Purpose of this document

The Public Consultation Report is part of the consulting engagement for National Digital (ID) Framework for Malaysia. It outlines details of the Public Consultation, including background and objectives of the exercise, analysis of feedback and overall findings that will be incorporated into the Final Report and recommendations on the proposed National Digital ID Framework.

The feedback received from various public and private organisations, as well as the Rakyat during the Public Consultation period has been analysed and taken into consideration when finalising the National Digital ID Framework for Malaysia. Detailed analysis and findings are further elaborated in this report.
### Abbreviations

<table>
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<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>CGS</td>
<td>China Galaxy Securities</td>
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<td>FAOM</td>
<td>Fintech Association of Malaysia</td>
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<td>FGD</td>
<td>Focus Group Discussion</td>
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<tr>
<td>ICBC Malaysia</td>
<td>Industrial and Commercial Bank of China Malaysia</td>
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<tr>
<td>ICT</td>
<td>Information and Communications Technology</td>
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<td>JPDP</td>
<td>Jabatan Perlindungan Data Peribadi</td>
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<td>KDN</td>
<td>Kementerian Dalam Negeri</td>
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<td>KKMM</td>
<td>Kementerian Komunikasi dan Multimedia Malaysia</td>
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<tr>
<td>KTMB</td>
<td>Keretapi Tanah Melayu Berhad</td>
</tr>
<tr>
<td>LHDNM</td>
<td>Lembaga Hasil Dalam Negeri Malaysia</td>
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<td>MAMPU</td>
<td>Malaysian Administrative Modernisation and Management Planning Unit</td>
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<td>MDEC</td>
<td>Malaysia Digital Economy Corporation</td>
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<td>MIDA</td>
<td>Malaysian Investment Development Authority</td>
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<tr>
<td>MOH</td>
<td>Ministry of Health</td>
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<td>MOT</td>
<td>Ministry of Transport</td>
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<tr>
<td>MUFG</td>
<td>Mitsubishi UFJ Financial Group</td>
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<td>MyCC</td>
<td>Malaysia Competition Commission</td>
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<td>NDID</td>
<td>National Digital Identity</td>
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<tr>
<td>OCBC</td>
<td>Oversea-Chinese Banking Corporation</td>
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<td>PC</td>
<td>Public Consultation</td>
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<tr>
<td>Pej SUK Terengganu</td>
<td>Pejabat Setiausaha Kerajaan Terengganu</td>
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<tr>
<td>UCSI University</td>
<td>University College Sedaya International</td>
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<tr>
<td>USIM</td>
<td>Universiti Sains Islam Malaysia</td>
</tr>
<tr>
<td>UTHM</td>
<td>Universiti Tun Hussein Onn Malaysia</td>
</tr>
<tr>
<td>UTP</td>
<td>Universiti Teknologi PETRONAS</td>
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Introduction

1.1. Background

The purpose of the National Digital ID (NDID) Framework is to build a trusted digital identity platform to enable individuals, businesses, and government to effectively participate in the digital world. A National Digital ID is a verifiable platform of trust which aims to verify and uniquely credentialise a person’s identity on the internet. Moving forward, it can be used by the government and private sector to verify and authenticate the identities of individuals who utilise electronic services and perform online transactions.

The introduction of a NDID Framework is a strategic step towards the development and transformation of various service sectors, given the significant increase in demand for digitalised platforms as well as the rapid growth of the digital economy. A National Digital Identity will also serve to complement other planned governmental initiatives such as:

- Pelan Jana Semula Ekonomi Negara (PENJANA) from the Ministry of Finance (MOF)
- Industry4WRD : National Policy on Industry 4.0 and National E-Commerce Strategic Roadmap from the Ministry of International Trade and Industry (MITI)
- Pelan Tindakan Transformasi Kerajaan Digital from the Malaysian Administrative Modernisation and Management Planning Unit (MAMPU)
- Financial Sector Blueprint 2011 – 2020 and policy document on Electronic Know-Your-Customer (e-KYC) from Bank Negara Malaysia (BNM)

The Malaysian Communications and Multimedia Commission (MCMC) was tasked to lead the development of the NDID Framework. PwC Consulting Associates (M) Sdn Bhd (PwC) was appointed by MCMC to assist in the development of the NDID Framework.

1.2. Objectives and Approach of Public Consultation

As part of the process to develop the NDID Framework, Public Consultation (PC) was conducted with the following objectives:

- Introduce the concept of NDID and scenario of its potential uses in Malaysia
- Obtain views and input on the potential adoption of NDID across public and private sectors
- Seek feedback and validate recommendations with relevant stakeholders across various ministries, government agencies, regulators, industry players and others

To initiate the PC, a briefing session was organised by MCMC on 16th July 2020 to brief stakeholders on the proposed framework and the expectations of the PC exercise. (Please refer to appendix 1.9 for the presentation materials). The session which was conducted by PwC was attended by various public and private sector organisations.

The PC was launched to organisational stakeholders via email invitation and took place between 13th July and 7th August 2020. PC for the Rakyat was officially launched and communicated through MCMC’s official media releases and SMS blast. The PC document was made available to the Rakyat via MCMC’s website and was open for feedback from 24th July to 7th August 2020. Additionally, focus group discussions were also conducted with selected industry players from various sectors / focus areas including financial services, Telco, E-Wallet, E-commerce, etc. (please refer to appendix 1.10 for the responses from the focus group discussions).
67 responses from ministries / government agencies, 156 responses from private organisations and 35,160 responses from individuals were collected throughout the consultation period (please refer to appendix 1.11 for a full list of respondents’ representations from ministries / government agencies and private organisations).
Section 2

Respondents’ Demographic
Profile of Respondents

2.1. Age

Graph 1. Participants’ age
- Majority of respondents are between the age of 26-33

2.2. Gender

Graph 2. Participants’ gender
- 56% of respondents are male and 44% respondents are female
2.3. Location of Residence

The top 3 states that provided the most responses are Selangor, Johor and Kuala Lumpur.

The top 3 states that provided the least responses are Labuan, Perlis and Putrajaya.

2.4. Organisation Participants’ Representation

- 78% of respondents represent Private Organisation and 22% of respondents represent ministries / government agencies.
Section 3

Rakyat
Analysis and Findings - Rakyat

3.1. Questions for the Rakyat

1. Based on your current understanding, which National Digital ID function/service would benefit you the most with the implementation of the NDID programme? Please rank your response from highest to least beneficial service

( ) e-KYC
( ) Identity authentication
( ) Digital signature

( ) Storing of personal documents digitally in a 'digital locker'
( ) Others (Please specify)

Rakyat’s view on National Digital ID Functions

Graph 5. Rakyat’s view on National Digital ID Functions

- Overall results showed that identity authentication was deemed as the most beneficial, followed by e-KYC, digital locker and digital signature
- Other NDID functions/services mentioned that would benefit the Rakyat include digital banking, e-Voting, EPF, financial services, e-Wallet, transportation, health and academic system, e-Tax, face recognition, driver license, insurance claims, health record, governmental application and welfare benefits
- To promote adoption and usage of NDID, it is recommended that e-KYC and digital signature be prioritised as services to be offered to the public as part of the NDID programme. Digital locker is a type of value-added service, which can be offered together with other value-added services in the future as the ecosystem matures and as the public becomes more aware of the NDID programme
2. What are your top three (3) areas of concern in relation to the implementation of the NDID Programme?

