



MTC GREEN INITIATIVES FOR PURCHASE OF BATTERY ENERGY STORAGE SYSTEM (“BESS”)

GUIDELINES

A. INTRODUCTION

The Malaysian Timber Council (MTC) has expanded its Green Initiatives assistance programme, aimed at facilitating the timber industry in the adoption of sustainable and energy-efficient technologies. Through this initiative, financial assistance is provided for the purchase of Battery Energy Storage System (“BESS”). The programme aims to support companies in optimising energy usage, reducing maximum demand charges and lowering overall electricity costs through the integration of green energy solutions into their operations, while also reducing environmental impact, aiding carbon reduction to promote long-term sustainability.

B. ELIGIBILITY CRITERIA

1. The company shall be incorporated in Malaysia and based in Peninsular Malaysia, equipped with wood-based manufacturing facilities and in operation for at least three (3) years.
2. The company shall be a Malaysian-owned company (with at least 51% of shareholding).
3. The company shall be a member of any one (1) of the following six (6) timber associations:
 - Malaysian Wood Industries Association (MWIA);
 - The Timber Exporters' Association of Malaysia (TEAM);
 - The Malaysian Panel-Products Manufacturers' Association (MPMA);
 - Malaysian Wood Moulding and Joinery Council (MWMJC);
 - Malaysian Furniture Council (MFC); and
 - Persatuan Pengusaha Kayu-kayan dan Perabot Bumiputra Malaysia (PEKA) [Association of Malaysian Bumiputera Timber and Furniture Entrepreneurs].
4. SMEs with common shareholders but different core businesses may apply, with a reimbursable amount up to RM100,000.
5. SMEs with common shareholders with similar core businesses may apply and share the eligible incentive.
6. Ongoing projects where the system has been installed or in operation for more than one month are not eligible.
7. Companies that have received other grant or subsidy for the procurement of the same equipment from other government or government-linked agencies are not eligible.

8. All applicants must comply with Occupational Safety and Health Act (OSHA) regulations. According to the OSHA Order 1997, the woodworking industry, involving activities like cutting, sawing, planing, and shaping, is required to appoint a Safety and Health Officer (SHO) for each workplace with more than 100 employees.
9. Under the Occupational Safety and Health Act 1994 (OSHA 1994):
 - Section 30(1)(a) mandates a Safety and Health Committee for workplaces with 40 or more employees.
 - Section 29A(1) requires an Occupational Safety and Health Coordinator (OSH Coordinator) for workplaces with 5 or more employees, unless an SHO is already mandated.

C. BATTERY ENERGY STORAGE SYSTEM

- Only newly purchased BESS are eligible
- The BESS must be installed at the applicant's manufacturing premises.
- The BESS must be designed to store and optimise the utilisation of solar-generated electricity, support on-site self-consumption, and reduce maximum demand as well as reliance on the electricity grid.
- The applicant must have an existing Solar Photovoltaic System (SPS) installed at the same premises, with the BESS intended to support and enhance the utilisation of solar energy.
- Applicants are encouraged to ensure compliance with MyHijau certification requirements, where applicable.

D. INCENTIVE

- 10% of the cost of the BESS purchase and installation cost, up to a maximum of RM50,000 per company/group of companies (one-off).
- *Note:*
 1. *Cumulative eligibility for Green Initiatives (APC, SPS, EF and BESS) is limited to RM50,000 per company/group of companies (one-off).*
 2. *Participants of the MTC Timber Sustainability Programme (TSP) commencing in 2025 onwards will be eligible for an additional one-off allocation of RM20,000 per company/group of companies under the Green Initiatives programme, upon successful completion of the TSP programme.*

E. APPLICATION

1. Register for an account at MTC IAP Portal: iap.mtc.com.my. Once the account registration is approved, the applicant will receive an email notification and instructions to log into the Portal.
2. Applying company shall complete their company profile in the online portal, with the following supporting documents (with certified true copy stamped and signed on front page only):

- i. Section 78 as per the Companies Act 2016 OR Form 24 as per the Companies Act 1965.
 - ii. Section 58 as per the Companies Act 2016 OR Form 49 as per the Companies Act 1965.
 - iii. Latest Form of Annual Return.
 - iv. Latest Audited Accounts.
3. Applying company with existing account in the portal shall log in and update their company profile. The company profile can be updated at any time and should be kept up to date for MTC's evaluation.
4. Completed Application Form shall be submitted to MTC **within thirty (30) days of the BESS's commissioning date**, together with the following supporting documents (with certified true copy stamped and signed on front page only):
 - i. Latest three (3) months bank statements;
 - ii. Purchase Order/Sales Contract;
 - iii. Delivery Order;
 - iv. Brochure and technical specification of the new BESS;
 - v. Documentary evidence of the installed or approved SPS at the company's premises, such as commissioning report, system design drawings, photos, or approvals from the relevant authority;
 - vi. Photos during the installation of the new BESS;
 - vii. Energy audit report (if applicable);
 - viii. BESS Commissioning Report;
 - ix. MyHijau certificate (if any); and
 - x. Documents evidencing compliance with the OSHA.
5. An Acknowledgement of Application Letter with a Reimbursement Checklist will be issued (via email) by MTC and sent to eligible Applying Company to progress to the next stage.

