Online broadcasting services are increasing dramatically without any proper regulatory framework and affecting local traditional broadcaster. Nowadays, online broadcasting services are popular to the customer for online movie sites like Netflix, Iflix Pandora, Amazon Prime Video, Hotstar, Hulu. These types of online video sites broadcasting original video content without any censorship which makes film censorship board useless. This purpose of this study was to analyse the effectiveness and enforceability of the Malaysian Communications and Multimedia Act (1998) on complying online media broadcast services to the laws and regulations of the country. The paper analyses the two major online media broadcast services in the country and looks in to their terms and conditions of service agreement between their customers and the controversial content made available through their services. The paper also identifies the inadequacies of legal action by the legally mandated enforcement agency, the Malaysian Communications and Multimedia Commission (MCMC). This study will use a legal and doctrinal research methodology. Data collection will be based on content analysis from the primary and secondary legal sources. This study found that the content provided by the service providers did not comply with the laws and regulations of Malaysia and in some instance they were not only uncompant but have designed their service agreements with their customers in a manner to avoid legal responsibility for the nature of the content they provided.

Previously the government of Malaysia has held the stance that Netflix would also have to comply to the regulations of Malaysia and MCMC can take action against any incompliances (Sadho, 2016). However, Netflix has issued a statement that there would not be any censorship on their content and they would prefer to have some content unavailable based on region (Anand, 2016). It has been seen from previous government action that they have blocked other websites and online servers deemed unlawful in Malaysia, yet an action against the content provided on Netflix by the MCMC is to be seen.

It cannot be said that the regulatory laws of Malaysia are not applied at all. It was reported efforts were being made on strengthening the effectiveness of the Malaysian Communications and Multimedia Act 1998 by the Malaysian Communications and Multimedia Commission in 2015 (Abdullah, 2015). The effectiveness of these studies were found to be effective as during the preceding years we have seen the MCMC taking action against illegal content posted and made available online. In the same year a former minister in the Prime Minister’s Department was charged under Section 233(1)(a) of the Communications and Multimedia Act 1998, for posting an offensive statement for the resignation of the then prime minister (The Sun Daily, 2015)In the same year additional 14 cases were sent for prosecution under Section 211 and Section 233 of the Malaysian Communications and Multimedia Act 1998. The nature of the cases involved in sending offensive content and use of pornographic materials on social media (MalaysiaKini, 2015).

As we can see from previous cases such as the case of Fahmi Reza, who posted a photo of the former prime minister of Malaysia in a derogatory manner on her Facebook page was charged under the Communications and Multimedia Act 1998 and was convicted and was given a one month imprisonment and a 30,000 ringgit fine. In the previous years it has been seen that the Malaysian Communications and Multimedia Commission taking a harsh stance on the abusers of media and has been seen to take strict legal action against perpetrators. According to statistics in the year 2017, in a period of 19 months there were 227 cases of online abuse investigated and 8 cases were sent for prosecution and were convicted (Jun, 2017). to mitigate potential frustrations stemming from online media misuse.

It has been found from this study that the major online media broadcast service providers do not comply to the full extent of the Malaysian regulatory laws and the regulatory body, Malaysian Communications and Multimedia Commission is seen in particular controversial instances, to be ineffective in enforcement of the laws and regulations it is legally mandated to uphold.