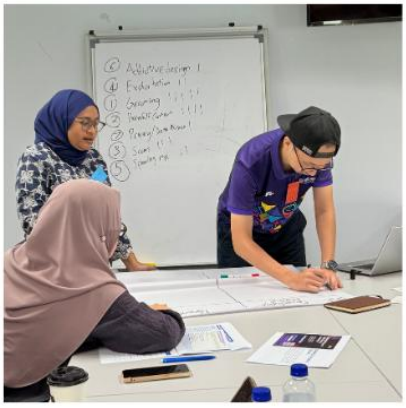
CONTENT FORUM

ONLINE GAMING GOVERNANCE STAKEHOLDER ENGAGEMENT REPORT

Communications and Multimedia Content Forum of Malaysia (CMCF)



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1. EXECUTIVE SUMMARY

This report summarises the key insights arising from the Targeted Multi-Stakeholder Engagement on the Online Gaming Ecosystem convened by the Communications and Multimedia Content Forum of Malaysia (CMCF) as part of the development of a Gaming Sub-Code under the Malaysian Communications and Multimedia Content Code. The session brought together 51 participants representing a **cross-section of the gaming ecosystem**, including gaming developers, publishers and gamer representatives, alongside civil society organisations, child protection advocates, academics and policy stakeholders. The engagement was designed to facilitate candid, solution-oriented dialogue within a neutral, industry-led platform grounded in Malaysia's co-regulatory framework.

Discussions focused on governance clarity, child protection and platform responsibility within an increasingly interactive and socially embedded gaming environment. Participants acknowledged that **risk exposure in gaming extends beyond content** itself to encompass game design, monetisation structures and user interaction features. Fragmented accountability across developers, publishers, platforms, service providers and regulators was identified as a structural challenge requiring clearer delineation of responsibilities.

There was broad consensus that governance responses must remain **proportionate and risk-based**, safeguarding users without undermining innovation or operational feasibility. Existing age assurance measures were widely regarded as inadequate in addressing current risk realities. Strengthening age-related protections, alongside privacy and data governance safeguards, emerged as a key priority.

Child safety was consistently framed as requiring **default protections** embedded within system design, supported by clearer content classification, accessible parental controls and effective moderation and reporting mechanisms. Concerns relating to addictive design, exploitative monetisation practices and grooming risks were repeatedly highlighted as areas requiring targeted intervention.

Stakeholders expressed general **support for a phased approach** beginning with industry-aligned standards through a Gaming Sub-Code, recognising its potential to clarify expectations, strengthen accountability and operationalise safeguards within a co-regulatory framework.

Areas requiring further deliberation include the most appropriate and practical age assurance model, particularly in balancing effectiveness with privacy considerations; the management of cross-border enforcement challenges; the appropriate threshold for regulatory intervention; and oversight arrangements to ensure implementation remains effective, transparent and proportionate.

2. BACKGROUND AND CONTEXT

Malaysia's online gaming sector continues to demonstrate sustained expansion. Industry revenue was estimated at approximately USD 1.0 billion in 2024 and is projected to exceed USD 2.0 billion by 2033. Mobile gaming accounts for roughly three-quarters of the market, while microtransactions contribute an estimated 70–75% of total sector revenue. Available data indicates that Malaysian children spend between one to four hours online daily, with gaming ranking among their primary digital activities.

The sector contributes significantly to Malaysia's digital economy, supporting creative development, platform innovation and a growing esports landscape. At the same time, the **evolution of gaming services has reshaped user experience** in ways that warrant closer governance attention.

Unlike linear media, gaming environments are interactive, persistent and socially networked. Monetisation mechanisms are frequently embedded within gameplay, and communication functions enable real-time interaction across geographically dispersed users. Risk exposure therefore extends beyond game content to encompass design architecture, monetisation structures and user interaction features. Exposure to age-inappropriate material, exploitative monetisation practices, harmful interactions and grooming risks presents distinct governance considerations, particularly where minors are concerned.

Online gaming operates within the ecosystem of content regulation, consumer protection, child safety and digital services governance. While existing statutory and regulatory instruments address aspects of these domains, **operational clarity within the gaming environment remains uneven**. Fragmented accountability across developers, publishers, platforms, service providers and other actors can create gaps in prevention, reporting and response mechanisms.

Against this backdrop, the Communications and Multimedia Content Forum of Malaysia (CMCF) is developing a proposed **Gaming Sub-Code** under the Malaysian Communications and Multimedia Content Code. The Sub-Code is intended to provide structured, risk-based guidance aligned with operational realities in Malaysia's gaming sector. It is developed pursuant to CMCF's mandate as the designated self-regulatory body under the Communications and Multimedia Act 1998 (CMA 1998).

The initiative adopts the **self-regulatory and co-regulatory principles** that underpin the Content Code. Active participation from gaming developers, publishers, platforms, gamer representatives, civil society organisations and child protection stakeholders is intended to ensure that any standards formulated protect the public interest while remaining workable and proportionate.

The objective is not to introduce a new statutory regime, but to strengthen sector-specific guidance within the existing framework and complement Malaysia's broader digital governance landscape.

Objective of the Engagement

The Targeted Multi-Stakeholder Engagement was convened to obtain informed perspectives on prevailing practices, safeguards and emerging risks within Malaysia's evolving online gaming environment. The session sought to ground policy development in operational realities and shared experience, ensuring that future measures are calibrated, collaborative and responsive to local context.

The discussions highlighted several considerations that may guide the next phase of policy development.

- **Strengthening Child Safety Through Layered Safeguards**

  Effective child protection is unlikely to be achieved through single-point interventions. Integrated measures combining technical safeguards, parental empowerment, education initiatives and ecosystem coordination are more likely to deliver sustainable outcomes across the user journey.

- **Clarifying Roles and Responsibilities Across the Ecosystem**

  Clearer delineation of responsibilities across developers, publishers, platforms, parents and regulatory actors is critical to reducing accountability gaps, particularly in relation to interactive features and monetisation mechanisms.

- **Prioritising Higher-Risk Features and Environments**

  Governance efforts would be strengthened through targeted focus on higher-risk areas, including randomised reward systems, in-game purchases accessible to minors, open communication functions and other features where exposure to harm may be heightened.

- **Ensuring Proportionate and Practical Implementation**

  Implementation pathways should remain risk-based, phased and operationally-viable. Safeguards should evolve alongside technological and market developments, consistent with a co-regulatory approach that balances innovation, industry sustainability and user protection.

3. PARTICIPANT PROFILE

The Targeted Multi-Stakeholder Engagement convened 51 participants representing a curated and balanced cross-section of actors within Malaysia's online gaming landscape. Participation was structured to ensure representation across commercial, public interest, institutional and regulatory sectors. The sectoral composition of participants is illustrated in **Chart 1.**

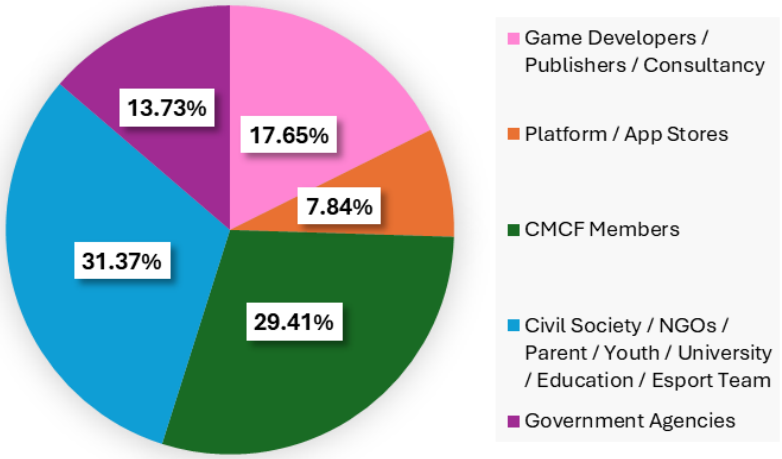


Chart 1: Number and Profile of Participants

Civil society stakeholders comprised 31.37% (16 participants) of attendance. This category included non-governmental organisations, parent and youth representatives, university and education stakeholders, as well as esports teams. Their presence ensured that community perspectives, youth-facing realities and lived experience considerations informed the discussions.

