

# Bridging the Gap: Affordable and Accessible Basic Banking Services (BBS)

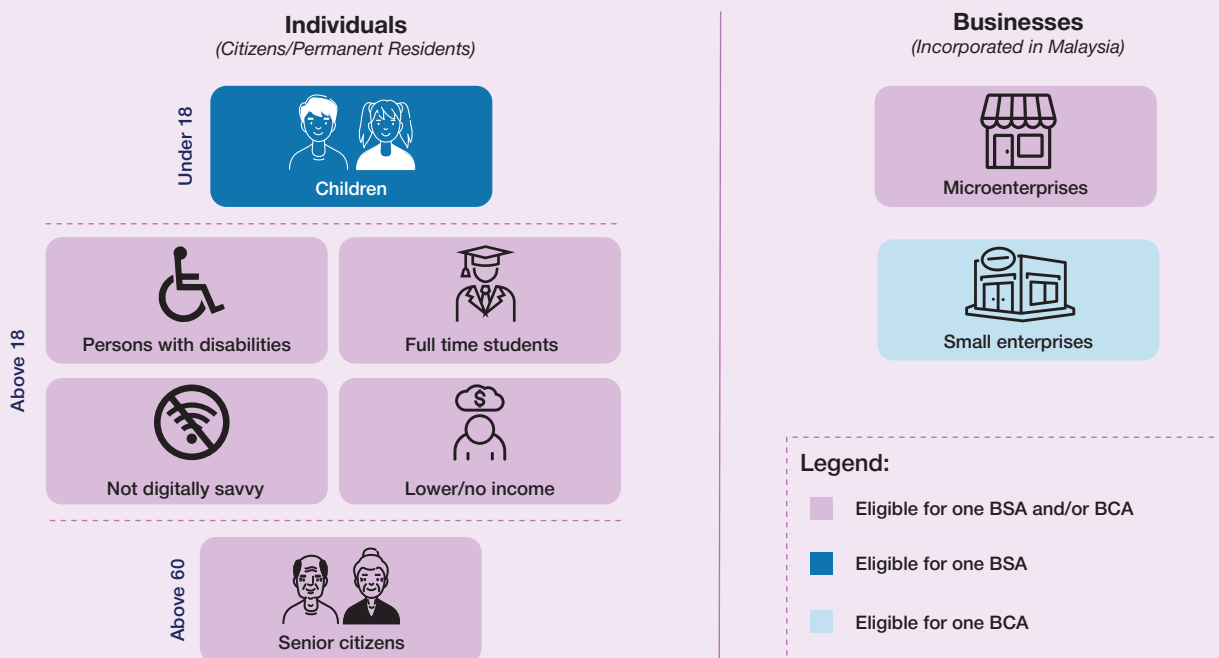
Access to basic and affordable financial services is essential to ensure everyone can meaningfully participate in the financial sector. This has always been the thrust of our financial inclusion agenda.<sup>1</sup> With a more digital and borderless economy and financial sector, we expect to see access to and affordability of financial services increase. Yet, some segments of our society still struggle with being able to open and use bank accounts. These developments led us to revise the Basic Banking Services Policy Document (BBS PD) to make banking services simpler, fairer and more accessible.

## Accelerating financial inclusion through targeted eligibility of BBS

To ensure inclusion translates into real access, the revised BBS PD requires banks to offer Basic Savings Accounts (BSA) and Basic Current Accounts (BCA) to consumers who are eligible. These are among those who are in the unserved and underserved<sup>2</sup> segments. This targeted approach ensures that banks direct their resources and focus on those who need it most, giving them a practical pathway to participate more fully in the financial system.

The revised BBS PD took a step further in requiring banks to now offer BSA to microenterprises.<sup>3</sup> In general, micro and small businesses are the backbone of the economy and they require the same ease of access as individual consumers. This shift allows them to participate in the formal financial sector. Diagram 1 captures the eligible individuals and businesses as defined in the revised BBS PD.

**Diagram 1: Eligibility for Basic Banking Accounts**



Source: Bank Negara Malaysia

<sup>1</sup> Financial Inclusion Framework 2023–2026 (the Framework).

<sup>2</sup> The Framework provides a principle-based guidance in defining financially unserved and underserved segments based on six key characteristics. These include but not limited to, those unable to conduct digital transactions or adopt digital solutions due to lack of digital literacy, capability or connectivity, or those likely to face difficulties accessing financial products due to information asymmetry. Further details on the guidance can be found here: [Financial Inclusion Framework \(2023–2026\) Strategy Paper](#).

