

GUIDE ON GOVERNMENT AND FINANCIAL INSTITUTION INCENTIVES FOR ENTERPRISES AND MANUFACTURERS IN MALAYSIA

No.	Strategies/Programme	Criteria	Implementation Date	Application Procedure	Remarks/Contact
a.	Business Start-Ups / Business Operation				
1.	<p>Business Financing Scheme</p> <p>a) Scope</p> <ul style="list-style-type: none"> i. Revolving capital ii. Purchase of machinery and equipment iii. Renovation of business premises <p>b) Financing Limit</p> <ul style="list-style-type: none"> i. Sole Proprietorship / Partnership: RM250,000.00 ii. Private Limited (Sdn. Bhd): RM500,000.00 	<ul style="list-style-type: none"> a) Malaysian citizen and Bumiputera b) Aged between 18-60 years c) Have gained enough experience / knowledge in the ventured business d) Have a valid business registration (SSM) e) Operate in a business premise f) Have a license / permit / letter of authorization from the local authority (PBT) g) Operate a full-time business h) Have been operating the business for at least six (6) months i) Engaged in a syariah compliance business j) Not a MARA blacklisted individual k) Pass the psychometric test (with a score of 55% and above) l) Able to contribute own capital of not less than 10% of the project cost 	On-going	https://aplikasi.mara.gov.my/myusahawan/public/frmlogin_pembiayaan.aspx	Email: informasimara@gov.my
2.	<p>Soft Financing Scheme for Small & Medium Enterprises (SFSME)</p> <p>a) Scope:</p> <ul style="list-style-type: none"> • Commercial Property • Machinery & Equipment • IT Hardware & Software • Working Capital <p>c) Financing amount: RM50,000 – RM5 million</p> <ul style="list-style-type: none"> a. Financing rate 4.0% per annum b. Margin of financing: up to 90% 	<ul style="list-style-type: none"> a) At least 60% equity held by Malaysians b) Registered with SSM c) In operation for more than 6 months d) SMEs in Manufacturing and Services sectors (excluding financial and insurance services) 	On-going	Refer to MIDF: http://www.midf.com.my/	<p>Malaysian Industrial Development Finance</p> <p>Level 15, Menara MIDF 82,</p> <p>Jalan Raja Chulan</p> <p>50200 Kuala Lumpur</p> <p>Tel: 603-2173 8888</p> <p>Website: http://www.midf.com.my/</p> <p>More info: https://www.growyourbusiness.com.my/financing/small-medium-enterprises</p>

<p>3.</p>	<p>Business Accelerator Programme (BAP 3.0) a) Scope: i. Integrated assistance: programme aimed to enhance the capabilities of small and medium enterprises (SMEs) through business advisory services and financial support. This programme supports a wide range of capability building initiatives to assist SMEs to grow and expand their businesses locally and globally. ii. Type of assistances:</p> <ul style="list-style-type: none"> • Matching Grant • <u>Soft Loan: BAP 3.0</u> • <u>Modal Kerja@BAP</u> 	<p>a) Undergo SME Status Certification b) Fulfil <u>SME Definition</u> c) Annual sales turnover exceeds RM300k per year d) At Least 60% local equity e) Valid Business Premises Licenses from Local Authorities f) At least 6 months in operations g) Undergone or willing to undergo SCORE / MSCORE assessment</p>	<p>On-going</p>	<p>Refer to SME Corp</p>	<p>Email: urusetia_bap@smecorp.gov.my SME Corporation Malaysia Level 4, SME 1, Block B Platinum Sentral Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Info Line: 1300-30-6000 Fax: 03-2775 6001</p>
<p>4.1</p>	<p>Business Accelerator Programme (BAP 3.0) – Matching Grant a) Scope: i. Certification and Quality Management System ii. Packaging iii. Branding Development and Promotion iv. Productivity and automation v. Online applications, e-commerce, ICT applications. b) Financing amount: i. 50% of total approved cost (amount of financing to be determined by SME Corp) ii. Maximum amount of RM400,000. iii. Reimbursement basis</p>	<p>a) Undergo SME Status Certification b) Financing is based on single business entity c) Fulfil <u>SME Definition</u> d) Annual sales turnover exceeds RM300k per year e) At Least 60% local equity f) Valid Business Premises Licenses from Local Authorities g) At least 6 months in operations h) Undergone or willing to undergo SCORE / MSCORE assessment</p> <p>Priority Criteria:</p> <ul style="list-style-type: none"> • A business taxpayer • A minimum paid-up capital of RM30,000.00 • Cash at banks at least 20% of project value • Ratio of local workers: foreigner workers at least 70:30 	<p>On-going</p>	<p>Refer to SME Corp</p>	<p>Email: urusetia_bap@smecorp.gov.my SME Corporation Malaysia Level 4, SME 1, Block B Platinum Sentral Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Info Line: 1300-30-6000 Fax: 03-2775 6001</p>

