



Teo Wai Sum
Partner
Regulatory & Compliance
T: +603 6208 5805
E: tw@lh-ag.com



Eleena Abd Wahab
Senior Associate
Regulatory & Compliance
T: +603 6208 5815
E: eaw@lh-ag.com

26 MAY 2021

Stricter Measures for MCO 3.0: Key Points for Businesses

On 10 May 2021, the Prime Minister announced that the entire nation would be placed under a third movement control order (**MCO 3.0**) from 12 May to 7 June 2021 (**MCO 3.0 Period**), in line with s 11 of the Prevention and Control of Infectious Diseases Act 1988 (**PCIDA**). In tandem with the announcement, the [Prevention and Control of Infectious Diseases \(Measures within Infected Local Areas\) Regulations 2021¹](#) (**MCO 3.0 Regulations**), [as amended on 24 May 2021](#), were issued to govern the MCO 3.0 Period.

Under the MCO 3.0 Regulations, movement within an infected local area, or from one infected local area to another, is limited to certain scenarios including to seek healthcare or medical services, to work, and to supply or deliver daily necessities. Any movement for reasons not specified in the MCO 3.0 Regulations will be subject to the prior written permission of the police.

Further, an authorised officer (defined under s 2 of the PCIDA as any Medical Officer of Health, any health inspector, or any officer appointed by the Minister of Health) may direct any employer who employs a foreign employee to cause the foreign employee to undergo a COVID-19 detection test, whereby the employer shall bear the fee, cost or charges for the test.

Activities listed under Schedule 2 of the MCO 3.0 Regulations are prohibited from being carried out. These include businesses providing beauty and spa treatments, entertainment activities, tourist attraction activities, economic activities which may cause a crowd to gather, as well as any activities which render it difficult to carry out social distancing.

Recent weeks have seen a significant surge in the number of COVID-19 cases in Malaysia with daily increases exceeding 6,000. In an attempt to combat the further spread of the disease,

¹

As published in the Federal Gazette on 9 May 2021, available at https://lom.agc.gov.my/ilims/upload/portal/akta/output/1701235/PUA%20225_2021.pdf and amended on 24 May 2021, available at https://lom.agc.gov.my/ilims/upload/portal/akta/output/1701923/PUA%20234_2021.pdf

the government announced stricter measures that must be adopted by individuals and organisations alike to limit and control movement during this critical period.

The new [standard operating procedures for MCO 3.0](#)² (**MCO 3.0 SOP**) issued on 22 May 2021 will be in effect from 25 May until 7 June 2021. Some of the key points of the MCO 3.0 SOP applicable to organisations are as follows:

1. All business and economy sectors as approved by the relevant ministry or agency are permitted to operate during the MCO 3.0 Period. However, private companies are required to impose a capacity limit of 60% on all personnel attending the workplace at a time, while the remaining 40% must work from home. This has widened the application of the work from home order, which previously was only imposed on management personnel and not operation-level employees.
2. Movement of employees will be subject to the registration or approval letter allowing operation issued by the relevant authority, employee pass or authorisation letter issued by the employer.
3. No inter-state and inter-district travel will be permitted except in limited scenarios such as to seek medical assistance, emergency reasons, attend vaccination appointments and where the approval of the police has been obtained. Note that inter-state and inter-district travel for work purposes is permitted under the MCO 3.0 Regulations.
4. Premises owners, activities or programmes listed under the Hotspot Identification for Dynamic Engagement (**HIDE**) must take steps to sanitise their premises, heighten the level of monitoring of compliance by customers and, if ordered by a District Health Officer pursuant to a risk analysis carried out, shut down their premises.
5. In addition to requiring customers and visitors to check in by either scanning the MySejahtera mobile app (**MySejahtera**) QR code, or by recording their name and contact number prior to entering the premises, premises owners must also ensure that only individuals having a low-risk status on MySejahtera are permitted to enter. The number of visitors at any given time should also be limited.
6. Physical meetings not involving external parties are permitted and the attendees of the meeting can consist of

persons from the same premises, office or building. Meetings requiring inter-district or inter-state travel are not permitted. Further, official work events, such as seminars, trainings, workshops, conferences, talks and exhibitions are not allowed.

7. The operating hours of restaurants and most retail shops are reduced from 8am to 8pm.

More specifically, organisations should also take note of the sector-centric SOPs applicable during the MCO 3.0 Period, including those within these sectors: [creative industry](#), [construction](#), [industrial and manufacturing](#) and [retail and distribution](#).

Businesses are also required to adhere to the [COVID-19 Management Guidelines for Workplaces](#) as published by the Ministry of Health³ (**MOH COVID-19 Guidelines**), which set out the prevention and control measures to be taken at the workplace as well as actions to be taken in the event an employee is infected with COVID-19. In this regard, the MOH COVID-19 Guidelines provide that in the event of a positive case at the workplace, the nearest District Health Office (**DHO**) should be notified. The management of a business should seek to identify the close contacts of the infected person within the workplace in order to assist the DHO in carrying out contact tracing. Additionally, the disinfection of the premises should be carried out. Guidance on how to implement physical distancing at the workplace is also provided via the [COVID-19 Guidelines for Physical Distancing at the Workplace, Home and For Individuals](#)⁴ as published by the Ministry of Health.

Further to the above, businesses within the manufacturing sector and related services should take note of the [standard operating procedures for Safe@Work for Manufacturing and its Related Services Sector](#) as issued by the Ministry of International Trade and Industry⁵ (**Safe@Work SOP**). These include additional measures such as putting in place a workplace protocol covering disease control and prevention of infection transmission, scheduling daily briefings to employees on such prevention measures, monitoring the movement of employees from employee quarters and establishing a whistle-blowing system among employees to report on non-compliance of the Safe@Work SOP.

Any non-compliance of the MCO 3.0 Regulations as well as the MCO 3.0 SOPs may be penalised by a fine not exceeding RM50,000 or to imprisonment for a term not exceeding six

³ As updated by the Ministry of Health on 15 February 2021, available at http://covid-19.moh.gov.my/garis-panduan/garis-panduan-kkm/ANNEX_25_COVID-19_MANAGEMENT_GUIDELINES_FOR_WORKPLACES.pdf

⁴ As updated by the Ministry of Health on 15 February 2021

⁵ As published by the Ministry of International Trade and Industry on 19 March 2021, available at https://www.miti.gov.my/miti/resources/Safe@Work%20SOP%20Latest%2019032021_EN_%20FINAL_7PM.pdf

months, or to both. Therefore, it is crucial that businesses take immediate steps to adhere and put in place the measures prescribed above.

Eleena Abd Wahab (eaw@lh-ag.com)

If you have any queries, please contact the author or her team partner [Teo Wai Sum](mailto:tw@lh-ag.com) (tw@lh-ag.com).

Lee Hishammuddin Allen & Gledhill

Level 6, Menara 1 Dutamas
Solaris Dutamas
No. 1, Jalan Dutamas 1
50480 Kuala Lumpur
Malaysia

T +603 6208 5888
F +603 6201 0122/0136
E enquiry@lh-ag.com
W www.lh-ag.com

Published by the Regulatory & Compliance Practice

© Lee Hishammuddin Allen & Gledhill. All rights reserved. The views and opinions attributable to the authors or editor of this publication are not to be imputed to the firm, Lee Hishammuddin Allen & Gledhill. The contents of this publication are intended for purposes of general information and academic discussion only. It should not be construed as legal advice or legal opinion on any fact or circumstance.

[Feedback](#)

[Unsubscribe](#)