The Employer’s Mandate
Are you ready to take charge?

Kuala Lumpur 4 Aug  |  Johor Bahru 13 Aug  |  Penang 14 Sep  |  Kuala Lumpur 29 Sep
Mission Statement

Build effective partnerships and make a difference in addressing Malaysia’s talent needs to enable the country to reach its aspiration of a high-income nation

1. Acting as a focal point to understand talent issues and develop solutions
2. Bridging Industry and Government to enhance talent-related policies
3. Building public-private collaborations to attract, nurture and retain talent
4. Implementing catalyst initiatives targeted at critical skill gaps
Talent Corporation Programme Overview

WORKING WITH YOU TO MEET MALAYSIA’S TALENT NEEDS
Applicant doesn’t have to be physically present for the “Surat Akuan Tarikh Kembali”

Optional 15% flat tax rate on chargeable employment income for a period of five (5) years continuously

Tax exemption for all personal effects* brought into Malaysia, limited to one (1) shipment

*Personal effects don’t encompass motorised vehicles

One (1) locally manufactured Complete Knocked Down (CKD) or fully imported Complete Built Up (CBU) car per successful application exempted from duty/taxes up to maximum of RM150k worth of duty/tax

The foreign spouse and children will be eligible for Permanent Resident (PR) status within six (6) months upon receipt of their complete PR application form by the Immigration Department of Malaysia

Learn more about REP at rep.talentcorp.com.my
Structured Internship Programme (SIP)

A collaborative effort between TalentCorp and MOE (previously MOHE) to encourage a meaningful internship experience relevant to industries

Eligibility criteria to apply:

1. Internship experience for Malaysian students pursuing diploma and degree on full time basis in local campuses
2. Offer internship of min 10 weeks
3. Provide monthly allowance of RM500 or more
4. Framework of clearly defined learning outcomes
5. Enhance employability skill

After TalentCorp’s endorsement

Company is eligible for double tax deduction for the following expenses incurred:

- RM500 monthly allowance and/or cash equivalent
- Meal, transportation & accommodation allowance*
- Training courses*
- Payment to 3rd party administering internship programme*

* Limited to max total expenses of RM5,000 per student per year of assessment.

12,000 SIP INTERNSHIP PLACES ENDORSED ANNUALLY
### Cost per intern in a month:

<table>
<thead>
<tr>
<th></th>
<th>Double Tax Deduction</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Without</td>
<td>With</td>
<td></td>
</tr>
<tr>
<td>Allowance</td>
<td>RM 1,000</td>
<td>RM 1,000</td>
<td></td>
</tr>
<tr>
<td>Tax deduction (tax rate:25%)</td>
<td>(RM 250)</td>
<td>(RM 500)</td>
<td></td>
</tr>
<tr>
<td>Cost net of tax</td>
<td>RM 750</td>
<td>RM 500</td>
<td></td>
</tr>
<tr>
<td>Savings</td>
<td></td>
<td>RM 250</td>
<td></td>
</tr>
</tbody>
</table>

#### Assume 6 months internship for 100 interns

- **Total Savings:** RM 150,000

#### Paying RM500 allowance with incentive
- **RM333 allowance without tax incentive**
Support Government’s effort to strengthen human capital development

Encourage non-HRDF contributing companies to enhance skills, knowledge and qualifications of employees

Expenses eligible for double tax deduction:
- Course fees
- Exam fees
- Exemption fees

Examples of Industry & Professional Qualifications (approved by Ministry of Finance):

- Shared Services & Outsourcing (SSO):
  - Certified Outsourcing Professional (COP)

- Accounting & Finance:
  - ACCA, CPA Australia, CIMA, ICAEW, MICPA

- Human Resources:
  - AHRI, CIPD, MIHRM, SHRM

- Project Management:
  - PMP

- ICT:
  - CISCO, SAP

And more...
Career Comeback Grants

Career Comeback Grant is designed to encourage employers to recruit and retain women on career breaks for more than six (6) months, via any channels of recruitment.

A “woman returnee” = Malaysian woman, with min 1 year working experience, who return to workforce from a career break after at least six (6) months due to reasons related to family commitments, work-life balance, personal growth or compulsory exit.

Resourcing Grant

Implement or enhance a programme or campaign to recruit women returnees. The grant offers co-funding of 75% of the cost incurred to run the programme up to a maximum of RM100,000.