		<ul style="list-style-type: none"> Projects with high value added/ contribution to increased productivity. 			
4.2	<p>Soft Loan BAP 3.0</p> <p>a) Scope:</p> <ul style="list-style-type: none"> Fixed Asset Working Capital <p>b) Financing amount:</p> <ul style="list-style-type: none"> Minimum: RM50,000 Maximum: RM1,000,000 Profit rate: 4.0% per annum <p>Margin of Financing</p> <ul style="list-style-type: none"> Fixed Asset Up to 90% Working Capital Up to 90% <p>Financing Tenure:</p> <p>Fixed Asset: Up to 10 years, inclusive of grace period up to 24 months Working Capital: Up to 7 years, inclusive of grace period up to 12 months</p> <p>Collateral</p> <ul style="list-style-type: none"> Fixed asset to be financed Minimum 10% cash collateral for working capital financing Joint and several guarantees of directors/shareholders 	<p>a) SMEs incorporated under Companies Act</p> <p>b) SME Corp's SCORE 2 or higher</p> <p>c) The Company is at least 60% owned by a Malaysian</p> <p>d) Large enterprise ownership of not more than 20%</p> <p>e) Valid business (business license from local authority, valid business premise)</p> <p>f) Full time business operator</p> <p>g) The Company has been in operations for at least 6 months.</p>	On-going	Refer SME Bank	<p>SME Bank</p> <p>Tel: +603 2615 2020</p> <p>Fax: +603 2698 1748</p> <p>Contact Centre: +603 2603 7700</p> <p>https://www.smebank.com.my/en/financing/programmes/business-accelerator-program-bap?highlight=WyJiYXAiXQ==</p>
4.3	<p>Modal Kerja @ BAP</p> <p>a) Scope:</p> <p>Fixed working capital to cover 6 months fixed overhead cost.</p> <p>b) Financing Amount:</p> <ul style="list-style-type: none"> Minimum: RM50,000 Maximum: RM500,000 <p>Financing Concept: Commodity Murabahah Term Financing-i (CMTF-i)</p> <p>Margin of Financing: Up to 100%</p>	<p>a) SMEs as defined by National Entrepreneur and SME Development Council (NESDC).</p> <p>b) The Company is at least 60% owned by a Malaysian</p> <p>c) Large enterprise ownership of not more than 20%</p> <p>d) Registered with the SSM, authorities/district offices (in Sabah and Sarawak) or statutory bodies for professional service providers;</p> <p>e) Full time business operator</p> <p>f) The Company has been in operations for at least 6 months.</p>	Available until 31 December 2022 or until the full utilisation of the allocated fund.	Refer SME Bank.	<p>SME Bank</p> <p>Tel: +603 2615 2020</p> <p>Fax: +603 2698 1748</p> <p>Contact Centre: +603 2603 7700</p> <p>https://www.smebank.com.my/en/financing/programmes/bap-modalkerja?fbclid=IwAR3DysTpC0qUG2f-wlSR3C_tJcLpkxEHmBLIX0Zia6TU-adT5y1fCpvd608</p>

	Financing Tenure: Up to 7 years, inclusive of grace/moratorium period up to 12 months	g) SCORE evaluation shall be conducted within six (6) months after the financing is approved.			
5.	<p>Working Capital Guarantee Scheme - Bumiputera (WCGS-B)</p> <p>a) Scope:</p> <ul style="list-style-type: none"> i. Working Capital ii. Capital Expenditure <p>This guarantee scheme cannot be used to refinance existing facility granted by the same or other participating financial institutions</p> <p>b) Financing amount:</p> <ul style="list-style-type: none"> i. Minimum: RM100,000.00 only ii. Maximum: RM3.0 million only <p>Tenure of Financing: Up to fifteen (15) years or until 31st December 2035, whichever is earlier</p> <p>Guarantee Fee: 0.75% per annum payable upfront</p> <p>Interest/ Profit Rate: Determined by participating financial institutions</p>	<ul style="list-style-type: none"> a) Bumiputera SMEs in all sectors or industries, SMEs are as defined by SME Corporation Malaysia; b) Sdn Bhd, partnership or sole proprietors incorporated under Registration of Business Act 1956; Companies Act 1965 or 2016, Limited Liability Partnership Act 2012, respective authorities or district offices in Sabah and Sarawak, or respective statutory bodies for professional services providers; and c) Shareholding of at least 51% or more shares held by Bumiputera 	From 1 st February 2020 and upon full utilisation of the Scheme limit of up to RM3.0 billion only or upon expiry of guarantee tenure on 31st December 2035, whichever is earlier	Contact the PFI's customer service centre: https://sjpp.com.my/fi/fi-partners	<p>SJPP</p> <p>Address: Syarikat Jaminan Pembiayaan Perniagaan Berhad (851317-W) Level 12, Bangunan Setia 1, 15 Lorong Dungun, Bukit Damansara 50490 Kuala Lumpur Malaysia</p> <p>Phone: +603 2096 5000</p> <p>Fax: +603 2096 8981</p> <p>Email esjpp@prokhas.com.my</p>
6.	<p>Working Capital Guarantee Scheme – Bumiputera Start Up (WCGS-SU)</p> <p>a) Scope:</p> <ul style="list-style-type: none"> i. Working Capital ii. Capital Expenditure <p>This guaranteed scheme cannot be used to refinance existing facility granted by the same or other participating Financial Institutions</p>	Refer respective participating Financial Institutions.	From 1 st June 2017 and upon full utilisation of the Scheme limit of up to RM200 million only or upon	Contact the PFI's customer service centre: https://sjpp.com.my/fi/fi-partners	<p>SJPP</p> <p>Address: Syarikat Jaminan Pembiayaan Perniagaan Berhad (851317-W) Level 12, Bangunan Setia 1, 15 Lorong Dungun, Bukit Damansara 50490 Kuala Lumpur Malaysia</p> <p>Phone: +603 2096 5000</p> <p>Fax: +603 2096 8981</p> <p>Email esjpp@prokhas.com.my</p>