CMCF members accounted for 29.41% (15 participants). This group comprises established industry players, including digital publishers, advertisers, content creators and other communications and multimedia service providers who are familiar with the principles and operational realities of self-regulation under the Content Code framework. Their participation contributed practical governance experience and insight into industry implementation considerations.

Industry participation was substantive. **Game developers, publishers and consultancy representatives** constituted 17.65% (9 participants), while **platform and app store operators** represented 7.84% (4 participants). This enabled operational, technical and commercial considerations to be directly examined within the policy dialogue. **Government agencies** comprised 13.73% (7 participants), ensuring that regulatory and policymaking perspectives were integrated into the exchange.

Discussions were conducted in a closed-door setting to facilitate candid and solution-oriented engagement. The breadth of representation strengthens the credibility of the consultation process and provides a structured evidentiary foundation for the development of the proposed Gaming Sub-Code.

4. SESSION DESIGN AND METHODOLOGY

The Targeted Multi-Stakeholder Engagement was deliberately structured as a **facilitated, evidence-oriented policy workshop.** The design prioritised methodological rigour, cross-sector comparability and practical applicability, ensuring that discussions moved beyond general commentary towards implementation-focused insight.

The session combined plenary framing, thematic breakout deliberations, structured exercises, scenario-based testing and individual digital assessments. This multi-layered approach was intended to surface both principle-level perspectives and operational considerations, while enabling systematic synthesis across groups.

Format and Group Structure

Following the opening and context-setting session, participants were organised into **two thematic tracks** reflecting the core governance dimensions under consideration:

- **Group A: Regulatory Scope, Compliance, and Technical Feasibility;**
- **Group B: Online Child Safety, Harms, and Societal Impact.**

Each track was further divided into four breakout groups, resulting in a total of **eight facilitated discussion groups**. Groups comprised at least eight participants and were intentionally mixed across five stakeholder categories to ensure balanced representation and prevent sectoral clustering. This cross-composition enabled commercial, civil society, regulatory and user perspectives to interact directly within each deliberation space.

Both thematic tracks applied identical structured tools and sequencing. This ensured consistency in the framing of issues, comparability of outputs across groups and integrity in the consolidation of findings. The use of scenario-based exercises and guided prompts anchored discussions in realistic operating conditions, testing how potential safeguards and governance expectations might function in practice.

The methodological structure was designed not merely to collect opinions, but to generate **structured inputs** capable of informing policy drafting. The outputs therefore reflect comparative insight across thematic clusters, rather than isolated or anecdotal views.

Structured Discussion Framework

Deliberations followed a sequenced analytical framework designed to move systematically from problem identification to policy testing and safeguard formulation.

a. Governance Gap Identification

Participants first identified what they considered to be the most critical governance gaps within Malaysia's current online gaming environment. Anchoring discussions in clearly articulated systemic concerns ensured that subsequent deliberations were grounded in shared problem definitions rather than assumptions.

b. Ecosystem Accountability Mapping

This exercise was specific to Group A. Through a facilitated mapping exercise, participants examined the allocation of **roles and responsibilities across key actors** in the gaming value chain, including developers, publishers, platforms, payment intermediaries, network providers and users. The exercise surfaced areas of overlap, ambiguity and fragmentation, highlighting structural accountability gaps that may undermine prevention and response mechanisms.

c. Risk Signal Prioritisation

This exercise was specific to Group B. They identified and ranked **priority harms** requiring governance attention. This structured prioritisation process aligned policy considerations with perceived risk severity, user vulnerability and practical impact, enabling clearer differentiation between high-risk features and lower-order concerns.

d. Scenario-Based Stress Testing

Participants discussed and evaluated **structured real-world scenarios** to assess how proposed safeguards and accountability expectations would function in practice. Scenarios addressed issues such as in-game spending by minors, unsafe user interactions and exposure to harmful content. This phase tested feasibility, proportionality and operational implications, moving discussions from principle to implementation.

e. Evaluation of Regulatory Pathways

Groups assessed **four proposed governance models** against defined criteria, including clarity of scope, compliance feasibility, proportionality and compatibility with Malaysia's co-regulatory framework. This comparative evaluation enabled participants to consider practical trade-offs and implementation consequences.

f. Minimum Safety Baseline Design

Participants identified baseline safeguards that should reasonably apply across online gaming services, particularly in relation to child protection, monetisation transparency and user safety mechanisms. This exercise focused on identifying **foundational standards capable of commanding broad support**, regardless of the regulatory pathway chosen.

The reason for this structured sequencing is to ensure a logical progression from identifying governance gaps, to clarifying responsibilities, prioritising risks, testing policy approaches and articulating baseline safeguards. The methodology faciliated the reliability of outputs and generated inputs directly relevant to the drafting of the proposed Gaming Sub-Code.

Rapporteurs and Facilitation

Each breakout group appointed at least one rapporteur to ensure disciplined and **structured documentation of deliberations**. Rapporteurs were responsible for recording key discussion points, areas of convergence and divergence, identified governance gaps, prioritised risks and emerging policy considerations. This role ensured that discussions were captured systematically and that outputs remained focused on drafting-relevant insights rather than anecdotal commentary.

In addition to documentation, rapporteurs served a **moderating function** within their groups. Where discussions became animated or divergent, they helped refocus deliberations on the agreed analytical framework and session objectives. This contributed to maintaining constructive engagement while preserving space for differing viewpoints.

During the plenary synthesis session, rapporteurs presented **structured summaries** of their group's findings. This facilitated cross-comparison across breakout groups and thematic tracks, enabling participants to assess areas of alignment, variation and recurring concerns. The synthesis process ensured that all perspectives were formally surfaced, examined and integrated into the consolidated record.

Facilitators guided discussions using **structured prompts** aligned with the session's policy objectives. The facilitation approach was designed to promote balanced participation across stakeholder categories, maintain time discipline and sustain focused deliberation. Active moderation ensured that no single perspective dominated the exchange, reinforcing the integrity and inclusiveness of the consultation process.

Documentation and Individual Inputs

In addition to group-level deliberations, participants completed structured individual assessments designed to **capture independent reflections alongside collective discussion outcomes**. The assessments were administered through a digital survey accessed via QR codes distributed by facilitators, with survey instruments tailored to each thematic track. This enabled targeted input on governance gaps, risk prioritisation and potential policy pathways.

To ensure accessibility, physical copies of the survey instruments were also made available. This allowed participants to contribute through their preferred medium and ensured that technological constraints did not limit participation.

Inputs were documented through standardised reporting templates, rapporteur summaries, quantified risk rankings and individual survey responses. This **dual-layer documentation** approach preserved both areas of consensus and divergent viewpoints, strengthening the integrity of the record.

The structured documentation framework enhanced traceability and comparability across groups. It reduced reliance on anecdotal interpretation and provided a consolidated evidentiary base to inform subsequent drafting of the proposed Gaming Sub-Code.

Methodological Integrity

The overall session design was intentionally structured to ensure analytical discipline and procedural robustness. Deliberations were **guided** rather than open-ended, **evidence-oriented** rather than anecdotal, and **comparable** across thematic tracks. The integration of structured prompts, prioritisation exercises, scenario testing and individual assessments ensured that outputs were grounded in implementation realities rather than abstract principle alone.

Standardised documentation, cross-group synthesis and dual-layer recording of collective and individual inputs enhanced traceability and transparency. This approach enabled clearer identification of areas of convergence, divergence and recurring concern across stakeholder categories.

Taken together, the methodological framework strengthens the credibility and defensibility of the findings. The engagement outputs therefore provide a structured and reliable evidentiary foundation to inform the continued development of the proposed Gaming Sub-Code.

