






Malaysian eKYC Guidelines for Financial Institutions

In April 2024, Bank Negara Malaysia (BNM) released an updated policy document on eKYC for banks, financial services and insurers. The revised guidelines strengthen existing requirements to ensure that eKYC solutions remain relevant, robust, and reliable amid technological advancements, expanding their applications to cover both individuals and legal persons.



 Biometrics	 AI & ML	 False Acceptance Rate (FAR)	 Independent Assessment	 Feedback Loop
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Banks can leverage face-based biometrics and liveness detection to verify digital identities.

Financial institutions can use AI and machine learning to automate the identity proofing and fraud detection processes.

Financial institutions can utilize AI and machine learning-based solutions as long as the overall FAR for the eKYC solution does not exceed 5%.

Financial institutions should conduct regular review of the eKYC solution to identify and address potential vulnerabilities.

Financial institutions should provide regular feedback to improve the effectiveness of the underlying identity verification technology, and solution providers should maintain historical logs.

As the leading global identity verification and eKYC service provider trusted by major financial institutions worldwide, Jumio helps financial organisations in Malaysia comply with the local eKYC regulations.

Bank Negara Malaysia eKYC Guidelines

The Board shall set and ensure the effective implementation of appropriate policies and procedures to address any risks associated with the implementation of eKYC, including operational, customer information, human capital, information technology (IT) and money laundering and terrorism financing (ML/TF) risks.

How Jumio Can Help

Boards and senior management require transparency and predictability of the eKYC vendor process to be confident of bearing accountability of the system. Jumio provides transparency to our banking customers on our eKYC service model, where the bank can access and audit the Jumio eKYC processes to achieve satisfactory risk oversight. Audited results can be submitted for regulatory reviews as proof of compliance.

Bank Negara Malaysia eKYC Guidelines

How Jumio Can Help

A financial institution shall ensure the eKYC solution integrates document verification, facial recognition, and liveness testing, with assessment by an independent auditor to identify any gaps or weaknesses in the system. Technology providers should also obtain certifications for various components of the e-KYC solution, where available.

Jumio performs AI-driven fraud checks on government-issued ID documents to ensure that each submitted ID conforms to government templates and has no signs of fraudulent tampering. Our face-based biometric technology compares specific facial features from the selfie against those of the ID photo, ensuring they're the same person. We leverage advanced liveness detection to detect advanced spoofing attacks including deepfakes and ensure the person holding the ID is a live subject. Our state-of-the-art liveness detection has achieved Level-2 certification for ISO 30107-3 iBeta Presentation Attack Detection (PAD) testing.

Jumio has been audited by the major global auditing firms and numerous global banks and regulators.

The eKYC solutions may utilize AI, machine learning or other forms of predictive algorithms to automate the decision-making process for customer identification and verification and ensure accuracy of the verification results.

The accuracy of an AI-driven outcome is dependent on the data quality and size of the dataset used to train the AI algorithms – and the skill of the data scientists developing the models. While other eKYC systems often purchase off-the-shelf datasets to create their decisioning models, Jumio trains its models on real-world production data from over 1 billion transactions. Our dataset equips Jumio with a significant head start and competitive advantage over smaller, regional players whose models lack the depth and breadth of verification history to develop highly predictive models.

Where the decision to verify a customer's identity through eKYC is automated with the use of artificial intelligence, machine learning or other forms of predictive algorithms, whether in whole or in part, a financial institution shall ensure that the overall FAR for the eKYC solution does not exceed 5%.

Jumio has built a sophisticated identity verification system based on AI, machine learning and biometrics to deliver superior accuracy rates. These technologies have translated into industry-leading False Rejection Rates (FRR) and False Acceptance Rates (FAR) that track well below the 5% stipulated threshold.

A financial institution shall regularly conduct reviews on the eKYC solution to identify and address potential vulnerabilities in the eKYC solution. The financial institution shall, where applicable, submit periodical feedback to technology providers with the aim of improving effectiveness of the underlying technology used for customer identification and verification.

Jumio encourages our customers to review the performance of our models on an ongoing basis. We conduct monthly audits of our verification transactions for the preceding month to ensure human oversight is applied at all times to comply with ongoing monitoring requirements and the applications continue to perform as intended.

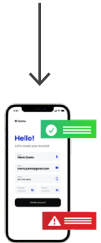
In monitoring the effectiveness and accuracy of eKYC solutions utilizing artificial intelligence, machine learning or other forms of predictive algorithms, a financial institution shall maintain a monthly record of the performance of the eKYC solution.

Jumio provides standard reports in real time containing information on every verification transaction (e.g., number of verifications processed by date, number of failed verifications, number of verifications with detected manipulation). These analytics are easily generated for our customers to support their audits – greatly reducing our customers' workload and need for internal resources.

Jumio End-to-End Identity Verification and Risk Assessment Platform

Jumio's state-of-the-art identity verification technologies support Malaysia's eKYC requirements while also helping banks and financial institutions more efficiently compete in their market and around the globe.

Additional Services Risk Signals



- Device Check
- Email Check
- Phone Number Check
- Address Check
- Geo IP Check

Additional Services Government Database Checks Watchlist Screening



ID Verification
ID Check



Selfie + Liveness Check
Biometrics

Additional Services Doc Proof



Risk-Based Decision
Risk Scoring +
Rejection/Approval

Additional Services Authentication and Watchlist Screening



With the growing threat of AI-driven fraud, Jumio invests heavily in improving our solutions and our machine learning models to maximise protection from deepfakes through a variety of approaches.



AI-driven ID verification examines security elements on government IDs, including holograms and font sizes, to detect manipulations and embedded deepfake photos.



Face-based biometrics compare facial features in the selfie and ID photo. It also conducts 1:1 and 1:n face matching, and detects whether the person is wearing a mask or is sleeping.



Advanced liveness detection identifies complex attacks like face swaps, utilizing active illumination, camera injection detection, and motion analysis to confirm physical presence.

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