	<p>b) Financing Amount: Minimum: RM50,000.00 only Maximum: RM500,000.00 only</p> <p>Scheme Limit: RM200 million</p> <p>Tenure of Financing: Up to fifteen (15) years or until 31st December 2035, whichever is earlier</p>		<p>expiry of guaranteed tenure on 31st December 2035, whichever is earlier.</p>		
7.	<p>Business Recapitalisation Facility (BRF) a) Scope:</p> <ul style="list-style-type: none"> i. To support SMEs to recover and grow, while managing their level of indebtedness through innovative financing solutions. ii. Purpose of financing: Working capital and/or capital expenditure. <p>b) Financing Amount:</p> <ul style="list-style-type: none"> i. Financing size per SME Up to RM5 million ii. The maximum effective rate is up to 5.0% p.a., inclusive of guarantee fee or 3.5% p.a. without guarantee; no cap on return for equity investment. <p>Tenure: Up to 10 Years.</p>	<p>Viable Malaysian-owned SMEs including micro enterprises from all economic sectors.</p>	<p>3 February 2022 until full utilisation</p> <p>Fund Size: RM1 Billion</p>	<p>Application for equity financing or blended financing can be submitted to PFIs and approval will be subjected to the credit assessment of PFIs and/or relevant third-party equity investors</p>	<p>Contact the PFI's customer service centre Source: https://www.bnm.gov.my/documents/20124/2294076/brf2022_en_broc.pdf</p>
8.	<p>Informal Funding Scheme and Micro (SPIM) a) Scope:</p> <ul style="list-style-type: none"> i. Scheme that offers financing at a zero-profit rate (0%) with a moratorium for 12 months with priority given to informal and micro sector traders; RM1,000 - RM5,000 for entrepreneurs who do not have a license / permit from the local authority or a valid business register (SSM), ii. RM1,000 - RM10,000 for existing TEKUN entrepreneurs or new 	<ul style="list-style-type: none"> a) Malaysian citizen; b) Bumiputera and Indian Community applicants; c) Aged 18 years and above (Financing period expires up to 65 years); d) Permit from PBT or Business Register (SSM) OR confirmation of conducting business from the Village Development and Security Committee (JPKK) / Federal Village Development and Security Committee (JPKKP) / Penghulu / Ketua Kaum (Sabah & Sarawak) 	<p>On-going</p>	<ul style="list-style-type: none"> a) Online registration: https://tekunfin.tekun.gov.my/ b) For further information on SPIM and how to apply, please refer to the SPIM FAQs: https://www.tekun.gov.my/ms/usahawan-tekun/soalan-lazim-skim-pembiayaan-informal-mikro-spim/ c) To apply, contact the officer at the nearest TEKUN branch office: d) The complete list of TEKUN Branch Offices nationwide can be accessed here: https://www.tekun.gov.my/ms/hubungi-kami/connections/ 	<p>TEKUN's branch offices: https://www.tekun.gov.my/ms/hubungi-kami/connections/</p>

	entrepreneurs who have a valid license / permit / business register (SSM)	<p>e) Operating from a specific place/business location or conduct business on-the-go (mobile); and</p> <p>f) Free from any bankruptcy proceedings;</p> <p>g) The business activities conducted are Shariah compliant.</p>			
9.	<p>PUNB Financing & Services</p> <p>a) Scope:</p> <p>i. PUNB financing and services is an integrated entrepreneurial development package that comprises financing products, monitoring and advisory services, training and courses and business premises for rental</p> <p>ii. Open to all Bumiputera entrepreneurs and Bumiputera owned/ dominated businesses in retail and distributive trades, manufacturing, and services in various economic sectors excluding financial services, building and construction, agriculture, plantation and business contrary to syariah principles.</p>	<p>a) All Bumiputera entrepreneurs who meet the following criteria are eligible to apply for PUNB financing and services:</p> <p>b) A sole proprietorship, a partnership, or a limited liability company.</p> <p>c) For financing up to RM1 million, it is 100% Bumiputera owned, and for financing above RM1 million, it is at least 70% Bumiputera owned/dominated.</p> <p>d) Has been in operation for at least 18 months.</p> <p>e) Has annual sales of at least RM300,000.</p> <p>f) Has updated financial records and good credit history with other</p>	On-going	<p>Application link: Sign in at https://e-mohon.punb.com.my/login</p> <p>Further information could be found from: https://www.punb.com.my/en/soalan-lazim</p>	<p>Ibu Pejabat</p> <p>Tingkat 10, Blok 1B</p> <p>Plaza Sentral</p> <p>Jalan Stesen Sentral 5</p> <p>Kuala Lumpur Sentral</p> <p>50470 Kuala Lumpur</p> <p>Tel: 1-300-13-7862</p> <p>E-mail: customerservice@punb.com.my</p>
10.	<p>All Economic Sector (AES) Facility</p> <p>a) Scope:</p> <p>i. Enhance access to financing for SMEs in all economic sectors, to support growth.</p> <p>ii. Financing: Capital expenditures and Working Capital</p> <p>iii. Maximum amount: RM5 million</p>	<p>Malaysian SMEs that fulfil the following criteria:</p> <ul style="list-style-type: none"> Registered with the Companies Commission of Malaysia (SSM), or authorities/district offices in Sabah and Sarawak, statutory bodies for professional service providers. Shareholding by Public Listed Companies and Government Linked Companies (if any) in the SMEs shall not exceed 20%. Malaysians residing in Malaysia that hold a minimum of 51% shareholding in the business. 	<p>Until 30 June 2022</p> <p><i>(An extension from June 2020 to June 2021 to June 2022)</i></p>	<p>For application, kindly contact Participating Financial Institutions (PFIs)</p> <ul style="list-style-type: none"> Commercial banks Islamic banks Development financial institutions regulated by BNM 	<p>Contact the PFI's customer service centre</p> <p>Log on to PFI's website www.bnm.gov/covid19 BNM eLINK: https://telelink.bnm.gov.my</p>