Start date of programme must be between 1 January 2015 – 31 December 2015

Retention Grant

Successful recruitment and retention of women returnees for more than 6 months. The grant amount is equivalent to a returnee’s one month salary. The grant is up to a maximum of RM100,000.

Women returnee(s) must be hired between 1 January 2015 – 31 December 2015

maximum of RM200,000 per company.
WORKING WITH YOU TO MEET MALAYSIA’S TALENT NEEDS
**Residence Pass-Talent**

**RETENTION**

**RESIDENCE PASS-TALENT**

- Facilitating top expatriate talent & spouses to work in Malaysia

- More than 3,000 approved from 2011 to 2014

**BENEFITS**

- **10-years Pass** for highly qualified expatriates to continue to reside and work in Malaysia

- Ability to **live and work in Malaysia** for up to **10 YEARS**

- **Flexibility to change employers** without having to renew the pass

- Spouse and dependents under 18 years of age are eligible for the **Residence Pass-Talent dependent**

- **Spouse can seek employment** without the need to apply for an Employment Pass

Expatriate Services Division (ESD)

Creating a single point of contact for all expatriate related passes and permits

EASE OF APPLICATION

Product Centric vs Customer Centric


Client Charter:
- 14 working days for company registration
- 5 working days for expatriate application
Evaluates employers for compliance, risks and needs

Company registration (14 working days)

Expatriate Services Division (ESD)

Overseen by the Ministry of Home Affairs

Joint initiative between TalentCorp and the Immigration Department of Malaysia

Process and issue Employment Passes for expatriates, including Dependant Passes and Long Term Social Visit Passes.

Operational in 1 July 2015 @ Surian Tower, Mutiara Damansara

Online application at esd.imi.gov.my

Expatriate application (5 working days)

Evaluates expatriates for suitability of jobs

To learn more, visit http://www.talentcorp.com.my/our-work/initiatives/myexpats-centre
01 joint initiative
Collaboration through JWC-E since 2012

02 policy custodian
MOHA to ensure MYXpats implementation is inline with the current policy
Consistency with new developments of expatriate facilitation in Malaysia

03 data sharing
Ensuring enhanced and secure immigration services
It is a joint initiative between TalentCorp and the Immigration Department of Malaysia, and is overseen by the Ministry of Home Affairs.
• Application for **RELEVANT PASSES**

• Seek assistance during the **DOCUMENT SUBMISSION** process

• **COLLECT** endorsed immigration passes
# MYXpats Centre’s – How It Works

## PASS APPLICATION & SUBMISSION

<table>
<thead>
<tr>
<th>CREATE APPLICATION</th>
<th>SUBMIT APPLICATION</th>
<th>CLEARANCE</th>
<th>NOTIFICATION</th>
</tr>
</thead>
</table>
| o Fill in the required information applicants  
o Fill positions by selecting through the lists at “Position Setup”  
o Upload all documents as required | o Submit completed application.  
o Notification via the system will be sent to you upon receiving your application | o Verification and validation of the submitted information by MYXpats Centre | o Status notification will be sent via the system  
o Approved expatriates may proceed to the next stage for passport endorsement |

| 1 | 2 | 3 | 4 |
# MYXpats Centre's Process Flow

## PASS ENDORSEMENT & COLLECTION

<table>
<thead>
<tr>
<th>Approval Letter</th>
<th>Payment</th>
<th>Endorsement</th>
<th>Collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available online for download. Applicable fees will also be advised online.</td>
<td>Payment for applicable fees can be made at the MYXpats Centre counter.</td>
<td>Documents required during endorsement – Original passport, copy of approval letter, payment receipt.</td>
<td>Endorsed passport(s) can be collected within 3 working days.</td>
</tr>
</tbody>
</table>

1. Approval Letter
2. Payment
3. Endorsement
4. Collection
MYXpats Centre – Business As Usual

MYXpats Centre will not replace or supersede the expatriate service centres managed by other government Approving Agencies.
Companies may still continue to use agents or representatives to assist with their expatriate EP applications to do endorsement process at the ESD office in Putrajaya.

