KPING GMS Flash Alert



Immigration Edition 2022-019 | January 28, 2022

Malaysia - Simplifying Entry and Endorsement of Passes for Expatriates

The Malaysian government has recently announced the following initiatives to facilitate entry into the country by expatriates who need to start their employment or assignment in Malaysia.

1) Exemption of MyEntry approval from the Director General, Immigration Department of Malaysia (IDM) for expatriates and their dependents, including their foreign housekeeping staff.¹

2) Extension of the eVISA facility, which is an online platform for single-entry visa applications without the need for physical submission at the High Commission or Consulate General or Embassy of Malaysia abroad by expatriates and their dependents who need to apply for the single-entry visa in reference to their approved Pass.²

3) Establishment of the ESD Satellite Centre (ESC) in Kuala Lumpur International Airport 1 (KLIA 1) which allows expatriates with newly-approved Employment Passes and their dependents' Passes under the purview of the Expatriate Services Division (ESD) to have the Passes endorsed upon arrival in Malaysia.³ The ESC would not be able to endorse Professional Visit Passes and passes approved under the purview of the Malaysia Digital Economy Corporation (MDEC).

4) MDEC, on the other hand, introduced an online endorsement process, whereby the passport will only be submitted to MDEC's office upon notification by MDEC.⁴

WHY THIS MATTERS

These initiatives would significantly enhance efficiency and bring greater convenience for expatriates and their families in terms of their entry into Malaysia while Malaysia is still controlling its border due to the COVID-19 pandemic.

Companies and global-mobility professionals in charge of the immigration affairs of their employees, as well as immigration counsel, should be aware of these updates as the changes could impact their planning, policies, and processes.

^{© 2022} KPMG Tax Services Sdn. Bhd., a company incorporated under Malaysian law and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. Printed in the U.S.A. NDPPS 530159

More Details

MyEntry Exemption for Expatriates

With effect from 13 January 2022, expatriates who have obtained Employment or Professional Visit Pass approval from the IDM are exempted from applying for entry approval to enter Malaysia. The exemption is also applicable to their dependents, including foreign housekeeping staff.

The exemption does not apply to travellers who are coming to Malaysia for social visit purposes.

eVISA Facility

Prior to the pandemic, expatriates from most countries did not need to apply for the single-entry visa to enter Malaysia for reasons of endorsement of their Employment Pass so they could start their employment or assignment.

The single-entry visa is now mandatory for all expatriates from non-Commonwealth – as well as a few Commonwealth – countries.

Failure to obtain the single-entry visa prior to entry may mean an individual could be denied entry to Malaysia and charged with 'Not to Land' (NTL) for deportation.

Hence, to improve efficiency around the application process, the eVisa facility – previously only available for limited travel purposes (e.g., as a tourist) – is now opened to expatriates who are starting employment in Malaysia and their dependents upon application.⁵ It is only applicable for the approved pass with a reference number starting with ESD/BPP/BPR/RPT/RPM stated in the Pass Approval Letter. The applicant can apply for the eVISA from any country except Malaysia, Singapore, Israel, and North Korea, where the applicant would not be able to register or log-in to the system.

Physical applications can still be made at an Embassy / High Commission / Consulate General of Malaysia in the individual's respective country as stated in his/her Pass Approval Letter, if preferred.⁶

ESD Satellite Centre (ESC) at the Kuala Lumpur International Airport 1 (KLIA 1) and New Endorsement Process at ESD

The ESC at the KLIA 1 officially commenced operations on 1 December 2021. The ESC operates 24 hours a day, 7 days a week to provide endorsement services to eligible long-term pass holders, so that they may complete the process for endorsement of their Passes before undergoing mandatory quarantine upon arrival in Malaysia.⁷

The ESC only facilitates endorsement of newly-approved Employment Passes and Dependent Passes under the purview of ESD. Meanwhile for endorsements of Professional Visit Passes and renewals of Employment Passes and Dependent Passes, the company may initiate endorsement via online and arrange the Pass sticker to be delivered to the company by national courier.

New Endorsement Process at eXpats Service Centre, MDEC

With effect from 1 December 2021, eXpats Service Centre implemented an online endorsement process⁸ in line with the announcement made by the Expatriate Services Division (ESD) on 1 October 2021.⁹ The new endorsement process at the eXpats Service Centre requires a company to initiate online endorsement via the eXpats portal before submitting the original passport to the eXpats Service Centre or requesting the Pass sticker to be delivered to the company by MDEC's representative.

The new endorsement process is only applicable to the eXpats Service Centre in Cyberjaya.

The Pass will be endorsed on the same day, which reduces the endorsement completion time significantly.

