

SIX SIGNALS FOR 2026: DATA PROTECTION & CYBERSECURITY: WHAT'S COMING NEXT

19 December 2025



The year 2025 marked a significant period of development in Malaysia's personal data protection landscape, with the implementation of several key amendments to the Personal Data Protection Act 2010 (PDPA). These include the introduction of a mandatory Data Protection Officer ("DPO") appointment requirement, a new data breach notification regime, and an enhanced framework governing cross-border transfers of personal data¹.

Following the release of several consultation and proposal papers across various data-related topics in 2025², it is anticipated that further guidelines and/or subsidiary legislation will be issued in 2026. These are expected to address, in particular:

- Data Protection Impact Assessments (DPIA);
- Automated Decision-Making and Profiling (ADMP);
- Privacy by Design;
- Data Portability; and
- Amendments to the existing Personal Data Protection Standards.

In addition, the Minister of Digital, Mr Gobind Singh Deo, has publicly expressed the Government's commitment to establishing an independent Data Commission, in line with the Digital Trust and Data Security Strategy 2026–2030³. The proposed Data Commission is intended to fill existing regulatory gaps by providing oversight of data-related risks and ensuring compliance with data governance standards beyond the scope of personal data alone.

¹ [The Guidelines may be accessed on the website of Personal Data Protection Department](#)

² For further information on the Consultation Papers, please see our write-up [here](#)

³ [Data Commission Key to Strengthening Governance and Protection – Gobind, Bernama, 20 August 2025](#)

2. Cyber Security

The Cyber Security Act 2024 establishes the National Cyber Security Committee and the obligations of national critical information infrastructure (NCII) sectors which are government, banking and finance, transportation, defence and national security, information, communication and digital, healthcare services, water, sewage and waste management, energy, agriculture and plantation, trade, industry and economy as well as science, technology and innovation⁴. The NCII Sector Leads are to also establish Codes of Practice to be adhered to by the entities in their sector. However, no Codes of Practice have been officially issued yet.

The Government is also currently drafting a new Cybercrime Bill to safeguard against online offences and to address the gap between the existing legislation and the current realities of cybercrime⁵.

3. Artificial Intelligence

The National Guidelines on AI Governance and Ethics were launched in 2024 which provide voluntary guidance to regulate the use of AI⁶. The Digital Minister announced on 24 November 2025 that the drafting of Malaysia's first AI Governance Bill, which is touted to be a sweeping legislation to comprehensively address AI risks, is nearly complete. The new law will be part of a larger AI legislative framework which is set to be presented to the Cabinet in June 2026⁷. This initiative is to ensure a safe AI ecosystem which promotes innovation whilst safeguarding against the risk of misuse, aligned with International best practices.



4. Online Safety Act 2025

The Online Safety Act 2025 (“**ONSA**”) was passed by the Dewan Rakyat and Dewan Negara in December 2025 and will come into effect on 1 January 2026. There are also 10 pieces of subsidiary legislation under the ONSA which are being finalised⁸.

One of these subsidiary legislation will require Internet messaging and social media providers to ensure their platform is inaccessible to children under 16 and that content provided to those under 18 are appropriate⁹. This is expected to be implemented in 2026.

The aim of these legislation is to protect children online and ensuring age-appropriate content.

The ONSA provides the duties and obligations of licensed application services, licensed content application services and network services, but not to private messaging functions in the services. The Government has also considered requiring the labelling of artificial intelligence (AI)-generated content as ‘AI generated’ under ONSA¹⁰.

⁴ [The National Critical Information Infrastructure](#), National Cyber Security Agency

⁵ [Govt Drafting New Bill to Combat Cybercrime](#), Bernama, 7 October 2025

⁶ [For further information, please see our write-up here](#).

⁷ [For further information, please see our write-up here](#).

⁸ [Azalina: Online Safety Act to take effect Jan 1, 2026](#), New Straits Times, 13 November 2025.

⁹ [MCMC developing 10 subsidiary regulations to protect children](#), The Star, 5 December 2025.

¹⁰ [‘AI generated’ labelling could become law by end 2025, communications minister says to curb scams, defamation and deepfakes](#), Malay Mail, 15 July 2025. For further information see our write up [here](#).

Furthermore, the applicability of ONSA would be widened by the recent announcement of the Malaysian Communications and Multimedia Commission (MCMC) that all Internet messaging and social media providers with eight million or more users in Malaysia would be automatically deemed as registered for Class Licence Application Service Provider beginning 1 January 2026¹¹.

5. E-Commerce

The Ministry of Domestic Trade and Cost of Living has announced that a legal framework on electronic commerce (e-commerce) is expected to be tabled during the Malaysian Parliament's first sitting in 2026¹². The proposed e-commerce bill is to be tabled once the Cabinet has approved the policy paper.

The Deputy Minister of Domestic Trade and Cost of Living, Datuk Dr Fuziah Salleh, had announced the main aim is to enhance consumer protection, increase fairness in the transaction for all parties and create specific legislation for online transactions¹³. From news reports, it is expected that the new law may include promotion of fairness across the e-commerce ecosystem, regulatory oversight of platform commission rates and provide the authority to monitor cross-border transactions.

Conclusion

With so many developments lined-up in the areas mentioned above, 2026 promises to be an exciting and challenging year, as stakeholders affected by these changes scramble to ensure that their businesses comply with new legal and regulatory requirements.

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*This article is based on a presentation by the writer at the **Six Signals for 2026**, an event hosted by Skrine on 10 December 2025.*

¹¹ [Messaging, social media platforms with eight million users deemed licensed from 2026 – MCMC](#), *The Edge Malaysia*, 15 December 2025

¹² [Armizan: Comprehensive e-commerce bill expected to be tabled early next year](#), *The Malaysian Reserve*, 17 July 2025

¹³ For further information, please see our write-up [here](#).



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