11.	<p>TEKUN Niaga Financing Scheme</p> <p>a) Scope:</p> <p>i. TEKUN Niaga is a financing facility based on tawarruq which involves two separate sales contracts. The first contract is when TEKUN sells commodities to the entrepreneur at pre agreed price which comprised of the financing amount plus profit to be paid on deferred payment basis. The second contract is when entrepreneur sells purchased commodities (conducted by TEKUN as sales agent) to a third party at the price equivalent to the financing amount on cash basis.</p> <p>a) Financing amount:</p> <ul style="list-style-type: none"> o Small financing: RM10,000 – RM50,000 (up to 5 years) o Medium financing: RM50,000 – RM100,000 (up to 10 years) o Profit rate: 4% per annum 	Group of B40 and M40	On-going	For further information, refer TEKUN.	<p>Ibu Pejabat TEKUN Nasional T5-1-1, Menara 5, Lingkaran Maju Jalan Lingkaran 2, Bandar Tasik Selatan 57000 Kuala Lumpur Tel: 03-9059 8888 Fax: 03-9059 9292 Email: mailbox@tekun.gov.my www.tekun.gov.my</p>
12.	<p>Kontrak-I</p> <p>a) Scope:</p> <ul style="list-style-type: none"> • To finance contracts and supplies directly obtained from the Federal Government, State Governments, Government Agencies, Statutory Bodies & GLCs. • Financing amount: Up to RM100,000 	For further information, refer TEKUN.	On-going	For further information, refer TEKUN.	<p>Ibu Pejabat TEKUN Nasional T5-1-1, Menara 5, Lingkaran Maju Jalan Lingkaran 2, Bandar Tasik Selatan 57000 Kuala Lumpur Tel: 03-9059 8888 Fax: 03-9059 9292 Email: mailbox@tekun.gov.my www.tekun.gov.my</p>

	<ul style="list-style-type: none"> Contact not more than 6 months <p>b) Financing amount:</p> <p>Financing up to 80% of contract value</p> <p>Total financing of RM 1,000 to RM 100,000.00</p> <p>Contract financing period does not exceed 6 months.</p> <p>The TEKUN management charge is 1.5% per month of the financing amount until the financing period expires.</p>				
<p>13.</p>	<p>BSN micro/i</p> <p>a) Scope:</p> <ul style="list-style-type: none"> micro financing/loan facilities that provide assistance and support the recovery of micro businesses. Financing amount: Up to RM50,000 Financing/ Loan Tenure: Up to 5.5 years including a moratorium period of 6 months on monthly instalment <ul style="list-style-type: none"> Profit / Interest rate: 4.00% p.a. and no profit / interest charged during the 6 months moratorium period. 	<p>a) Micro-enterprises (Sole Proprietorship/Partnership/Sdn, Bhd companies) who own and operate at least 51% of the business, which is in the process of recovering from the impact of the COVID-19 outbreak;</p> <p>b) Malaysian owned business;</p> <p>c) Business registered with the Companies Commission of Malaysia (SSM) or Local Authority (PBT);</p> <p>d) Not an existing customer of BSN Micro-i Penjana Tourism Financing (PTF); and</p> <p>e) The business has been in operation for at least 6 months</p>	<p>On-going</p>	<ul style="list-style-type: none"> Visit BSN Official Site to check on product details Check and prepare the required supporting documents. Submit the application to the BSN Micro Finance Centre / BSN State Main Branches or perform the application via online. BSN will contact the customer within 6 working days after receiving complete documents to update on the status of the application. 	<ul style="list-style-type: none"> User guide for online application. Contact our Credit Supervisory Team for further information. Kindly refer to the BSN Micro Semarak/ BSN Micro-i Semarak FAQ for further information.

