

# *i-Incentives*

Investment Incentives Portal by *Incentive Collaboration and Coordination Office (ICCO)*, MIDA

Briefing Session with



**MALAYSIAN INDIAN NETWORK OF  
ENTREPRENEURS ASSOCIATION  
(1MINE)**

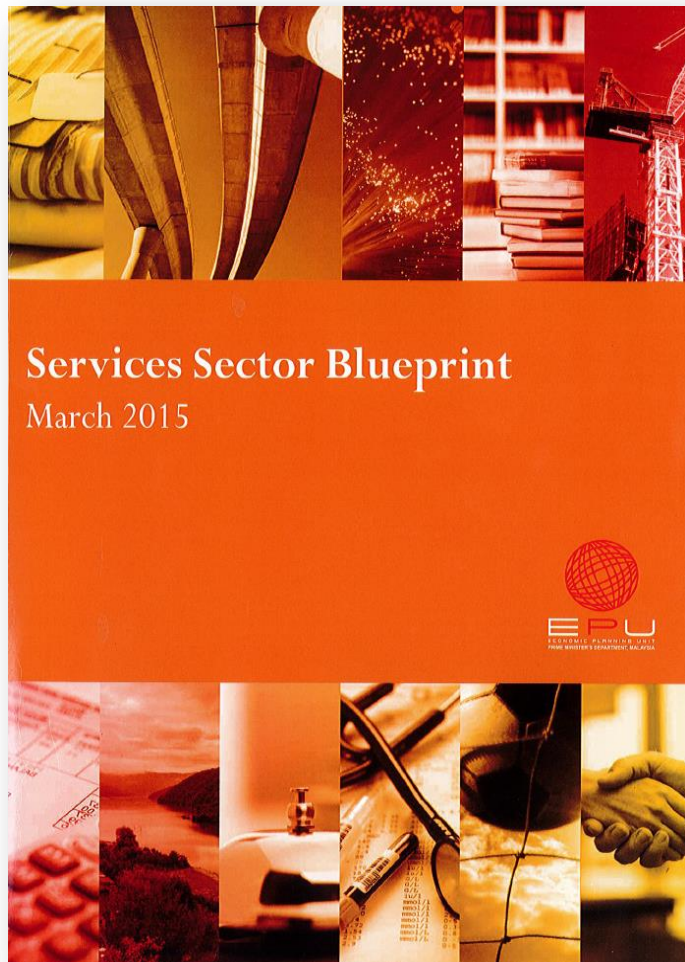
2 August 2019, Friday      Perdana Hall, Level 10, MIDA

**by Azrina Hashim  
Sr. Deputy Director, ICCO**

**MIDA**

Malaysian Investment Development Authority

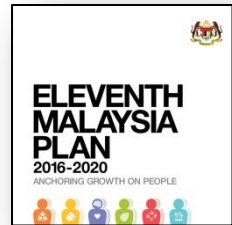
# Services Sector Blueprint & RMK-11



- Launched in **March 2015** based on the recommendation by EPU to the Economic Council on 25 August 2014.

## Strategy A4 Enhancing the management of investment incentives

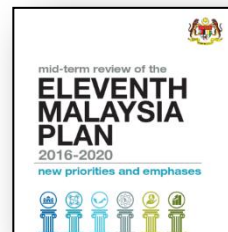
- ICCO will be established under MIDA and act as a coordinator for all investment incentives.
- ICCO will enable cross-agency visibility and allow for more holistic assessment of incentives through structured information sharing.
- ICCO will undertake an impact assessment on incentives provided.



