Factors for Consideration in Assessing an Application to Issue e-Money

The factors for consideration for Bank Negara Malaysia (BNM) in assessing an application for approval under section 11 of the Financial Services Act 2013 (FSA) are stipulated under Schedule 5 Part 1 of the FSA. The following information provides further clarification on the expectations on an e-money applicant.

An applicant should ensure that relevant documents (as required in the Application Form to Issue e-Money) are submitted to support the factors for consideration.

[Note: The expectation below is not exhaustive, and BNM may consider other elements in its assessment]

Factors for consideration under Schedule 5 Part 1 of the FSA/IFSA	Further clarification on the expectation of an e-money applicant
1. The **character and integrity** of the applicant or, if the applicant is a body corporate, its reputation for being operated in a manner that is consistent with the standards of good governance and integrity.	• CEO, directors and shareholders satisfy the fit and proper criteria specified under the policy document on Fit and Proper Criteria for Approved Person.
2. The soundness and **feasibility of the plans** of the applicant for the future conduct and development of the business of the person to be authorized.	• Ability to demonstrate feasibility and viability of the proposed e-money business, including target market and potential demand, supported by projected cash flow of at least 3 years. • Ability to demonstrate the value proposition of the proposed e-money business that can strongly support the justification of demand from the customers or the targeted market.
3. The nature and sufficiency of the **financial resources** of the applicant as a source of continuing financial support for the person to be authorized.	• Ability to demonstrate financial capability to support the e-money business at initial stage and ongoing basis. • Ability to meet the minimum capital funds requirement as specified under the Financial Services (Minimum Amount of Capital Funds) (Approved Person) (Amendment) Order 2022 [PU(A) 403/2022] or the Islamic Financial Services (Minimum Amount of Capital Funds) (Approved Person) (Amendment) Order 2022 [PU(A) 393/2022]. • Shareholders should be able to demonstrate a strong financial position to support the e-money business on a continuous basis.
4. The **business record and experience** of the applicant.	• Ability to demonstrate that the business can be supported by experienced management with relevant experience in IT, risk management and payment systems.
5. The person to be authorized will be operated responsibly by persons with the **competence and experience** suitable for involvement in the operation of the person to be authorized.	

6. Whether the application will be in the **best interest of Malaysia**, having regard to: (i) effect of the investment on the level and nature of economic activity in Malaysia, including the effect on productivity, efficiency and quality of financial services; (ii) contribution towards enhancing international trade and investment linkages between Malaysia and other countries; (iii) effect of the investment on the stability of the financial system, including on conduct and behaviours that could pose a risk to the financial system; or (iv) degree and significance of participation of Malaysians in the financial sector.	• Ability to demonstrate that the proposed e-money brings benefit/additional value to Malaysians. For example, promotes financial inclusion, facilitates the creation of jobs, supports innovation, etc.

Last updated: 10 July 2025