5. KEY DISCUSSION THEMES AND FINDINGS

- **Age Assurance and Child Protection**

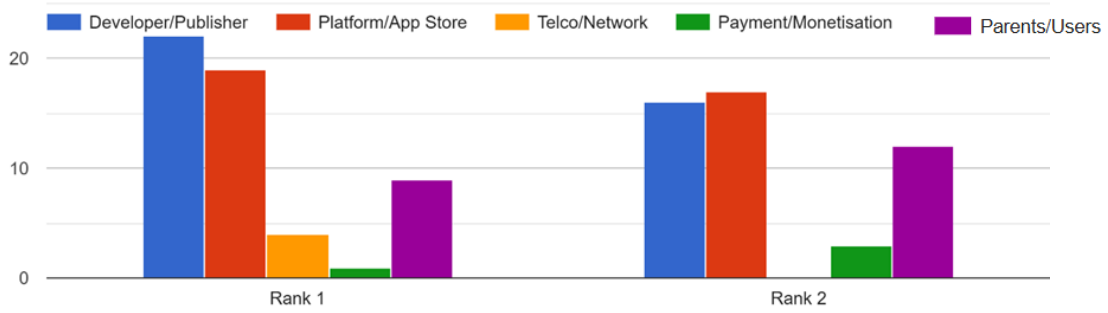


Chart 2: Categories responsible for Age Assurance and Access

Age assurance emerged as one of the most significant governance gaps within Malaysia's online gaming environment. Participants were asked to rank which actors should bear primary and secondary responsibility for age assurance and access controls. As reflected in **Chart 2**, developers and publishers, as well as platform and app store operators, were most frequently ranked as Priority 1 and Priority 2 actors. Parents and users were also identified as playing an important supporting role. Payment intermediaries and telecommunications or network providers were ranked lower in comparison.

The ranking exercise demonstrates a clear expectation that age assurance responsibilities should sit primarily with **service-facing actors** directly controlling onboarding, account architecture and feature access, rather than being deferred downstream.

Stakeholders reiterated that existing age verification and assurance mechanisms remain inconsistent across devices, platforms and app stores. **Reliance on self-declaration was widely regarded as ineffective**. Participants noted that minors are often able to misrepresent their age during registration or access services through shared adult accounts.

There was broad agreement that one-time verification at onboarding is insufficient. Some stakeholders proposed stronger intervention at **higher-risk touchpoints**, including payment stages or access to monetised and interactive features. Others suggested periodic or randomised verification during gameplay, including age estimation technologies, as a means of reinforcing ongoing compliance.

At the same time, concerns relating to **privacy**, **proportionality** and **data governance** were substantial. Participants questioned which entities would collect, store or access identity or biometric data, particularly where services are operated by overseas providers. Mandatory identity submission as a default model attracted caution, with references to data breach risks, public resistance and potential overreach**. A majority view favoured a risk-based and privacy-preserving age assurance framework over universal identity verification.**

Importantly, stakeholders emphasised that age assurance alone cannot resolve child safety risks. Protection must be layered.

Complementary measures repeatedly highlighted include parental education, digital literacy initiatives and ecosystem coordination. Collaboration with telecommunications companies, schools and community partners was suggested to strengthen awareness among parents and children. Participants observed that adoption of parental controls may vary across demographic and geographic contexts, requiring tools that are practical, accessible and culturally adaptable.

Several stakeholders proposed the **development of safer environments** specifically designed for minors. Suggestions included curated child-safe gaming spaces, developmentally differentiated account modes and enhanced parental visibility tools such as activity summaries, communication alerts and spending notifications.

Non-negotiable safeguards frequently cited include default-on privacy settings for minors, differentiated child accounts, spending limits, playtime monitoring tools, break prompts and wellbeing protections against excessive or prolonged use.

Taken together, discussions demonstrate convergence on strategic direction: effective child protection requires a layered framework combining proportionate age assurance mechanisms, default safety-by-design protections, parental empowerment tools and sustained education efforts.

The challenge moving forward lies not in identifying the need for safeguards, but in calibrating responsibility allocation and implementation models in a manner that is operationally viable and privacy-conscious within Malaysia's regulatory context.

Design and Risk-Based Safeguards

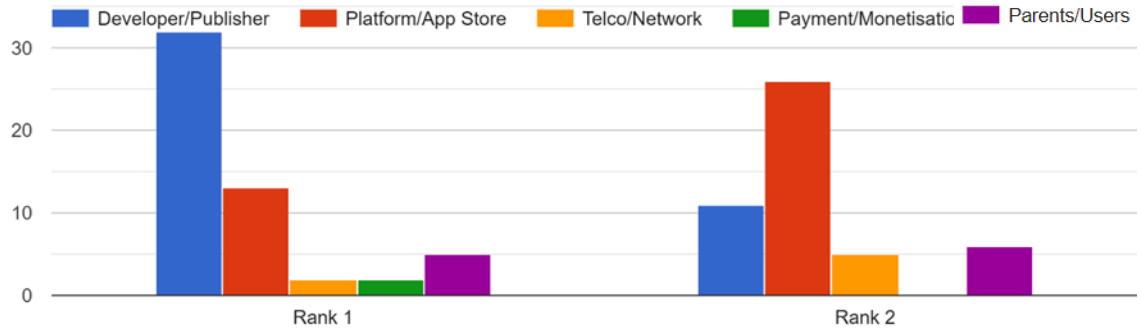


Chart 3: Categories responsible for Content Rating / Classification

Participants were similarly asked to rank which actors should bear responsibility for content rating and classification. As reflected in **Chart 3**, developers and publishers were most frequently ranked as Priority 1 actors, with platform and app store operators commonly identified as Priority 2. Parents and users were viewed as playing a complementary but secondary role. Payment intermediaries and telecommunications providers were ranked comparatively lower.

The ranking results indicate a clear expectation that primary responsibility for classification should rest with those directly involved in content creation and distribution architecture, particularly where they exercise **editorial and technical control** over game design and feature deployment.

Beyond classification, stakeholders distinguished between two principal sources of harm within gaming environments:

a. **Game design and platform architecture; and**
b. **User behaviour within interactive environments.**

From a design perspective, **engagement-driven mechanics** were frequently cited as priority concerns. Addictive reward loops, frictionless monetisation systems and loot box or randomised reward structures were identified as features that may incentivise prolonged play or repeated spending, particularly among younger users. Participants noted that **monetisation mechanisms embedded within gameplay** blur the line between entertainment and financial exposure, warranting clearer transparency standards and protective thresholds.

Behavioural harms were also extensively discussed. Grooming, harassment, cyberbullying, misogyny, gender-based abuse and toxic conduct were identified as recurring risks within multiplayer and communication-enabled environments. Exposure to scams, coercion and exploitation through private messaging features was raised as a significant vulnerability, particularly where interactions occur in real time.

User-generated content (UGC) presents additional governance complexity. While developers and platforms deploy moderation systems, participants acknowledged practical limitations in monitoring real-time user behaviour, especially where enforcement relies heavily on self-reporting. Harmful conduct may occur rapidly, migrate across external communication channels or evade detection through coded language and evasive tactics.

Stakeholders therefore emphasised that moderation frameworks **must evolve beyond complaint-driven models.** Proposed safeguards included AI-assisted detection systems supplemented by human moderation, identification of repeated harmful language patterns, proactive removal of fake or impersonation accounts and clearer, more accessible reporting pathways. Participants also highlighted the need for escalation protocols and visible enforcement outcomes to reinforce deterrence.

There was convergence on the need for clearer and more consistent **rating and classification standards**. This includes explicit labelling where games contain violence, nudity or other sensitive material, alongside clearer definitional guidance on what constitutes “violent” or other risk indicators within a gaming context. Improved clarity was viewed as essential to support consistent enforcement and informed parental decision-making.

Taken together, discussions reflect recognition that safeguarding within gaming environments requires both structural design interventions and behavioural governance mechanisms. Effective policy responses will need to differentiate between risks inherent in system architecture and those arising from user interaction, while clarifying responsibility allocation across actors with varying degrees of control.

