



SUPPORTING  
AN ENABLING ENVIRONMENT  
FOR CIVIL SOCIETY

# Enabling Environment Snapshot Malaysia June 2025



## Context

The year 2024 marked the midpoint of the Anwar-led Unity Government's term. This period was increasingly shaped by a gap between reform promises and political realities. The government spoke strongly [against corruption](#) on the international stage. However, this stance clashed with selective outcomes in key [domestic cases](#) involving figures linked to the coalition government. At the same time, progress on institutional reforms remained slow. Key efforts—like [separating](#) the roles of Attorney General and Public Prosecutor, and introducing [a Political Financing Bill](#)—remained slow-moving.

Domestically, heightened sensitivities around race, religion, and royalty (3R) continued to shape the national political narrative. Isolated incidents such as the '[Allah socks](#)' and [Vern's shoes](#) controversies generated polarised responses, further reinforcing [government narratives](#) around the need to regulate speech on 3R. This environment underpinned the passage of restrictive laws such as the Communications and Multimedia Act [amendments](#). Meanwhile, peaceful assembly remained shaped by an [approval-based logic](#), where conditions such as police notification or local authority 'permission' were used to restrict protests. Protests involving politically sensitive issues continued to face heightened scrutiny. Malaysia continues to be classified as a '[problematic](#)' environment for press freedom, according to the RSF World Press Freedom Index. While its overall score improved by 4.02 points from 2024 to 2025, the country remains under the '[Obstructed](#)' category in the CIVICUS Monitor, reflecting ongoing challenges to media and civic space.

While the government remained steadfast in its [advocacy internationally](#) for the Palestinian cause, domestic policies grew more exclusionary. The [forced evictions](#) of the Bajau Laut community and the passage of [regressive constitutional amendments](#) on citizenship starkly illustrated this dissonance. Refugees and asylum seekers, including those with UNHCR cards, continued to lack legal status, no right to work, and persistent risks of arrest, as [government rhetoric](#) consistently framed refugee protection as an act of humanitarian discretion, not a binding obligation.

## 1. Respect and protection of fundamental freedoms

Civil society's freedom of expression in Malaysia remains severely restricted, as evidenced by a series of restrictive government actions. Despite calls for reform, the government has signaled [no intention](#) to repeal the [Sedition Act](#)—a law it actively used in 2024 to target dissent. Among those affected were civil society figures like [Mukmin Nantang](#) and [satirist Fahmi Reza](#), both arrested or interrogated under its provisions. Four journalists and one editor were [investigated](#) for covering sensitive topics, including alleged government-linked projects, changes in police leadership, and interference in the anti-corruption agency. In addition, the Malaysian Communications and Multimedia Commission [ordered](#) the independent news outlet Malaysiakini to take down a video exposing a Sabah corruption scandal. This move raised alarms about state censorship, particularly regarding disclosures involving whistleblowers. Together, these incidents paint a troubling picture of a shrinking civic space where critical voices are increasingly silenced.

The [Malaysian Media Council Bill](#), tabled in December 2024, introduced potential improvements to civic space through multi-stakeholder governance and a formal grievance mechanism. However, its credibility is weakened by provisions that allow two government-appointed board members full voting rights and require ministerial approval for foreign funding—compromising its independence. In parallel, the government launched [a Journalism Code of Ethics](#) that overlaps with the Council's role and includes vague language that could promote self-censorship. Additionally, [proposed amendments](#) to the Printing

Presses and Publications Act seek to extend its scope to digital content. These changes threaten press freedom by imposing harsher penalties on journalists and online users.

Freedom of assembly has also been deteriorating, with authorities employing various tactics to restrict public protest. Police [investigations](#) into peaceful assemblies rose by nearly 30%, while arrests surged by over 60% compared to 2023. Authorities frequently cited the lack of ['venue owner permission'](#) to delegitimise gatherings, creating a chilling effect on participation in public protests. Notable incidents included [police manhandling](#) during the Walk for Justice and the [arrest](#) of a teacher and eight stateless youths under the Immigration Act for participating in a protest. Activist Chong Yee Shan, who sustained [an eye injury](#) from excessive force during a 2023 demonstration, continued to [face charges](#) under Section 186 of the Penal Code and has since filed a civil suit.

Freedom of association for civil society was also restricted. Authorities issued [a ban notice](#) against Borneo Komrad's alternative school for Bajau Laut children, despite its five years of rejected registration applications. Meanwhile, the Hindu Rights Action Force's legal challenge against its 2019 deregistration is still [pending](#) in court.

