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Global Immigration alert

April 2026

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Malaysia

Malaysia further extends the Internship Policy pilot phase until 31 May 2026

Executive summary

On 31 March 2026, Malaysia's Expatriate Services Division (ESD) announced an extension of the 1:3 Internship Policy pilot stage until 31 May 2026. The policy will become mandatory for all employers hiring expatriates under Employment Pass (EP) categories I to III effective 1 June 2026.

Background

The authorities [introduced](#) the 1:3 Internship Policy on 15 January 2025 to balance the employment of foreign nationals with the development of Malaysia's local talent. Under this policy, companies are required to offer up to three internships under the National Structured Internship Programme ([MySIP](#)) for each foreign national they hire, with limited exemptions. These internships are available to Malaysian students enrolled in public and private higher education institutions or technical and vocational education and training (TVET) institutes. The pilot phase was originally scheduled to conclude on 31 December 2025 and was then [extended](#) to conclude on 31 March 2026. The latest extension to 31 May 2026 is expected to be final, with full implementation on 1 June 2026.

Key developments

The extension of the pilot phase provides employers with additional time to understand the policy requirements and plan internship placements that align with their business operations. Companies that have received invitation by TalentCorp to onboard interns onto the [MyNext](#) portal should complete this onboarding within 30 days of receiving the email. Companies that did not receive any email should await further updates regarding the full implementation process.

Impact on employers

Employers should prepare to comply with the policy as no further extensions are expected. With the 1:3 Internship Policy coming into effect concurrently with the revision of minimum salary requirements for EP holders, employers may evaluate and calibrate their internship hiring plan based on the updated EP categories.

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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ey.com

Irene Ang
Partner, People Advisory Services, Global Immigration
Tel: +603-7495-8306
Email: irene.ang@my.ey.com

Cynthia Wong
Associate Partner, People Advisory Services, Global Immigration
Tel: +603-7495-8129
Email: cynthia.wong@my.ey.com

Jehan Iskandar
Senior Manager, People Advisory Services, Global Immigration
Tel: +603-7495-8286
Email: jehan.iskandar@my.ey.com