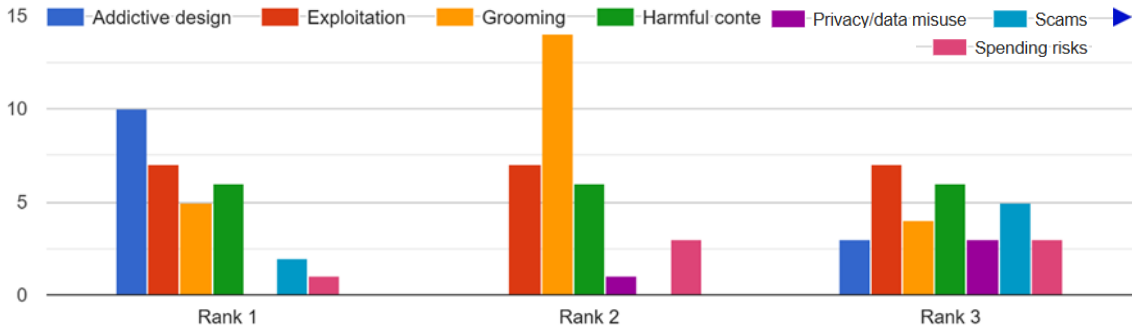


Chart 4: Top 3 Harms in Online Gaming

- **Governance Architecture and Accountability**

Fragmented accountability emerged as a dominant cross-cutting concern.

Many stakeholders observed that online gaming activities fall between **multiple regulatory domains**, including content regulation, platform governance and telecommunications infrastructure. As a result, no single actor is perceived to hold end-to-end responsibility for prevention, detection and response to harm.

Participants frequently noted a **gap between user expectations and operational reality.** Users generally expect protection from authorities or platforms; however, safeguards are perceived as uneven, enforcement unclear and jurisdictional limitations significant where cross-border services are involved.

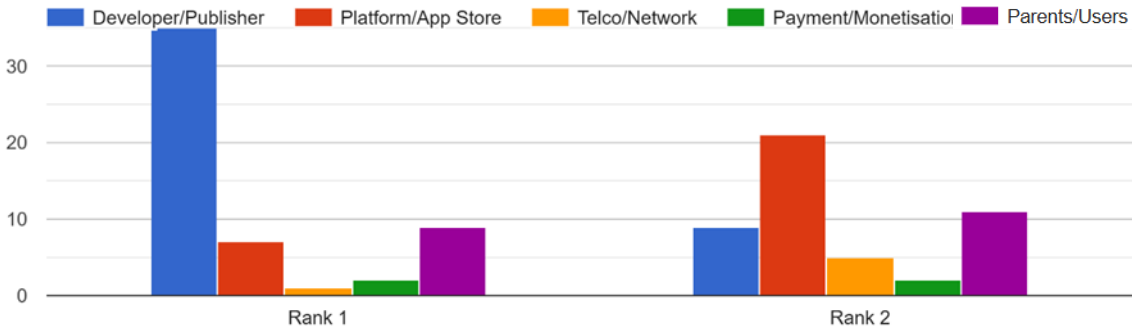


Chart 5: Categories responsible for In-game Communication & Moderation

Participants were asked to rank responsibility for in-game communication and moderation. As reflected in **Chart 5**, developers and publishers were most frequently ranked as the primary responsible actors, with platform and app store operators commonly identified as the secondary layer of responsibility. Parents and users were

associated with supervisory and behavioural oversight roles, while telecommunications and payment intermediaries were ranked comparatively lower.

The ranking results reinforce a consistent pattern observed across thematic exercises: stakeholders expect **primary responsibility to rest with actors that design, control and technically enable** gaming environments and communication architecture.

Beyond ranking outcomes, discussions highlighted **structural governance complexity**. Online gaming activities intersect multiple regulatory domains, including content standards, platform governance, consumer protection and telecommunications infrastructure. This multi-layered environment has reinforced the perception that responsibility cannot be burdened upon a single actor.

Responsibility ranking exercises provided further clarity on stakeholder expectations across risk areas. For age assurance, communication moderation, monetisation design, reporting mechanisms and crisis response, **developers and publishers** were consistently identified as the primary accountable parties, followed by platform and app store operators.

Regulators were expected to establish baseline standards, provide oversight and lead education and awareness initiatives rather than manage day-to-day enforcement. **Parents and users** were viewed as playing supervisory roles, particularly in relation to parental controls and spending oversight.

Notwithstanding these expectations, participants acknowledged that accountability remains diffused in practice. Harms often involve multiple ecosystem actors, including payment intermediaries, communication channels and third-party services. This diffusion can complicate enforcement, create uncertainty in escalation pathways and weaken user confidence in redress mechanisms.

Broader governance considerations were also raised, extending beyond immediate safety risks. These include player welfare, protections for freelancers and content contributors, and the long-term sustainability of the esports ecosystem. Such concerns reflect recognition that governance architecture must account not only for user protection, but also for ecosystem stability.

Overall, stakeholders did not indicate an absence of governance. Rather, the prevailing concern was lack of coordination, clarity and role delineation. The findings underscore the importance of articulating responsibility allocation within the proposed Gaming Sub-Code in a manner that reduces ambiguity, strengthens accountability pathways and aligns expectations with operational control.

Proportionate Regulation and Industry Practicalities

Participants were asked to rank four potential regulatory pathways in order of preference. As reflected in Chart 6, the **Code-Led Co-Regulation** model received the highest number of Priority 1 rankings. The **Hybrid Phased Approach** also performed strongly across Priority 2 and Priority 3 rankings, indicating broad cross-group support. In contrast, the **Licensing Model** was most frequently ranked lower in overall preference, while the

Platform Duty-of-Care approach attracted moderate but less concentrated support.

The ranking results indicate a clear inclination towards calibrated, co-regulatory solutions rather than immediate statutory licensing frameworks.

Support for Code-Led and Hybrid Models

Stakeholders expressed strong support for beginning with **a Gaming Sub-Code grounded in safety-by-design principles**. The Code-Led Co-Regulation model was viewed as consistent with Malaysia's existing Content Code framework and capable of providing structured guidance without imposing rigid statutory constraints at the outset.

The Hybrid Phased Approach was similarly regarded as pragmatic. Participants noted that **phased strengthening of safeguards** allows standards to mature alongside industry readiness and technological capability. This model was seen as offering flexibility while preserving a pathway for escalation should voluntary compliance prove insufficient.

Many emphasised that early and sustained industry involvement is essential to ensure that requirements remain operationally viable, particularly where safeguards require technical integration, system redesign or investment in moderation capacity.

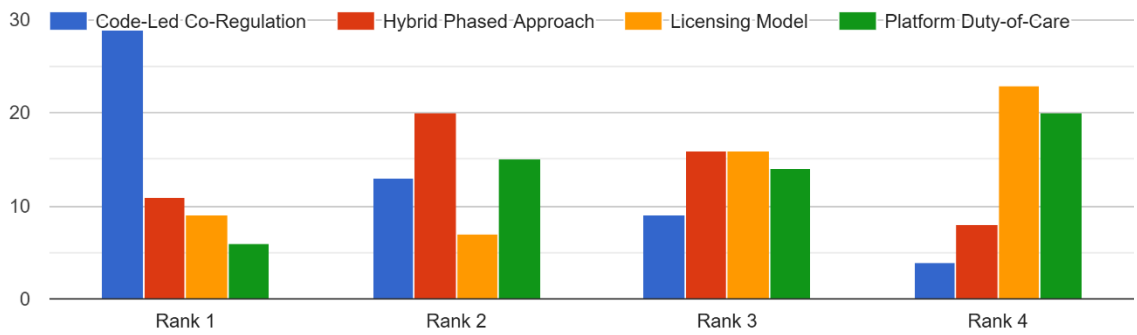


Chart 6: Regulatory frameworks by order of preference

Pilot Implementation Approach

A frequently proposed starting point was a pilot initiative covering the **top 20–50 games by reach or user base**. This was viewed as a practical mechanism to test safeguards, assess implementation challenges and refine standards before broader rollout. Such a targeted approach was considered capable of minimising unintended burden on smaller developers and emerging local players while focusing oversight on **higher-impact services.**

Views on Licensing and Duty-of-Care

Views on a licensing model were more divided. A minority supported licensing on the

basis of **enforceability and legal clarity**. However, most participants expressed concern that a licensing regime may impose **disproportionate compliance costs**, particularly on smaller developers, independent creators and local industry entrants. Questions were also raised regarding **cross-border enforceability**, especially where service providers operate outside Malaysia's jurisdiction.