( ) Security  
( ) Data privacy  
( ) Cost to adopt National Digital ID  
( ) Capacity and capability of Human Resources  
( ) Technology  
( ) User/ Customer acceptance  
( ) Others (Please specify)

![Top 3 concerns for using NDID](image)

**Graph 6. Rakyat's Top 3 concerns for using NDID**

- The top three (3) areas of concern in relation to the implementation of NDID are data privacy, security of transactions and reliability of platforms.
- Whilst the proposed NDID Programme is equipped with privacy and security by design, it is crucial that matters relating to data privacy, security and reliability of platforms are emphasised and communicated to the public through the NDID awareness campaigns. This is to build trust in the ecosystem and drive adoption of NDID.
3. Please rank the nine (9) identified key use cases, based on predicted frequency of use by citizens

- Electronic healthcare records
- Government assistance authentication
- Government online services
- Financial institution e-KYC & verifications
- Telecommunication verifications
- E-hailing verifications
- Education linked authentications
- E-commerce verifications
- Pensions authentication

*1 = lowest frequency predicted; 9 = highest frequency predicted

Graph 7. Identified Key use cases by the Rakyat

- The top three (3) identified key use cases are electronic healthcare records, government assistance authentication and government online services
- The three (3) use cases which were ranked the lowest scores are education-link authentication, e-commerce verification and pensions authentication
- Based on the above findings, it is recommended that the roll out of electronic healthcare records, government assistance authentication and government online services use cases be prioritised for the initial phase of the NDID programme.
4. How will the National Digital ID Programme benefit you?

![Graph 8](image)

**Graph 8. Rakyat - Is NDID beneficial**

- 60% of the participants voted very beneficial, 37% voted moderately beneficial and 3% voted unbeneficial.

5. In the future, when National Digital ID is made available to the public, will you be interested to use Digital ID when transacting with both public and private sectors?

![Graph 9](image)

**Graph 9. Rakyats’ interest to use NDID**

- 94% of respondents are interested to use NDID when transacting with both public and private sectors.
- 6% of respondents are not interested to use NDID. Reasons given include privacy issues, stability and security of the system, reliability of the platform and abuse of personal data.
Section 4

Organisations
Analysis and Findings - Organisation

4.1. Questions for the Ministries / Government Agencies & Organisation

1. Which of the following National Digital ID functions would be most relevant and beneficial to your ministry / agency / company? Please rank your response from highest to least beneficial services
   ( ) e-KYC
   ( ) Identity authentication
   ( ) Digital signing
   ( ) Others (Please specify)

Graph 10. Organisations' views on National Digital ID Functions

- Overall result showed that e-KYC was deemed as the most beneficial, followed by identity authentication and digital signature
- Other Digital ID functions/services mentioned that would benefit organisations include digital asset ownership, EPF income and employment verification, credit and bankruptcy check, crime case history, single sign on for all services, driver license information, online income verification, crowd tracking, better customer on-boarding experience and document authenticity verification from exam results and certificates
- To drive adoption of NDID amongst organisations, it is recommended that e-KYC, identity authentication and digital signature be included as part of NDID services. Other services can be added in the future as the ecosystem matures and as the public becomes more aware of the NDID programme
2. What are your top three (3) areas of concern in relation to the implementation of the NDID Programme?

- Security
- Data privacy
- Cost to adopt National Digital ID
- Capacity and capability of Human Resources
- Technology
- User/ Customer acceptance
- Others (Please specify)

Graph 11. Organisation - Top 3 concerns for implementing NDID Programme

- Both ministries / government agencies and private sector respondents voted security, data privacy and cost to adopt NDID as the top three (3) areas of concerns to implement NDID.

- Whilst the proposed NDID Programme is equipped with privacy and security by design, it is crucial that matters relating to data privacy and security are emphasised and communicated to organisational stakeholders through the NDID awareness campaigns. This is to build trust in the ecosystem and drive adoption of NDID.

- Additionally, it is recommended that engagement sessions be held with potential service providers / organisations on the adoption requirements to allow them to better plan and coordinate for the implementation of NDID within their organisations / operations, including cost requirements.
Do you foresee opportunities for National Digital ID to provide added value to your services / products?

Graph 12. Participants’ support in adopting NDID Programme

- 80% of ministries / government agencies and 73% of Private Sector respondents foresee opportunities for NDID to provide added value to their services / products

3. Do you foresee any reasons why the NDID Programme should not be adopted within your ministry / agency / company?

Graph 13. Any reason why NDID should not be adopted

- 94% of the respondents do not foresee any reason why the NDID Programme should not be adopted in their ministry / agency / company
- However, the remaining 6% believe that the NDID Programme should not be adopted due to the lack of resources, high cost, security and capability of the programme and lack of interest from citizens due to privacy concerns.
4. What are the potential challenges that may be faced by your organisation when adopting NDID? You can select multiple options
( ) Lack of technology maturity
( ) High adoption and implementation costs
( ) Steep learning curve to existing human resources
( ) Potential resistance to adopt from users
( ) Others (Please specify)

Graph 14. Potential Challenges when adopting NDID

- The top three (3) potential challenges when adopting NDID are high adoption and implementation costs, potential resistance to adopt from users and lack of technology maturity

- Other potential challenges include:
  - Data breach
  - Customers’ willingness to adopt NDID
  - Lack of clarity on evidentiary value of digital signature
  - Prevention of data corruption
  - System & data integration
  - Privacy & security
  - Non-holistic implementation approach
  - Poor funding & support from government
  - Poor marketing & Got-To-Market strategy for users’ awareness and education

- It is recommended that engagement sessions be held with potential service providers / organisations on the adoption requirements to allow them to better plan and coordinate for the implementation of NDID within their organisations / operations, including technology requirements, change management, customer awareness etc.
5. Currently, does your organisation perform any form of identity verification and authentication?

Graph 15. The use of identity verification and authentication

- 82% of organisations currently do perform some form of identity verification and authentication whilst 18% organisations do not.
6. What are the current challenges faced by your organisation in relation to customer identity verification / authentication processes? You can select multiple options

- Time-consuming
- High cost
- Inconsistent processes and data quality
- High error rate
- Others (Please specify)

**Organisations’ Current Challenges**

![Bar graph showing the current challenges]

**Graph 16. Organisations’ current challenges**

- The top three (3) current challenges faced by organisations in relation to customer identification / authentication processes are time-consuming processes, inconsistent processes and data quality and high cost.

- Other current challenges faced by organisation in relation to customer identity verification / authentication process are:
  - Services that violate PDPA and privacy
  - Instability of MYKad reader
  - Falsification of documents
  - Validation to National Registration Department for digital channels
  - Customers need to physically visit the branches to get verified
  - Limitations on e-KYC process
7. Please rank the nine (9) identified key use cases, based on predicted frequency of use by citizens

- Electronic healthcare records
- Government assistance authentication
- Government online services
- Financial institution e-KYC & verifications
- Telecommunication verifications
- E-hailing verifications
- Education linked authentications
- E-commerce verifications
- Pensions authentication

*1 = lowest frequency predicted; 9 = highest frequency predicted

Graph 17. Identified key use cases by organisation

- The top three (3) identified key use cases are financial institution e-KYC & verifications, electronic healthcare records and government assistance authentication.
- The three (3) use cases which were ranked the lowest scores are education-link authentication, e-commerce verification and pensions authentication.
- Based on the above findings, it is recommended that the roll out of financial institution e-KYC, electronic healthcare records and government assistance authentication use cases be prioritised for the initial phase of NDID programme.
8. In your opinion, which of the following examples of transactions / uses should be excluded from using National Digital ID? You can select more than one option.

