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Global Immigration alert

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Malaysia

Malaysia revises Investor Pass application category and launches the MIDA Expatriate System

Executive summary

Malaysia has introduced two notable regulatory updates impacting foreign investors and companies employing expatriates. Effective 13 March 2026, the Expatriate Services Division (ESD) revised the Investor Pass application category by removing the "Existing Investor" category from the [Xpats Gateway](#) system. On 16 March 2026, the Malaysian Investment Development Authority (MIDA) launched the MIDA Expatriate System (MES), a new integrated digital platform centralizing end-to-end expatriate application management for manufacturing and selected services sectors.

Together, these changes streamline investor-related mobility processes while tightening policy alignment with national investment and immigration priorities.

Background

Malaysia has been modernizing expatriate-related processes through digital integration and policy updates. The Investor Pass, which facilitates short-term business-focused entry for potential investors, was updated to ensure alignment with current eligibility rules and national security standards. Meanwhile, the MIDA, the expatriate approving agency for manufacturing and selected services sectors, has consolidated its existing processes into a unified digital platform (i.e., MES) to reduce administrative delays and support a more predictable experience for investors and employers.

Key developments

- **Removal of "Existing Investor" category from Investor Pass applications:** The ESD announced that the types of investor categories within the Xpats Gateway system have been reduced from three to two:
 - New Investor
 - Investor in Pipeline

The "Existing Investor" category has been eliminated, as individuals who already own a company or hold directorships in

Malaysia are no longer eligible for the Investor Pass. Such applicants must instead seek an Employment Pass (EP) or Professional Visit Pass (PVP). Any draft applications filed under the removed category were automatically deleted effective 13 March 2026.

- **Launch of the MIDA Expatriate System (MES) for manufacturing and selected services sectors:** The integrated platform:
 - Centralizes expatriate processing via InvestMalaysia, MIDA's digital platform.
 - Integrates directly with MYImms, the immigration department's core system.
 - Eliminates duplicate submissions, and enables single login and one-time document submission.
 - Provides end-to-end visibility for employers from post creation through to ePass issuance.
 - Covers all manufacturing sectors and selected services sectors, such as global services hubs, research and development, logistics, green technology, digital infrastructure and others under the MIDA's purview.

The MIDA emphasized that the system formalizes longstanding expatriate management processes and enhances speed, transparency, governance consistency and national-level coordination. Full guidelines and frequently asked questions have been published on MIDA's [website](#).

Impact on employers

Employers and investors should expect the following impacts:

- Investor Pass eligibility is now stricter, preventing individuals with existing business ownership or directorship in Malaysia from using this route. Companies may need to reassess mobility pathways for foreign directors, shareholders or senior executives who previously relied on the Investor Pass.

- Short-term transition planning may be required, as the removal of the “Existing Investor” category may disrupt ongoing or draft applications, while the MES introduces new workflows that HR and global mobility teams must adopt.
- Expatriate processing for MIDA-regulated sectors becomes more centralized, reducing administrative delays caused by multi-agency submissions.
- The MES’s end-to-end digital architecture provides greater transparency and predictability in the MIDA-regulated EP applications.
- Integration with MYImms may reduce turnaround times but increases compliance visibility.
- Companies should ensure accuracy and completeness in documentation and data entry.

Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

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