The Platform Duty-of-Care model attracted moderate support, particularly where linked to baseline safety obligations. However, participants cautioned that undefined or open-ended duties could generate uncertainty unless accompanied by clear standards and measurable expectations.

Implementation Realities

Participants underscored that implementation of advanced safeguards, including enhanced moderation technologies, strengthened age assurance mechanisms and child-specific safe spaces, would require significant investment, technical coordination and cross-actor alignment. Abrupt regulatory escalation without **preparatory groundwork** was widely viewed as likely to generate compliance friction rather than effective protection.

Overall Direction

The overall discussion reflects convergence around progressive strengthening of safeguards through **structured, predictable and phased implementation**. Stakeholders supported clear baseline standards, defined responsibility allocation and iterative refinement rather than abrupt regulatory overhaul.

The preference for Code-Led and Hybrid models indicates confidence in a co-regulatory pathway that balances user protection, industry sustainability and innovation. The findings provide a strong evidentiary basis for advancing the Gaming Sub-Code as the initial governance instrument, with flexibility for calibrated escalation where warranted.

6. EMERGING PRINCIPLES FOR THE DEVELOPMENT OF A GAMING SUB-CODE

The stakeholder discussions did not point towards a single prescriptive regulatory model. However, clear and consistent directional themes emerged across sessions.

Risk-Based and Proportionate Approach

Stakeholders cautioned against applying uniform regulatory obligations across a highly diverse gaming landscape. Differences in platform scale, technical capability, business models and market reach were repeatedly highlighted as material considerations.

There was strong support for a **risk-based framework** that prioritises higher-risk features, including monetisation systems, open communication functions and environments accessible to minors, rather than imposing blanket measures across all services. A **phased implementation pathway** was widely viewed as appropriate, enabling safeguards to be tested, refined and scaled progressively.

This approach reflects stakeholder preference for calibrated strengthening of protections while preserving innovation capacity and industry sustainability.

Child Safety as a Foundational Design Consideration

Child protection was consistently framed as a **core design obligation** rather than a peripheral compliance requirement. Participants emphasised that safeguards should be embedded at the product and platform architecture level.

Baseline expectations frequently cited include default privacy protections for minors, developmentally differentiated account environments, proactive wellbeing tools and protective design features that operate independently of parental activation. There was broad alignment that **child safety measures should not depend solely on user awareness or parental oversight**, particularly where minors are likely to access services.

The principle emerging from discussions is that child protection must be safety-by-design, not safety-by-exception.

Shared Responsibility Across the Ecosystem

Feedback repeatedly underscored fragmented accountability across developers, publishers, platforms, app stores, payment intermediaries, parents and regulators. Participants supported a **shared responsibility model**, with operational obligations resting primarily on actors exercising design and technical control, supported by regulatory oversight and parental engagement.

Clearer delineation of roles was viewed as essential to reduce gaps in prevention, reporting and response. **End-to-end coordination**, particularly in areas such as age assurance, moderation and escalation of serious incidents, was identified as a key governance objective.

The emerging expectation is not centralised control, but coordinated accountability aligned with operational capability.

Transparency in Monetisation and Game Mechanics

Monetisation design was repeatedly linked to concerns involving overspending, prolonged engagement and heightened vulnerability among younger users.

Stakeholders emphasised the importance of **transparency in in-game purchasing systems**, including clearer disclosure of loot box or probability-based reward mechanics, spending pathways and financial exposure points. **Enhanced visibility tools** for parents and users, such as spending alerts, friction mechanisms and transaction notifications, were widely viewed as contributing to more responsible gaming environments.

The principle articulated is that monetisation systems should be understandable, not opaque.

Accessible Reporting and Redress Mechanisms

Participants observed that users often expect timely intervention when harm occurs, yet experience inconsistent reporting outcomes across services. Clear, accessible and predictable **complaint pathways** were therefore identified as essential safeguards.

Reporting mechanisms should be easy to locate, responsive and supported by transparent escalation processes where serious risks arise. **Coordination** between service providers and relevant authorities was viewed as necessary in high-risk cases.

Industry Practicality and Phased Implementation

Stakeholders consistently emphasised that safeguards must remain **operationally viable**. The global and cross-border nature of gaming services introduces practical constraints relating to technical integration, compliance costs and jurisdictional reach. Smaller developers and emerging local players may face proportionately greater resource limitations compared to large platform operators.

Industry participation in the **development of standards** was therefore regarded as essential to ensure adoption and sustainability. A phased pathway, beginning with structured voluntary alignment and progressing towards strengthened obligations where warranted, received broad support.

The overarching principle is progressive strengthening of safeguards within a predictable and coordinated framework.

7. ISSUES REQUIRING FURTHER STUDY

While stakeholder discussions provided strong directional clarity on priority risks and governance expectations, several areas were identified where additional technical assessment and policy analysis are required before regulatory approaches are finalised.

These issues reflect structural and operational complexity rather than absence of stakeholder alignment.

- **Appropriate Age Assurance Model for Malaysia**

  Although there was broad agreement that current age assurance mechanisms are insufficient, views diverged significantly on the most appropriate implementation model.

  Proposals ranged from government-issued identity verification and biometric confirmation mechanisms to privacy-preserving age estimation tools and enhanced parental verification systems. Stakeholders raised concerns relating to **proportionality**, **data protection, public acceptance and the operational feasibility** of storing or processing sensitive identity information, particularly in cross-border contexts.

  Further technical and legal assessment will be required to evaluate feasible models within Malaysia's regulatory environment. This includes alignment with existing personal data protection obligations, digital identity initiatives and practical enforcement considerations. A calibrated approach that balances effectiveness, privacy safeguards and technological viability will be critical.

- **Treatment of Cross-Border Gaming Services**

  The global nature of online gaming services presents enforcement and jurisdictional challenges. Many developers and platforms operate beyond domestic regulatory reach, potentially limiting the effectiveness of purely national measures.

  Participants emphasised the need to consider how **proportionate obligations** may be applied in cross-border settings. This may involve examining platform-level accountability mechanisms, market access levers, regional cooperation frameworks or other compliance strategies capable of addressing jurisdictional constraints without overextending regulatory reach.

  This area requires careful policy calibration to ensure enforceability without creating regulatory fragmentation.

- **Alignment with Existing Legislative Frameworks**

  Online gaming intersects with multiple regulatory domains, including online safety, communications regulation, consumer protection and child protection regimes.

Participants highlighted the importance of ensuring coherence between the proposed Gaming Sub-Code and existing statutory instruments, including the Online Safety Act 2025.

Further review will be required to **avoid duplication, regulatory ambiguity or conflicting standards.** The objective is to position the Sub-Code as a complementary instrument that clarifies operational expectations within the broader legal ecosystem.

- **Enforcement and Oversight within a Self or Co-Regulatory Framework**

Stakeholders expressed general support for code-led and phased governance approaches. However, questions remain regarding **oversight and enforcement mechanisms** within self- or co-regulatory models.

Key considerations include monitoring processes, reporting obligations, escalation pathways, compliance incentives and graduated responses where voluntary alignment proves insufficient. Clarifying these elements will be essential to ensure credibility, predictability and sustained adherence to standards.

The effectiveness of any Sub-Code will depend not only on the articulation of principles, but also on the robustness of its oversight architecture.

- **Operational and Industry Impact Considerations**

Implementation capacity varies significantly across industry actors. Smaller developers, independent creators and emerging local studios may face proportionately greater technical and financial constraints compared to large multinational platforms.

Further assessment will therefore be required to design **proportionate implementation pathways** that strengthen safeguards without unintentionally discouraging local participation or innovation.

Balancing protective objectives with ecosystem sustainability remains an important policy consideration.

8. PROPOSED NEXT STEPS

The stakeholder engagement marks the conclusion of the exploratory phase and the transition to structured policy development.

Establishment of a Dedicated Working Group

A dedicated Gaming Sub-Code Working Group will be constituted to lead the drafting process. The Working Group will comprise representatives from relevant stakeholder categories, including CMCF members, gaming developers, publishers, platforms, civil society organisations, child protection experts, and regulatory observers where appropriate.