( ) Getting married / getting a divorce
( ) Sales and purchase agreement
( ) Inheritances
( ) Others (Please elaborate)

**Transactions/uses should be excluded**

- Majority of the respondents chose other transactions / uses such as:
  - Services that violate PDPA and privacy
  - Geo-location, phone calls
  - Buying and selling goods
  - Molecular biology and genetics data
  - Information for adoption
  - Transactional logging system
  - Transactions that requires high commitment from users
  - Online gaming
  - Groceries transaction

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Graph 18: Types of transactions / uses should be excluded from using NDID

- Others
- Inheritances
- Getting married / Getting a divorce
- Sales and purchase agreement

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9. How will the adoption of NDID Programme benefit your ministry / agency / company?
   - Very beneficial
   - Moderately beneficial
   - Not beneficial

   **Distribution of whether participants think NDID will be beneficial (%)**

   ![Pie chart showing distribution]

   **Graph 19. Organisation – Is NDID beneficial**
   - 65% of the participants voted very beneficial, 34% moderately beneficial and 1% unbeneficial

10. What are the top three (3) benefits to your ministry / agency / company with the adoption of NDID?
    ( ) Improved operational efficiency
    ( ) Reduced operating cost
    ( ) Improved quality of online services
    ( ) Improved customer experience
    ( ) Others (Please specify)

   **Top 3 benefits for using NDID**

   ![Bar chart showing top benefits]

   **Graph 20. Organisation – Top 3 benefits for using NDID**
• The top three (3) benefits are improved operational efficiency, improved quality of online services and improved customer experience

• Other benefits identified include reduction of fraud and internal misconduct, increased labour productivity and efficiency, increase technology awareness and customer experience.

11. Do you foresee National Digital ID minimising the overall cost for identity verification processes?

![Graph 21. Organisation – NDID minimising overall cost](image)

- 88% of participants foresee NDID minimising overall cost for identity verification processes.
- 12% of participants do not foresee National Digital ID minimising the overall cost for identity verification processes due to:
  - Numbers of additional hardware or system integration
  - Huge investment required
  - Cost in training for human resources
  - Cost for maintenance and support
  - The need to integrate new systems and processes
12. Do you foresee any regulatory restrictions within your organisation / industry that would pose a challenge in the implementation of National Digital ID?

**Regulatory Restriction that poses a challenge implementing NDID**

- 55% of participants do not foresee any regulatory restriction within their organisation that would pose a challenge in the implementation of National Digital ID.

- 45% of participants foresee potential regulatory / legal changes that are required within their ministry / agency / company to facilitate the adoption of NDID for the following reasons:
  - Possibly Personal Data Protection Act, depending on the security of the system. There will probably be needed to review how the user data is provided and what we should store in future.
  - Risk evaluation, legal terms and condition around privacy of data and customer consent, security of connectivity
  - Legal validation for new work processes and legal age for online onboarding (e-KYC)
  - Digital Signature Act; Potential changes to customer privacy and data protection law.
  - A clear guideline from BNM would be required on the adoption of NDID to establish banking relationship with the Bank.
  - Understanding the security measured framework in place
  - Statutory requirements for processes under the National Land Code, the National Land Code (Penang and Malacca Titles) Act
  - Legal - Need clarity and details over the scope of application. For example, whether and how this applies to the signing, authentication and filing of powers of attorney and instruments of dealings for land and properties, etc. How and by who will the documents be retained and who are the parties to sign section 90A Evidence Act certificate when adducing evidence in court, etc.
Appendices

5.1. PC Briefing Session: Presentation Slides

The National Digital Identity (ID) Framework for Malaysia

CONTENTS

1. Objectives of Public Consultation
2. Introduction to National Digital ID
   - What is National Digital ID?
   - National Digital ID ecosystem
   - Services enabled through National Digital ID
   - Practices of other countries
   - Potential use cases for National Digital ID in Malaysia
3. Benefits of National Digital ID to various stakeholders
4. Indicative Implementation Roadmap
5. Q&A
Objectives of Public Consultation

1. Introduce the concept of National Digital ID and the scenario of its potential uses in Malaysia

2. Seek feedback and validate recommendations with relevant stakeholders across various ministries, government agencies, regulators, industry players and others.

3. Obtain views on the potential adoption of National Digital ID across public and private sectors

What is National Digital ID?

National Digital ID is a digital form of identification used to obtain digital services and carry out online transactions in a more secure manner.

A secure and trusted platform to verify and authenticate the identity of an individual when transacting digitally

“Proving who you say you are”

Targeted at the citizens and permanent residents of Malaysia

National Digital ID will NOT be replacing MyKad
How will National Digital ID complement MyKad?

**National Digital ID** will not be replacing MyKad as the proof of citizenship, but rather will complement it as a form of digital identification used when transacting digitally.

When transacting using MyKad...

- Users will have to create several profiles/accounts for different services and/or providers when performing digital transactions using MyKad.
- Verification of one’s identity is done using MyKad, supplemented with additional documentation e.g. utility bills.
- Physical attendance at branches is required to perform transactions & verify users’ identity.

When transacting using National Digital ID...

- National Digital ID can be used for transactions anywhere and anytime, even from the comfort of your home.
- Online transactions are password driven. Users often use different log in credentials & password for each profile.
- A single Digital ID can be used as a form of identification to access services across multiple service providers, both in public and private domains.
- Identity verification & authentication can be performed in a contactless manner.
- Verifying identity with National Digital ID is more secure as it is designed with a high level of assurance. Your identity will be verified against an authoritative source of truth.

Who are the players in the National Digital ID ecosystem?

The success of National Digital ID will materialise through the dynamic interaction of the following key players in the ecosystem:

- **Identity Provider**: Jabatan Pendaftaran Negara (JPN) is identified as the authority responsible for the registration and issuance of National Digital ID to users.
- **Users**: Inhabitants (Citizens & Permanent Residents) using National Digital ID to perform transactions.
- **Regulators**: Authorities responsible to regulate and facilitate the implementation & adoption of National Digital ID through relevant policies and regulations e.g., BNM, MCMC, SC, JPN etc.
- **Service Providers**: Public and private service agencies providing digital services e.g., Banks, e-commerce platforms, government agencies etc.
What are the functions of National Digital ID?

The uses of Digital ID revolve around safely verifying who you are in a convenient and secure manner. Below are some examples of activities that will be enabled by National Digital ID:

**Identity Authentication**
- Identity authentication determines if the person is who they say they are.
- With Digital ID, the identity of users will be authenticated online, securely without disclosing any personal particulars.

**Digital Signatures**
- Digital signature is an electronic signature, used to verify the identity of the sender/signer of a message and also to ensure the correctness and validity of information in electronic transactions.

**e-KYC Process**
- e-KYC is a digital version of the usual Know Your Customer (KYC) process. These processes are done by organisations to verify the identity of their clients before doing business with them.

**Uses of Digital ID**
- Over 500 organisations and enterprises use the Digital ID platform.
- 67% citizens use ID card regularly.
- Legal Travel ID for Estonian citizens travelling within EU.
- National Health Insurance Card.
- e-Voting.
- e-Banking.
- e-Tax Board.

Further functions may be provided as Digital ID matures. If you have any suggestions and ideas, do feel free to specify them in the question section further below in this document.

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How is it done in other countries?