### *Mid –Term Review of the 11<sup>th</sup> Malaysia Plan*

## Chapter 9 Ensuring more meaningful Economic growth

Promoting quality investment to spearhead economic growth by **improving the management of all existing investment incentives to optimise resources.**



# Functions of ICCO

e.g. Ministries  e.g. MITI, MEA, MESTECC, MDTCA, MPI, MCM, MOTAC, MED, MOH, MOF, MOA, MOE

e.g. Agencies     

## Agencies that manage incentives



- Companies (Foreign & Local)
- Covers all economic sectors (Manufacturing, Services and Primary)

## Incentive approving & monitoring authorities



- Ministry of Finance
- Ministry of Economic Affairs

# Establishment of ICCO

- Incentive Coordination and Collaboration Office (ICCO) was established in MIDA on the **15<sup>th</sup> April 2015**.
- Objectives:-
  - Coordinating investment incentives schemes under a single portal;
  - Provide greater cross agency visibility and transparency of incentives offered;
  - Preventing abuse of incentives and rent seeking activities; and
  - Undertake impact evaluation of current and new incentives scheme.
- Major Projects:
  - Investment Incentives Portal (*i-Incentives*)



<https://incentives.mida.gov.my>



# ICCO

## *i-Incentives Portal Launching*



**Officially launched by YB Minister MITI**

**MITI DAY**  
Ministry Of International Trade & Industry Open Day  
**2018** #MYservices4ward #mitiday

26 FEBRUARY 2018 | 8.30 am - 5.30 pm | MITI TOWER

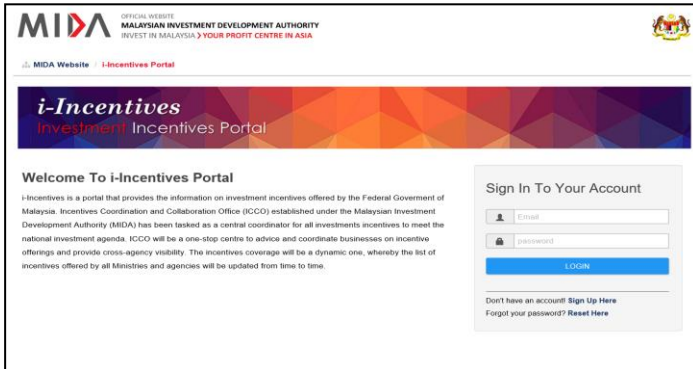
MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY

**Event Highlights:**

- Catur Bestari
- Food Truck
- Job Fair
- Kapsul Usahawan & Saham
- National Services Sector Summit
- Exhibition Booth
- Auto Show
- Entrepreneurship Talks
- MITI & AGENCIES SHOWCASE

**Partners and Sponsors:** MIDA, SME Corp, MPIC, midf, SME BANK, MAI, www.miti.gov.my, MITIMalaysia, mitimalaysia, MITIMalaysia, MITIMalaysiayoutube

# i-Incentives Portal



The screenshot shows the login interface of the i-Incentives Portal. At the top, the MIDA logo and tagline 'OFFICIAL WEBSITE MALAYSIAN INVESTMENT DEVELOPMENT AUTHORITY INVEST IN MALAYSIA > YOUR PROFIT CENTRE IN ASIA' are displayed. Below this is a navigation bar with 'MIDA Website' and 'i-Incentives Portal'. The main header features the 'i-Incentives Investment Incentives Portal' title. A welcome message states: 'Welcome To i-Incentives Portal i-Incentives is a portal that provides the information on investment incentives offered by the Federal Government of Malaysia. Incentives Coordination and Collaboration Office (ICCO) established under the Malaysian Investment Development Authority (MIDA) has been tasked as a central coordinator for all investments incentives to meet the national investment agenda. ICCO will be a one-stop centre to advice and coordinate businesses on incentive offerings and provide cross-agency visibility. The incentives coverage will be a dynamic one, whereby the list of incentives offered by all Ministries and agencies will be updated from time to time.' To the right, a 'Sign In To Your Account' form includes fields for 'Email' and 'password', a 'Login' button, and links for 'Sign Up Here' and 'Reset Here'.



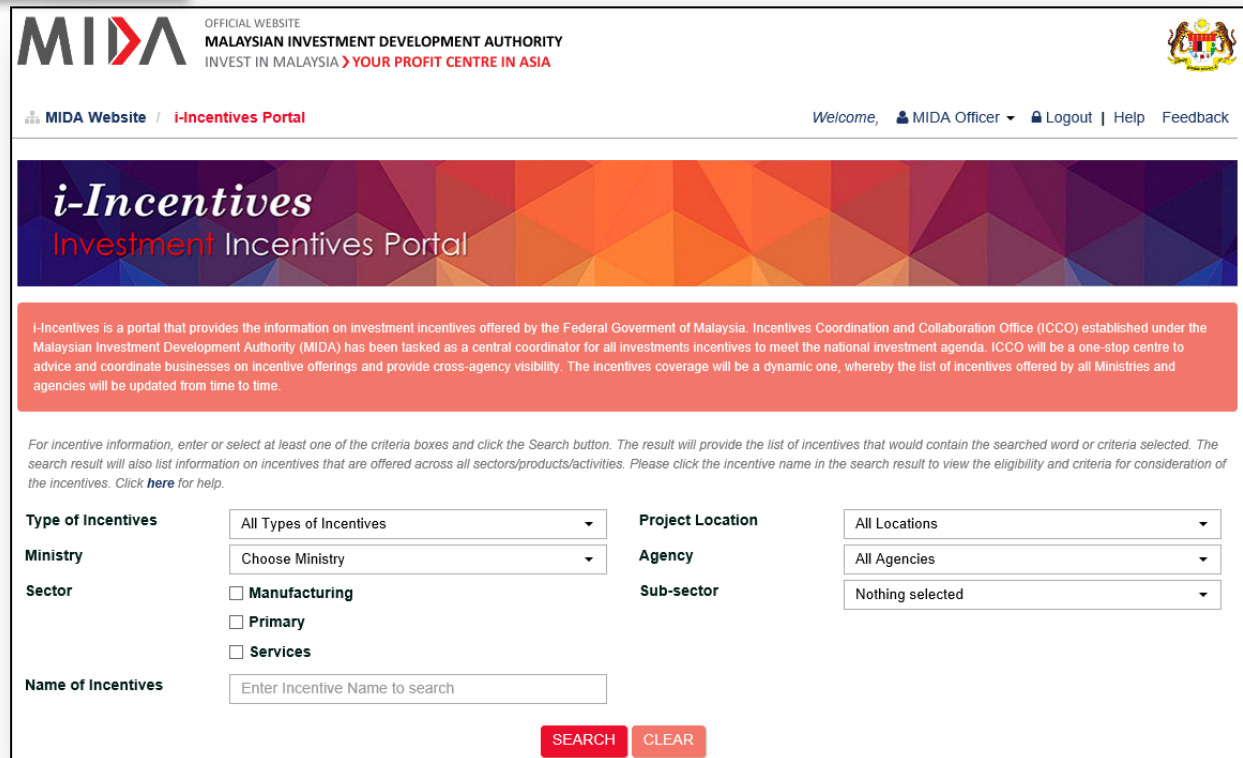
As a layer of security



As a record for reference



Landing Page for  
*i-Incentives*



The screenshot shows the landing page of the i-Incentives Portal. The header includes the MIDA logo and tagline, and a navigation bar with 'MIDA Website' and 'i-Incentives Portal'. A welcome message and user information ('Welcome, MIDA Officer') are displayed. The main header features the 'i-Incentives Investment Incentives Portal' title. A large red banner contains the following text: 'i-Incentives is a portal that provides the information on investment incentives offered by the Federal Government of Malaysia. Incentives Coordination and Collaboration Office (ICCO) established under the Malaysian Investment Development Authority (MIDA) has been tasked as a central coordinator for all investments incentives to meet the national investment agenda. ICCO will be a one-stop centre to advice and coordinate businesses on incentive offerings and provide cross-agency visibility. The incentives coverage will be a dynamic one, whereby the list of incentives offered by all Ministries and agencies will be updated from time to time.' Below the banner, a search instruction states: 'For incentive information, enter or select at least one of the criteria boxes and click the Search button. The result will provide the list of incentives that would contain the searched word or criteria selected. The search result will also list information on incentives that are offered across all sectors/products/activities. Please click the incentive name in the search result to view the eligibility and criteria for consideration of the incentives. Click [here](#) for help.' The search form includes dropdown menus for 'Type of Incentives' (All Types of Incentives), 'Ministry' (Choose Ministry), 'Project Location' (All Locations), and 'Agency' (All Agencies). It also has checkboxes for 'Sector' (Manufacturing, Primary, Services) and a 'Sub-sector' dropdown (Nothing selected). A text input field for 'Name of Incentives' is labeled 'Enter Incentive Name to search'. At the bottom, there are 'SEARCH' and 'CLEAR' buttons.

# i-Incentives Portal

Search

Found 24 Records

No.	Name of Incentive	Type of Incentive	Ministry	Agency	Sector
1	<a href="#">Market Development Grant (MDG)</a>	Grant	Ministry of International Trade and Industry	MATRADE	Manufacturing, Services
2	<a href="#">Services Export Fund (SEF)</a>	Grant	Ministry of International Trade and Industry	MATRADE	Services
3	<a href="#">Business Accelerator Programme (BAP)</a>	Grant	Ministry of International Trade and Industry	SME Corp. Malaysia	Manufacturing, Services
4*	<a href="#">Domestic Investment Strategic Fund (DISF)</a>	Grant	Ministry of International Trade and Industry	MIDA	Manufacturing, Services
5	<a href="#">TERAJU@ECER Facilitation Fund</a>	Grant	Prime Minister's Department	ECER	Manufacturing, Services

## Search by:

- Name of Incentives
- Type of Incentives
- Ministry
- Agency
- Sector

## Incentive Details:

- Description
