

## **Snapshot**

# AI, Disinformation and Democracy in Malaysia

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#### AI, Disinformation, and Democracy in Malaysia

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#### DISINFORMATION AND REGULATIONS IN MALAYSIA

Malaysia's struggle with disinformation has led to a series of legislative attempts to control its spread. The most notable was the Anti-Fake News Act 2018 (Act 803)<sup>3</sup>, which defined fake news broadly as "any news, information, data and reports, which is or are wholly or partly false, whether in the form of features, visuals or audio recordings or in any other form capable of suggesting words or ideas." This Act imposed severe penalties, including fines up to RM 500,000 and imprisonment for up to 10 years. However, it was later repealed due to concerns about its potential misuse to stifle government critics, its rushed passage through parliament ahead of elections, and its overly broad definition of "fake news,"<sup>4</sup> which risked arbitrary application<sup>5</sup>.

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<sup>3</sup> Anti-Fake News Bill (2018).

https://www.cljlaw.com/files/bills/pdf/2018/MY\_FS\_BIL\_2018\_06.pdf <sup>4</sup> Schuldt, L. (2022). Shaping the Fake News Discourse: Laws, Electoral Arenas and the Emergence of Truth as a Public Interest. In *Fake News and Elections in Southeast Asia* (pp. 16-44). Routledge.

<sup>&</sup>lt;sup>5</sup> Jalli, N. & Idris, I. (2019, November). Fake News and Elections in Two Southeast Asian Nations: A Comparative Study of Malaysia General Election 2018 and Indonesia Presidential Election 2019. In *International Conference on Democratisation in Southeast Asia (ICDeSA 2019)* (pp. 138-148). Atlantis Press.

The COVID-19 pandemic prompted yet another legislative measure: the Emergency (Essential Powers) (No. 2) Ordinance 2021, which targeted false information specifically related to COVID-19 and the emergency proclamation. This ordinance defined fake news within the narrow context of the pandemic, with penalties reaching RM 100,000 and prison terms of up to three years. Significantly, the ordinance eliminated the requirement to prove malicious intent, simplifying prosecutions but intensifying concerns about its potential chilling effect<sup>6</sup> on public discourse. Critics argued that its broad application risked suppressing legitimate discussions, particularly as people sought accurate information during the crisis<sup>7</sup>. Although intended to combat misinformation, the ordinance reignited debates over balancing public safety with freedom of expression<sup>8</sup> in Malaysia. Like the Anti-Fake News Act, the Emergency Ordinance was later repealed, reflecting ongoing tensions between government control and public freedoms.

Throughout Malaysia's history, legislative measures have been perceived as serving political objectives<sup>9</sup> in addition to their regulatory functions. Analyzing the timing and application of key laws reveals a pattern of strategic use. For instance, the Anti-Fake

<sup>&</sup>lt;sup>6</sup> Human Rights Watch (2021, January 21). Malaysia: Urgently Revise Emergency Ordinance Immunity, Police Powers for Military Raise Risk of Abuse. https://www.hrw.org/news/2021/01/21/malaysia-urgently-reviseemergency-ordinance

<sup>&</sup>lt;sup>7</sup> Chen, B. H. Y. (2023). Evaluating Malaysia's Fake News Laws through the Lens of International Human Rights Standards. *S. III. ULJ, 48*, 387.

<sup>&</sup>lt;sup>8</sup> Article 19 (June 23, 2021). Malaysia: Emergency Fake News Ordinance has severe ramifications for freedom of expression.

https://www.article19.org/resources/malaysia-fake-news-ordinance-severe-ramifications-freedom-expression/

<sup>&</sup>lt;sup>9</sup> Azizuddin Mohd Sani, M. (2008). Freedom of speech and democracy in Malaysia. *Asian Journal of Political Science*, *16*(1), 85-104.

News Act 2018 was rushed through parliament in April 2018<sup>10</sup>, just ahead of the May general election, prompting accusations that it was intended more to silence dissent than to combat disinformation. This perception was reinforced when opposition figures were investigated under the Act<sup>11</sup> for allegedly spreading false information, ultimately leading to its repeal in 2019.