<table>
<thead>
<tr>
<th>Country</th>
<th>Description</th>
<th>Uses of Digital ID</th>
</tr>
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<tbody>
<tr>
<td>Estonia</td>
<td>Estonia has become one of the most digitally integrated countries in the world.</td>
<td>Over 500 organisations and enterprises use the Digital ID platform.</td>
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<tr>
<td></td>
<td>Objective of the program was to introduce a reliable and trustworthy identification system, with high acceptance by citizens and businesses to achieve effectiveness and efficiency of its use on a daily basis</td>
<td>67% citizens use ID card regularly.</td>
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<td></td>
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<td>Legal Travel ID for Estonian citizens travelling within EU.</td>
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<td></td>
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<td>National Health Insurance Card.</td>
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<td>e-Voting.</td>
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<td>e-Banking.</td>
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<td></td>
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<td>e-Tax Board.</td>
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</table>

| India   | Many of the Indian residents did not have any valid proof of identity available with them. Therefore, many government services and benefits did not reach the correct beneficiaries. | 1.25 billion residents registered for Digital ID. |
|         | Government of India established the UIDAI to issue a unique ID to every resident of India to eliminate fake and duplicated identity. | Scholarships by the government. |
|         | | Opening of a bank account. |
|         | | Issuance of a new SIM card. |
|         | | Registration and issuance of cooking gas. |
|         | | Disbursement of relief, subsidies, and cash transfer. |
|         | | Health insurance scheme. |
|         | | Guaranteed employment and pension scheme. |
How is it done in other countries? (2/2)

<table>
<thead>
<tr>
<th>Description</th>
<th>Uses of DigitalID</th>
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<tbody>
<tr>
<td>Canada</td>
<td>• Objective of the program was to use digital identities of citizens and residents available with banks and e-government services for verification and authentication.</td>
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<tr>
<td>Morocco</td>
<td>• Purpose of this program was to deliver online and real-time identification services</td>
</tr>
<tr>
<td>Australia</td>
<td>• Government of Australia wants to have a Digital ID program that will give the Australian people and businesses a single secure way to use government services online.</td>
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What are the potential uses of the National Digital ID for Malaysia? (1/2)

The proposed National Digital ID has various potential applications across a multitude of sectors, each with their own socioeconomic benefits. Nine (9) key use cases have been identified for NDIG across various sectors.

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<thead>
<tr>
<th>Use Case</th>
<th>Description</th>
<th>Use Case</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Electronic healthcare records</td>
<td>2.</td>
<td>Government assistance authentication</td>
</tr>
<tr>
<td>3.</td>
<td>National Digital ID will be able to facilitate a user and more seamless method of customer authentication to financial institutions. Using their National Digital ID, customers will be able to open bank accounts and perform various transactions such as applying for loans entirely from their mobile phones.</td>
<td>4.</td>
<td>National Digital ID could help eliminate repetitive verification of personal information across customers. When the company Sembawang includes updating of personal details (address etc), change of NRIC card or when the customer loses their online access password.</td>
</tr>
<tr>
<td>5.</td>
<td>Telecommunication verifications</td>
<td>6.</td>
<td>National Digital ID will improve the overall customer and store experience by cutting time spent on identification verification during re-boarding for both customers and staff. National Digital ID will also offer regulation and verification services to businesses online with minimal documentation to be submitted. This will increase trust and ease of e-selling platforms.</td>
</tr>
</tbody>
</table>

What are the potential uses of the National Digital ID for Malaysia? (2/2)

The proposed National Digital ID has various potential applications across a multitude of sectors, each with their own socioeconomic benefits. Nine (9) key use cases have been identified for National Digital ID across various sectors.

<table>
<thead>
<tr>
<th>Use Case</th>
<th>Description</th>
<th>Use Case</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.</td>
<td>National Digital ID will be able to facilitate the easy keeping of student attendance records along with helping in school and university entry applications and transfer requests. Other applications include scholarship applications and applications for work after graduation.</td>
<td>8.</td>
<td>E-commerce verifications</td>
</tr>
<tr>
<td>9.</td>
<td>National Digital ID will be used for new financial products, like insurance and mutual funds. It will also allow banks to verify loan and credit card applications to improve customer experience. For other verifications, it will speed up the process and improve the customer experience. These are benefits that would be available on the government platform.</td>
<td>10.</td>
<td>National Digital ID and pension management will be more convenient. Citizens will be able to update their personal details online (e.g., bank account, address, etc) with minimal paperwork. Additionally, other pension benefits (e.g., medical benefits) can also be linked to National Digital ID. Citizens will no longer have to furnish their pension card when claiming benefits.</td>
</tr>
</tbody>
</table>
Aisyah is a 24 year old graduate from UiTM Perlis who has been offered an engineering job in a large MNC in Kuala Lumpur...

Digital ID can help Aisyah complete her job onboarding along with registering for a new bank account and telco subscription without facing the hassle of compiling old documents or even leaving her home.

**Starting a New Job**

- Furnishing all her certified transcripts to her employer online beforehand thus speeding up onboarding processes. Aisyah does not have to manually verify her transcripts and certifications with various authorities i.e. previous schools, university, government staff.

- Her personal documents can be compiled and stored digitally in a ‘Digital Locker’

- Her personal details will be auto populated into EPWP SECEO registration forms.

**Opening a bank account & obtaining telco subscription**

- Opening up a new bank account from the comfort of her own home without having to physically visit the bank branch.

- Aisyah is able to register for a new mobile number from the convenience of her home without sending a copy of her MyKad online.

**Digital Signature**

- Her work contract can be signed in advance using digital signatures prior to arriving in Kuala Lumpur.

- She is able to view properties online and virtually sign her rental agreement once she has selected her accommodation.
Encik Salleh is a 37-year-old paddy farmer in Kedah who lives a very busy life, juggling his job and responsibilities as a single father of 2 children...

Digital ID will save his time, allowing him to focus on his job and children by enabling quick & easy claims of his B40 aids such as Bantuan Sara Hidup ("BSH") and other government assistance programmes.

- **Registering & claiming Bantuan Sara Hidup**
  - **Eligibility Check**: Able to automatically determine eligibility for BSH online, using Digital ID.
  - **Disbursement**: BSH will be disbursed straight to his account upon verification of his identity online through Digital ID.

- **Application for PENJANA schemes**
  - **Eligibility Check**: Encik Salleh will be able to automatically determine his eligibility for PENJANA schemes such as children care grants and e-wallet incentive.

- **Claiming for government aids and incentives for paddy farmers**
  - **Eligibility Check**: Encik Salleh will not have to furnish validated receipts and documents to claim his Skim Bape Padi Kerajas, Perkselaturan, Skim Insentif Pengurusan Padi and Insentif Banih Padi Sah.

How can National Digital ID be used in e-government services?

Based on experiences of other countries, the following e-government services are enabled through National Digital ID:

**National Digital ID will unlock the following benefits...**

### Ministries & Government Agencies
- **Registration and disbursement of government assistance**
- **Pension disbursement and welfare benefits**
- **Job search in the Public Sector**
- **e-Tax**
- **e-Voting**

### The Public
- **Time saved from reduced travelling and elimination of repetitive identity authentication & verification processes**
- **Reduce possibility of users’ identity being stolen and wrongfully used in performing online transactions**
- **Improve overall customer satisfaction**
Digital ID will be able to alleviate pain points in the customer onboarding process across several industries

Current customer onboarding process and pain points

**Financial institutions**
- There are too many documents to process and such tight deadlines.
- Identity can only be verified offline.
- No standardised documents.

**E-hailing companies**
- I am afraid of getting prosecuted due to data security fears.
- The approval process is slow.
- So many documents to provide.

**Telco companies**

**With Digital ID**

- **Real time identity verification & authentication process through a highly secured and trusted platform.**
- **Improved overall customer experience through time saving benefits, hassle free, reduced processing and approval time.**
- **Instantaneous customer onboarding process.**
- **Fully digitalised processes as businesses shift towards fully digital branchless operations.**
- **Reduced customer onboarding costs through streamlined verification and authentication processes.**

Indicative roadmap for the implementation of National Digital ID Programme

<table>
<thead>
<tr>
<th>PHASE 1 (Y1)</th>
<th>PHASE 2 (Y2 – Y3)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Onboarding</strong></td>
<td><strong>Eligibility</strong></td>
</tr>
<tr>
<td><strong>Registration/Enrolment</strong></td>
<td>Leverage existing demographics &amp; biometric data in JPN database (e.g., fingerprints and photo)</td>
</tr>
<tr>
<td><strong>Mobile ID Registration &amp; Insurance</strong></td>
<td>Additional biometrics to be collected (i.e., Iris, ID fingerprints)</td>
</tr>
<tr>
<td><strong>Authentification via Mobile ID for remote online services</strong></td>
<td>Upon enrolment, user will obtain Mobile ID as a credential through In-App onboarding process</td>
</tr>
<tr>
<td><strong>Authentication</strong></td>
<td>Digital Certificate to be issued upon registration of Mobile ID app (for authentication &amp; digital signing)</td>
</tr>
<tr>
<td><strong>Authentication Factors</strong></td>
<td>Mobile ID is the channel to perform identity authentication, e-KYC and digital signing for online transactions</td>
</tr>
<tr>
<td><strong>Authentication for proximity/fac-to-face services</strong></td>
<td>NID no. (MyKad/MyPR)</td>
</tr>
<tr>
<td></td>
<td>Hybrid of biometrics device-based local authentication</td>
</tr>
<tr>
<td></td>
<td>Using existing biometrics in JPN database</td>
</tr>
<tr>
<td><strong>Features</strong></td>
<td>Fingerprint proof</td>
</tr>
<tr>
<td></td>
<td>Higher biometrics authentication capabilities</td>
</tr>
<tr>
<td></td>
<td>Greater cost for additional biometrics collection</td>
</tr>
<tr>
<td></td>
<td>Greater awareness efforts required to encourage users to provide additional biometrics</td>
</tr>
</tbody>
</table>

This proposed roadmap is still being developed and will be further refined based on discussions with key stakeholders.
Governance Framework

Proposed Governance Framework for the implementation of National Digital ID Programme

National Digital Council (Rebrand of NITC)
Chair by the Prime Minister

Roles
- The National Digital Council will be facilitating and driving digital initiatives in Malaysia. It will comprise of various committees, one of them being the NDID Committee.

National Digital ID (NDID) Committee
- The National Digital ID Committee shall be responsible for regulating and providing oversight for the implementation National Digital ID.
- NDID Committee shall have appropriate representation from key ministries and regulators (in charge of sector adoption) and will be headed by the Chairman who is nominated by the Government.
- An Advisory panel shall be formed, which consist of experts in various fields such as security and technology. The Advisory Panel will advise the NDID Committee when required, and by invitation.

Level 1 Steering Committee
Headed by Minister of Home Affairs
- Steering Committee shall be responsible for deliberating on key strategic issues related to the project to ensure achievement to the vision, mission and objectives of the programme.
- It is recommended that the Steering Committee shall be headed by Minister of Home Affairs and comprise of the members from various departments and Ministries including JPN.
Existing Legal and Regulatory Framework in the Identity Landscape

Relevant enabling laws and regulations, which must be considered to develop the national digital identity framework:

- **Identity Database**
  - Immigration Act 1959/63 ("IA")
  - Immigration Regulations 1983 ("IR")
  - National Registration Act 1959 ("NRA")
  - National Registration Regulations 1990 ("NRR")

- **Enablers of e-Government and e-Commerce**
  - Electronic Commerce Act 2006 ("ECA")
  - Electronic Government Activities Act 2007 ("EGAA")
  - Digital Signature Act 1997 ("DSA")

- **Privacy and Cybersecurity**
  - Personal Data Protection Act 2010
  - Personal Data Protection Regulations 2013
  - Personal Data Protection Standard 2015
  - Communications and Multimedia Act 1998
  - Computers Crimes Act 1997
  - Penal Code

- **IA / IR govern admissions into and departures from Malaysia; entry permits, procedures on arrival in Malaysia & removal from Malaysia; offences and special provisions for East Malaysia**

- **NRA / NRR provide for the registration of persons in Malaysia and for the issuance of identity cards. NRA / NRR are key legislation which legitimate the national identity of a person.**

- **ECA facilitates the development of e-Commerce in Malaysia, as it legitimises commercial transactions made by electronic means**

- **EGAA facilitates the development of e-Government in Malaysia and allows Government to conduct public services virtually.**

- **DSA facilitates e-Commerce and e-Government electronic activities for public and private sectors by using digital signatures to verify and authenticate legal and commercial transactions.**

- **Regulates the processing of personal data in commercial transactions but does not apply to non-commercial transactions and Federal and State Governments.**

- **Regulates the converging areas of communications and multimedia to ensure information security and network reliability and integrity in Malaysia.**

- **Provides for offences relating to misuse of computers and unauthorised access to networks.**
Preliminary legal recommendations relevant to the implementation of National Digital ID framework in Malaysia

- **Identity Database**
  - Immigration Act 1959/63 ("IA")
  - Immigration Regulations 1953 ("IR")
  - National Registration Act 1959 ("NRA")
  - National Registration Regulations 1960 ("NRR")

- **Enablers of e-Government and e-Commerce**
  - Electronic Commerce Act 2006 ("ECA")
  - Electronic Government Activities Act 2007 ("EGAA")
  - Digital Signature Act 1997 ("DSA")

- **Privacy and Cybersecurity**
  - Personal Data Protection Act 2010
  - Personal Data Protection Regulations 2013
  - Personal Data Protection Standard 2013
  - Communications and Multimedia Act 1998
  - Computers Crime Act 1997
  - Penal Code

- **Additional Recommendations**
  - Amend IR / NRR to expressly allow data exchange between governmental entities such as JPN and JIM.
  - Issue regulations under the NRA to provide for matters relevant to the implementation of NDID by JPN (e.g. the issuance and regulation of a digital identity; establishment and maintenance of a register; data protection; exchange of data; cybersecurity).
  - No amendment required.
  - Issue regulations / guidelines under PDPA for processing of data by data users.

