



MINISTRY OF DIGITAL

National Blockchain Policy

Summary



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Executive Summary of the National Blockchain Policy

Blockchain is fundamentally redefining the foundations of trust, transparency and value creation in the digital economy. For Malaysia, it is not merely a technological advancement but a strategic imperative to safeguard national competitiveness and economic resilience. In an era where digital trust underpins prosperity, the adoption of blockchain will reinforce Malaysia's position as a future-ready, trusted, and resilient digital nation. Accordingly, this National Blockchain Policy establishes blockchain as a foundational trust layer that enables secure data exchange, strengthens transparent governance, and fosters inclusive innovation across the public and private sectors.

The National Blockchain Policy outlines a unified "Whole-of-Nation" strategy anchored on six (6) strategic thrusts:



Together, these thrusts establish the backbone of a trusted national blockchain ecosystem by providing a clear regulatory framework, strengthening sovereign digital infrastructure, nurturing skilled talent, mobilising investment, accelerating adoption across industries, and driving innovation from research to commercialisation. This Policy realises Malaysia's vision as the preferred blockchain innovation nation in Southeast Asia.

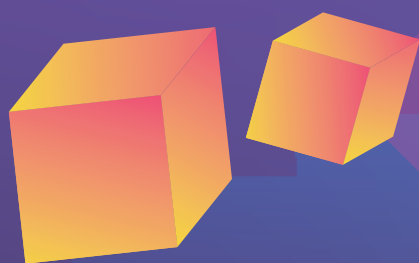


This Policy complements and reinforces Malaysia's broader digital transformation agenda already in place, including the National Fourth Industrial Revolution Policy (Dasar Revolusi Perindustrian Keempat Negara, D4IRN), Malaysia Digital Economy Blueprint (Rangka Tindakan (Blueprint) Ekonomi Digital Malaysia, RTEDM), and the National Science, Technology and Innovation Policy (Dasar Sains, Teknologi dan Inovasi Negara, DSTIN). It also supports the aspirations under the Thirteenth Malaysia Plan (Rancangan Malaysia Ketiga Belas, RMK13) to position Malaysia as an AI and digital economy leader. Through this Policy, the tokenisation of Real-World Assets (RWAs) is positioned as a key growth driver for Malaysia's next phase of the digital economy. RWA tokenisation refers to the representation of real-world assets, including both financial and non-financial assets, developed on secure blockchain networks to enhance transparency, efficiency and broader participation in the digital economy. This includes financial assets as well as physical assets such as real estate, intellectual property, and sustainability-linked resources, creating new opportunities for inclusive participation, improved asset utilisation, and innovation across sectors. The approach aligns with RMK13's focus on digital finance, ensuring that all citizens have equitable access to financial services.

Globally, countries such as the United States, the United Arab Emirates, Hong Kong, Singapore, China, Bhutan, and Estonia have begun adopting blockchain by establishing clear governance frameworks for cryptocurrencies and blockchain applications across various sectors. In line with this global momentum, Malaysia has introduced regulations and implemented blockchain initiatives, laying a strong foundation for growth. The greater coordination will now enable these efforts to converge, unlocking synergies, accelerating progress, and amplifying national impact.

It is evident that the absence of decisive action will result in the erosion of competitiveness, increased fragmentation, low-impact innovation, and capital flight. Without a comprehensive and holistic policy, Malaysia risks reliance on foreign digital infrastructure and the loss of control over its data sovereignty. In the digital era, delay translates into decline. Timely leadership is therefore imperative, given the considerable economic stakes. Malaysia risks missing out on blockchain-driven opportunities worth tens of billions of U.S. dollars in tokenised assets, digital finance, and data infrastructure; according to Kenanga (2025), the asset tokenisation opportunity alone could reach approximately USD 43 billion by 2030. Each year of delay risks the loss of market share, investment and technological advantage to faster-moving economies.





Part I:

Foundations of the National Blockchain Policy

Foundations of the National Blockchain Policy

| The Need for a National Blockchain Policy

1. Digital Trust as National Infrastructure

As Malaysia advances its digital transformation and AI nation aspirations, blockchain provides a verifiable data infrastructure that secures integrity through immutable records and decentralised verification—reducing duplication, errors, and administrative costs across supply chain, healthcare, education, and government services.