This trend extends to other longstanding laws. Colonial laws, such as the Sedition Act 1948<sup>12</sup>, Defamation Act 1957<sup>13</sup>, and the Printing Presses and Publications Act 1984<sup>14</sup> have been used as instruments of political control, often extending beyond their original intent to curb dissent and silence opposition voices. Similarly, the Communications and Multimedia Act 1998, initially designed to regulate digital communications, has raised concerns about excessive censorship and the suppression of legitimate expression<sup>15</sup>. Critics argue that these laws, while ostensibly serving

 <sup>&</sup>lt;sup>10</sup> Chen, B. H. Y. (2023). Evaluating Malaysia's Fake News Laws through the Lens of International Human Rights Standards. *S. III. ULJ, 48*, 387.
<sup>11</sup> Ellis-Peterson, Hannah (2018, May 3). Malaysia opposition leader

investigated under fake news laws. The Guardian.

https://www.theguardian.com/world/2018/may/03/malaysia-opposition-leader-investigated-under-fake-news-laws

<sup>&</sup>lt;sup>12</sup> Human Rights Watch (2014, September 14). Malaysia: Sedition Act Wielded to Silence Opposition

Government Campaign Violates Free Expression Rights.

https://www.hrw.org/news/2014/09/14/malaysia-sedition-act-wielded-silence-opposition

<sup>&</sup>lt;sup>13</sup> Defamation Act 1957.

http://www.commonlii.org/my/legis/consol\_act/da19571983174/ <sup>14</sup> Printing Presses and Publications Act 1984.

https://www.moha.gov.my/images/maklumat\_bahagian/PQ/Act301.pdf <sup>15</sup> Article 19 (2017, February). Malaysia: The Communications and Multimedia Act 1998 - Legal Analysis.

https://www.article19.org/data/files/medialibrary/38689/Malaysiaanalysis-Final-December.pdf

public order, have often been applied to restrict opposition and maintain political stability.

The rise of both generative and predictive AI (GenAI and PredAI) has introduced new complexities into Malaysia's regulatory landscape. According to Malaysia's National AI Roadmap 2021-2025<sup>16</sup>, AI is broadly defined as "a suite of technologies that enable machines to demonstrate intelligence, adapt to new circumstances, and amplify human ingenuity and intellectual capabilities across a broad range of challenges." This inclusive definition spans applications from generative AI, which autonomously creates new content, to predictive AI, which forecasts outcomes based on data patterns.

The recently published National Guidelines on AI Governance and Ethics <sup>17</sup> highlight Malaysia's recognition of the ethical and governance challenges posed by these technologies. Among the key issues identified is the concern over the collection and processing of personal data in AI algorithms without individual consent and for purposes beyond the original intent. This commitment to responsible AI practices reflects Malaysia's efforts to balance technological innovation with privacy and consent protections, aligning national regulations with international standards such as UNESCO's Recommendation on the Ethics of Artificial Intelligence and OECD AI Principles.

<sup>&</sup>lt;sup>16</sup> Ministry of Science, Technology, and Innovation (MOSTI). National AI Roadmap 2021-2025. https://mastic.mosti.gov.my/publication/artificial-intelligence-roadmap-2021-2025/

<sup>&</sup>lt;sup>17</sup> Ministry of Science, Technology, and Innovation (MOSTI). National Guidelines on Al Governance and Ethics.

https://mastic.mosti.gov.my/publication/artificial-intelligence-roadmap-2021-2025/

#### MALAYSIA'S REGULATORY PREPAREDNESS

Malaysia's regulatory framework for managing disinformation and Al consists of a complex mix of overlapping laws and regulations. The Communications and Multimedia Act 1998<sup>18</sup> serves as a foundational element, with penalties ranging from RM 20,000 to RM 500,000 and imprisonment terms of six months to five years for serious violations. This Act specifically targets online communications deemed "obscene, indecent, false, or offensive with intent to annoy, abuse, threaten, or harass" (section 211).

Additionally, the Sedition Act 1948<sup>19</sup> remains active, imposing fines of up to RM 5,000 and three years of imprisonment for first-time offenders, with increased penalties for repeat offenses. Its broad application to so-called "seditious tendencies" has been criticized for potentially suppressing legitimate political discourse. The Defamation Act 1957 <sup>20</sup> further supplements these laws by providing a civil remedy for libel (written defamation) and slander (spoken defamation). This Act allows for monetary damages and injunctions to prevent the further spread of defamatory content, although its focus on personal reputation has limited its applicability in addressing broader disinformation issues.

As part of its response to the growing influence of AI and digital manipulation, Malaysia has also amended its Personal Data Protection Act (PDPA)<sup>21</sup>. This recent amendment (2024) is designed

- https://mcmc.gov.my/skmmgovmy/media/General/pdf/Act588bi\_3.pdf <sup>19</sup> Sedition Act 1948 (Revised 1969).
- http://www.commonlii.org/my/legis/consol\_act/sa19481969183/ <sup>20</sup> Defamation Act 1957.