RM0! Other than the fees to be paid for visa passes, there is no fee or surcharge to be paid for submitting Employment Pass and related expatriate pass applications through
MORE THAN 7,000 COMPANIES REGISTERED WITH ESD

42,000 EMPLOYMENT PASS APPLICATIONS HAS BEEN SUBMITTED THROUGH ESD SYSTEM

CLIENT CHARTER

<table>
<thead>
<tr>
<th>Period</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan - May ‘15</td>
<td>54%</td>
</tr>
<tr>
<td>June ‘15</td>
<td>88%</td>
</tr>
<tr>
<td>July ‘15</td>
<td>92%</td>
</tr>
<tr>
<td>Aug ‘15</td>
<td>94%</td>
</tr>
</tbody>
</table>

TOP 5 SECTORS FOR EMPLOYMENT PASS APPLICATION

- Manufacturing: 20%
- Oil, Gas & Energy: 17%
- Business Services: 15%
- Construction: 14%
- Education: 14%

*Data up to 31 Aug 2015*
**MANUFACTURING**

- **2223** COMPANIES
- **5250** EXPATRIATE APPLICATIONS

**TOP 3 NATIONALITY**

1. **INDIA**
2. **CHINA**
3. **JAPAN**

**OIL, GAS & ENERGY**

- **482** COMPANIES
- **4417** EXPATRIATE APPLICATIONS

**TOP 3 NATIONALITY**

1. **INDIA**
2. **U.K.**
3. **INDONESIA**

**BUSINESS SERVICES**

- **1696** COMPANIES
- **3794** EXPATRIATE APPLICATIONS

**TOP 3 NATIONALITY**

1. **INDIA**
2. **JAPAN**
3. **U.K.**

**CONSTRUCTION**

- **586** COMPANIES
- **3588** EXPATRIATE APPLICATIONS

**TOP 3 NATIONALITY**

1. **CHINA**
2. **INDIA**
3. **S.KOREA**

**EDUCATION**

- **290** COMPANIES
- **3535** EXPATRIATE APPLICATIONS

**TOP 3 NATIONALITY**

1. **U.K.**
2. **INDIA**
3. **U.S.**

*Data up to 31 Aug 2015*
RE-CLASIFICATION OF EMPLOYMENT PASS
CATEGORY I, II and III
(effective 15/7/15)
Re-Classification of Employment Pass - Category I, II and III

<table>
<thead>
<tr>
<th>Employment Pass (Category I)</th>
<th>Employment Pass (Category II)</th>
<th>*Employment Pass (Category III)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic salary of minimum RM5k per month</td>
<td>Basic salary of minimum RM5k per month</td>
<td>Basic salary between RM2,500 to RM4,999 per month</td>
</tr>
<tr>
<td>Employment Contract</td>
<td>Employment Contract</td>
<td>Employment Contract</td>
</tr>
<tr>
<td>Minimum 2 years</td>
<td>Less than 2 years</td>
<td>must not exceed 12 months</td>
</tr>
<tr>
<td>Dependents are allowed</td>
<td>Dependents are allowed</td>
<td>Dependents are not allowed</td>
</tr>
<tr>
<td>Un-restricted renewal (subject to approval via ESD application)</td>
<td>Un-restricted renewal (subject to approval via ESD application)</td>
<td>Allow for two (2) times renewal (subject to review)</td>
</tr>
</tbody>
</table>

*Exemption from minimum salary requirement of RM5000 for Employment Pass (Category III) Applications

- Companies intend to apply for EPIII is required to submit a letter to the Ministry of Home Affairs to seek exemption from the minimum salary requirement of RM5000
- The status of exemption request will be notified via online within 14 working days.
- Validity of exemption approval will be for the current year only. Subsequently, for the upcoming years the approval will be reviewed on a year-to-year basis.
- From **15 July**, all companies in the construction sector will need to refer all expatriate Employment Pass applications for technical and non-technical posts to the Construction Industry Development Board (CIDB)

To learn more and to download the ESD Online Guidebook, please visit [esd.imi.gov.my](http://esd.imi.gov.my)
MOVING FORWARD >>

- **EPIII IMPLEMENTATION initiated**
- SSM & LHDN INTEGRATION 2016
- APPROVING AGENCIES INTEGRATION 2016
- TIERING FOR COMPANIES & COUNTRY 2016
- MYXpats IN PENANG & JOHOR 2016
CONTACT US:

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Level 16, Surian Tower,
No. 1, Jalan PJU 7/3, Mutiara Damansara,
47810 Petaling Jaya, Selangor, MALAYSIA

Tel: 03 - 8892 3939

Email: MYXpats@talentcorp.com.my

Website: https://esd.imi.gov.my/portal/

ESD Guidebook Download: