

**FMM**

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# GRANTS

**COMMITTEE**NOTICE - WORKING PAPERS - MINUTES  
(For Private Circulation)

Making Malaysian Industries Globally Competitive

### 3. List of Government Grants Offered by Malaysian Government/Agencies to Industries

#### DRAFT

No	Type of Grant	Description	Ministry/Government Agency/Banks
1.	Domestic Investment Strategic Fund  [Note : Incentive to be provided under the Customised Incentive Scheme]	<p>Aimed to accelerate the shift of Malaysian-owned companies in targeted industries to high value-added, high technology, knowledge-18 intensive and innovation-based industries. Provide matching grants (1:1) as follows:</p> <p>2.1. For training and R&amp;D activities; 2.2. To undertake outsourcing activities; 2.3. To comply with international standards; and 2.4. For licensing/purchase of technology.</p> <p>Promoted sectors –Aerospace, Medical Devices; Pharmaceuticals; Advanced Electronics; Machinery and Equipment; Renewable Energy; Services including design, R&amp;D, testing, quality and standard certification, engineering services, technical and skills training and logistics service providers (3PL); and other industries on case by case basis</p>	Malaysian Investment Development Authority



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No	Type of Grant	Description	Ministry/Government Agency/Banks
2.	<b>Services Sector Capacity Development Grant</b>  [Offered to Domestic Service Providers]	The Services Sector Capacity Development Fund (SSCDF) was established by the Government to reduce the impact of liberalization by building capacity and strengthening the competitiveness of domestic service providers.	Malaysian Investment Development Authority
3.	<b>Malaysia Singapore Third Country Business Development Fund</b>	Matching grant for joint feasibility study, joint market research & joint trade missions with Singapore partners.	Malaysia External Trade Development Corporation
4.	<b>Shariah Compliant SME Financing Scheme (SSFS)</b>	Financing assistance to eligible Malaysian SMEs undertaking syariah compliant businesses whereby the Government of Malaysia has agreed to pay 2% (percentage point) of the profit rate charged on the financing provided by Participating Financial Institutions.  Loan amount RM100,000 - 5 million.	SME Corporation Malaysia & 13 Participating Banks
5.	<b>SME Emergency Fund</b>	Flood, Drought, Beach Erosion and Land Slide only.  Total financing amount up to a maximum of RM100,000 per company in hybrid manner of grant & loan.	SME Corporation Malaysia



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No	Type of Grant	Description	Ministry/Government Agency/Banks
6.	<b>Green LED Programme</b>	<ul style="list-style-type: none"> <li>Aimed to grow local SSL/LED Champions. Solid-state lighting (SSL) products including light-emitting diodes (LEDs) have been receiving considerable attention due to potential advantages over conventional lighting technologies. Funding for the development or improvement activities of commercially viable SSL products.</li> <li>Partial/ Matching Grant for purchasing or improvements in manufacturing equipment, testing, processes or monitoring techniques, to obtain international certifications.</li> </ul>	SME Corporation Malaysia
7.	<b>Fund for Small and Medium Industries 2 (FSMI2)</b>	Offered to SMIs in operation for at least 3 years but less than 7 years. The loan amount: RM100, 000 to RM 3 Million and the interest rate is 4 percent to 6 percent and including 3 to 5 percent CGC Guarantee Fee but it is getting higher for now.	Maybank and CIMB
8.	<b>Halal Industry Fund</b>	To support halal industry entrepreneurs. Business must not be a subsidiary of a GLC or MNC and should be minimum 60 percent of Malaysian equity. The most beneficial point of this scheme is the loan size can up to RM200 Million.	SME Corporation and Halal Development Corporation



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No	Type of Grant	Description	Ministry/Government Agency/Banks
9.	<b>Intellectual Property Financing Fund</b>	MyIPO to assess value of brand/IP Financing up to RM10 million or 80% of valued IP in 5 years term include a grace period up to 12 months. And the Government will either give 2 percent or around 4 to 5 percent annual interest. Limited to companies in ICT and green technology sector.	Malaysian Debt Ventures
10.	<b>Cradle Investment Programme (CIP)</b>	To fund innovative people with technology oriented ideas and transforms their raw ideas into commercially valuable ventures. Funding is up to RM150,000 per idea and also providing mentor to help in the whole project. If project fails to complete, applicant has to pay the repayment of grants and admin fees of 4 percent.	Cradle Fund Sdn Bhd
11.	<b>Commercialisation Grants - Seed Fund</b>  <i>Commercialisation Grants-International Business Development Matching Fund</i> <i>Commercialisation Grants-RND Matching Fund</i>	To finance start-up costs in setting up biotech companies and assist towards the development and commercialisation of biotechnology projects in line with the objectives of the National Biotechnology Policy.  Maximum financing: RM2.5 million to be disbursed within 2 years	Malaysian Biotechnology Corporation Bhd

**FEDERATION OF MALAYSIAN MANUFACTURERS (7907-X)**

Wisma FMM, No 3, Persiaran Dagang, PJU 9, Bandar Sri Damansara, 52200 Kuala Lumpur  
P O Box 28, Jinjang, 52000 Kuala Lumpur, Malaysia. Tel: 603-62867200 Fax: 603-62741266/7268  
E-mail: webmaster@fmm.org.my Website: www.fmm.org.my





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No	Type of Grant	Description	Ministry/Government Agency/Banks
12.	<b>Commercialisation of R&amp;D by SME</b>	CRDF is for the funding of commercialisation activities of locally developed technologies undertaken by Malaysian owned company. The technologies can be those developed by the public sector or they can also be the output of in-house research and development (R&D) activities by the companies.  CRDF 3(a) provides funding in the form of partial grants with a maximum of RM4,000,000 or 70% of the eligible expenses (whichever is lower).	Malaysian Technology Development Corporation
13.	<b>Enterprise Innovation Fund (EIF)</b>	InnoFund is a grant scheme which funds the development or improvement of new or existing products, processes or services with elements of innovation. Quantum of funding for each project is up to RM500,000 for micro/small companies.	Ministry of Science, Technology & Innovation
14.	<b>MSC Malaysia Research and Development Grant Scheme (MGS)</b>	Product Development & Commercialisation Fund (PCF). DEADLINE for Registration of interest: 8 October 2015. MAC3 Fund applications are closed until further notice.	Multimedia Development Corporation (MDeC)



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No	Type of Grant	Description	Ministry/Government Agency/Banks
15.	Technology Acquisition Fund (TAF)	<p>TAF is established to facilitate eligible Malaysian companies in the acquisition of foreign technologies for immediate incorporation into the company's manufacturing activity. TAF's partial grant enables companies to avoid expensive and often risky technology development stages. The acquisition of technology could be in the form of acquiring know-how / IP exploitation / rights / blueprints.</p> <p>TAF provides funding in the form of partial grants with a maximum of RM2 million or 50% of the eligible expenses (whichever is lower).</p>	Malaysian Technology Development Corporation

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Wisma FMM, No 3, Persiaran Dagang, PJU 9, Bandar Sri Damansara, 52200 Kuala Lumpur  
P O Box 28, Jinjang, 52000 Kuala Lumpur, Malaysia. Tel: 603-62867200 Fax: 603-62741266/7288  
E-mail: webmaster@fmm.org.my Website: www.fmm.org.my

