

Fake registration SIMply rampant

Phony deals saw an 85% increase

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PETALING JAYA: Investigations into false SIM (Subscriber Identity Module) card registrations have seen a rise, especially last year, which saw a nearly 85% increase with 48 cases; compared to 26 cases in 2024 and no cases in 2023.

These figures, which were revealed by the Malaysian Communications and Multimedia Commission (MCMC) to *The Star* in an interview, showed how fast SIM fraud cases are on the rise in the country.

"The cases of improperly registered SIM cards continue to surface, primarily due to abuse at the distribution level or misuse of identity information by irresponsible parties," said MCMC.

"In such cases, SIM cards may appear to be 'registered' even though the actual identity holder did not consent or was unaware of the registration."

It added that with the number of cases increasing year-on-year, it indicates an upward trend in cases possibly linked to SIM card fraud.

MCMC said they conduct audits and compliance monitoring on an ongoing, risk-based basis, which means they carry out oversight continuously, and audit activities are prioritised based on risk indicators such as complaints, data trends and past compliance records.

"This includes physical and online SIM purchase audits, verification of subscriber data with the National Registration Department, and investigations arising from public complaints and intelligence."

"Enforcement action for non-compliance may include offering compounds or initiating criminal proceedings for breaches of licence conditions under the Communications and Multimedia Act 1998," MCMC added.

The commission also highlighted that telecommunication service providers are held accountable for failures in prepaid SIM registration compliance, including inadequate identity verification or improper dealer practices.

"Failure to properly register prepaid users may constitute a breach of licence conditions, which could result in enforcement action being taken," it said.

"Telecommunication service providers are also expected to cooperate fully with law enforcement agencies by providing accurate and reliable records to support investigations into criminal misuse," it said.

To further strengthen safeguards, MCMC

is finalising a Commission Determination on the Mandatory Standards for the Registration of End-Users of Prepaid Public Cellular Services ("Mandatory Standards"), which will replace the existing 2017 guidelines.

According to MCMC, under the existing 2017 guidelines, prepaid SIM cards must be registered to a verified end-user before activation.

The sale of pre-activated SIM cards is generally prohibited, except for a limited, MCMC-approved exception for inbound flights to Malaysia.

"So the proposed Mandatory Standards that will replace the existing 2017 guidelines will function as a legally binding regulatory instrument under the Communications and Multimedia Act 1998, requiring all telecommunication service providers to comply with stricter and more transparent registration requirements."

"These measures aim to enhance data integrity, strengthen enforcement effectiveness and significantly reduce the risk of identity misuse and SIM-related crimes."

"Non-compliance with the Mandatory Standards may result in enforcement action, including imposition of financial penalties up to RM500,000."

"Some of the new framework also introduces stronger identity verification measures, including biometric verification with MyDigital ID, which comprises verification of existing prepaid numbers registered under an individual's identity."

"The framework will also secure verification for new prepaid SIM registrations and single sign-on authentication for access to telecommunications service provider applications."

"These measures enable MCMC to implement stronger, more consistent and more effective enforcement, while ensuring that telecommunications service providers remain accountable in preventing the misuse of SIM cards by irresponsible parties."

"The government remains committed to strengthening Malaysia's digital regulatory framework to safeguard consumers and preserve the integrity of the national communications ecosystem," said MCMC.

As part of broader reforms, Communications Minister Datuk Fahmi Fadzil had said on Sept 11 that prepaid SIM card registration will fully adopt MyDigital ID, involving all companies nationwide.

The move is aimed at strengthening digital security and reducing identity misuse, as efforts continue to safeguard consumers and preserve the integrity of Malaysia's communications ecosystem.

How the system can be bypassed with a fee

PETALING JAYA: Illegal pre-registered SIM cards and phone number spoofing continue to expose gaps in Malaysia's mobile registration and network security, with foreigners and locals describing how the system can be bypassed with ease.

A source said he initially tried to buy a SIM card through authorised outlets but was repeatedly turned away without a passport, in line with existing regulations.

