

MIDF SME Emergency Fund (SMEEF)

The SMEEF was established to assist small and medium enterprises (SMEs) which had their business adversely affected by natural disasters. This Fund provides soft loan financing for purchases of machinery and equipment, refurbishment of premises, and working capital requirements such as purchases of raw materials and consumables.

The Fund is channelled by the Government of Malaysia via SME Corporation Malaysia to MIDF for its implementation.

Eligibility Criteria and Main Features

1. Eligibility:

- i. SMEs incorporated under the Companies Act 1965 or Registration of Business Ordinance 1956;
- ii. Possesses a valid premises licence issued by the municipal council (pihak berkuasa tempatan);
- iii. Provides proof of evidence of natural disaster through a letter issued by the district office or a copy of a police report; and,
- iv. Operates in the area declared as a disaster area by Majlis Keselamatan Negara or district offices.

2. Types of Natural Disasters:

- Flood;
- Storm;
- Drought;
- Beach erosion; or,
- Landslide.

3. Sectors:

- All economic sectors.

4. Financing Amount:

- Minimum: RM50,000.
- Maximum: RM100,000.

5. Items Eligible for Financing:

- Machinery and equipment.
- Refurbishment of business premises.
- Working capital such as for purchases of raw materials and consumables.

6. Percentage Financing:

Machinery / Equipment

- Up to 90% of the cost of new machinery / equipment.
- Up to 65% of the cost of used / reconditioned machinery / equipment which are not more than 5 years old.

Refurbishment of Business Premises

- Up to 90% of the cost.

Working Capital

- Up to 90% of the working capital requirements.

7. Repayment:

- Up to 5 years excluding a grace period of up to 6 months.

8. Interest / Profit Rate:

- 3% per annum on yearly rest.