b.	Incentives for Raw Material				
1.	<p>Pengurusan Pinjaman Ladang Hutan (PPLH)</p> <p>a) Scope:</p> <ul style="list-style-type: none"> i. Loan facility to companies that are eligible to participate in the forest plantation programme. ii. The quantum of loan given to a successful applicant (Peninsular Malaysia) is as follows: iii. Rubberwood: RM10,000 /hectare iv. Forest species and Eucalyptus: RM8,000/hectare v. Bamboo and Paulownia: RM10,000/hectare. <p>b) Other details:</p> <ul style="list-style-type: none"> i. Loan period: <ul style="list-style-type: none"> ➤ Rubberwood: 13 years ➤ Forest species:13 years ➤ Bamboo, Eucalyptus, and Paulownia: 12 years ii. Grace period: <ul style="list-style-type: none"> ➤ Rubberwood: 8 years ➤ Forest species:8 years ➤ Bamboo, Eucalyptus and Paulownia: 7 years iii. Repayment period: <ul style="list-style-type: none"> ➤ Rubberwood: 5 years ➤ Forest species and Eucalyptus: 5 years ➤ Bamboo, Eucalyptus, and Paulownia: 5 years 	<p>Companies, Cooperatives or Farmers' Organizations must operate forest plantations with species approved under PPLH (refer https://www.fpd.com.my/species)</p> <p>The terms and conditions of the soft loan are as follow:-</p> <ul style="list-style-type: none"> • Interest rate of 3.0% (compounded annually for 15 years (grace period) and will be compounded daily for five years after the grace period) • Load period: 20 years; • Grace period of 15 years (with yearly compounded interest rate); • Repayment period of five years beginning in year 16 (with daily compounded interest rate) 	On-going	<p>Application to be submitted to: Forest Plantation Development Sdn. Bhd. (FPDSB) 12th Floor, Menara PGRM, Tower 2, No. 8 Jalan Pudu Ulu, Cheras, 50728 Kuala Lumpur. Tel: 03 9282 9000 Faks: 03 9286 1003 / 03 9286 1002</p>	<p>Forest Plantation Development Sdn. Bhd. (FPDSB) 12th Floor, Menara PGRM, Tower 2, No. 8 Jalan Pudu Ulu, Cheras, 50728 Kuala Lumpur. Tel: 03 9282 9000 Faks: 03 9286 1003 / 03 9286 1002</p>
c.	Production				
1.	<p>INDUSTRY4WRD Intervention Fund</p> <p>a) Scope: Financial support facility for Malaysian Small and Medium Enterprises (SMEs) in the manufacturing and related services sectors to embrace Industry</p> <p>b) Objective: Improve productivity of the company</p>	<ul style="list-style-type: none"> a) SMEs in the manufacturing and related services sectors which have completed the government funded Industry4WRD Readiness Assessment (RA) programme. b) Any expenditure incurred prior to the approval letter issued by MIDA will not be covered or reimbursed. c) Company which has been approved the Smart Automation Grant (SAG) from MIDA or Malaysia Digital 	On-going	<p>The applicants are required to submit the following documents:</p> <ul style="list-style-type: none"> a) Application Form b) Industry4WRD RA Report (With cover letter by MPC) c) Detailed technical proposal d) (Audited) Financial statements for the past three (3) years e) The detailed technical proposal should include f) Background, purpose and objectives; 	<p>MIDA website: www.mida.gov.my Tel: (603) 2267-3633 Fax: (603) 2273-4208 E-mail: investmalaysia@mida.gov.my Source: https://www.mida.gov.my/wp-content/uploads/2022/05/1-Intervention-Fund_Guidelines-22.04.2022.pdf</p>

	<p>Accelerate business growth through adoption of Industry technologies and processes; and Improve the current level of scoring based on the Industry4WRD RA undertaken It is a matching grant (70:30) on reimbursable basis based on eligible expenditures, up to a maximum grant of Ringgit Malaysia Five Hundred Thousand (RM500,000.00)</p>	<p>Economy Corporation (MDEC) is not eligible to apply for this grant.</p>		<p>g) Scope of project; h) Method of execution including potential solution providers; Implementation period; i) Breakdown of expenditure j) Expected outputs and outcomes.</p> <p>Application shall be made to: Chief Executive Officer Malaysian Investment Development Authority (MIDA), MIDA Sentral, No. 5, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur</p>	
<p>2.</p>	<p>Automation Capital Allowance a) Scope: Automation Capital Allowance of 200% on the <u>first RM4 million</u> expenditure incurred* within 8 years of assessment from 2015 to 2023.</p>	<p>a) Manufacturing companies incorporated under the Companies Act, 1965 / 2016 and resident in Malaysia. b) Possess a valid Business Licence from Local Authority and Manufacturing Licence from MITI or a Confirmation Letter for Exempted from Manufacturing Licence from MIDA (whichever is applicable). c) Companies have been in operation for at least 36 months. d) Expanded to include agriculture sector</p> <p>Note: Automation machine/equipment is used directly in the manufacturing activity. Automation machine/equipment should enhance the productivity such as reducing man hours, reducing workers and increasing volume of output and to be verified by SIRIM.</p> <p>Automation machine/equipment adopts technology that is more advanced than the technology currently used by the company and to be verified by SIRIM. Machine should be used at least one (1) month after installation / commissioning. For new products, the machine should be in operation for at least three (3) months</p>	<p>Extended to 2027 instead of 2023</p>	<p>The application should be submitted in three (3) copies of Automation CA Form to:</p> <p>Chief Executive Officer Malaysian Investment Development Authority (MIDA), MIDA Sentral, No. 5 Jalan Stesen Sentral 5 Kuala Lumpur Sentral 50470 Kuala Lumpur</p>	<p>MIDA website: www.mida.gov.my Tel: (603) 2267-3633 Fax: (603) 2273-4208 E-mail: investmalaysia@mida.gov.my Source: https://www.mida.gov.my/wp-content/uploads/2022/05/1-Intervention-Fund_Guidelines-22.04.2022.pdf</p>

