

Malaysia

Current postal regulatory landscape

National legislation

- Name of the act/law/rule: Postal Services Act (PSA) 2012
- Year of enactment: 2012
- Website link to the text of the act/law/rule: www.mcmc.gov.my/en/legal/acts
- All the postal legislation in place (Conventions/Rules/Regulations, etc.)
 - 1 Postal Services (Universal Service) Regulations 2015
 - 2 Postal Services (Universal Service) (Amendment) Regulations 2020
 - 3 Postal Services (Licensing) Regulations 2015
 - 4 Postal Services (Postage Rates) Regulations 2020
 - 5 Postal Services (Post Office Rules, 1947) (Amendment) Regulations 2020
 - 6 Postal Services (Compounding of Offences) Regulations 2024

Coordinating body for postal policies

- Name of the coordinating body/ministry/committee/agency: Ministry of Communications
- Level (Ministry or other): ministry
- Website: www.komunikasi.gov.my/en/

Regulatory authority

- Name of the coordinating regulator: Malaysian Communications and Multimedia Commission (MCMC)
- Covered areas:
 - 1 Broadband
 - 2 Mobile services
 - 3 Fixed services
 - 4 Satellite
 - 5 Broadcasting
 - 6 Postal and courier services
 - 7 Digital signature
 - 8 Strategic trade
 - 9 Universal service provision

Licensing body

Name of the coordinating body/ministry/committee/agency: Malaysian Communications and Multimedia Malaysia (MCMC)

The table below sets out the categories of universal and non-universal postal service providers in Malaysia:

<i>Type of licence</i>	<i>Licensable activities</i>
Universal service licence	Non-universal service licence
Licence A	Provision of international inbound and outbound courier services and domestic courier services in Malaysia

<i>Type of licence</i>	<i>Licensable activities</i>
Licence B	Provision of international inbound courier services and domestic courier services in Malaysia
Licence C	Provision of intra-state domestic courier services in Malaysia

The process of applying for licences/registration

Applicants wishing to apply for a non-universal service licence must submit all the necessary documents indicated in the Licensing Guidebook to the MCMC, including their business and corporate information, proposed business plan and three-year rollout plan. The registration application fee is 100 Malaysian ringgit (MYR).

Universal service obligations

- Products and services covered by universal service obligation: Yes
- A universal service licensee shall provide basic postal services, as follows:
 - a collection, transmission and delivery by ordinary post within Malaysia of letters and postcards weighing less than two kilogrammes per letter and per postcard;
 - b collection and transmission by ordinary post of letters and postcards to any places outside Malaysia; and
 - c collection, transmission and delivery of letters by registered post.
- Prescribed number of post offices and prescribed number of letter boxes: A universal service licensee shall provide and maintain at least one thousand post offices throughout the country, which may consist of permanent or mobile post offices, as well as a reasonable number of posting boxes throughout the country for the collection of postal articles.
- Exceptions to universal service obligations: The designated operator has the exclusive right to transmit letters weighing less than 500 g via ordinary post with a charge of less than 5 MYR per letter.
- Name of the universal service provider providing USO: Pos Malaysia Berhad
- Status of the universal service provider providing USO: Public Listed Company

Any other relevant information

Pos Malaysia was listed on Bursa Malaysia Berhad (formerly known as Kuala Lumpur Stock Exchange) in September 2001.

Financing of universal service obligations

- Is there a well-defined procedure for financing the universal service provider: No
 - Currently, no well-defined procedure exists for financing the universal service provider (USP) in Malaysia.
 - However, Section 98(1) of the Postal Services Act of 2012 (PSA 2012) establishes the Postal Service Fund (PS Fund), one of the purposes of which is to facilitate the universal service obligations.
- Funding mechanisms:
 - Reserved area (economies of scale): Revenue from 5 MYR fees for letters below 500 g.
 - Special privileges: Additional funding sources include:
 - Stamp issuance rights;
 - UPU network benefits;
 - Trade name usage; and
 - Postal land and assets.

Quality requirements

Quality requirements are documented under Performance Standards for Basic Postal Services (Domestic Letter Service) for the postal sector.

Annual service performance target for domestic letter service:

<i>Objective</i>	<i>Target</i>
Speed	89.0%
Reliability	99.97%

Description:

- “Speed” objective means the percentage of the total sample letter that complies with the delivery standard.
- “Reliability” objective means the percentage of the total sample letter.

Frequency of collection/delivery of postal services

- Frequency of collection of postal services: Minimum of one collection per working day from the access points.
- Frequency of delivery of postal services: Minimum of one delivery per working day.

Grievance redressal

Name of the body/organization designated for grievance redressal

Yes. The MCMC has designated a “Postal Forum” to look into any matters concerning the interests of postal service consumers (provided for under section 49 of the PSA of 2012).

Reserved areas/Exclusive privilege

Under USO Regulations 2015 – Exclusive right to transmit letters below 500 g. The Ministry shall give the universal service licensee the exclusive right to:

- a collect, transmit and deliver by ordinary post within Malaysia letters weighing less than 500 g with a charge of less than 5 MYR per letter (excluding tax);
- b collect and transmit by ordinary post to any places outside Malaysia letters weighing less than 500 g with a charge of less than 5 MYR per letter (excluding tax).

Price regulations

- Body regulating postal service prices: Malaysian government
- Scope of such price regulations: Under Postage Rates Regulations 2020, first schedule – Postage Rates for Transmission within Malaysia, the scope of the price regulation provides for the following postal service categories:
 - 1 Standard mail (commercial consumers);
 - 2 Standard mail (non-commercial consumers);
 - 3 Non-standard mail (commercial consumers);
 - 4 Non-standard mail (non-commercial consumers);
 - 5 MelRakyat; and
 - 6 Postcards (non-commercial consumers only).

Taxation

- Are postal products and services liable for taxation: Yes
- Sales and service tax: Courier services are subject to 6% service tax if:
 - i The service provider is licensed under section 10, PSA 2012;
 - ii It is a domestic courier service;
 - iii The service provider is registered under the Service Tax Act 2018 (STA 2018).
- Are there any exceptions to this taxation structure: Postal services (including bulk mailings) and associated franking machines provided by the universal service provider for the sending of letters requiring postage stamps are not subject to service tax.

Cross-border regulations

- Are there clear regulations regarding the import and export of items through the postal channel: Yes
- List the authorities that are stakeholders in cross-border postal exchanges: Royal Malaysian Customs Department
- Threshold value regarding import duties: 500 MYR
- Threshold value regarding VAT: Sales tax of 10%
- Is there any national legislation mandating Electronic Advance Data for cross-border transfer of items: Sales Tax Act (Amendments) 2022