F. Reimbursement

1. Submission for reimbursement (with full supporting documents) must reach MTC **within 30 days from the date of the Acknowledgement of Application Letter from MTC**.
2. Submission of documents (with certified true copies stamped and signed on the front page only) required include:
 - i. Supplier's Invoice;
 - ii. Proof of payment to the supplier;
 - iii. Photos of the purchased BESS; and
 - iv. Company Environmental, Social, and Governance (ESG) Disclosure Statement for BESS.

3. Upon submission of complete reimbursement documents, MTC may at its discretion conduct a Due Diligence Audit (DDA), either on site or remotely to assess and examine the battery energy storage system purchased.
4. Reimbursement claims submitted later than 30 days from the date of MTC's Acknowledgement of Application Letter will not be considered.
5. Approval for reimbursement is at the sole discretion of MTC subject to any application for reimbursement supported by credible and non-misleading requisite documentation as stipulated herein.
6. The financial incentive provided is on a first-come, first-served basis, until the budget allocation is completely utilised.

G. NON-COMPLIANCE (PENALTY)

1. In the event of non-compliance with any of the provisions contained herein, the company must refund in full the disbursement amounts to MTC within fourteen (14) calendar days from the receipt of a written notice from MTC. MTC reserves its rights to initiate legal action to recover the disbursed amount and/or any other actions deemed suitable. All costs incurred in pursuing such actions shall be solely borne by the company.
2. MTC also reserves the sole right to blacklist any company found to be non-compliant with any of the provisions contained herein.

H. AMENDMENT

MTC reserves the right to amend the Guidelines of this Programme at any time without any prior notice. Interested companies is highly encouraged to refer the IAP Portal for the latest version of the Guidelines from time to time.

For further enquiries and information, please contact:

1. Ms. Ong Lay Lee (Tel: 03-9286 9962; Email: ong@mtc.com.my)
2. Ms. Noor Ateeqah (Tel: 03-9286 9967; Email: noorateeqah@mtc.com.my)



MTC GREEN INITIATIVES

FOR PURCHASE OF BATTERY ENERGY STORAGE SYSTEM (BESS)

APPLICATION FORM

A. COMPANY INFORMATION

1. Company: _____
2. Factory Address: _____
Postcode: _____ City/Town: _____ State: _____
3. Company Status (Please Tick):
☐ SME ☐ Non-SME
4. Contact Person: _____
5. Mobile No.: _____ 6. E-mail: _____
7. Member of one of the following associations (Membership No.: _____)
☐ MWIA ☐ TEAM ☐ MPMA ☐ MWMJC
☐ MFC ☐ PEKA

B. EXISTING SOLAR PHOTOVOLTAIC SYSTEM (SPS)

8. Details of Existing SPS

Description	SPS Capacity (kWp/MWac)	SPS Type (NEM / SelCo / Solar ATAP / Others)	Commencement Date	Service Provider

*Please attach additional sheets if applicable.

C. BATTERY ENERGY STORAGE SYSTEM (BESS)

9. Details of BESS Purchased

Description*	Battery Capacity (kWh/MWh)	Power Rating (kW/MW)	Battery Technology (Lithium-ion / LFP / Others, please specify)	Country of Origin	Service Provider	Cost (RM)

*Please attach additional sheets if applicable.

10. BESS Purchase Date: _____

11. BESS Commissioning Date: _____

12. Expected Benefits/Function of BESS Installation (Please tick where applicable)

- ☐ Reduce maximum demand (MD) charges
- ☐ Load shifting (off-peak energy storage)
- ☐ Optimise utilisation of solar-generated electricity
- ☐ Reduce reliance on electricity grid
- ☐ Backup power / energy resilience
- ☐ Improve overall energy efficiency
- ☐ Others: _____

D. COMPANY'S DECLARATION

I/We declare and confirm that the BESS purchased is utilised directly at our own manufacturing plant/facility.

I/We shall undertake to refund in full the disbursed amount to MTC in the event of non-compliance. I/We confirm that the details furnished herein are true and accurate.

- ☐ Company is incorporated in Malaysia and based in Peninsular Malaysia with at least 51% Malaysian shareholding.
- ☐ Company is in operation for at least three (3) years.
- ☐ Company does not receive other grant or subsidy for the procurement of the said BESS from other government or government-linked agencies.

Applicant's Signature: _____

Name: _____

Designation: _____

Date (dd/mm/yy): _____

Company's Stamp

E. VERIFICATION BY TIMBER ASSOCIATION



We hereby confirm that _____ (applicant) is an active member of our association, and is an SME/non-SME incorporated in Malaysia and based in Peninsular Malaysia.

Signature: _____

Name: _____

Designation: _____

Date (dd/mm/yy): _____

Association's Stamp



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