<sup>3</sup> A microenterprise is defined in accordance with the Guideline for New SME Definition issued by SME Corporation Malaysia in October 2013, as amended or modified from time to time.

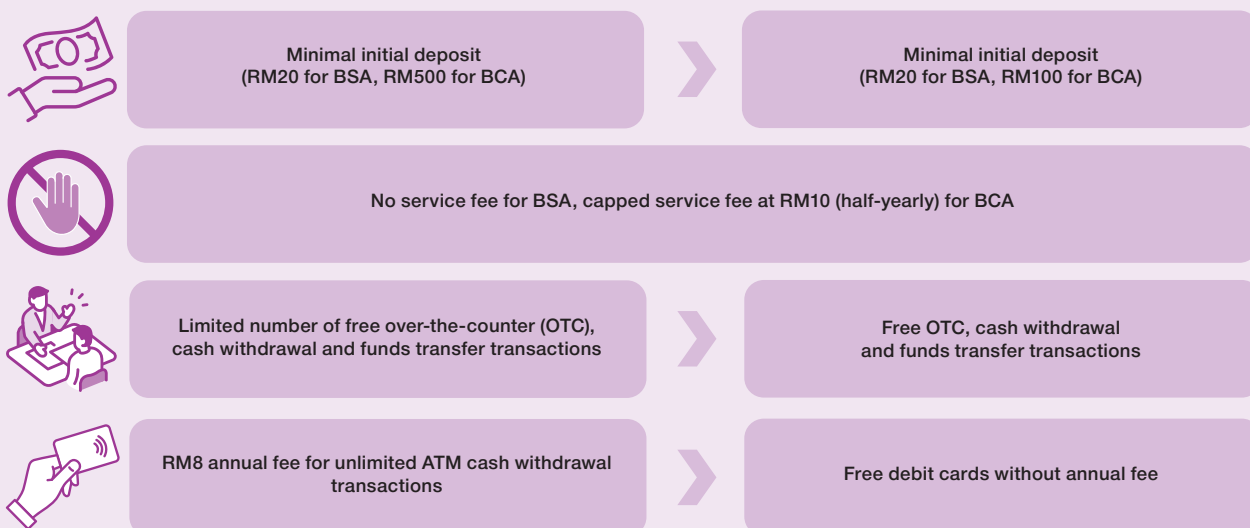
## Ensuring affordability of basic banking services

Affordability is a critical part of making banking truly accessible. Beyond updating the minimum level service standards, the revised BBS PD also ensures that individuals and microenterprises have access to low-cost accounts.

The BSA continues to offer more affordable access to banking. The minimum initial deposit is kept low, making it easy for those who are eligible to open a banking account. For microenterprises, affordable access to banking reduces the need to hold cash, which raises the risk of theft or to use personal accounts for business, making it harder to properly manage their finances. To ease this, a lower minimum initial deposit of RM100 to open a BCA has been introduced. This change makes it easier for microenterprises to open an account and keep business finances separate. Over time, it improves their financial discipline, establishes a track record and opens doors to more financing opportunities. On top of that, core day-to-day services under both BSA and BCA are now free. This ensures consumers enjoy simple and cost-effective banking no matter how often they transact.

Diagram 2 summarises the key features of basic banking accounts pre and post revision of the BBS PD, that sets them apart from the standard current and saving accounts (CASA).

**Diagram 2: Key Features of Basic Banking Accounts Pre and Post Revision of the BBS PD**



Source: Bank Negara Malaysia

## Modernising BBS to meet the needs of consumers today

As digitalisation and connectivity expanded, banking has transformed from a branch-based experience – where most transactions were done in person or at ATMs – to one that is instant, mobile, and always within reach.

The revised BBS PD therefore ensures banks, at minimum, provide consumers with internet banking, allowing instant fund transfers. In addition, banks now provide ATM cards that also serve as debit cards. This allows BSA and BCA accountholders to withdraw cash for free and make e-payment transactions at retail shops.

BNM recognises that there are still segments of consumers who rely on traditional ways to conduct banking transactions. Some consumers, such as senior citizens, may still prefer the personal touch of face-to-face services while those in rural communities with limited internet access will still need physical banking touch-points. To ensure no one is left behind, free over-the-counter (OTC) transactions remain a key feature of basic banking services. This keeps them connected to the financial system without extra costs, preserving trust and accessibility for all.

Beyond account access, we expect banks to always engage with consumers fairly, responsibly and professionally. This means clearly explaining the benefits of these accounts, guiding consumers during the account opening process, and using simple and easy-to-understand language in all interactions.

With the updated rules, BNM reaffirms its commitment to make banking simple, affordable and accessible to all.