2. Limits of Existing Systems to Resolve Cross-organisational Trust

Centralised databases and APIs cannot resolve trust and data fragmentation, as each organisation maintains its own records. Blockchain embeds immutable records that all parties can rely on by default, reducing friction and reliance on intermediaries.

3. Principles for the Appropriate Use of Blockchain Technology

Blockchain is best applied where multiple parties need to share and act on trusted data without a central intermediary. It is unnecessary where trust can be managed within a single organisation or where infrastructure costs outweigh efficiency gains.

4. Economic Competitiveness and Global Market Signals

Blockchain transforms digital infrastructure into a reusable, trusted platform across sectors. Readiness for transparent supply chains, verifiable Environmental, Social, and Governance (ESG) reporting, and cross-border document interoperability is critical to Malaysia's export competitiveness and investor confidence.

5. Security, Sovereignty, and Cross-Border Confidence

Blockchain enables secure identity verification, healthcare record exchange, and verification of credentials and compliance across jurisdictions. Adopting interoperable standards streamlines cross-border trade, reduces verification costs, and strengthens trust with trading partners, particularly within ASEAN.

6. Need for Strategic Direction and Policy Coherence

A National Blockchain Policy ensures adoption across government and industries is accountable, interoperable, and aligned with national interests—providing direction, coordination, and standards alignment across sectors while respecting existing regulatory mandates.

7. From Roadmap to National Policy

Building on the National Blockchain Roadmap (2021–2025), which focused on technology enablement, this Policy provides a higher-level national framework for strategic alignment, governance, and implementation.

This Policy provides a higher-level national framework for strategic alignment, governance, and implementation.

Vision and Mission

Vision:

Malaysia as the preferred blockchain innovation nation in Southeast Asia.

This vision aspires to make Malaysia the region's foremost hub for innovation by 2030. By leveraging world-class infrastructure, progressive policies, and a highly skilled talent pool, Malaysia will become the destination of choice for global innovators and enterprises seeking to thrive in Southeast Asia's digital economy.

Mission:

Drive Malaysia's digital transformation through 'Whole-of-Nation' blockchain innovation and adoption.

The policy's mission is to accelerate Malaysia's digital transformation by promoting secure, transparent, and inclusive blockchain adoption across sectors, establishing blockchain as the trust layer of the economy to further contribute to the digital economy's expansion, targeting a 30% GDP contribution by 2030 as outlined under the Ministry of Digital's strategic direction.

Through an enabling regulatory environment established as part of this policy, strengthened infrastructure, and continuous talent development, it will enhance public and private sector capabilities, catalyse innovation, and attract sustainable investment, positioning Malaysia as a trusted, innovation-driven digital economy in the region.

Policy Statement

This Policy sets out Malaysia's commitment to harness blockchain as a foundational digital trust infrastructure, rather than as a sector-specific solution, to support trust, innovation, and competitiveness in advancing the nation's digital transformation.

Sector-based policies will continue to guide application and adoption decisions within their respective domains, while this Policy provides the horizontal governance, coordination, and standards alignment required to enable trusted, interoperable digital systems at the national level.

By strengthening digital trust and data integrity, blockchain will serve as a key enabler, complementing Malaysia's aspiration to become an AI-driven nation by 2030. Anchored on a "Whole-of-Nation" approach, this Policy fosters collaboration across government, industry, academia and society to strengthen Malaysia's blockchain ecosystem and enable collective participation in the digital economy. It also serves to reinforce Malaysia's commitment to an enabling regulatory environment, strengthened digital infrastructure, continuous talent development, and sustained investment as the foundation for a trusted and innovation-led blockchain ecosystem.



