

UNOFFICIAL TRANSLATION

MEDIA STATEMENT

1. Since the implementation of the Movement Control Order (MCO) on March 18, 2020 (last year), the government has decided on a policy of closing the country's borders to curb the spread of the Covid-19 pandemic brought in from the entry of foreigners into the country.
2. From this decision, applications to participate in Malaysia My Second Home Program (MM2H), have been **frozen** to give space to the Ministry of Home Affairs (KDN) and the Ministry of Tourism, Arts and Culture (MOTAC) to review and re-evaluate the comprehensiveness of the MM2H Program.
3. Following that, the cabinet on 14 July 2021 and 30 July 2021 has agreed to the proposed improvement of the new policy of the MM2H Program as one of the strategies to assist the implementation of the National Recovery Program (PPN) to regenerate the national economy.
4. In this regard, I am pleased to inform you that the **MM2H Program will be reactivated** and new applications will be **processed and handled by the Malaysian Immigration Department (JIM)** from October 2021, after all processes related to negotiation are completed.

POLICY FOR FIXING CEILING NUMBER OF MM2H PARTICIPANTS

5. The Government understands the people's worries and concerns about the entry of foreigners through the MM2H Program which is feared to increase the number of foreigners in Malaysia.
6. Therefore, the government has agreed to introduce and set a ceiling on the number of participants (principals and dependents) at any one time, which does **not exceed 1%** of the total number of Malaysian citizens.

QUALIFIED PARTICIPANTS, WITHOUT CRIMINAL RECORDS

7. The Ministry of Home Affairs guarantees that only participants who are qualified and have no criminal record will be allowed to participate in the program.

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8. The MM2H Program application procedure will also be improved by creating an online system for the application, processing, and database of MM2H participant profiles.
9. To balance the security and economic aspects, the conditions for the participation of the MM2H Program in this new policy have been improved after taking into account the views of several ministries/government agencies.
10. The conditions are:

FIRST: Residency or residence in Malaysia is for at least 90 days (cumulative) in a year.

- This is to ensure that MM2H participants spend and contribute to the domestic economy whether in the form of rental or purchase of properties, health services, insurance, education, food and beverage expenses, domestic tourism, and others which in turn will generate income to local people.

SECOND: MM2H participants offshore income, at least RM40,000 per month, compared to RM10,000 previously.

- Compared to the existing income conditions, these new income conditions are more relevant as the government targets quality, affordable and high-income participants.
- In addition to taking into account the expenses that will be spent on the education of children in international schools as an example and lifestyle appropriate to their standard of living.

THIRD: Ownership of a fixed savings account of at least RM1 million and a maximum withdrawal of 50% is allowed on the principal value to purchase property, health, and education of children.

- Previously, the conditions set were the ownership of a fixed savings account of at least RM150,000 for applications for 50 years and above and RM300,000 for applications for 50 years and below.

FOURTH: The age of applicants who are eligible to apply for the MM2H program is divided into 2 categories of application, namely:

- (1) Age **35 to 49 years**; and
- (2) Age **50 years and above**

- The government will introduce an age category of 35 years to 49 years to select truly quality participants who are more stable in terms of income and have a permanent career.

- This condition was introduced in line with the current time and looking at the success of programs such as the MM2H Program which has an economic spillover effect to neighboring countries, namely Thailand and the Philippines.
- However, in ensuring that the age group of 35 years to 49 years can meet the objectives of the program, additional conditions are imposed as an aspect of control as follows:
 - (1) The presence and residence in Malaysia for at least **90 days in a year (cumulative)** must be fulfilled either by the applicant or the spouse; and
 - (2) For each liability consisting of the applicant's spouse and children as well as the applicant's parents and parents-in-law, **a sum of RM50,000 for each liability** shall be added on the ownership of the fixed savings account as per the third condition I have mentioned earlier. Withdrawal of 50% is also allowed for education, health expenses, and property purchase.

FIFTH: The duration of the MM2H Program Long Term Social Visit Pass is 5 years and can be extended for 5 years and beyond as long as the participants are interested subject to fulfilling the application conditions (Compared to 10 years previously).

SIXTH: Declaration of liquid assets of at least RM1.5 million.

- The applicant must prove to have liquid assets of RM1.5 million compared to the previous condition which set the value of liquid assets at RM350,000 and RM500,000 according to their respective categories.
- This condition which has been improved is to target MM2H Program participants who are financially capable and in turn will contribute to the national economy.

SEVENTH: The pass fee rate is increased from RM90 to RM500 per year and the processing fee is charged at RM5,000 for the principal and RM2,500 for each dependent.

- In line with the facilities and privileges provided, the government has thus agreed to increase the pass fee rate and impose a processing fee charge.
 - Before this, processing fees are not imposed upon participants of the MM2H Program.
 - This imposition of the processing fee is intended to improve the quality of services that will be provided to MM2H Program participants. For that, the online system developed will also be able to provide the best service to the participants of the MM2H Program.
11. The next conditions are the efforts of the Ministry of Home Affairs to ensure the priority of security aspects in the provision of MM2H pass facilities to participants, namely:

EIGHTH: Pass renewal, change of principal, change of citizenship of participants and dependents must also undergo and pass security screening

NINTH: The need to submit a Letter of Good Conduct for all participants and dependents.

- To strengthen control in terms of security, these conditions are imposed so that monitoring capabilities by enforcement agencies can be improved.

TENTH: Co-operation between the Ministry of Home Affairs and Ministry of Tourism, Arts, and Culture (MOTAC) with tourism agencies.

12. The function of promoting Program MM2H and its brand will continue with the involvement of MOTAC and Tourism Malaysia agencies in introducing Malaysia as a long-term destination especially to retirees and high-income personalities.
13. MOTAC is an important implementation partner in the success of Program MM2H, especially in the global marketing aspect.
14. Besides that, tourism agents registered under MOTAC will also assist in implementing the promotion strategy of Program MM2H based on guidelines issued by MOTAC.
15. The implementation of new policies of Program MM2H will apply to all new applications and subsequent applications for existing participants who have and will expire the validity period of the MM2H pass.
16. Meaning, existing participants, if still interested to join this program, can apply for extension subject to compliance with new conditions.
17. I am pleased to inform you that the grace period of one (1) year will be given to provide time for extension participants to fulfill the requirements of the new conditions.
18. The launch of Program MM2H and admission of program participants into Malaysia are still subject to guidelines and Health SOP set by NSC and risk assessment by MOH.
19. From 2002 until 2019, the MM2H program has succeeded in stimulating the national economy with revenue totaling RM11.89 billion Gross Value Added cumulatively via visa fees, property purchases, individual vehicle purchases, fixed deposits, and monthly household expenditure.
20. Until now, the approved number of MM2H participants is 57,478 including dependents of the MM2H pass holders.
21. To ensure control towards MM2H participants, the Ministry of Home Affairs through attached enforcement agencies which are the Malaysian Immigration Department (JIM) and Malaysian Royal Police (PDRM) will conduct surveillance and enforcement periodically.

22. Lastly, I hope with the reactivation of this Program MM2H, will attract again the confidence of prospective participants to continue making Malaysia as “My Second Home” and following that, will regenerate again Malaysia’s economy in realizing the Government’s strategy in ensuring the NPR is succeeded.

DATUK WAN AHMAD DAHLAN BIN HAJI ABDUL AZIZ
CHIEF SECRETARY
Ministry of Home Affairs
11 August 2021, Putrajaya

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