The Working Group will:

- Review and synthesise the engagement findings;
- Translate emerging principles into draft provisions and guidance;
- Assess feasibility, proportionality and enforceability of proposed safeguards;
- Examine alignment with existing legislative frameworks, including the Online Safety Act 2025;
- Consider phased implementation pathways and transitional arrangements.

The drafting process will be iterative and evidence-informed, drawing not only from the engagement findings but also from comparative international practices and evolving risk assessments within the gaming sector.

Development of the Draft Gaming Sub-Code

The initial draft will likely articulate:

- Scope and applicability;
- Allocation of responsibilities across ecosystem actors;
- Baseline child safety and age assurance standards;
- Transparency and monetisation safeguards;
- Communication moderation and reporting mechanisms;
- Oversight, monitoring and compliance expectations.

Where appropriate, differentiated obligations may be considered to reflect risk profile, scale and operational capacity.

Public Consultation Phase

Upon completion of the draft, a nationwide public consultation will be launched. This consultation will invite submissions from industry participants, civil society organisations, parents, youth representatives, academics and members of the public.

The consultation process will:

- Provide transparent access to the draft provisions;
- Invite structured feedback on clarity, feasibility and proportionality;
- Identify unintended consequences or implementation challenges;
- Allow refinement prior to finalisation.

All submissions will be reviewed and synthesised into a consultation feedback report to ensure transparency in how input informs final drafting.

Phased Implementation and Capacity Building

Subject to finalisation and registration, implementation of the Gaming Sub-Code will adopt a phased pathway. This may include:

- Transitional compliance periods;
- Guidance documents and explanatory materials;
- Industry briefings and training sessions;
- Monitoring and review checkpoints to assess effectiveness and operational impact.

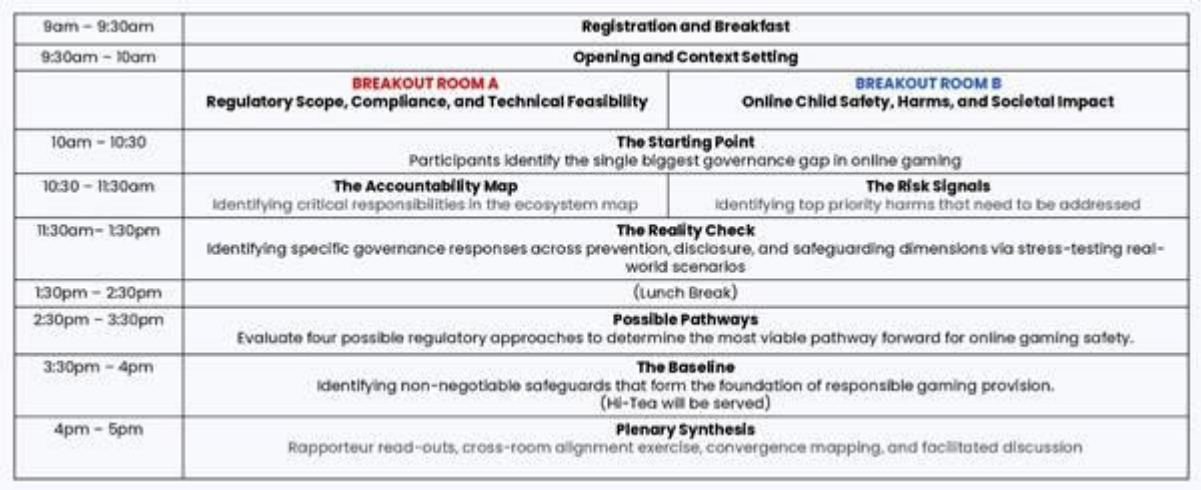
Ongoing Review and Adaptive Governance

Given the dynamic nature of gaming technologies and monetisation models, the Sub-Code will be subject to periodic review. Mechanisms will be established to monitor emerging risks, technological developments and enforcement trends, enabling adaptive refinement where necessary.

9. APPENDICES

Appendix A: Agenda

The programme agenda and flow for the Targeted Multi-Stakeholder Engagement is set out below.



9am – 9:30am	**Registration and Breakfast**	
9:30am – 10am	**Opening and Context Setting**	
	BREAKOUT ROOM A **Regulatory Scope, Compliance, and Technical Feasibility**	**BREAKOUT ROOM B** **Online Child Safety, Harms, and Societal Impact**
10am – 10:30	**The Starting Point** Participants identify the single biggest governance gap in online gaming	
10:30 – 11:30am	**The Accountability Map** Identifying critical responsibilities in the ecosystem map	**The Risk Signals** Identifying top priority harms that need to be addressed
11:30am– 1:30pm	**The Reality Check** Identifying specific governance responses across prevention, disclosure, and safeguarding dimensions via stress-testing real-world scenarios	
1:30pm – 2:30pm	(Lunch Break)	
2:30pm – 3:30pm	**Possible Pathways** Evaluate four possible regulatory approaches to determine the most viable pathway forward for online gaming safety.	
3:30pm – 4pm	**The Baseline** Identifying non-negotiable safeguards that form the foundation of responsible gaming provision. (Hi-Tea will be served)	
4pm – 5pm	**Plenary Synthesis** Rapporteur read-outs, cross-room alignment exercise, convergence mapping, and facilitated discussion	

Image 1: Agenda and Flow

Appendix B: List of Participants

The list of participants who attended the Targeted Multi-Stakeholder Engagement is set out below.

No.	Full Name	Organization/ Department	Position/ Role
Game Developers/ Publishers/ Consultancy			
1.	Calvin Chong Ho Aun	Ammobox Studios Sdn. Bhd.	Chief Operating Officer
2.	Shahrizar bin Roslan	Kaigan Games Entertainment	Chief Executive Officer
3.	Jeffery Chan Mun Kit	Mobile Legends: Bang Bang Moonton	Publishing Lead
4.	Aiman Wafiy bin Roslan	Tencent/ PUBG Mobile	Esports Manager
5.	Jason Chong	Raceroom Asia	Chief Executive Officer
6.	Megan Ooi	Vriens & Partners	Associate
7.	Nusaybah Maszlee	Vriens & Partners	Analyst
8.	Hasnul Hadi Samsudin	PlayStation Studios Malaysia	Head of Studio

9.	Sydney Gan	Access Partnership	Analyst
Platform/ Apps Stores			
10.	Mohd Sharulnizar bin Razali	TM Technology Services Sdn. Bhd.	Executive
11.	Moh Zharif Anuar	TM Technology Services Sdn. Bhd.	Programmer and Developer
12.	Aidil Iskandar bin Abd Razak	TM Technology Services Sdn. Bhd.	IT Executive
13.	FatahZull Ibrahim	TM Technology Services Sdn. Bhd.	Mobile App Developer
Civil Society / NGOs / Parents / Youth / Universities / Education / Esport Teams			
14.	Sivaselvi Supramaniam	United Nations Children's Fund	Child Protection Specialist
15.	Fan Kar Joon	United Nations Children's Fund	Child Protection Officer
16.	Lai Kok Kiong	Black Shrew Esport Global	General Manager
17.	Muhammad Syafiq bin Fauzan	Enambelas Development	Founder
18.	Izzah Azura Hamzah	Enambelas Development	Co-Founder
19.	Amir Syafiq bin Abd Rashid	Malaysia Esports Federation (MESF)	Manager
20	Mohamad Khir bin Md Noor	Malaysia Esports Federation (MESF)	Vice President 1
21.	Jessie Ting	National Council of Befrienders Malaysia	President
22.	Dr. Khadijah Hasanah Abang Abdullah	Esports MedicA	Medical Advisory Board
23.	Amnani Abdul Kadir	P.S. the Children	Executive Director
24.	Dr. Sasha Mohan	P. S. the Children	Executive Member
25.	Andrew Cheong (Sir_Cloud)	Tunku Abdul Rahman University of Management and Technology	Lecturer
26.	Dewi Dermawan bin Haji Elmi	Universiti Selangor	Lecturer
27.	Aida Zulaikha binti Zulkefly	Universiti Selangor	Lecturer
28.	Norhayati Mohd Amin	Universiti Selangor	Lecturer
29.	Rosnita binti A. Rahaman	Universiti Selangor	Lecturer