## 2. Supportive legal framework for the work of civil society actors

Civil society organisations (CSOs) in Malaysia are regulated under multiple laws, among them the Societies Act 1966, [Companies Act 2016](#), [Trade Unions Act 1959](#), [Trustees \(Incorporation\) Act 1952](#), and the [Universities and University Colleges Act 1971](#) (UUCA). The [Societies Act 1966](#) remains among the most consequential, granting the Home Minister powers to declare societies unlawful on vague grounds such as 'morality' or 'public order,' and allowing the Registrar of Societies (RoS) broad discretion to refuse or cancel registrations without sufficient procedural safeguards. Several [amendment proposals](#) were allegedly presented to Cabinet in September 2024. These included requiring RoS approval for all fundraising, renewal of registration every three years, capping salary expenditure at 25% of revenue, and mandatory disciplinary boards. If enacted, these changes could impose excessive compliance burdens and significantly undermine organisational autonomy, especially for rights-defenders or smaller civil society groups.

In December 2024, [amendments](#) to the Trustees (Incorporation) Act were passed. These included empowering the government to authorise inspections of trusts and mandate beneficial ownership record-keeping. This marked progress in financial transparency of trusts and charities, following past public fund misuse cases such as [Aman Palestin](#) in 2023.

Separately, [amendments](#) to the UUCA were passed in January 2024. Whilst student bodies can collect and receive funds under this law, this right is subject to regulations prescribed by the university board. Furthermore, amended provisions in the First Schedule of the Act allow university boards to reduce or extend student representative terms without clear criteria, raising [concerns](#) about arbitrary interference in campus governance. Despite framing the changes as [student empowerment](#), the amendments fall short of dismantling [deeper structural barriers](#) and power dynamics that continue to restrict university students' freedom of association.

### 3. Accessible and sustainable resources

Civil society in Malaysia relies on a mix of funding sources, including grants from government ministries, government-linked companies, corporations, domestic philanthropists, as well as international donors such as embassies, INGOs, foundations, and trusts. Funding from domestic actors typically prioritises non-contentious development themes such as education, health, and poverty alleviation, often accompanied by restrictions that prohibit activities contradicting government policies or touching on “sensitive” issues. These conditions exclude CSOs working on civil and political rights or on marginalised groups such as LGBTIQ+ persons, who remain especially reliant on foreign funding. Smaller or unregistered CSOs—especially those led by socioeconomically marginalised communities—often face language barriers and limited grant writing capacity, which compel them to partner with larger intermediaries to access funding.

Most funding is project-based, with narrow activities and timelines that leave little flexibility for staff costs, infrastructure or unforeseen needs. Without core support, many CSOs struggle to retain personnel, or maintain institutional continuity. To meet donor expectations, some CSOs shift their area of focus, while others adjust their strategies—for example, changing their methods, reframing their theory of change, or switching target audiences—to align with fundable priorities such as capacity-building or service delivery. This donor-driven landscape—marked by rigid, short-term project funding and limited flexibility—undermines CSOs’ ability to retain skilled staff, invest in long-term strategies, and build resilient institutions capable of sustained impact.

### 4. State openness and responsiveness

Freedom of Information (FOI) laws in Malaysia are only implemented at the state level in [Selangor](#) and [Penang](#). However, their efficacy is undermined by structural and implementation gaps. [Overbroad exemptions](#) that are subordinate to the Official Secrets Act and the [absence](#) of a proactive disclosure mandate have entrenched a culture of secrecy. Limited institutional readiness persists; frontline officers are often [unaware](#) of FOI duties or procedures, causing delays or redirection of information requests. Applicants must state their reasons and [pay fees](#) when making requests, further discouraging use. Between 2015 and 2020, [few appeals](#) were filed and none succeeded—creating a precedent void that discouraged further use. In 2024, the federal government conducted [consultations](#) with over 1,500 multisectoral stakeholders and led a [study visit](#) with CSO representation to Australia to inform the drafting of a federal Freedom of Information Bill.

Some policymaking efforts in 2024 reflected stronger civil society engagement, such as working committees for the [Trustees \(Incorporation\) \(Amendment\) Act](#) and the Ombudsman bill. However, broader consultation practices remained inconsistent and lacked meaningful inclusion. Government actors continued conducting briefing-style consultations with inadequate dialogue and limited transparency on incorporation of feedback. Draft Bills were withheld under the [Official Secrets Act](#), and CSOs could only access them once tabled for first reading in Parliament—restricting scrutiny. Consultations on the Climate Change Bill excluded CSOs during early drafting, with later sessions offering minimal room for feedback. Engagements on the Prevention of Crime Act were [opaque](#): it was unclear which CSOs were consulted and whether earlier input was retained as the Home Ministry shifted toward new Cabinet proposals. The government released a two-week [online questionnaire](#) on proposed amendments to the Printing Presses and Publications Act, framed around [prior stakeholder suggestions](#), limiting broader input. The [Police \(Amendment\) Act](#) was passed in Parliament [without](#) any CSO consultations.



