81-83
12.	Standards on contest services	84-87
13.	Standards on donation	88-89
14.	Obligation of network service providers and PCS provider	90,91, 94-95
15.	General obligations of PCS provider, MCS Provider and Network Service Provider	96, 99-102, 104,106-112
16.	Standards on suspension and re-activation process	113-116
17.	Refund	117

Question 18:
The Commission seeks views on the proposed retention of key standards, including price information, termination of subscription-based services, customer service, contest services, donation services, and general obligations of PCS, MCS, and Network Service Providers.

26. **Deletion of SMS Format Requirements in Existing Provision**

26.1. Referring to Part B Paragraph 5 earlier, the Commission proposes deleting outdated standards related to SMS content formatting, including confirmation of acquisition or subscription, subscription renewal, renewal confirmation, and other relevant SMS formats.

26.2. These provisions were originally introduced to ensure consumer clarity and service transparency when SMS-based MCS were the primary mode of mobile content delivery. The Commission seeks to ensure that regulatory standards remain technology-neutral and adaptable to future developments in MCS.

No.	Provision	Proposed Deletion	Paragraph
1.	Confirmation and registration	Format on SMS confirmation of acquisition and registration	16
2.	Response SMS for time-based subscription and content-based subscription	Format on response SMS for no fee time-based subscription service, time-based subscription service attracting subscription fee and response SMS for content-based subscription.	23-24
3.	Renewal reminder	Format on SMS for renewal reminder for time-based subscription and content-based subscription	26–28

No.	Provision	Proposed Deletion	Paragraph
4.	Renewal subscription confirmation	Format on SMS renewal confirmation content-based subscription and content-based subscription	32-34
5.	Termination of subscription-based service	Format on SMS for termination of subscription-based service	43
6.	Responding to the request for information by the customer	Format in response to request for Information	47-48

Question 19:

The Commission seeks views on the proposed deletion of outdated provisions on SMS content formatting, including confirmation of acquisition or subscription, subscription renewal, renewal confirmation, and other relevant SMS formats.

Annexure I

Summary of questions:

Question 1: The Commission seeks views on the proposed revision to MCS content, including conventional and electronic messaging or digital content.

Question 2: The Commission seeks views on the proposed revised interpretation of MCS which includes the Communications System as a delivery method, to better protect consumers from unauthorised charges on their bills.

Question 3: Please state whether the current practice adopted by MCS providers on subscription via electronic platform for notification sent upon successful acquisition (particularly for MCS provided by a third party and billed via DCB) is sufficient to safeguard consumers in terms of billing accuracy. If not, please elaborate and provide suggestions.

Question 4: The Commission's proposal regarding the applicability of the standard and the customer verification process for acquiring MCS via electronic platforms.

Question 5: Is it practical for customers to provide consent for auto opt in for each subscription or renewal of MCS regardless of any delivery platform for MCS subscription? If not, please elaborate and propose.

Question 6: The Commission seeks views on the obligation of MCS providers when distributing advertisements for MCS. All MCS providers shall adhere to applicable advertisement standards regardless of the advertising platform.

Question 7: The Commission seeks views on the proposed standards on imposing conditions on MCS providers on sending any marketing messages to customers who do not have active MCS subscriptions or after the termination of the MCS subscription by the customer.

Question 8: The Commission seeks views on the proposed revised standards on the prohibition of masking short code.

Question 9: The Commission seeks views on the proposed standards for record-keeping to be retained, but storage period to be reduced to 18 months.

Question 10: The Commission seek views on the proposed standards on the obligation of MCS and PCS providers to ensure that the content complies with any applicable guidelines or provisions under the CMA 1998, such as the Content Code, General Consumer Code, or any other regulatory instruments that the Commission deemed appropriate to establish a comprehensive regulation.

Question 11: The Commission seeks views on the proposal to include a requirement for MCS providers to resolve complaints pursuant to the General Consumer Code, any subsidiary legislation or instruments issued under the CMA 1998.

Question 12: The Commission seeks views on the proposed standard for PCS providers to monitor accumulated charges.

Question 13: The Commission seeks views on the proposed standard on spend limit.

Question 14: The Commission seeks views on the proposal for MCS providers to adopt security measures to prevent any security risk in the delivery of MCS.

Question 15: The Commission seeks views on the proposed standards for the applicable guidelines to be established by the Commission.

Question 16: The Commission seeks views on the proposed standards to include requirements for the Commission to conduct audits as and when necessary to monitor and ensure compliance with MSMCS.

Question 17: The Commission seeks views on the proposal for MCS providers to provide reports as and when deemed necessary by the Commission.

Question 18: The Commission seeks views on the proposed retention of key standards, including price information, termination of subscription-based services, customer service, contest services, donation services, and general obligations of PCS, MCS, and Network Service Providers.

Question 19: The Commission seeks views on the proposed deletion of outdated provisions on SMS content formatting, including confirmation of acquisition or subscription, subscription renewal, renewal confirmation, and other relevant SMS formats.