CMCF Members			
30.	Nicholas Sagau	REV Media Group	Chief Operating Officer
31.	Joel Prashant	LAW Partnership	Senior Associate
32.	Serene Kan Ming Choi	Wong & Partners	Partner
33.	Soo An Qi	Adnan Sundra & Low	Managing Associate
34.	Nor Hanizar Shafie	Media Prima Berhad	Manager Regulatory Affairs
35.	Tracey Jan Francis	Media Prima Berhad	Senior Manager
36.	Sri Sarguna Raj	Adnan Sundra & Low	Partner
37.	Hou Cher Cheok, Steven	Adnan Sundra & Low	Partner
38.	Anissa Maria Anis	Christopher & Lee Ong	Partner
39.	Chang Jun Xiang	Christopher & Lee Ong	Associate
40.	Claudian Navin Stanislaus	Malaysian Advertisers Association	Group Strategic Director
41.	Mohamad Noor Syawal Khir bin Azdmi	Measat Broadcast Network Systems Sdn. Bhd.	Senior Associate
42.	Nur Halimah binti Mohd Yusoff	Measat Broadcast Network Systems Sdn. Bhd.	Manager
43.	Noor Amelia Zainabila binti Zaiffri	Measat Broadcast Network Systems Sdn. Bhd.	Senior Associate
44.	Assoc. Prof. Dr. Nur Kareelawati Abd. Karim	Association for Creative Culture Industries	Chair/Founder
Government Agencies			
45.	Ahmed Faris Amir	Esports Integrated	Chief Executive Officer
46.	Nurfazleia binti Zulkafli	Esports Integrated	SA, Planning & Growth
47.	Muhammad Zulhilmi bin Tarmizi	Esports Integrated	Assistant Vice President
48.	Shahrizan Mohd Sharif	Malaysia Digital Economy Corporation	Acting Director
49.	Amir Azlan bin Sapuan	Malaysia Digital Economy Corporation	Head of Games
50.	Jahirah binti Jalal Abidin	Malaysian Communications and Multimedia Commission	Deputy Director
51.	Rossiah Ramli	Malaysian Communications and Multimedia Commission	Assistant Director

Appendix C: Discussion Questions

The structured discussion materials used during the engagement are set out below. Certain activities were conducted separately but in parallel across both thematic tracks, while others were specific to a particular breakout room.