Relevant laws, regulations and guidelines that must be considered with reference to key use cases identified in the National Digital ID framework

<table>
<thead>
<tr>
<th>Key use cases</th>
<th>Laws, regulations &amp; guidelines</th>
</tr>
</thead>
</table>
| Electronic health records | Private Healthcare Facilities And Services (Private Hospitals And Other Private Healthcare Facilities) Regulations 2006  
                           | Private Healthcare Facilities and Services (Private Medical Clinics or Private Dental Clinics) Regulations, 2006  
                           | Malaysian Medical Council Guidelines on Confidentiality / Medical Records & Reports / Audio & Visual Recording / Code of Professional Conduct  
                           | Medical Act 1971                                                              |
| Government subsidy     | N/A                                                                                           |
| Pensions               | Pensions Regulations 1980                                                                   |
| E-hailing              | Goris Panduan Perkhidmatan E-hailing Di Bawah Peruntukan Pengentasan                           |
| Telecommunications      | Guidelines on Registration of End-Users of Prepaid Public Cellular Service                          |
| Education              | N/A                                                                                           |
| Financial services     | Financial Service Act / Islamic Financial Services Act 2013  
                           | BNM Exposure Draft on e-KYC  
                           | Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 / Policy Documents on Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions for DNB/PPs and NBFI’s & for FIs  
                           | Electronic Commerce Act 2006                                                            |
| E-commerce              | N/A                                                                                           |
| Government online services | Depends on the services provided                                                   |
Level of Assurance ("LOA") & Identity Authentication

LOA1 to LOA4 options are available within the program

<table>
<thead>
<tr>
<th>#</th>
<th>Authentication Factors considered in the design</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Biometrics (iris / face / fingerprint)</td>
</tr>
<tr>
<td>2</td>
<td>OTP (TOTP, SMS, Email)</td>
</tr>
<tr>
<td>3</td>
<td>Digital Certificate (Mobile ID)</td>
</tr>
<tr>
<td>4</td>
<td>Pin / Password</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LOA 1</th>
<th>Any factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOA 2</td>
<td>Biometric or OTP or Digital certificate or PIN / Password</td>
</tr>
<tr>
<td>LOA 3</td>
<td>Biometric + OTP, Biometric + Digital certificates, Biometric + PIN/Password, OTP + Digital certificate, OTP + PIN/Password (cryptographic protection for secret keys)</td>
</tr>
<tr>
<td>LOA 4</td>
<td>Biometric + OTP, Biometric + PIN/Password, OTP + PIN/Password (In person identity proofing, PIN/Sensitive information in authentication protocol to be cryptographically protected)</td>
</tr>
</tbody>
</table>

Note: Level of assurance in practice is dependent upon correct implementation and successful implementations have been demonstrated by other programs/projects.
As a platform, the National Digital ID program can provide different types of authentication services with different levels of assurance depending on the service requirement.

**Levels of assurance**

In the case wherein the user is operating from Mobile device to onboard the Mobile ID, we have suggested to carry out biometric based authentication using his MyKad along with OTP based authentication on the registered mobile number.

The citizen has to perform the following steps:

1. Provide his personal MyKad number to initiate the onboarding.
2. Carry out Biometric Authentication (integrated with liveliness detection feature).
3. Be in the possession of the SIM card registered at Digital ID system.
4. Carry out OTP-based authentication.

Carrying out such authentication at the time of Mobile ID onboarding wherein a user is expected to provide his personal MyKad number, Biometric authentication and OTP based authentication will collectively result in very high level of assurance.

Facial recognition is becoming one of the most acceptable means of biometric authentication, as it does not require contact with anyone. The inaccuracy rates in facial recognition technology were relatively higher a few years ago, but today it may not be the case.

Based on the recent NIST FRVT report, Facial recognition's FMR 0.0027 (0.27%) FNIR @ FMR = 0.00001 (10^-6). This is already better or equally strong as compared to the fingerprint authentication.

"The major result of the evaluation is that massive gains in accuracy have been achieved in the last five years (2010-2015) and these far exceed improvements made in the prior period (2010-2015). While the industry gains are broad – at least 20 developers’ algorithms now outperform the most accurate algorithm from late 2013 – there remain a wide range of capabilities. With good quality portant photos, the most accurate algorithms will find matching entries, when present, in galleries containing 12 million individuals, with error rates below 0.02%. The remaining errors are in large part attributable to long-run ageing and injury.”

-- NIST FRVT 2018 Study

Channels for Authentication

**NDID platform provide different types of authentication catering to Service Provider requirements**

**Service Counters where currently MyKad is used for Verification**

1. At existing Service Counters authentication (Offline mode) can be fulfilled by MyKad, which is currently widely used. However, going forward JPN can decide to introduce Digital ID as an option to the Service Providers.

**Service Provider Counters (New NDID Use Cases – Education, Healthcare, etc.)**

2. Various use cases around healthcare, government benefits, education, etc. have been elaborated in the report. These services can consider NDID platform for authentication.

3. Apart from the above use cases, proximity services, entry / exit system, etc. can also be considered for Digital ID.

**Web-portals / Mobile App / etc.**

4. Currently authentication using biometric devices (iris and fingerprint auth, devices) from web portal by the citizen will have very limited use as it is not envisaged that the citizen will be asked to purchase devices.

5. However, the citizen can on his smart phone enable Mobile ID and can use that platform for facial authentication.

6. Mobile ID will require facial authentication (ISO30107 compliant) and OTP authentication for onboarding. There are multiple controls in the above multifactor authentication to address issues around fraud, replay attack.

7. Facial authentication implementation - Mastercard rolled out 12 countries, India is launching facial authentication, Australia has undertaken no. of field trails, Philippines and Morocco are planning to implement facial authentication.
5.2. Focus Group Discussion (FGD)

5.2.1. Telco

<table>
<thead>
<tr>
<th>#</th>
<th>Areas</th>
<th>Organisation</th>
<th>Key points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Potential uses of National Digital ID in your organisation/sector</td>
<td>U Mobile</td>
<td>• NDID would be beneficial in allowing better customer reach, especially in the recent light of Covid-19 pandemic</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maxis</td>
<td>• e-KYC enabled by NDID will help drive services provided by e-commerce platforms, as well as improving customer outreach through remote means</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Telekom Malaysia</td>
<td>• NDID usage can be extended beyond customer onboarding / registration. It can also facilitate B2B, B2G services to ensure a more streamlined, effective and efficient supply chain management. It was suggested that NDID's usage should be extended to a global scale i.e. G2G transactions, e-commerce. • Stamping of document by LHDN can be digitised</td>
</tr>
<tr>
<td>2</td>
<td>ID verification/ authentication practices (how is it being done currently, technology used, authentication costs, how can NDID be adopted)</td>
<td>Telekom Malaysia</td>
<td>• Currently utility bill is requested to validate customers' last address</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maxis</td>
<td>• Based on current onboarding process, new customers / users are required to be present at physical stores to get registered for telco subscriptions. It would be beneficial if NDID could help by improving and facilitating customer outreach remotely</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Telekom Malaysia</td>
<td>• RM 0.10 indicative cost per authentication is expensive</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Digi</td>
<td>• Need to look at the whole process ecosystem before providing details on authentication costs</td>
</tr>
<tr>
<td>3</td>
<td>Potential adoption of National Digital ID (key considerations/ readiness to adopt etc.)</td>
<td>Telekom Malaysia</td>
<td>• There are various factors that will determine the adoption of NDID i.e. security of systems, compliance to existing regulations, technology and solutions design. Decisions to adopt is dependent on the assessment of these factors • Security and trust are key factors to determine adoption of NDID. Suggested that Interim solutions be combined with the full NDID solutions to ensure delivery of high security, high assurance platform</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maxis</td>
<td>• Telco providers will be ready to adopt NDID in the next 2-3 years. However, this is subject to technology integration and cost considerations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Telekom Malaysia</td>
<td>• Adoption of NDID is dependent on various factors such as system procurement, establishment of new process, infrastructure and cost</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Telekom Malaysia</td>
<td>• Has to be legally binding. Only comfortable to adopt when regulations are amended</td>
</tr>
</tbody>
</table>