		after the production of the first batch of that new product.			
3.	<p>SME Digitalization Initiative</p> <p>a) Scope:</p> <p>i. Grant amounting up to 50% or a maximum of RM 5,000 from total invoice amount</p> <p>ii. Digitalisation areas:</p> <ul style="list-style-type: none"> ➤ Electronic Point of Sale System (e-POS) ➤ Human Resource Payroll System (HR) / Customer Relationship Management (CRM) ➤ Digital Marketing / Sales ➤ Procurement ➤ Enterprise Resource Planning (ERP) / Accounting & Taxation ➤ Remote Working ➤ e-Commerce <p>b) Objective: To increase digitalization adoption among SMEs in Malaysia</p>	<p>(a) Available to SME and Cooperative ("Koperasi") registered under the relevant laws of Malaysia;</p> <p>(b) The SME is at least 60% owned by Malaysian;</p> <p>(c) The SME/Coop has been in operation for at least six (6) months; and</p> <p>(d) The SME/Coop has minimum average annual sales turnover of RM50, 000.</p>	On-going	<ul style="list-style-type: none"> • The Applicant must contact and appoint one or more services of Service Providers listed by MDEC to perform any of the digitalisation services available (maximum of 3 digital services). • The Applicant must complete and submit the application form together with the required supporting documents to the Service Provider. • The Service Provider is to submit the application form together with the supporting document to the Bank. • Once the application is approved, the applicant is responsible to pay the 50% from the total invoice or more which Bank will only make payment 50% or up to RM5,000.00 to the Service Provider. 	<p>Contact centre: Contact Centre 1300 88 1900</p> <ul style="list-style-type: none"> • View application process flow and information • View list of panels listed by MDEC. • View Frequently Asked Questions (FAQs). • Terms & Conditions apply.
d.	Talent				
1.	Engineer Placement and Internship in Timber Industry (EPIP)				
2.	<p>JaminKerja Hiring Incentive</p> <p>a) Scope:</p> <p>Employment Incentives is a financial incentive given to employers who make new hires from 1 January 2022 among apprentices, graduates, vulnerable groups including the disabled, ex - servicemen, ex -prisoners, senior citizens and the general unemployed.</p> <p>Further tax deduction for remuneration paid to inmate and ex-inmate of Henry Gurney School under Malaysian Prison Department, protection and</p>	<p>a) Employers from all industry categories registered with SOCSO before 1 January 2022</p> <p>b) Employers from the Public Sector, Federal and State Statutory Bodies, Remuneration Separated Statutory Bodies, Local Authorities (PBT) are only eligible for the Apprenticeship category</p>	<p>30 June 2022</p> <p>Extended to 2025</p>	<p>Registration:</p> <p>https://jaminkerja.perkeso.gov.my/index.php</p>	<p>SOCSO Customer Service Officer: 03-8091 5300 / 1-300-22-8000</p> <p>e-Aduan SIP</p> <p>FAQ:</p> <p>https://jaminkerja.perkeso.gov.my/faq/FAQ%20JaminKerja%201801.pdf</p> <p>Social Security Organisation (SOCSO)</p> <p>Perkeso</p>

	rehabilitation institution and registered care centres under the Social Welfare Department from YA 2023 to YA 2025.				
3.	<p>Reskilling & Upskilling Program</p> <p>a) Scope:</p> <p>i. A digital platform that will act as a single window providing comprehensive information on all training and skills development programmes for citizens, that are offered by the Malaysian Government through its Ministries and Agencies</p> <p>ii. Objective of Reskilling & Upskilling Program:</p> <ul style="list-style-type: none"> ➤ Assist Malaysians in finding relevant training courses to enhance their skills and knowledge while improving their marketability. ➤ Improve competitiveness and employability for job seekers while preparing them for long term career success with in-demand industries. ➤ Manage and monitor all upskilling, reskilling and multi-skilling programmes offered by government ministries and agencies in a centralised, structured, and cohesive manner. 	<p>a) Upskill Malaysia is open to all Malaysians.</p> <p>b) There is no age limit for registration.</p>	On-going	Interested parties should click on this registration link , fill up all required information and complete all the steps as instructed. Application period differs based on individual courses. Refer to the respective courses for more information.	<p>Upskill Malaysia: Upskill Malaysia 1800-88-4800</p> <p>Email: taskforce@upskillmalaysia.gov.my</p> <p>FAQ: https://upskillmalaysia.gov.my/faq</p>
e.	Investment				
1.	<p>Pioneer status</p> <p>Income tax exemption ranging from 70% or 100% for a period of 5 or 10 years</p>	<p>Pioneer Status (PS) with income tax exemption of 70% of statutory income for 5 years. Unabsorbed capital allowances incurred during the pioneer period can be carried forward and deducted from the post pioneer income of the company and accumulated losses incurred during the pioneer period can be carried forward and deducted from the post pioneer income of the company for a period of seven consecutive</p>	On-going	https://investmalaysia.mida.gov.my/incentives/	<p>Tel: +603 2267 3633</p> <p>Address: MIDA Sentral, No. 5, Jalan Stesen Sentral 5 KL Sentral, 50470 Kuala Lumpur</p> <p>Source: https://www.mida.gov.my/wp-content/uploads/2020/07/Chapter-2-Incentives-for-New-Investments.pdf</p>