- Criteria
- Guidelines / Application Forms
- Contact Details

RESULTS

Name of Incentive	Research And Development (R&D) Company		
Type of Incentive	Tax Incentive		
Ministry	Ministry of International Trade and Industry (MITI)		
Agency	MIDA - Malaysian Investment Development Authority		
Sector	Services		
Sub-sector	Scientific research and development		
Product/Activity	Research and development on agricultural sciences, Research and development on biotechnology, Research and development on engineering and technology, Research and development on Information Communications Technology (ICT), Research and development on medical sciences, Research and development on natural sciences, Research and development on other natural science and engineering n.e.c.		
Incentive Details			
Description	A research and development (R&D) company, i.e. a company that provides R&D services in Malaysia to its related company or to any other company, is eligible for an Investment Tax Allowance (ITA) of 100% on the qualifying capital expenditure incurred within 10 years. The allowance can be offset against 70% of the statutory income for each year of assessment. Any unutilised allowances can be carried forward to subsequent years until fully utilised.  Should the R&D company opt not to avail itself of the allowance, its related companies can enjoy double deduction for payments made to the R&D company for services rendered.		
Criteria for Consideration	Definition of R&D Company:  An R&D company is a company which provides R&D services in Malaysia to its related companies or to any other company. The PIA 1986 defines a related company as a company where at least 20% of its issued share capital is owned (directly or indirectly) by another company.  Eligibility Criteria:  (1) Research undertaken should be in accordance with the needs of the country and bring benefit to the economy. (2) At least 70% of the income of the company should be derived from R&D activities; (3) For manufacturing-based research and development, at least 50% of the workforce of the company must be appropriately qualified personnel performing research and technical functions. (4) For agriculture-based research and development, at least 5% of the workforce of the company must be appropriately qualified personnel performing research and technical functions		
Location for Consideration	All Locations		
Estimated Time	6 weeks upon complete information		
Ministry/Agency Details			
Agency Contact	Customer Service Centre		
Agency Telephone	03-2267 3633		
Agency Email	<a href="mailto:investmalaysia@mida.gov.my">investmalaysia@mida.gov.my</a>		
Agency Website	<a href="http://www.mida.gov.my">www.mida.gov.my</a>		
Agency Address	MIDA Sentral, No. 5 Jalan Stesen Sentral 5 Kuala Lumpur Sentral 50470 Kuala Lumpur Kuala Lumpur W.P.		
Guidelines/Forms			
Remarks			
Attachment	File Name		
	Guidelines_R&D_JA1.pdf	<a href="#">DOWNLOAD</a>	
	R&DJJA1_Contract_R&D.doc	<a href="#">DOWNLOAD</a>	
Online Form URL			
<a href="#">EXPORT TO PDF</a> <a href="#">BACK</a>			