Table 1. FGD – Telco
## 5.2.2. E-commerce

<table>
<thead>
<tr>
<th>#</th>
<th>Areas</th>
<th>Organisation</th>
<th>Key points</th>
</tr>
</thead>
</table>
| 1. | Potential uses of National Digital ID in your organisation/sector   | Pos Digicert       | • NDID can be used as part of Proof of Delivery (PoD). Current process requires physical signature of recipient. Due to the pandemic, recipients are to provide their last 4-digit numbers of the MyKad  
• Consider inclusion of non-citizens/other eligible residents as they constitute a large customer base for Pos Malaysia |
|    |                                                                      |                    |                                                                                                                                                                                                           |
| 2. | ID verification/authentication practices (how is it being done currently, technology used, authentication costs, how can NDID be adopted) | Pos Digicert       | • Current authentication process during delivery (PoD) is done at 0 cost. Since there is a charging mechanism to SP to use NDID services, adoption might need to be carefully evaluated. Additionally, certain customer authentication costs are shared with their partners (i.e. Western Union)  
• 1,000 touchpoints depend on the services the customer want to do, cost is shared together with service providers (e.g. Western Union). Still premature to discuss the appropriate pricing mechanism for authentication services |
|    |                                                                      |                    |                                                                                                                                                                                                           |
| 3. | Potential adoption of National Digital ID (key considerations/readiness to adopt etc.) | Lazada             | • Onboarding of customer - Currently there are a lot of cases of identity forging by customers (i.e. creation of ghost accounts). Similar issues faced with individual sellers, registered businesses  
• Proof of Delivery - Done manually  
• Additional cost per acquisition will be a setback to the commercial team |
|    |                                                                      |                    |                                                                                                                                                                                                           |
| 4. | Legal & regulatory considerations to enable adoption of NDID? (Existing restrictions/any amendments required) | Pos Digicert       | • Should the government decide to enrol citizens for NDID next year, JPN can leverage on Pos Malaysia counters all over Malaysia |
|    |                                                                      |                    |                                                                                                                                                                                                           |
|    |                                                                      | N/A                | • To check if there are any legal restrictions in the Postal Act 2012                                                                                                                                 |

<table>
<thead>
<tr>
<th>#</th>
<th>Areas</th>
<th>Organisation</th>
<th>Key points</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

**Table 2. FGD – E-commerce**
### 5.2.3. Banks

<table>
<thead>
<tr>
<th>#</th>
<th>Areas</th>
<th>Organisation</th>
<th>Key points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Potential uses of National Digital ID in your organisation/ sector</td>
<td>N/A</td>
<td>• No response provided</td>
</tr>
<tr>
<td>2.</td>
<td>ID verification/ authentication practices (how is it being done currently, technology used, authentication costs, how can NDID be adopted)</td>
<td>N/A</td>
<td>• No response provided</td>
</tr>
</tbody>
</table>
| 3. | Potential adoption of National Digital ID (key considerations/ readiness to adopt etc.) | Maybank      | • Given that they are bound by AML/ CFT requirements, certain aspects of e-KYC might not allow usage of NDID.  
    • Given the main focus has always been customer experience, if NDID will significantly improve this, Banks will consider adopting |

Table 3. FGD – Banks

### 5.2.4. E-Wallet

<table>
<thead>
<tr>
<th>#</th>
<th>Areas</th>
<th>Organisation</th>
<th>Key points</th>
</tr>
</thead>
</table>
| 1. | Potential uses of National Digital ID in your organisation/ sector | Grab Pay     | • Linkage to credit bureau or perform credit assessment - more seamless and real time to extract data  
    Potentially be used for on-going Due Diligence |
| 2. | ID verification/ authentication practices (how is it being done currently, technology used, authentication costs, how can NDID be adopted) | TnG          | • TnG is already doing identity verification digitally. Users are already educated on this sort of onboarding process. NDID to further help in improving overall customer experience  
    Grab Pay | Grab Pay | Grab Pay | • Grab Pay is already investing on facial recognition and liveness technology to perform ID verification  
    • Will it be linked to the blacklist database? |
| 3. | Potential adoption of National Digital ID (key considerations/ readiness to adopt etc.) | Grab Pay     | • Highly dependent on cost to maintain 2 system (to cater for users with NDID vs users without NDID) and take up rate of citizen of Malaysia  
    Grab Pay | Grab Pay | Grab Pay | • Independent app for the NDID? host-to-host connection  
    Any solution on e-KYC using biometrics on phone, rather than face-to-face? (Their current technology)  
    What are the SDK required? |

Table 4. FGD – E-Wallet
## 5.2.5. PIDM

<table>
<thead>
<tr>
<th>#</th>
<th>Areas</th>
<th>Organisation</th>
<th>Key points</th>
</tr>
</thead>
</table>
| 1. | Potential uses of National Digital ID in your organisation/sector   | N/A          | • Reimbursement  
• Reimbursement - Know who to pay, but don’t know where to pay to (bank accounts)  
Wish to have a microsite - (e-KYC linked to JPN) to confirm the true depositor, then take the instruction from the depositor on where to pay to |
| 2. | ID verification/ authentication practices (how is it being done currently, technology used, authentication costs, how can NDID be adopted) | N/A          | • Wish to be able to perform authentication without being at the premises itself                                                          |
| 3. | Potential adoption of National Digital ID (key considerations/ readiness to adopt etc.) | N/A          | • Dependant on financial services industry, NDID good to have                                                                             |
### List of Respondents’ Representation