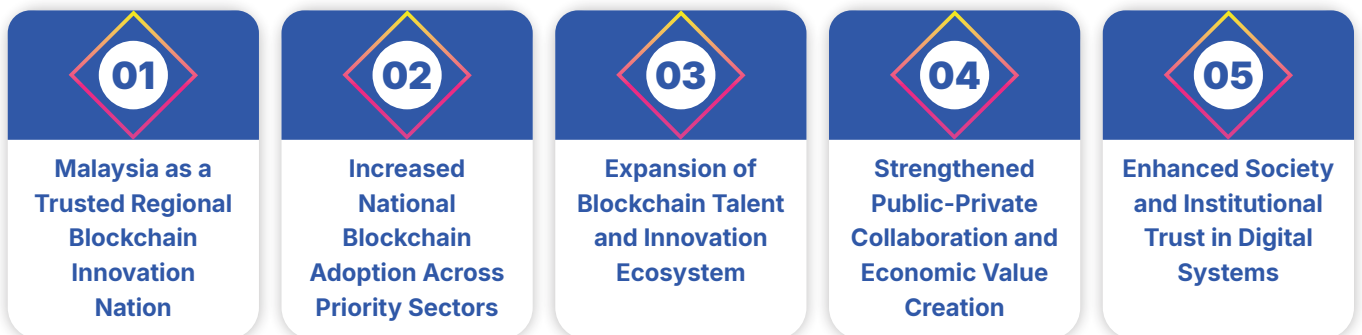
Related Policies

This Policy is aligned with and supports the objectives of the following national policies and frameworks:



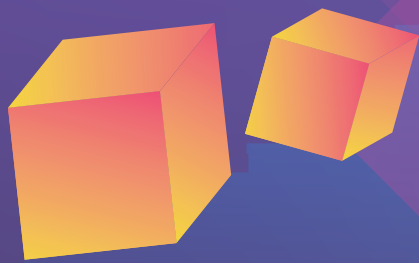
Policy Outcomes

These outcomes represent the key shifts Malaysia aims to achieve through blockchain adoption by strengthening governance, accelerating innovation, enhancing trust, and driving sustainable economic growth. The five (5) strategic outcomes are outlined as follows:



Ensuring Policy Continuity and Adaptability

The National Blockchain Policy is designed as an evergreen framework that remains relevant as technologies, markets, and governance models evolve. While it sets a long-term strategic direction, specific milestones and targets will be established and reviewed periodically through the National Blockchain Action Plan (2026–2030), ensuring continuous improvement, evidence-based evaluation, and adaptive governance.



Part II:

Strategic Importance of Blockchain for Malaysia's Future

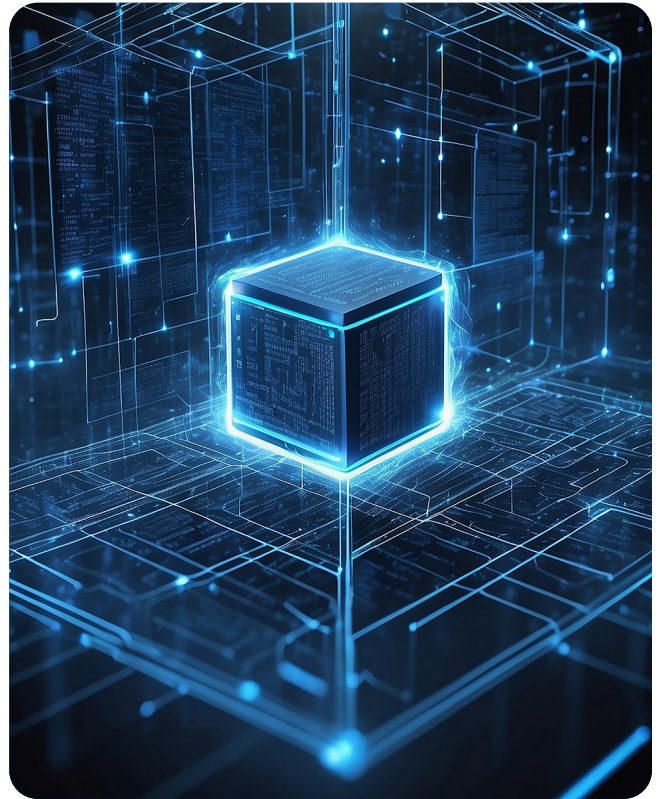
Strategic Importance of Blockchain for Malaysia's Future

Definition of Blockchain

According to the Institute of Electrical and Electronics Engineers (IEEE) (2018), blockchain is defined as a shared, immutable ledger that facilitates the process of recording transactions and tracking assets in a business network.

