



Malaysia removes eligibility criteria for EPF withdrawals

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On 11 Feb 2021, the Malaysian government announced that members of the Employees Provident Fund (EPF) no longer have to meet certain eligibility criteria prior to requesting the withdrawal of retirement funds (“i-Sinar”) from their EPF Account 1. On 2 Mar 2021, the EPF also announced a timetable for requesting i-Sinar withdrawal payments. The policy change aims to help individuals address the financial effects of the COVID-19 pandemic — previously, members had to show they had suffered a significant reduction of their income due to COVID-19 and ceased paying their EPF contributions.

Highlights

- New applications for EPF withdrawals open on 8 Mar 2021 for all members younger than 55 years, including non-Malaysian EPF members.
- EPF members that have MYR 100,000 or less in Account 1 can request withdrawals up to MYR 10,000. Payments will be made over a period of six months with a first payment of up to MYR 5,000.
- EPF members that have MYR 100,000 or more in Account 1 can withdraw up to 10% of their savings, up to a maximum of MYR 60,000. Payments will be made over six months with a first payment of up to MYR 10,000.

Earlier in the pandemic, the EPF launched the i-Lestari Account 2 Withdrawal Scheme to provide members with financial relief. A total of MYR 18.1 billion has been withdrawn by 5.16 million members under the i-Lestari facility. The employees’ EPF contribution rate for 2021 was reduced from 11% to 9%.

Related resources

- [Payment for current i-Sinar applications](#) (Employees Provident Fund, 2 Mar 2021)
- [EPF navigates safely through pandemic-stricken 2020](#) (Employees Provident Fund, 26 Feb 2021)

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- [i-Sinar open to all EP members whose income is affected by COVID-19](#) (Employees Provident Fund, 2 Dec 2020)
- [Statutory rate for employee's share of contribution to be reduced to nine per cent for 2021](#) (EPF, 28 Nov 2020)

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