#### Ministries and Government Agencies

<table>
<thead>
<tr>
<th>#</th>
<th>Name of Ministries / Government Agencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Agensi Pengangkutan Awam Darat</td>
</tr>
<tr>
<td>2.</td>
<td>Jabatan Kemajuan Islam Malaysia (JAKIM)</td>
</tr>
<tr>
<td>3.</td>
<td>Jabatan Perdana Menteri</td>
</tr>
<tr>
<td>4.</td>
<td>Jabatan Ketua Menteri Melaka</td>
</tr>
<tr>
<td>5.</td>
<td>Jabatan Kewangan dan Perbendaharan Negeri Melaka</td>
</tr>
<tr>
<td>6.</td>
<td>Jabatan Perlindungan Data Peribadi (JPDP)</td>
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<td>7.</td>
<td>Kementerian Dalam Negeri (KDN)</td>
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<td>8.</td>
<td>Kem Pelancongan Seni Dan Budaya</td>
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<td>9.</td>
<td>Kementerian Kewangan Negeri Sabah</td>
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<td>10.</td>
<td>Kementerian Pembangunan Luar Bandar</td>
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<td>11.</td>
<td>Kementerian Pendidikan Malaysia</td>
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<td>12.</td>
<td>Kementerian Pengajian Tinggi</td>
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<td>13.</td>
<td>Kementerian Komunikasi dan Multimedia Malaysia (KKMM)</td>
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<td>14.</td>
<td>Kolej Universiti Antarabangsa PICOMS</td>
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<td>15.</td>
<td>Kolej Universiti Islam Pahang Sultan Ahmad Shah</td>
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<td>16.</td>
<td>Keretapi Tanah Melayu Berhad (KTMB)</td>
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<td>17.</td>
<td>Lembaga Hasil Dalam Negeri Malaysia</td>
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<td>18.</td>
<td>Lembaga Pembangunan Pelaburan Malaysia</td>
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<td>19.</td>
<td>Malaysian Administrative Modernisation and Management Planning Unit (MAMPU)</td>
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<td>No.</td>
<td>Organization Name</td>
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<td>20</td>
<td>Malaysia Digital Economy Corporation (MDEC)</td>
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<td>21</td>
<td>Malaysian Investment Development Authority (MIDA)</td>
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<td>22</td>
<td>MIMOS Berhad</td>
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<td>23</td>
<td>Kementerian Pengangkutan Malaysia</td>
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<td>24</td>
<td>Malaysia Competition Commission (MyCC)</td>
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<td>25</td>
<td>National Cyber Security Agency</td>
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<td>26</td>
<td>Pejabat SUK Terengganu</td>
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<td>27</td>
<td>Pejabat Daerah Dan Tanah Melaka Tengah</td>
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<td>Pejabat Setiausaha Kerajaan Negeri Perlis</td>
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<td>Pejabat Tanah dan Galian Melaka</td>
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<td>Polis Diraja Malaysia</td>
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<td>Prasarana Malaysia Berhad</td>
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<td>33</td>
<td>Sarawak Multimedia Authority</td>
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<td>Suruhanjaya Koperasi Malaysia</td>
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<td>35</td>
<td>Suruhanjaya Pencegahan Rasuah Malaysia (SPRM)</td>
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<td>Suruhanjaya Perkhidmatan Pelajaran</td>
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<td>Universiti Kebangsaan Malaysia</td>
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<td>41</td>
<td>Universiti Pertahanan Nasional Malaysia</td>
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<td>Name of the company</td>
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<td>1.</td>
<td>Affin Bank Berhad</td>
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<td>Affin Hwang Asset Management</td>
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<td>3.</td>
<td>Alliance Bank Malaysia Berhad</td>
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<td>4.</td>
<td>Ambank group</td>
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<td>Asia E-University</td>
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<td>Asia Pacific University of Technology &amp; Innovation (APU)</td>
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<td>7.</td>
<td>Association of Banks in Malaysia (ABM)</td>
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<td>8.</td>
<td>Augmented Technology Sdn Bhd</td>
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<td>9.</td>
<td>Bangkok Bank Berhad</td>
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<td>10.</td>
<td>Bank of China (Malaysia) Berhad</td>
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<td>Cardcom</td>
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<td>Celcom Axiata Berhad</td>
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<td>CGS-CIMB Securities Sdn Bhd</td>
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<td>Cloudaron Group Berhad</td>
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<td>Digi Telecommunications Sdn Bhd</td>
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<td>18</td>
<td>FAOM-Fintech Association of Malaysia</td>
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<td>Industrial and Commercial Bank of China (Malaysia) Bhd</td>
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<td>IRIS Corporation Bhd</td>
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<td>Kelantan ICT Gateway Sdn Bhd</td>
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<td>Malaysia Rail Link Sdn Bhd</td>
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<td>Mizuho Bank Malaysia</td>
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<td>OCBC Bank (M) Bhd</td>
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<td>Pos Digicert Sdn Bhd</td>
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<td>Prince Court Medical Centre</td>
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<td>Public Bank Bhd</td>
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<td>Public Mutual Bhd</td>
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<td>Raffcomm Technologies Sdn Bhd</td>
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<td>Smart Selangor Delivery Unit</td>
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<td>Standard Chartered Bank Malaysia Bhd</td>
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<td>41.</td>
<td>Taylor's University</td>
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<td>42.</td>
<td>U Mobile Sdn Bhd</td>
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<td>43.</td>
<td>UCSI University</td>
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<td>44.</td>
<td>United Overseas Bank (Malaysia) Bhd</td>
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<td>45.</td>
<td>Universiti Tunku Abdul Rahman (UTAR)</td>
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<td>46.</td>
<td>Universiti Technologi Petronas (UTP)</td>
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</tbody>
</table>

**Table 7. List of private organisations**
5.4. Public Consultation Questions

5.4.1. Questions for Rakyat

1. Please specify any other National Digital ID functions / services that would benefit you most with the implementation of the National Digital ID programme?

![Figure 1. Rakyat - Other types of NDID functions/ services](image)

2. Please state your other areas of concern in using the National Digital ID

![Figure 2. Other areas of concern using NDID](image)
3. Please explain why you will not be interested to use the National Digital ID when transacting with both public and private sectors?

Figure 3. Why respondents’ have no interest in using NDID
5.4.2. Questions for the Ministries / Government Agencies and Organisations

1. Please specify other Digital ID functions/services that would benefit your ministry/agency/company with the implementation of the NDID programme

![Figure 4. Organisation - Other types of NDID functions/services](image)

2. Please elaborate why the National Digital ID programme should not be adopted within your ministry/agency/company

![Figure 5. Why NDID should not be adopted in organization](image)
3. Please elaborate why you feel National Digital ID will provide added value to your services/products.

Figure 6. Why NDID will provide added value

4. Besides the nine (9) identified use cases, what are the other use cases you would like to see being implemented?

Figure 7. Other use cases for NDID
5. Please explain why you do not foresee National Digital ID minimising the overall cost for identity verification processes.

- “Not necessarily as there could be certain industries that may need to have new hardware and/or software (including possibly maintenance) to integrate into the new framework unless the full deployment cost is borne or heavily subsidized by the government. Hence, as proposed earlier, in developing the national NDID solution, the mobile phone would be an option to seriously consider as a ‘medium’ or enabler which should effectively somewhat reduce industry impact if there is sufficient collaboration and interoperability between systems, businesses, individuals and with the national platform. As such, NDID user interfaces (UI/UX) should be designed at the onset to be mobile device centric, including the use of apps for smartphones and non-apps for feature phones. In addition, to promote public adoption as well as private sector take-up (e.g. as part of their digitization efforts) of the NDID, it is essential that all elements be kept minimal and NDID operating model should follow a cost-recovery model.”

6. What are the potential regulatory/ legal changes that are required within your ministry / agency / company to facilitate the adoption of NDID?

- Possibly PDPA, depending on the security of the system. There will probably be needed to review how the user data is provided and what we should store in future.
- Risk evaluation, legal T&C around privacy of data and customer consent, security of connectivity
- Legal validation for new work processes
- Legal age for online onboarding (e-KYC)
- Digital Signature Act
- Potential changes with regards to customer privacy and data protection law.
- A clear guideline from BNM would be required on the adoption of NDID to establish banking relationship with the Bank.
- Understanding the security measured framework in place
- Statutory requirements for processes under the National Land Code, the National Land Code (Penang and Malacca Titles) Act
- Proper controls, governance and regulations need to be put in place to prevent potential misuse and possible risks elements, for example misuse due to insufficient proper controls akin to dual-use technologies such as social media, GPS; risks already present in digital technologies with large-scale population-level usage such as system failures, cybersecurity, breaches and privacy violations; exposures due to risks found in conventional national ID programs. It is vital that the NDID framework includes principles that enable user-control, privacy, transparency and security based on (or through reformed) current laws and regulations. Another aspect to consider (though not really in relation to regulatory) is technical standards to enable smooth portability and be future-proof as proprietary standards may lead to complexities and vendor lock-in. Celcom would like to humbly request that a working group (both technical and regulatory) be set up for the formulation of the NDID framework so that industry feedback can be considered and incorporated where possible, which will the end of the day benefit all parties.
- Regulatory - Customer's written consent has to be obtained in line with s.133/s.145 of FSA/IFSA for banking secrecy requirements.
- Legal - Need clarity and details over the scope of application. For example, whether and how this applies to the signing, authentication and filing of powers of attorney and instruments of dealings for land and properties, etc. How and by who will the documents be retained and who are the parties to sign section 90A Evidence Act certificate when adducing evidence in court, etc.
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