# Categorisation of Incentives Available

## 1 Key Figures

**127**

Published Incentives Offering

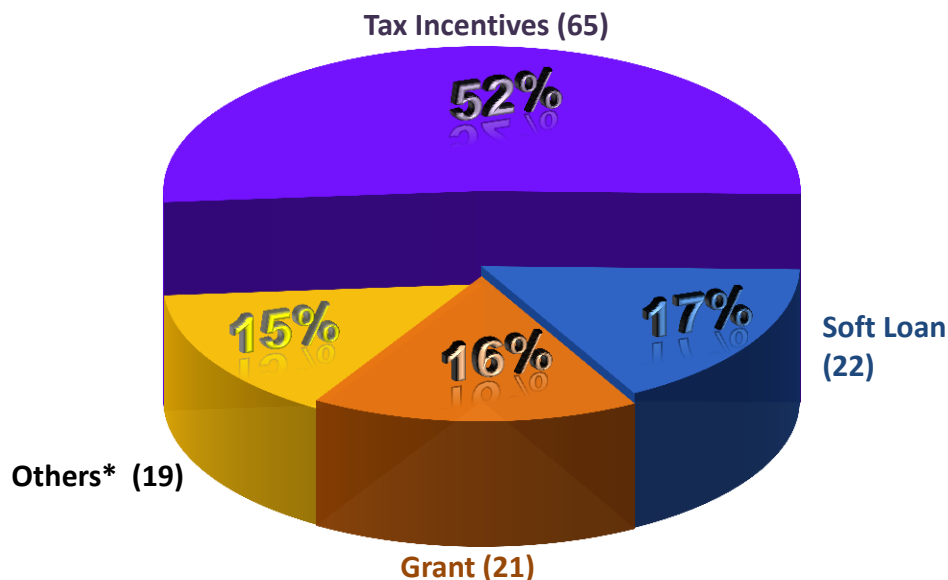
**12**  
Ministries

**28**  
Agencies

**3**  
Main  
Sectors

**4**  
Types of  
Incentives

## 2 Type of Incentives



\* Equity funding, training, aids, regional establishments & other facilitation programmes.

Source: i-Incentives Portal (as at 30 June 2019)

