

LABUAN FINANCIAL SERVICES AUTHORITY
(LEMBAGA PERKHIDMATAN KEWANGAN LABUAN)

Circular No. : 337/2026/ALL
Date : 11 June 2026

Association of Labuan Trust Companies
Association of Labuan Banks
Labuan International Insurance Association
Labuan Investment Banks Association

Dear Chairmen,

CLARIFICATION ON THE GUIDELINES ON WORK PERMIT APPLICATION IN LABUAN IBFC FOLLOWING THE REVISED EMPLOYMENT PASS POLICY BY THE MINISTRY OF HOME AFFAIRS EFFECTIVE 1 JUNE 2026

With reference to the Ministry of Home Affairs' (MOHA) announcement on the revised expatriate employment policy, which takes effect from 1 June 2026, Labuan FSA is pleased to inform that MOHA has provided clarification on its applicability to Labuan entities under the **Guidelines on Work Permit Application in Labuan IBFC for Licensed and Non-Licensed Entities (Guidelines)**.

2. Under the revised framework governed by MOHA, the requirements are as follows:
- (i) the salary for Employment Pass Category I expatriates is increased from RM10,000 and above to RM20,000 and above;
 - (ii) the salary for Employment Pass Category II expatriates is increased from RM5,000 to RM9,999 to RM10,000 to RM19,999;
 - (iii) the salary for Employment Pass Category III expatriates is increased from RM3,000 to RM4,999 to RM5,000 to RM9,999, except for the manufacturing sector and manufacturing-related services (MRS), which is set at RM7,000 to RM9,999;
 - (iv) the employment period for Employment Pass Category I is set at 10 years;
 - (v) the employment period for Employment Pass Category II is set at 10 years with a replacement plan;
 - (vi) the employment period for Employment Pass Category III is set at 5 years with a replacement plan; and
 - (vii) all expatriates holding Employment Pass Categories I, II and III are allowed to bring dependants.

3. Based on the new salary scale, the RM10,000 salary threshold prescribed for Labuan IBFC remains within the salary range stipulated under the new expatriate employment policy and qualifies for an Employment Pass.

4. In this regard, we would appreciate the Association's assistance to disseminate this circular with all members and Labuan entities. Labuan FSA will continue to engage with the relevant authorities to ensure a supportive regulatory environment for the Labuan IBFC industry. Should you require further clarification, please do not hesitate to contact us:

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Thank you.

For and on behalf of
Labuan Financial Services Authority



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