<sup>&</sup>lt;sup>18</sup> Communications and Multimedia Act 1998.

http://www.commonlii.org/my/legis/consol\_act/da19571983174/ <sup>21</sup> Personal Data Protection Act 2010 (Amendment 2024).

https://f.datasrvr.com/fr1/224/81715/DR\_21\_Bl.pdf

to protect Malaysian citizens against data breaches that could lead to "significant harm" to affected individuals. The amended PDPA also introduces stricter regulations on data handling and imposes compliance obligations on organizations, especially those leveraging AI for data-driven operations. The amended Act further expands the scope of protected entities and data privacy rights, requiring organizations to obtain explicit consent for data use and strengthening penalties for violations. By focusing on data protection and privacy, the PDPA plays a crucial role in minimizing the misuse of personal data, which is essential for AI-driven analytics and targeted disinformation campaigns.

In response to the rapidly evolving digital landscape, Malaysia also introduced the National AI Roadmap 2021-2025 in 2021<sup>22</sup>, outlining six key strategies, including AI governance, research advancement, digital infrastructure enhancement, AI talent development, promotion of AI culture, and establishment of a national AI innovation ecosystem. Proposed institutions, such as the AI Coordination and Implementation Unit (AI-CIU) and the AI Innovation Hub (AI-Catalyst), are seen as serious efforts placed by the Malaysian government to improve national readiness for structured AI development, although these initiatives are still in their initial stages. Additionally, as part of the roadmap, Malaysia also introduced National Guidelines on AI Governance and Ethics 2024<sup>23</sup>. Released in September 2024, these guidelines emphasize principles such as fairness, transparency, accountability, and

<sup>&</sup>lt;sup>22</sup> Ministry of Science of Technology and Innovation Malaysia (MOSTI), Malaysia's National Artificial Intelligence (AI) Roadmap 2021-2025. https://www.mosti.gov.my/en/berita/malaysias-national-artificialintelligence-ai-roadmap-2021-2025/

<sup>&</sup>lt;sup>23</sup> Ministry of Science of Technology and Innovation Malaysia (MOSTI),

human welfare to foster an ethical technology ecosystem for users, policymakers, and providers.

Adding to this regulatory framework are new legislative efforts, such as the Cyber Security Act 2024<sup>24</sup> and the anticipated Online Safety Bill 2024<sup>25</sup>, which signify Malaysia's proactive approach to addressing emerging digital threats. The Online Safety Bill 2024<sup>26</sup> is particularly notable for its requirement that social media companies with over 8 million users apply for licensing to operate within Malaysia. This proposed regulation has sparked backlash, including from Meta, urging the Malaysian government to reconsider its implementation<sup>27</sup>. However, Malaysia has affirmed its commitment to the new regulations, emphasizing that tech companies must comply with local laws if they wish to continue operating in the country. While these acts do not specifically focus on misinformation or disinformation, their provisions aim to strengthen cybersecurity and enhance digital safety. By addressing cyber threats and incidents, these acts could indirectly encompass by Al-driven misinformation and potential risks posed

https://www.nacsa.gov.my/act854.php

<sup>&</sup>lt;sup>24</sup> Cyber Security Act 2024 (Act 854).

<sup>&</sup>lt;sup>25</sup> Tee, K. (2024, October 14). Four Bills to watch out for in the last Dewan Rakyat sitting of 2024: Two on online safety as scams and cyberbullies spike, one for gig workers, and one on citizenship. https://www.malaymail.com/news/malaysia/2024/10/14/four-bills-towatch-out-for-in-the-last-dewan-rakyat-sitting-of-2024-two-ononline-safety-as-scams-and-cyberbullies-spike-one-for-gig-workersand-one-on-citizenship/152986

<sup>&</sup>lt;sup>26</sup> Online Safety Bill aims to tackle scams, cyberbullying on social media, not free speech, says Fahmi (October 23, 2024). *Malay Mail.* https://www.malaymail.com/news/malaysia/2024/10/23/online-safetybill-aims-to-tackle-scams-cyberbullying-on-social-media-not-free-

speech-says-fahmi/154598

<sup>&</sup>lt;sup>27</sup> Reuters (2024, July 28). New regulatory license for social media platforms in Malaysia to fight cyber offences.

https://www.reuters.com/world/asia-pacific/new-regulatory-licensesocial-media-platforms-malaysia-fight-cyber-offences-2024-07-28/

disinformation, especially when such activities threaten critical cyber infrastructure or national security. While these regulations mark a significant step forward, their effectiveness in addressing these challenges has yet to be evaluated.