The Role of Blockchain in Strengthening the Digital Economy

Blockchain establishes a shared trust layer that enables data to be verified automatically, consistently, and transparently across organisations. Built on three core capabilities, it unlocks economic value that is difficult to achieve with conventional systems.



Trust

A shared, verifiable record that all parties can rely on by default, eliminating repeated verification, reducing errors, and lowering administrative costs across sectors such as healthcare, education, logistics, and government services.

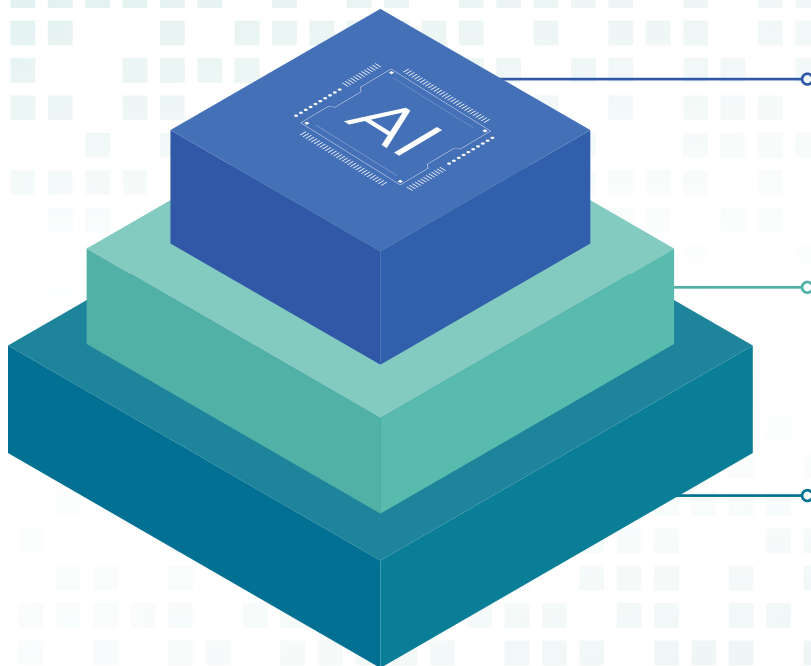
Composability

Once trust is established, systems become easier to integrate. Developers can build new services without renegotiating trust or building custom integrations for each connection, accelerating innovation and reducing costs.

Automation

Smart contracts automatically enforce agreed-upon rules and conditions, enabling processes such as insurance claims, credential issuance, and benefit disbursements to be triggered without manual intervention.

Blockchain as a Foundational Layer for AI



Artificial Intelligence

Needs high-quality, verifiable data to generate accurate, responsible outcomes.

Trustworthy and Accountable AI

Reliable outputs with every input and decision traceable and validated.

Blockchain

Foundational trust layer ensuring data is verifiable, immutable, and auditable.

Strategic Importance of National Blockchain Infrastructure

By hosting blockchain infrastructure domestically, Malaysia can:

01

Ensure secure, efficient, and low-latency network interactions

02

Maintain visibility and oversight over network operations

03

Reduce reliance on foreign networks and minimise service disruption risks

04

Create new economic opportunities through hosting capacity, transaction processing, and network-related fees

05

Attract investment and generate high-value employment

06

Catalyse the growth of domestic blockchain-based services

07

Position Malaysia as a hub for blockchain innovation and an active participant in the global decentralised economy

I Definition of Digital Assets

Blockchain functions as a foundational technology in the form of an immutable distributed digital ledger.

Digital assets refer to real-world applications built on top of it, including cryptocurrencies. These include Bitcoin, Ethereum, non-fungible tokens (NFTs), stablecoins, tokenised deposits, and tokenised securities.

