

Economic Update:

PADU: Data Dreams or Pandora's Box?

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The Pangkalan Data Utama (PADU), recently introduced by the Madani government aims to be a social safety net built on a vast database of personal information where Malaysian citizens above 18 years old regardless of their background would have to contributed to this massive collection of personal data to date. While the promise of targeted support is appealing, the Minister of Economy has yet to address several flaws prior to the grand launch on 2nd of January 2024.

Under-Served and Exposed

Millions of Malaysians are expected to share their personal details including personal income, bank info, loans and various confidential records to the government raises immediate and profound concerns regarding security and privacy. The prospect of granting such extensive access to our personal lives prompts a crucial question: Do we trust that is it practical or safe to offer the government such comprehensive insights into our private data, given numerous cases of data leaks before?

There are several reports of potential vulnerabilities, where one person's identity can be overwritten with another's, fuel these fears¹. Data leaks in today's world are scary enough, but imagine the implications if our financial, personal status, or ethnic data falls into the wrong hands. With these glaring vulnerabilities in the PADU ecosystem, why is the government pushing for a hasty launch before effectively addressing these security risks?

This vulnerability leaves the door wide open for potential hackers to sow discord, manipulate data, or even compromise national security. Misusing such personal information for personal or political gain would seriously undermine our democratic

¹ <https://www.astroawani.com/videos/awani-pagi-x7ko8q/awani-pagi-cabaran-sistem-penyampaian-pasca-peluncuran-padu-x8r3ukp>

values and the rush for implementation overshadowing the potential dangers to our privacy and national well-being.

Re-Inventing the Wheel

Malaysia already has existing databases such as e-Kasih and other government entities such as Lembaga Hasil Dalam Negeri (LHDN), Welfare Department and Bank Negara Malaysia (BNM) serving similar purposes. Building a whole new database with its own hefty maintenance and monitoring costs seems unnecessary, especially during our current economic struggle. Wouldn't leveraging existing resources be more efficient and financially responsible? It is a case of re-inventing the wheel which further disjoins in policies, giving the impression of lack of continuity.

PADU lacks Targeted Subsidy Mechanisms

According to Minister of Economy, PADU registration isn't mandatory, but choosing not to may affect your eligibility for targeted subsidies.² This particularly concerns beneficiaries already registered in earlier systems like e-Kasih who choose not to migrate to PADU. This exposes a hidden truth that our government are not able to integrate and synchronize our personal data internally, which revealing a potential flaw in PADU's effectiveness. On top of it, there is the question of the lack of proper mechanism as to how PADU's target subsidy actually reaches to those in need.

INSAP emphasizes the need for transparency, accountability, and strong data protection measures in PADU. We urge comprehensive stress testing of this vast database, containing our most sensitive information, before exposing millions to potential risks. Piloting this ecosystem with government personnel first, instead of rushing blindly into public launch, could have identified data vulnerabilities and ensured system stability. We must ensure that this initiative doesn't jeopardize our personal lives just to support government inefficiency or hidden agendas. The ultimate goal of a social safety net shouldn't be burdened by unnecessary costs or potentially violate our fundamental right to privacy.

² ['Not forced to update info on PADU' | The Star](#)

Conclusion: Continuity, rather than Confusion

The Madani government should look at improvements in the system to ensure continuity, rather than a disjointed policy that puts further strains on the under-served communities.