© 2022 KPMG Tax Services Sdn. Bhd., a company incorporated under Malaysian law and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. Printed in the U.S.A. NDPPS 530159

KPMG NOTE

There are limitations to some of the new processes to take note of. For example, the new endorsement process at ESC is only applicable for endorsements of newly-approved Employment Passes and Dependent Passes. Expatriates and dependents who are not in Malaysia for renewals and Professional Visit Pass holders would not be able to get their Passes endorsed at the ESC upon arrival at KLIA 1.

It is also important to note that coordination between expatriates and the company's authorised person registered in the ESD's system is required before applying for endorsement of Passes under the online request system to help ensure smooth processes. The pass sticker has to be affixed onto the passport on the spot-when it is delivered to the authorised person. In the event this cannot be done, the Pass sticker will be routed to the ESD's office and a second delivery can be made, but would be charged a nominal fee of MYR 50.

Similar to the ESD Pass delivery process, coordination between MDEC and the company's authorised person registered in the eXpats's system is also important for a smooth endorsement process for the company that opts for Pass delivery. However, if the company prefers the conventional way of submitting an original passport to the eXpats centre to endorse the Pass sticker, the company is still allowed to do so by making an appointment with eXpats prior to submitting the passport.

FOOTNOTES:

1 See Immigration Department of Malaysia, Expatriate Services Division, "Exemption of the MyEntry/MyTravelPass Permission Entering Malaysia" (10 January 2022) at: <u>https://esd.imi.gov.my/portal/latest-news/announcement/exemption-myentry-mytravelpass/</u>.

2 See "Implementation of MYVisa (eVisa) Facility for All Countries Entering Malaysia" at: https://esd.imi.gov.my/portal/latest-news/announcement/implementation-myvisa-facility-for-all-countries/

3 See "(Update) Endorsement Guidelines: ESD Satellite Centre (ESC) KLIA1 and Delivery of Endorsed Pass" (21 November 2021) at: <u>https://esd.imi.gov.my/portal/latest-news/announcement/endorsement%20guidelines-esc-klia1-and-</u> <u>delivery-endorsed-pass/</u>.

4 See "New Process for Endorsement of Pass" at: https://mdec.my/expat/new-process-for-endorsement-of-pass/ .

5 See Implementation of MYVisa (eVisa) Facility for All Countries Entering Malaysia" at: <u>https://mdec.my/expat/new-process-for-endorsement-of-pass/</u>.

6 See eXpats Service Centre, "Update on Reference Visa Requirement" at: <u>https://mdec.my/expat/update-on-reference-visa-requirement/</u>.

7 See "(Update) Endorsement Guidelines: ESD Satellite Centre (ESC) KLIA1 and Delivery of Endorsed Pass" (11 November 2021) at: <u>https://esd.imi.gov.my/portal/latest-news/announcement/endorsement%20guidelines-esc-klia1-and-delivery-endorsed-pass/</u>.

8 See "New Process for Endorsement of Pass" at: <u>https://mdec.my/expat/new-process-for-endorsement-of-pass/</u>.

9 See "New Application Features and Service Fee for Expatriate Employment Pass and Professional Visit Pass Effective 15 November 2021" at:: <u>https://esd.imi.gov.my/portal/latest-news/announcement/new-application-features-and-service-fee-for-ep-pyp-effective-15nov2021/</u>.

^{© 2022} KPMG Tax Services Sdn. Bhd., a company incorporated under Malaysian law and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. Printed in the U.S.A. NDPPS 530159

Contact us

For additional information or assistance, please contact your local GMS or People Services professional* or one of the following professionals with the KPMG International member firm in Malaysia:



Long Yen Ping Executive Director Tel. +60 (3) 77217018 yenpinglong@kpmg.com.my



Michelle Foo Associate Director Tel. +60 (3) 77217346 Iyeyeefoo@kpmg.com.my



Nur Aliaatul Shahira Manager Tel. +60 (3) 77213917 <u>aliaatulnaguib@kpmg.com.my</u>

* Please note the KPMG International member firm in the United States does not provide immigration or labour law services. However, KPMG Law LLP in Canada can assist clients with U.S. immigration matters.

The information contained in this newsletter was submitted by the KPMG International member firm in Malaysia.

© 2022 KPMG Tax Services Sdn Bhd, a company incorporated under Malaysian law and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

www.kpmg.com

kpmg.com/socialmedia



© 2022 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

KPMG LLP is the U.S. firm of the KPMG global organization of independent professional services firms providing Audit, Tax and Advisory services. The KPMG global organization operates in 147 countries and territories and has more than 219,000 people working in member firms around the world.

Each KPMG firm is a legally distinct and separate entity and describes itself as such. KPMG International Limited is a private English company limited by guarantee. KPMG International Limited and its related entities do not provide services to clients.

Flash Alert is a GMS publication of KPMG LLP's Washington National Tax practice. To view this publication or recent prior issues online, please click here. To learn more about our GMS practice, please visit us on the Internet: click here or go to http://www.kpmg.com.