In Malaysia, the Capital Markets and Services (Prescription of Securities) (Digital Currency and Digital Token) Order 2019, including its 2025 amendment, provides definitions for digital currency and digital tokens. Under this Order:

“digital currency” refers to a digital representation of value which is recorded on a distributed digital ledger, whether cryptographically-secured or otherwise, that functions as a medium of exchange and is interchangeable with any money, including through the crediting or debiting of an account; and

“digital token” refers to a digital representation which is recorded on a distributed digital ledger, whether cryptographically-secured or otherwise, subject to the interpretations and exceptions provided under the prevailing legislation.



Bank Negara Malaysia (BNM) oversees payment systems to ensure safety, reliability, and efficiency. Complementarily, BNM collaborates with the SC to ensure that digital asset activities comply with Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) requirements as well as Foreign Exchange Policy (FEP).

It is important to note that crypto assets are not recognised as legal tender and are not regulated as payment instruments in Malaysia.

For the latest official definitions and regulatory updates, please refer to the websites of the Securities Commission Malaysia (www.sc.com.my) and Bank Negara Malaysia (www.bnm.gov.my).

Scope of Digital Assets in Malaysia

In Malaysia, digital assets are generally divided into two categories, financial digital assets and non-financial digital assets, each subject to distinct policy and regulatory requirements.

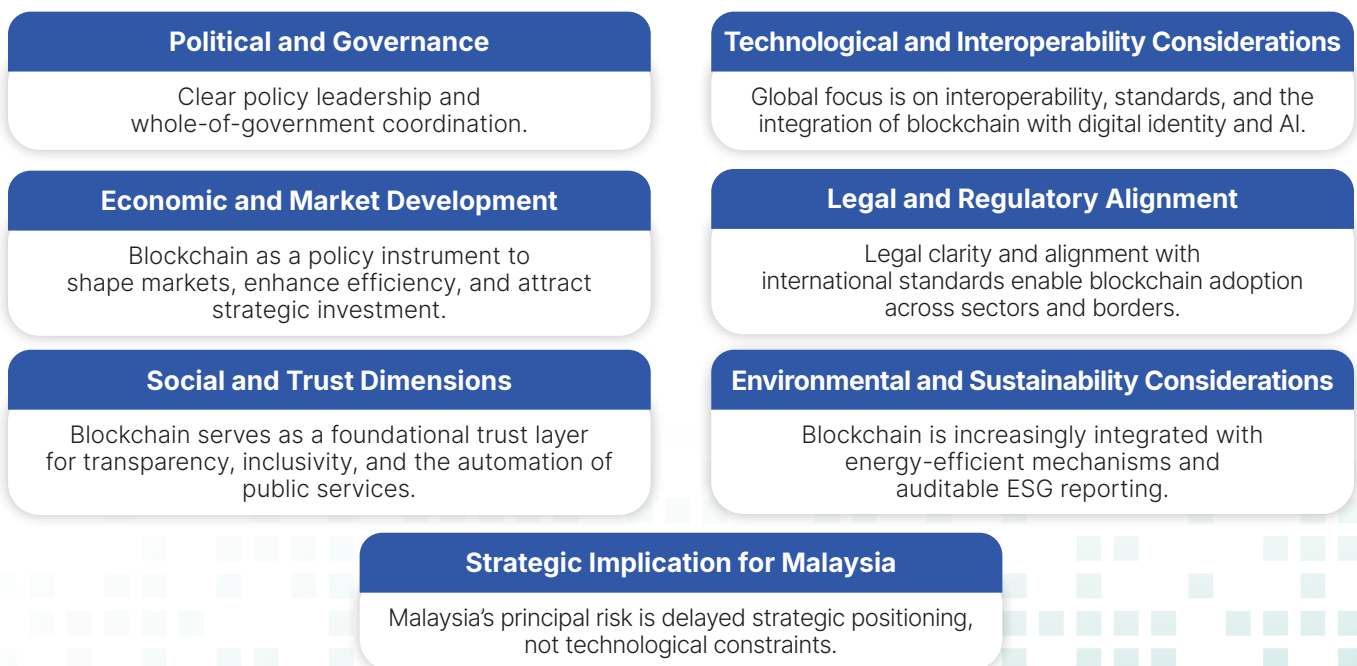
	Financial Digital Assets	Non-Financial Digital Assets
Examples	Digital currencies, stablecoins, investment/security tokens	Digital certificates, halal traceability tags, land records, digital identity
Purpose	Financial instruments for payment, investment, and capital markets	Mechanisms of trust, verification, and data integrity
Regulatory Oversight	Bank Negara Malaysia (BNM) oversees the use of digital assets for payment purposes Securities Commission Malaysia (SC) regulates digital tokens and related investment products	Ministry of Digital aligns policy direction and implementation, in collaboration with relevant ministries, regulators, and agencies
Applicable Sectors	Financial services, capital markets	Education, healthcare, manufacturing, public services, sustainability etc.