"Every official shop I went to asked for my passport. Without it, they said they could not activate the SIM," the source told *The Star*.

However, he was later told by acquaintances that he could bypass the process by

paying a fee to have the SIM registered under another person's name.

"They told me I could ask someone else to register it for me. I only had to pay around RM20 or RM30 for it."

"Once activated, the SIM works like any normal line and doesn't require my passport at all," the source said.

According to him, the SIM was immediately usable for calls, messaging, one-time passwords (OTPs) and banking apps, with no visible restrictions.

"There's no difference when using it. You can receive OTPs and access online services like any normal number," he said, adding that the practice was commonly suggested to foreigners who needed quick connectivity for work or deliveries.

Types of scams tied to SIM card fraud



1 Investment scam

Fraudsters may use stolen SIM card to impersonate real brokers from the company or firm on messaging apps, making their fake investment advice look 'verified' and official.

2 Love scam

Scammers employ fake identities and gain victims' trust by asking for personal information like phone numbers and social media accounts and later for money.

3 Job scam

Scammers use SIM cards registered under false identities to post fake job listings. Victims are then asked for personal information like bank account details.

4 Bank alert scam (fake OTP / suspicious transaction SMS)

Fraudsters sent SMS messages pretending to be banks notifying issues in victims' accounts leading victims into clicking fake links or sharing OTPs, leading to account theft.

5 Parcel scam

Scammers send fake courier messages claiming delivery issues in which victims are tricked into clicking malicious links or downloading harmful files.

Scammers can ask recipients to update personal details such as banking information by clicking malicious links or downloading APK format files which can lead to financial losses.

Source: Various

The Star graphics

No ID, no problem at some shops selling SIM cards

PETALING JAYA: Several mobile phone shops insist on registering SIM cards on the spot, while convenience stores and certain retailers allow buyers the option to purchase SIM cards with or without registration.

A worker from a convenience store, when approached by a reporter from *The Star* and asked if he could assist with SIM card registration, said he could not.

"Customers are allowed to register the SIM card themselves. They only need to buy the phone number, we do not help with registration," the worker said.

"However, the SIM card will not be activated if it is not registered with a MyKad."

This same scenario occurred with a few other convenience stores.

At a mobile phone shop run by a foreigner at the time of the visit, with no Malaysian supervisor present, a seller said SIM cards could be sold without the need for a MyKad.

"Customers can buy phone numbers without showing their MyKad," the seller said. "They can buy the phone number and register the number separately."

However, there are shops with Malaysian sellers who are strict on their customers having a MyKad to buy and register a SIM card.

A mobile phone and SIM card operator said locals are required to show their MyKad to buy and register a SIM card, while foreigners must present a passport.

"If they do not have these documents, they usually buy a SIM card under another person's name who has a MyKad."

"For our shop, it is important that customers show their MyKad before we sell and register the SIM card," she said, adding that they don't sell it to them if they don't present their MyKad.

Another mobile phone shop operator said registration is compulsory if the SIM card is bought at their premises.

"If customers buy a SIM card from our shop, we have to register it for them," the seller said.

In an online shopping review by *The Star*, a buyer claimed a SIM card purchased online was already pre-registered and alleged that the registration was linked to a foreign individual.

This highlights the continued circulation of illegally pre-registered SIM cards in the market.

Meanwhile, data protection expert Deepak Pillai said that individuals or syndicates involved in selling or using pre-registered SIM cards illegally may be charged under Section 232 of the Communications and Multimedia Act for fraudulent use of network services.

"If convicted, offenders may face a fine of up to RM1mil, imprisonment of up to 10 years, or both," he said when contacted.

"SIM card-related fraud may also fall under offences in the Penal Code."

He added that Malaysian law does not distinguish between street-level sellers, middlemen or syndicate leaders.

"Anyone who knowingly participates in, assists, conspires, or facilitates a SIM-card related offence may be held criminally liable, regardless of their role."

"Individuals whose identity cards are misused for SIM card registration are generally considered victims and would not face consequences if the misuse occurs without their consent," added Deepak.

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