## 3 By Sectors

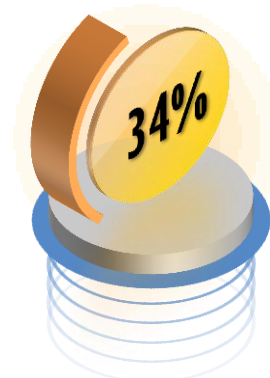
### Services

Tax Incentive : 47  
Grant : 19  
Soft Loan : 20  
Others : 12



### Manufacturing

Tax Incentive : 28  
Grant : 12  
Soft Loan : 12  
Others : 9



### Primary

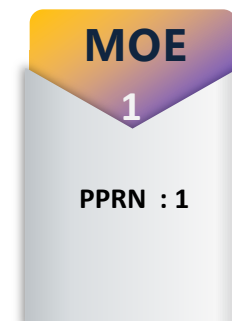
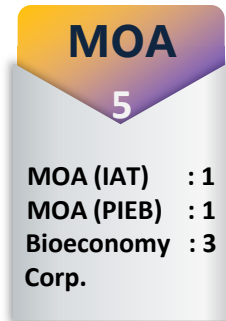
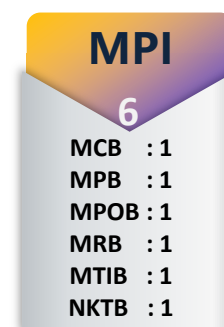
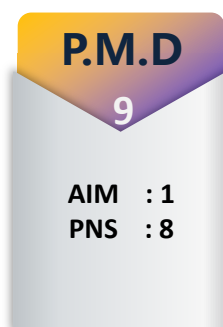
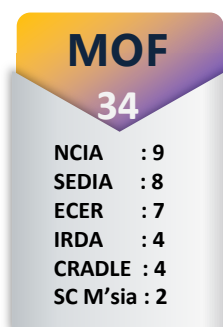
Tax Incentive : 6  
Grant : 6  
Soft Loan : 4  
Others : 6



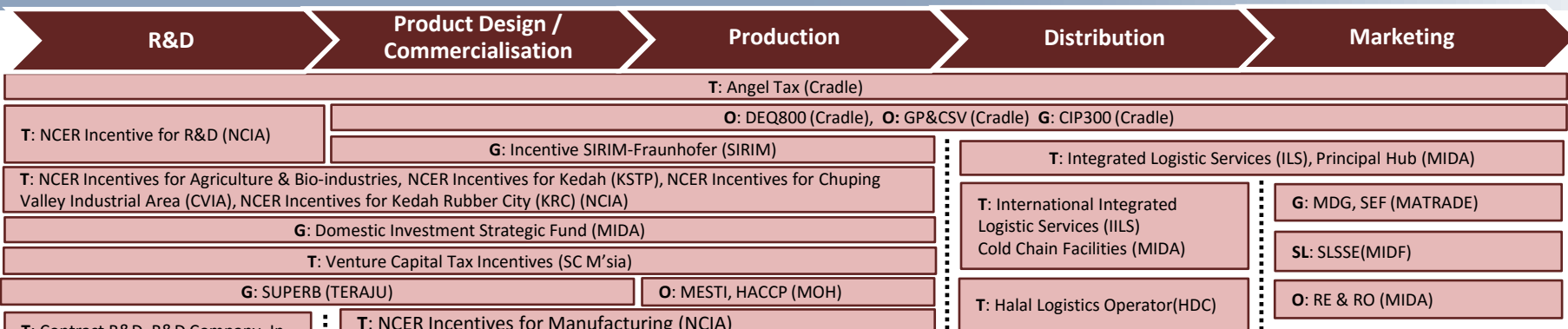


# i-Incentives Portal

## Incentives by Ministries & Agencies



# Incentives Available ...from Lab to Market



T: Contract R&D, R&D Company, In-House R&D, R&D Reinvestments, R&D Status (MIDA)	T: NCER Incentives for Manufacturing (NCIA)
G: Steinbeis Innovation Voucher (AIM)	G: PPRN (MOE)
G: MESSTECC Research & Development (R&D) Fund (MESTECC)	G: CRDF, TAF, BGF; SL: BSF (MTDC)
G: The International Collaboration Fund (MESTECC)	SL: Biotechnology Commercialisation Fund (Bioeconomy Corp)
	O: (IP) Filing Fund For Youth, Student And Local Communities (MyIPO)

**Legend:**  
**T** : Tax Incentive  
**G** : Grant  
**SL** : Soft Loan  
**O** : Others

T: General Investment, Small Scale, High Tech, Selected Ind., Halal Food Products, ACA, Reinvestment (RB, Food, Oil Palm), Recycling, Less Dev. Area (MIDA)