Close coordination among relevant authorities, including the Ministry of Digital, BNM, and SC, is essential to ensure policy alignment and jurisdictional clarity.

Global Landscape and Benchmarking

Globally, countries are positioning blockchain as a strategic digital infrastructure that functions as a foundational trust layer that supports composability, automation, and cross-sector coordination.

For Malaysia, the global landscape highlights the importance of policy coherence, institutional clarity, and decisive positioning. The key dimensions shaping global blockchain policy direction are as follows:



Strategic Domains for Blockchain Application

Beyond financial innovation, blockchain holds strategic value across domains facing challenges related to transparency, verification, system fragmentation, and risk management.

Public Governance

- Strengthens governance and service delivery through enhanced transparency, auditability, and operational efficiency
- Functions as a cross-agency trust layer, enabling automation of verification, reporting, and compliance processes

- Improves asset management, visibility, and traceability across trade and supply chains
- Reinforces integrity-based sectors such as halal, zakat, and wakalah, where trust in compliance and provenance is critical

Economic

Social and Citizen-Centric

- Enhances social protection through automated disbursement of subsidies and assistance based on verified data, improving accountability and reducing leakages
- Strengthens consumer trust through blockchain-based digital identity and consumer protection mechanisms that simplify verification and reduce disputes

Malaysia's Structural and Competitive Advantages

Malaysia possesses strong structural and institutional foundations to support the development of a sustainable and credible blockchain ecosystem. These advantages include:

Early Regulatory Foundation

Malaysia was among the earlier jurisdictions in the region to establish a formal regulatory basis for digital assets through the Capital Markets and Services (Prescription of Securities) (Digital Currency and Digital Token) Order 2019.

Cost-Competitive Talent Base

Universities, TVET institutions, and industry-led upskilling programmes support the development of practical blockchain and digital infrastructure skills across public and private sectors.

Strategic Geographic Position

Proximity to major regional markets, economic corridors such as the Johor-Singapore region, and strong manufacturing and E&E sectors create natural opportunities for blockchain in supply chain traceability and trade facilitation.

Progressive Innovation Ecosystem

Regulatory sandboxes by SC, BNM's Digital Asset Innovation Hub, and the Industry Working Group (IWG) provide structured environments for testing and validating blockchain use cases.

International Participation

Active involvement in projects such as Project MaWar, Project Dunbar, Project Mandala, and Project Rialto with BIS positions Malaysia as a contributor to global financial infrastructure experimentation.

Islamic Finance and Halal Leadership

Well-established certification systems and regulatory frameworks provide a strong foundation for blockchain applications in traceability, provenance, and assurance of Shariah and halal compliance.

Key Challenges Facing the Blockchain Ecosystem

Malaysia's blockchain ecosystem continues to evolve through pilot projects, regulatory experimentation, and growing industry participation. However, several cross-sector challenges affect the pace and scale of adoption.

Key challenges include:



Uneven institutional readiness



Policy and regulatory fragmentation



Infrastructure and interoperability gaps



Human capital constraints



Limited investment and innovation enablement



Skewed public perception and awareness

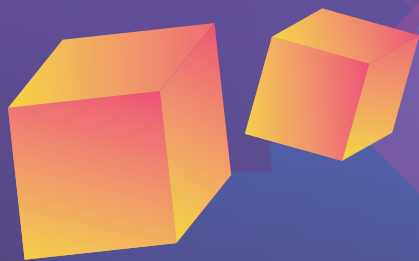


Sectoral concentration



Poor research and innovation coordination

Addressing these challenges is necessary to create the conditions for broader, responsible, and sustainable blockchain adoption in support of national digital transformation.