Image 2: Activities Conducted in Both Thematic Tracks

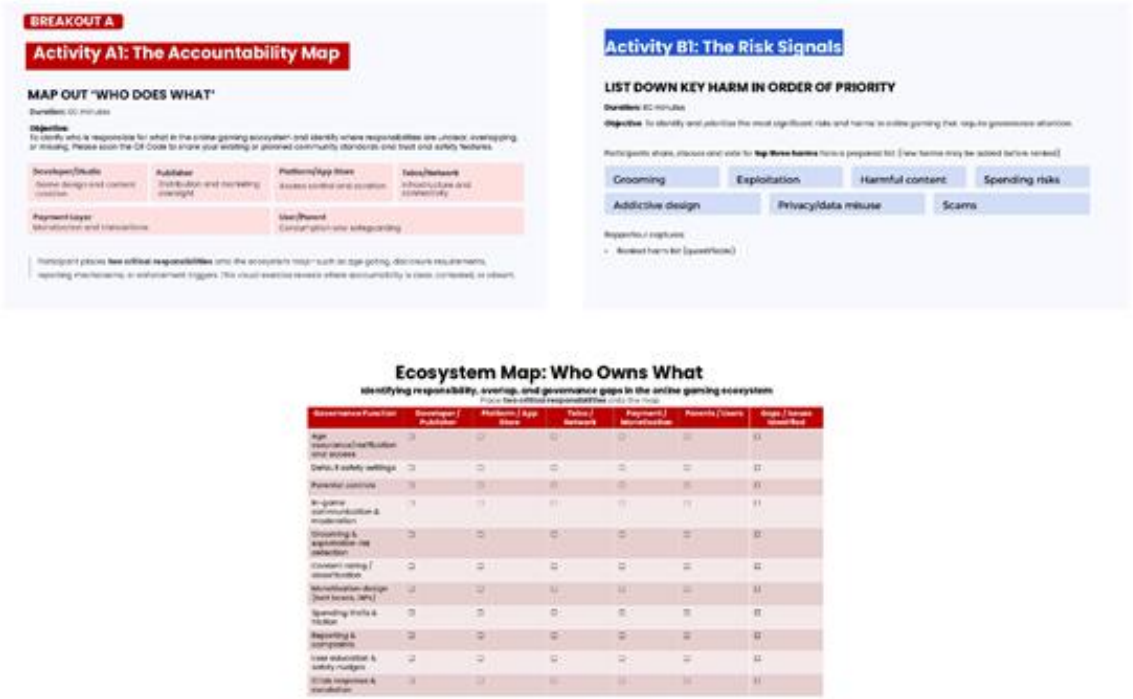


Image 3: Breakout-Specific Activities

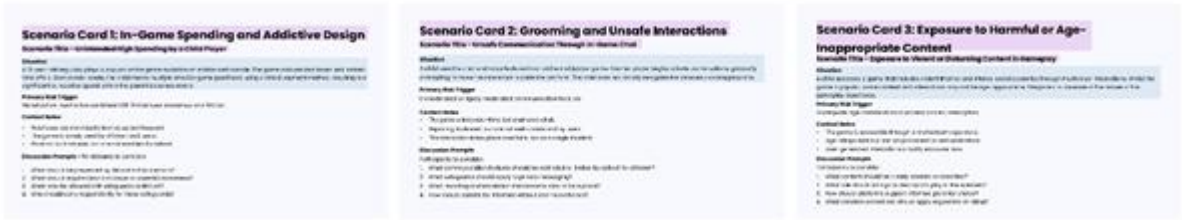


Image 4: Scenario Cards Used for Stress-Testing

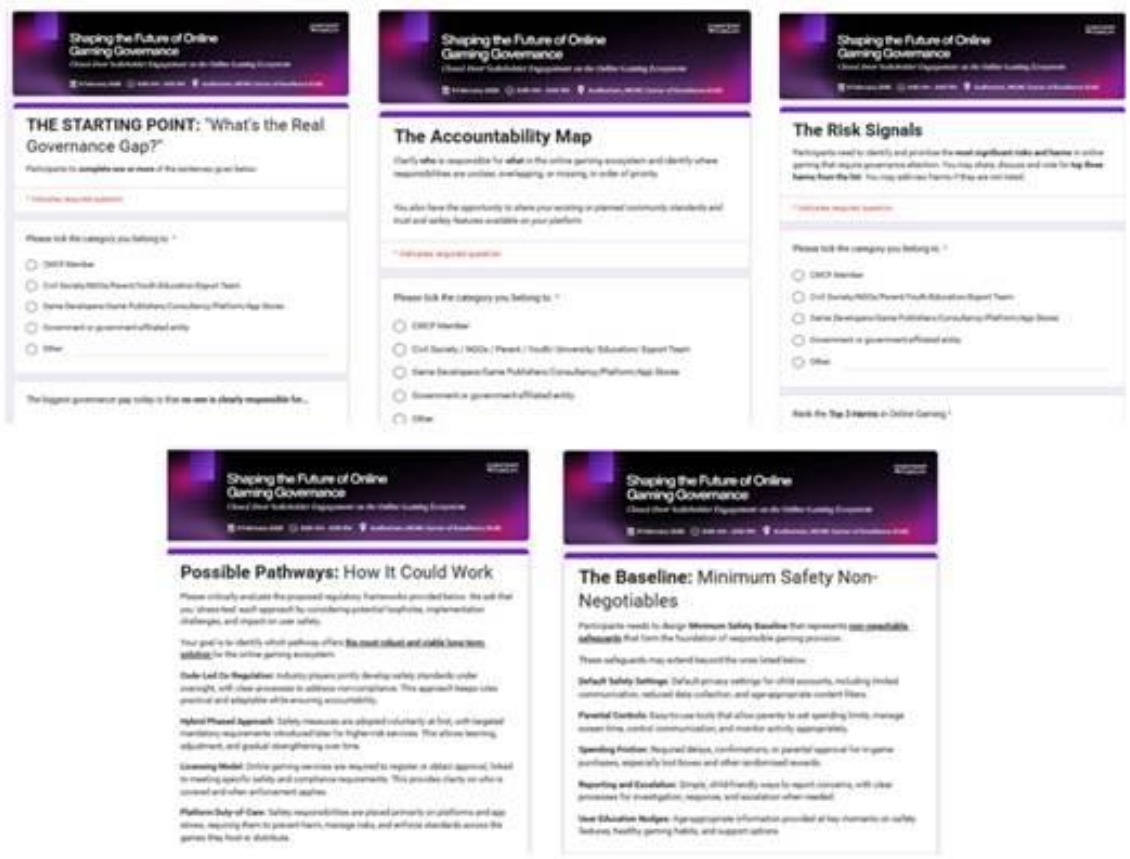


Image 5: Google Form Assessments for Individual Tasks

Appendix D: Photos

Image 6: Event Promotional Poster

Image 7: Opening and Context-Setting Session

Image 8: Activity Sessions

Image 9: Plenary Synthesis Session

Image 10: Group Photograph

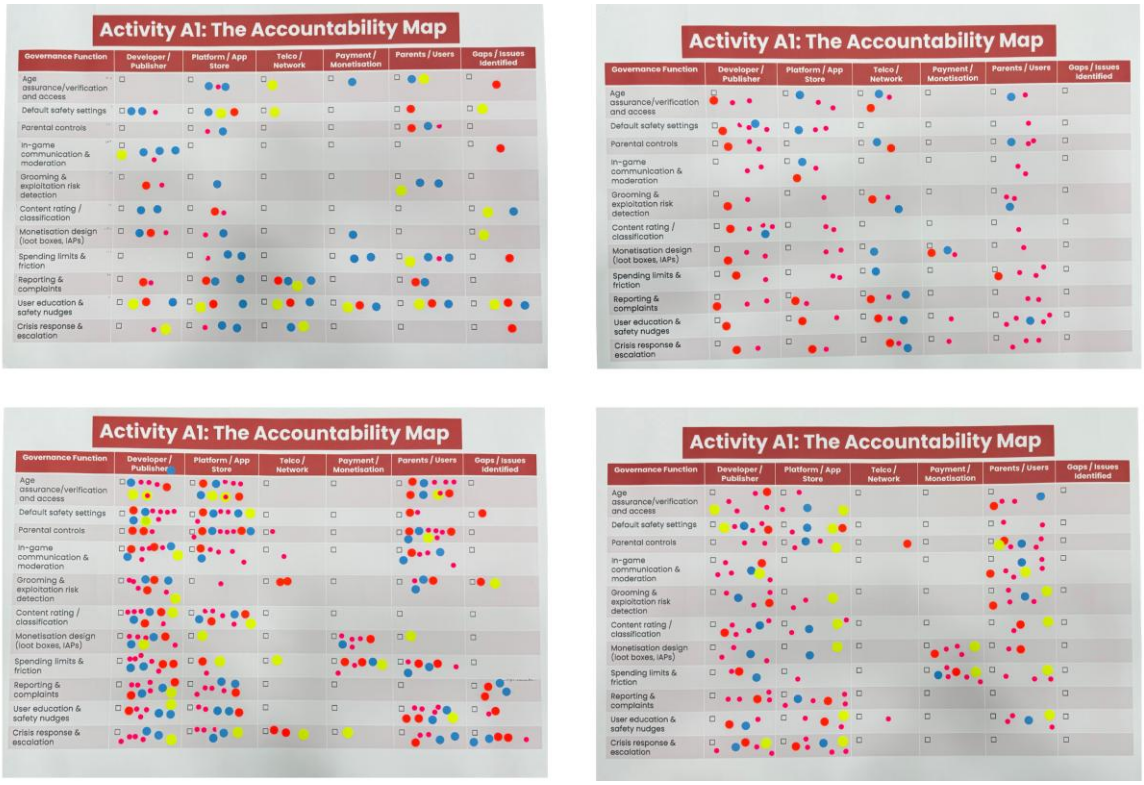


Image 11: Outputs from the breakout group discussions

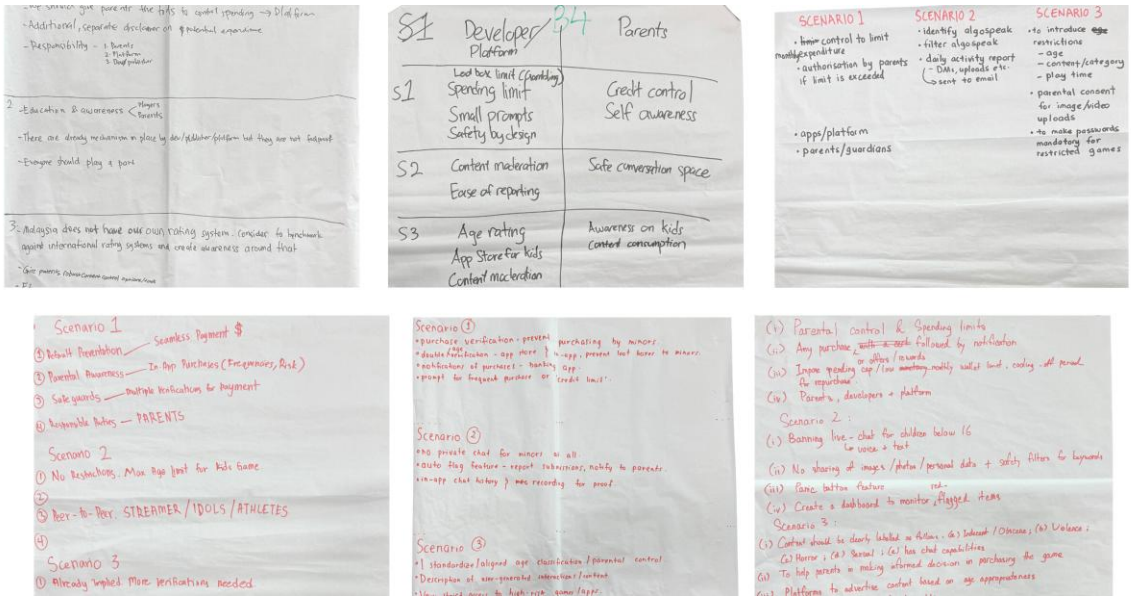


Image 12: Outputs from the breakout group discussions

Appendix E: Feedback Survey Summary

A structured post-session evaluation was conducted immediately following the engagement to assess the effectiveness of the session design, inclusiveness of discussions and practical relevance of the methodology. The survey was administered via digital form and completed individually through QR codes distributed during breakout sessions. Physical copies were also made available to ensure accessibility.

Twenty-four responses were received from 51 participants, representing a 47% response rate.

Survey Scope

The evaluation focused on four areas:

- Overall organisation and usefulness of the session;
- Whether participants were able to contribute meaningfully;
- Which components of the methodology were most valuable;
- Recommendations for strengthening future engagements.

Summary of Findings

The majority of respondents indicated that the session was well organised and allowed for meaningful participation. No respondent indicated that they were unable to contribute.

Responses on the most useful component of the session were distributed across the structured exercises, with no single activity identified as redundant. This suggests that the sequenced methodology was broadly viewed as coherent and complementary.

Qualitative feedback focused primarily on strengthening future engagements through:

- Greater inclusion of youth, gamers and esports representatives;
- Broader participation from platform, payment and creator ecosystem actors;
- Earlier circulation of pre-reading materials and legal context;
- Continued refinement of breakout group balance;
- Consideration of emerging risks, including AI-related issues affecting children.

Overall Observation

The feedback indicates confidence in the structured approach adopted for the engagement, alongside constructive recommendations to deepen stakeholder diversity and technical contextualisation in subsequent phases.