

Principles of e-KYC Measures

1. The board shall set and ensure effective implementation of appropriate policies and procedures to address the implementation of e-KYC as part of the AML/CFT programme that the LFI is required to undertake.
2. LFIs would take steps to identify the level of assurance of the e-KYC system that it employs. This is to ensure that the e-KYC system is appropriately reliable, risk-based and unbiased in filtering their counterparties and virtual transactions.
3. In taking a risk-based approach to CDD, LFIs would need to decide on the appropriate combination of methods to be used for customer identification and verification through e-KYC.
4. The appropriate measures for identification and verification of a customer's identity should be as effective as that of verifications for face-to-face customers.
5. LFIs are to take into account the following minimum measures in the e-KYC solution to identify and verify a customer's identity:
 - (a) Establishing that the information about the customer's identity is provided from a trusted database; or
 - (b) If the information about the customer's identity is not provided from a trusted database, the e-KYC solution has to perform documentation verification and biometric authentication; or
 - (c) Collecting customer's information for the purpose of validating the identity, which includes:
 - (i) Performing a live scan of the customer's identity document; and
 - (ii) Taking live photos (or live video) of the customer.
6. When subscribing to any e-KYC system provided by a third party service provider, the LFIs remain accountable in ensuring effective CDD is undertaken which adheres to the above principles.