Part III:

Strategic Thrusts

Strategic Thrusts

To effectively address the key challenges and priority areas identified in the preceding section, and to harness the transformative potential of blockchain technology, six (6) strategic thrusts have been established as the foundation of Malaysia's National Blockchain Policy.

Figure 3.1 National Blockchain Policy Framework





Thrust 1: Strengthen Governance and Standards

Strategic Intent

This thrust strengthens national coordination and standards support to advance Malaysia's sustainable blockchain development across financial and non-financial domains. Financial-based blockchain activities will continue to be governed by the respective statutory regulators in accordance with existing mandates, while non-financial initiatives will be supported through national coordination mechanisms.

Strategy S1: Establish a National Blockchain Steering and Coordination Function

Focuses on establishing a national coordination mechanism to streamline decision-making, coordination, and implementation monitoring of blockchain-related initiatives.

Strategy S2: Strengthen National Regulatory and Standards Framework

Focuses on developing and implementing a comprehensive regulatory and standards framework to support blockchain adoption across sectors.

Strategy S3: Strengthen the Digital Asset and Tokenisation Framework

Focuses on establishing a clear and trusted framework for digital assets and tokenisation to support the growth of Malaysia's blockchain economy.



Thrust 2: Build Infrastructure and Ecosystem

Strategic Intent

A resilient national blockchain infrastructure and a well-coordinated ecosystem are critical to the effective implementation of Malaysia's blockchain agenda. This thrust focuses on establishing secure, interoperable and composable foundations that enable trusted data exchange, decentralised digital identity, and scalable integration across government and industry.

Strategy S4: Develop National Blockchain Infrastructure

Focuses on strengthening and coordinating national blockchain infrastructure to serve as a trusted digital backbone for government and industry.



Putrajaya, Malaysia

Strategy S5: Expand Blockchain Ecosystem and Infrastructure

Fosters a dynamic blockchain innovation ecosystem to accelerate the commercialisation of blockchain solutions and strengthen Malaysia's position as a competitive hub at the regional and global level.



Thrust 3: Advance Talent and Mobility

Strategic Intent

Thrust 3 focuses on developing an industry-ready blockchain workforce to strengthen Malaysia's blockchain capabilities and regional competitiveness.



Strategy S6: Strengthen Industry-Academia Collaboration

Focuses on strengthening collaboration between Institutions of Higher Learning (IHLs) and external partners to develop blockchain skills, education, and innovation.

Strategy S7: Empower Industry-Ready Blockchain Talent

Focuses on developing talents with blockchain skills aligned with industry demand to build a strong, adaptive, and competitive workforce that drives the growth and impact of the blockchain ecosystem.



Thrust 4: Mobilise Capital and Investments

Strategic Intent

This thrust aims to expand the size, depth, and value of Malaysia's digital asset and blockchain economy to attract quality projects, unlock new market opportunities and position Malaysia as the preferred blockchain innovation nation in Southeast Asia.

Strategy S8: Strengthen Investor Confidence

Focuses on enhancing investor confidence and positioning Malaysia as a premier destination for blockchain investment.

Strategy S9: Provide Capital Mechanisms

Aims to fortify Malaysia's blockchain investment ecosystem to accelerate the growth of blockchain startups, and to nurture a more resilient, inclusive, and globally competitive market.





Thrust 5: Accelerate Adoption

Strategic Intent

Thrust 5 focuses on mainstreaming blockchain adoption across Malaysia, ensuring that blockchain becomes a trusted enabler of digital transformation, embedded into everyday governance, commerce, and society.

Strategy S10: Improve Awareness and Trust

Focuses on cultivating public understanding and confidence in blockchain technology to demystify blockchain for society and businesses alike.

Strategy S11: Enhance International Presence

Enhancing the reputation, influence, and strategic connectivity of Malaysia in the global blockchain ecosystem.