## 5. Political Culture and Public Discourses on Civil Society

CSOs were acknowledged as partners during international processes such as Malaysia's [fourth](#) Universal Periodic Review (UPR), and in [law reform consultations](#). However, this inclusive posture shifted when CSOs raised policy shortcomings or rights violations. The Sarawak state government publicly blamed NGOs for [manipulating Indigenous causes](#) for their own gain in the Upper Baram Forest Project and justified project termination to prevent '[further NGO interference](#)'. Civil society criticism of citizenship law amendments was met with federal government calls for a "[give-and-take](#)" mindset. International watchdog reports were met with similar defensiveness. The government questioned the credibility of Human Rights Watch's (HRW) [report](#) on deaths in immigration detention, calling it "[hearsay](#)" and not based on any methodology it could use – though it later expressed [openness](#) to engage with HRW. Malaysia's [concerning performance](#) in the World Press Freedom Index was also downplayed, with the government arguing that preserving national unity mattered more than securing '[high marks](#) for international recognition', and that the index 'should not be regarded as the [golden standard](#)' given Malaysia's context.

Whilst [civic education](#) is implemented in public schools, it is often deprioritised due to an exam-oriented system. The Human Rights Commission of Malaysia's human rights programme [ATHAM](#), implemented in 468 schools, is [not mandatory](#) and relies on motivated teachers, with no active Ministry of Education monitoring of implementation or impact.

Lack of free, prior, and informed consent persisted for the minority group Orang Asli, as seen in the 2024 [takeover](#) of replanting projects by state-owned ORACO despite community objections. Migrants remained excluded from trade union leadership under the [2024 Trade Union \(Amendment\) Act](#), with persistent barriers to meaningful participation. Following the [Bajau Laut evictions](#) in June 2024, the Sabah state government framed the community as [security threats](#), while public xenophobia persisted. In October 2024, [citizenship amendments](#) further entrenched the exclusion of stateless persons from civic processes.

## 6. Access to a secure digital environment

In 2024, Malaysia's digital environment became increasingly regulated, with growing risks to online expression and privacy. The government passed [amendments](#) to the Communications and Multimedia Act (CMA), with disproportionately increased penalties and expanded powers to intercept communications and compel user data disclosure. Amendments to Section 233 of the CMA also introduced vague terms such as 'grossly offensive' and a definition of 'hate speech' that fell short of international standards. The [Online Safety Act](#) and the [social media licensing framework](#) impose obligation on service providers to proactively monitor and filter content - which can incentivise content over-moderation to avoid liability.

Between 2024 and January 2025, 300,952 pieces of content were [removed](#) from social media following Malaysian Communications and Multimedia Commission (MCMC) requests under various laws including Section 233 of the CMA. While framed as lawful, the scale and opacity of removals raise concerns about selective enforcement and limited avenues for redress. As of June 2024, 15 political criticism, 15 media-related, and 8 LGBT+ websites were confirmed [blocked](#), out of which 7, 12 and 2 respectively were newly restricted from July 2023 onwards.

In August 2024, major internet service providers (ISPs) in the country implemented [DNS hijacking](#) to intercept user requests to public DNS services such as Google and Cloudflare—an action widely viewed as a [deterioration](#) of internet freedom. Although the practice was

[suspended](#) in September 2024 following public outcry, the rerouting of DNS traffic—even to legitimate business services—raised [serious concerns](#) about political censorship and government overreach.

Finally, while national broadband access remains high overall, states like Sabah, Kelantan, and Perlis reported significantly lower fixed and mobile broadband [penetration rates](#), highlighting ongoing digital accessibility gaps.

The 2024 [amendments](#) to the Personal Data Protection Act introduced mandatory breach notifications and stricter rules for cross-border data transfers. However, they excluded the government—the largest holder of personal data—from these requirements. This leaves a major gap in accountability. Regulation of surveillance capitalism also remains weak. Tech companies are still not fully obligated to disclose how they process user data. Meanwhile, national broadband access remains high overall. But states like Sabah, Kelantan, and Perlis continue to [report](#) much lower fixed and mobile broadband penetration. This highlights persistent digital accessibility gaps across regions.

## Challenges and Opportunities

In the next four months, restrictions on freedom of expression—especially around race, religion, and royalty (3R) issues—are likely to continue. This is due to the likely enactment and enforcement of [amendments](#) to the Communications and Multimedia Act, alongside continued use of the Sedition Act and Penal Code. These legal tools are likely to remain selectively applied against activists who speak out online or protest corruption involving high-profile figures. Government requests to take down social media content are also expected to stay high. The [newly enforced](#) social media licensing framework adds another layer of control. Its impact on digital expression and civic space will require close monitoring.

CSO funding may be affected by the [USAID funding freeze](#) announced in late January 2025. This could result in a narrower and more competitive pool for rights-based CSOs, underscoring the need for sustained support from other donors, particularly within the EU.

[Amendments](#) to the Trade Union Act simplified registration and expanded cross-sector unionisation for Malaysian workers—opening avenues for more collective organising. The Unity Government's midterm and Malaysia's ASEAN chairmanship presents a political window for civil society to push for reforms. Upcoming milestones, such as [consultations](#) on the Printing Presses and Publications Act, [drafting](#) of the Freedom of Information Bill, and the status of the [Ombudsman Bill](#) offer critical opportunities for civil society engagement.

*This publication was funded/co-funded by the European Union. Its contents are the sole responsibility of the author and do not necessarily reflect the views of the European Union.*