2.	Investment Tax Allowance 60% or 100% on qualifying capital expenditure incurred within 5 years	Investment Tax Allowance (ITA) of 60% of additional qualifying capital expenditure incurred within a period of 5 years. The allowance can be offset against 70% of statutory income for each assessment year. Unutilised allowances can be carried forward until fully absorbed.	On-going	https://investmalaysia.mida.gov.my/incentives/	Tel: +603 2267 3633 Address: MIDA Sentral, No. 5, Jalan Stesen Sentral 5 KL Sentral, 50470 Kuala Lumpur Source: https://www.mida.gov.my/wp-content/uploads/2020/07/Chapter-2-Incentives-for-New-Investments.pdf
3.	Reinvestment Incentive: Income tax exemption ranging from 70% for a period of 5 years or 60% on qualifying capital expenditure incurred for 5 consecutive years		On-going	https://investmalaysia.mida.gov.my/incentives/	Tel: +603 2267 3633 Address: MIDA Sentral, No. 5, Jalan Stesen Sentral 5 KL Sentral, 50470 Kuala Lumpur Source: https://www.mida.gov.my/wp-content/uploads/2020/07/Chapter-2-Incentives-for-New-Investments.pdf
4.	Reinvestment Allowance 60% on qualifying capital expenditure incurred for 15 consecutive years		On-going	https://investmalaysia.mida.gov.my/incentives/	Tel: +603 2267 3633 Address: MIDA Sentral, No. 5, Jalan Stesen Sentral 5 KL Sentral, 50470 Kuala Lumpur Source: https://www.mida.gov.my/wp-content/uploads/2020/07/Chapter-2-Incentives-for-New-Investments.pdf
5.	Green Investment Tax Allowance (GITA) Assets Applicable for companies that acquire qualifying green technology assets and listed under the MyHijau Directory.	Companies that had incurred qualifying capital expenditure in green technology investment and complying ALL of the following criteria:- (a) minimise the degradation of the environment or reduce greenhouse emission; (b) promotes health and improvement of (c) environment; and (d) conserves the use of energy, water and/or other forms of natural resources or promote the use of renewable energy or able to recycle waste material resources.	On-going (1 January 2014 until 31 December 2025)	https://www.myhijau.my/wp-content/uploads/2022/05/REC-GTGT-007-GUIDELINES-FOR-GREEN-TECHNOLOGY-TAX-INCENTIVE-GITAGITE.pdf (page16) https://www.mgtc.gov.my/what-we-do/green-incentives/green-investment-tax-incentives-gita-gite/	Tel: +603 2267 3633 Address: MIDA Sentral, No. 5, Jalan Stesen Sentral 5 KL Sentral, 50470 Kuala Lumpur Source: https://www.mida.gov.my/wp-content/uploads/2020/07/Chapter-2-Incentives-for-New-Investments.pdf
f.	Export/Marketing				
1.	Market Development Grant a) Scope: The Market Development Grant (MDG) is a support initiative in the form of a reimbursable grant. MDG was introduced	<ul style="list-style-type: none"> • Small And Medium Enterprises (SMEs) • Professional Service Providers (Sole Proprietor Or Partnership) 	On-going	For more information, please download information as per link below:	All enquiries and submission of reports must be sent to: Market Development Unit (MDG) 8th Floor, East Wing, Menara MATRADE,