Strategy S12: Drive Blockchain Transformation

Empowers government ministries to lead by example in blockchain implementation, signalling a national commitment and accelerates Malaysia's digital transformation journey.



Thrust 6: Strengthen Research, Development and Commercialisation

Strategic Intent

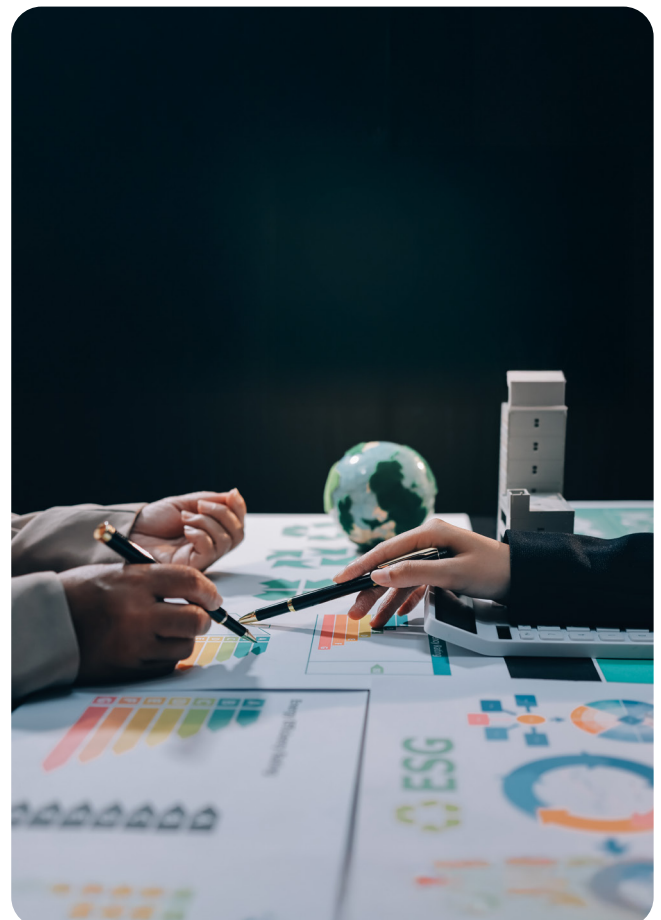
This thrust focuses on strengthening Malaysia's blockchain research, innovation and commercialisation ecosystem to accelerate the conversion of blockchain innovation into scalable, competitive and commercially sustainable solutions for domestic and global markets.

Strategy S13: Advance High-Impact Research and Innovation

Focuses on aligning research efforts with national priorities and industry needs to reduce duplication and strengthen the translation of research outputs into practical, market-relevant solutions.

Strategy S14: Elevate Commercialisation Pathways

Strengthens clear and coordinated pathways to support the commercialisation of blockchain research outputs.





Part IV: Conclusion

Conclusion

| Blockchain as a Driver of the Digital Economy

Blockchain technology stands at the forefront of Malaysia's digital transformation agenda and is expected to play a critical role in driving inclusive, trusted, and innovation-led growth.



This policy is designed to be progressively implemented throughout RMK13 and subsequent Malaysia Plans, in line with the nation's aspirations to build an advanced, secure and competitive digital ecosystem.

Under RMK13, blockchain will serve as a strategic enabler for:



Supporting tokenisation, programmable finance, a financial system that allows certain rules, conditions or actions to be executed automatically through code or logic that has been set through technology such as blockchain, and digital asset ecosystems under sound regulatory oversight.

Digital Asset Development



Powering digital identity, transparent fund disbursement, and smart public services.

Digital Government Transformation



Enabling trusted trade, data integrity, and cross-border financial innovation to position Malaysia as the preferred blockchain innovation nation.

Digital Economy Growth

The policy shall be valid perpetually, subject to review and update in line with technological advancements and changes in the macro environment, to ensure Malaysia remains prepared and competitive in the regional and global digital economy.



For the complete National Blockchain Policy, including detailed strategies, governance framework, and implementation plans, visit [\[insert link\]](#)



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