Despite these changes, Malaysia's regulatory approach remains fragmented, with varied sanctions and enforcement mechanisms across different laws. The overlapping nature of these regulations indicates a need for a more cohesive and comprehensive framework to manage the challenges posed by emerging technologies such as AI and the broader digital ecosystem effectively.

#### CURRENT INTERVENTIONS TO COMBAT MIS/DISINFORMATION IN MALAYSIA

Malaysia employs a multi-stakeholder approach to combat disinformation, integrating efforts from regulatory bodies, government agencies, civil society, and the private sector. A key component of this approach is the Sebenarnya.my<sup>28</sup> platform by the Malaysian Communications and Multimedia Commission (MCMC), which collaborates with various ministries and agencies to provide fact-checked information to the public. Additionally, MyCheck Malaysia<sup>29</sup>, an initiative by the national news agency BERNAMA, supports these efforts by fact-checking information and offering capacity-building through workshops and training sessions. However, both of these state-affiliated platforms do not fact-check political content<sup>30</sup>, creating a critical gap in information

 <sup>&</sup>lt;sup>28</sup> Sebenarnya.My: Tak Pasti Jangan Kongsi. https://sebenarnya.my/
<sup>29</sup> MyCheck: Jangan Sebar Melulu, MyCheck Dulu. https://www.mycheck.my/

<sup>&</sup>lt;sup>30</sup> Jalli, N. & Jamaluddin, K. (2024). Fortifying the Ballot: Addressing Disinformation and Electoral Integrity in Malaysia. Perspective. *ISEAS* 

monitoring, especially given Malaysia's history of media and information weaponization in its political landscape.

In the realm of civil society, JomCheck Malaysia, supported by the Google News Initiative, represents a significant collaborative effort involving academia, private companies, media organizations, and civil society groups. During the 2022 General Election, JomCheck led crucial fact-checking initiatives and has since launched capacity-building projects, such as Klinik Cerdik Fakta (KLICK), which focuses on enhancing media and information literacy, including essential fact-checking skills. However, given its reliance on grant funding, the long-term sustainability of JomCheck's initiatives remains uncertain. Other independent fact-checking and media watchdogs initiatives are also available in Malaysia albeit their active periods tend to focus during politically charged periods such as general and state elections.

While these efforts address key areas of disinformation, there is an urgent need to prioritize AI literacy as part of broader media and information literacy initiatives. With the increasing prevalence of Aldriven misinformation and disinformation, educating the public on recognizing and understanding AI-generated content is critical to bolstering resilience against these emerging threats. Integrating AI literacy into existing frameworks can complement fact-checking initiatives and strengthen the public's ability to critically assess digital content.

Yusof Ishak Institute. https://www.iseas.edu.sg/articlescommentaries/iseas-perspective/2024-72-fortifying-the-ballotaddressing-disinformation-and-electoral-integrity-in-malaysia-bynuurrianti-jalli-and-khairy-jamaluddin/

#### FUTURE DIRECTIONS FOR THE ECOSYSTEM

Moving forward, Malaysia's strategy for managing AI and disinformation must focus on strengthening its current regulatory framework, ensuring laws are applied for their intended purposes, and building new capabilities. Consolidating existing regulations is essential to reduce fragmentation across laws and agencies, creating a streamlined approach that avoids overlaps and inconsistencies. Currently, sanctions range from moderate fines to severe penalties, suggesting a need for recalibrated and proportionate responses to AI-related disinformation. Additionally, broad definitions of "false information" and the lack of specific definitions for AI-driven misinformation and disinformation warrant careful attention to avoid misapplication.

Institutional capacity building will be essential for expanding successful multi-stakeholder models, such as JomCheck, to encompass broader partnerships across academia, private sector entities, and civil society. Such collaborations could provide a comprehensive approach to digital literacy and disinformation prevention, fostering resilience in Malaysia's digital landscape. To support these efforts, targeted training in Al literacy should also be introduced, equipping individuals and institutions to better understand and mitigate Al-driven disinformation.

Ultimately, Malaysia's regulatory landscape must strike a careful balance between effective regulation and the preservation of democratic freedoms. Past measures, such as the repeals of the Anti-Fake News Act 2018 and the Emergency (Essential Powers) (No. 2) Ordinance 2021, highlights the importance of navigating the line between countering harmful disinformation and protecting free expression especially in a delicate democracy like Malaysia. The upcoming electoral cycles will be a vital test of Malaysia's evolving



strategy to address the intersections of AI, disinformation, and electoral integrity, determining whether its approach can both safeguard democracy and respect individual rights.



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