	<p>in 2002 with the objective of assisting exporters in their efforts to promote Malaysian made products or services globally. The lifetime limit of MDG is RM300,000 and it is specifically formulated for Malaysian SME Companies, Professional Service Providers, Trade and Industry Associations, Chambers of Commerce, Professional Bodies and Co-operatives.</p> <p>b) Eligible activities:</p> <p>Physical Events</p> <ul style="list-style-type: none"> • Participation in International Trade Fairs or Exhibitions held in Malaysia/Overseas • Participation in Trade & Investment Missions (TIM) or Export Acceleration Missions (EAM) • Participation in International Conferences Held Overseas • Listing Fees for Made in Malaysia Products in Supermarkets or Hypermarkets or Retail Centres or Boutique Outlets Located Overseas <p>Virtual Events</p> <ul style="list-style-type: none"> • Participation in Virtual International Trade Fairs In Malaysia Or Overseas • Participation In Business To Business (B2B) Meetings Related To Virtual Trade Investment Missions And Export Acceleration Mission 	<ul style="list-style-type: none"> • Trade & Industry Associations, Chambers of Commerce Or Professional Bodies • Co-operatives 	<p>Market Development Grant (MDG) Physical Events</p> <ul style="list-style-type: none"> • <u>MDG Guidelines (Physical Events)</u> <p>Market Development Grant (MDG) Virtual Events</p> <ul style="list-style-type: none"> • <u>MDG Guidelines (Virtual Events)</u> <p>For application: <u>https://www.matrade.gov.my/mdg/</u></p>	<p>Jalan Sultan Haji Ahmad Shah, 50480 Kuala Lumpur, MALAYSIA Tel: +603-6207 7593 Fax: +603-6203 7252 Email: mdg@matrade.gov.my</p>
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2.	<p>Tax Incentives for Carbon Capture and Storage (CCS)</p> <p>Companies undertaking CCS in-house activity will be eligible for an investment tax allowance of 100% for 10 years to set off against 100% of statutory income. As well as full import duty and sales tax exemption on equipment for CCS technology from 1 January 2023 until 31 December 2027.</p>	<p>Companies undertaking CCS in-house activities</p> <ul style="list-style-type: none"> Investment tax allowance of 100% for 10 years to set-off against 100% of statutory income. Full import duty and sales tax exemption on equipment for CCS technology from 1 January 2023 until 31 December 2027. Tax deduction for allowable pre-commencement expenses within 5 years prior to the date of commencement of operation. <p>Companies undertaking CCS services</p> <ul style="list-style-type: none"> 100% Investment tax allowance for 10 years to set-off against 100% statutory income; or 70% Income tax exemption on statutory income for 10 years. Full import duty and sales tax exemption on equipment for CCS technology from 1 January 2023 until 31 December 2027. <p>Companies engaging CCS services</p> <ul style="list-style-type: none"> Tax deduction on fees incurred for use of CCS services for YA 2023 to YA 2027. 	2023 – 2025	Ministry of Finance (MOF)	Ministry of Finance (MOF)
g.	Others				
1.	<p>Tax Deduction on Rental Expenses of Employees' Accommodation Premises (Safe@Work)</p> <p>a) Scope:</p> <p>i. Promoting enhanced public health measures to empower employers to be accountable for containing the pandemic among their workers. Safe@Work initiative contains Standard Operating Procedures (SOPs) detailing preventive measures</p>	<p>a) Syarikat diperbadankan di bawah Suruhanjaya Syarikat Malaysia (SSM) di bawah Akta Syarikat 2016 (Akta 777);</p> <p>b) Syarikat menjalankan aktiviti pengilangan atau perkhidmatan berkaitan pengilangan dan memiliki Manufacturing License (ML) / Sijil ICA 10 (bawah Akta Industrial Coordination Act 1975);</p> <p>c) penginapan pekerja yang disebut hendaklah penginapan yang</p>	1 January 2021 – 31 December 2022	For any enquiries or clarification pertaining to Safe@Work, please e-mail to admin.safework@miti.gov.my	https://www.miti.gov.my/miti/resources/safeatwork-faq.pdf https://www.miti.gov.my/miti/resources/PENGUMUMAN_HEBAHAN%20INSENTIF%20SAFE%20AT%20WORK_19%20May%202022.pdf

	<p>and case management through the creation of Safe Work Bubble</p> <p>ii. Additional tax deductions to manufacturing and its related services companies on the rental expenses of premises and hostel facilities such as monitoring devices, ventilation and other basic necessities. Expenses for the additional tax deduction are limited to RM50,000 each company registered with MITI and has passed the Safe@Work compliance audit.</p>	<p>diperakukan dengan Perakuan Penginapan sebagaimana yang diperuntukkan di bawah seksyen 24D Akta Standard Minimum Perumahan, Penginapan dan Kemudahan Pekerja 1990, tetapi tidak termasuk penginapan bagi pengarah syarikat; dan</p> <p>d) potongan yang dibenarkan adalah ke atas perbelanjaan yang dilakukan oleh syarikat bagi sewaan premis bagi tujuan penginapan pekerja dalam tempoh mulai 1 Januari 2021 – 31 Disember 2022</p>			
2.	<p>Low Carbon Transition Facility (LCTF)</p> <p>a) Scope</p> <p>i. financing facility to encourage and support SMEs to adopt sustainable practices for business resilience.</p>	<p>a) SMEs in all sectors committed to transform towards low carbon and sustainable business operations.</p> <p>b) SMEs should contact any of the participating financial institutions on their eligibility under the facility. All applications for financing will be subject to assessments by the participating financial institution.</p>	3 February 2022 until full utilisation	<p>Contact the participating financial institutions' customer service centre</p> <p>Log on to participating financial institutions' website Bank Negara Malaysia Financing for Small and Medium Enterprises (SMEs) - Bank Negara Malaysia</p>	<p>BNM: Bank Negara Malaysia</p> <p>Terms and conditions details Low Carbon Transition Facility (LCTF)</p> <p>Frequently Asked Questions BNM's Fund for SMEs Low Carbon Transition Facility Frequently Asked Questions (FAQ)</p> <p>List of participating financial institutions: Low Carbon Transition Facility (LCTF) List of Participating Financial Institutions</p>

Note: Updated as at 31 December 2022

Compiled by:

Strategic Planning Unit (SPU)

Malaysian Timber Council