T: Halal Ind. Player (HDC)

T: Bionexus; SL: Biotech Trans Prog. (Bioeconomy)

T: Livestock, Aquatic, Natural Products, Ship Building, Palm Oil (SEDIA)

T: Mfg & MRS, O&G and Petro.,

T: Angel Tax Incentive (CRADLE)

G: Halal Fund, O: BEF (MTDC)

G: TUBE (SME Corp)

G: Facilitation Fund, TERAS (TERAJU)

G: High Impact Product Matching Grant (MOA)

SL: SLSME, SLSAM, SLBAE, SLSCD, SLSSS, SMEEF (MIDF)

SL: Dana 1-SME, BAP (SME Bank)

SL: BIT – Franchisor & Franchisee (PNS)

SL: Raw Material Soft Loan Programme (MTIB)

## Services

T: Hotel, Tourism, Hotel/ Tourism Reinvestments, Green Tech., Waste Eco Parks, Tech. & Voc. Training Centre, Higher Education, Mines Wellness City (MIDA)

T: Hotel/Resort & Creative Cluster, Private Learning Institution (SEDIA)

T: Medini: Approved Developer, Approved Development Manager, IDR Status Company (IRDA)

T: Tourism, Knowledge, Education & ICT Development, Industrial Parks/ Free Zone Development, ETEP (ECER)

SL: Franchisor & Franchisee Financing, Pre-Franchise, DBPF, PPFT, SPKF (PNS)

T: NCER Incentives for Education (NCIA)

T: Tour Operators (D & F),  
G: Tourism Dev. Fund, Special Fund (MOTAC)

T: Venture Capital Tax Incentives, Islamic Fund Management (SC M'sia)

T: MSC, MSC4Startups,RISE (MDEC)

T: Halal Park Operator (HDC)

G: Digital Content Fund, FIMI (FINAS)

G: GENERATE, RPEL (PSMB)

O: Water Vending (MOH)

T: NCER Incentives for Tourism, NCER Incentives for Logistics, NCER Incentives for Education, NCER Incentives for Kedah (KSTP), NCER Incentives for Chuping Valley Industrial Area (CVIA), NCER Incentives for Kedah Rubber City (KRC) (NCIA)

## Primary

T: Agriculture & Agriculture-related Services (ECER)

T: Approved Food Production Projects (MOA)

T: General Investment [Floriculture], Small Scale [Aquaculture, Apiculture] (MIDA)

T: NCER Incentives for Agriculture & Bio-industries (NCIA)

O: Rubber Smallholder (MRB)

O: Pepper Smallholders (MPB)

O: Palm Oil Smallholders (MPOB)

O: Cocoa Smallholder and Handmade Chocolate (MCB)

O: Kenaf Smallholder (NKTB)

# Incentives for Indian Community

*By TEKUN Nasional*

- 1) TEMAN TEKUN Financing Scheme
- 2) Skim Pembangunan Usahawan Masyarakat India (SPUMI)

- Simple and quick financing facilities to kick-start business as well as business expansion

- ✓ Malaysian Indian Community
- ✓ Soft Loan
- ✓ Insurance Protection
- ✓ Available even with existing business financing (e.g. MARA, AIM, SME, PNS, etc.)

## **TEMAN TEKUN Financing Scheme**

Financing Value	Repayment Period
RM 1,000 – RM 5,000	6 Months – 3 Years
RM 5,001 – RM 50,000	6 Months – 5 Years

## **Skim Pembangunan Usahawan Masyarakat India (SPUMI)**

Loan	Amount	Payment Period
Small Loan Scheme (SPK)	RM 10,000 – RM 50,000	Up to 5 years
Medium Loan Scheme (SPS)	RM 50,000 – RM 100,000	Up to 10 years

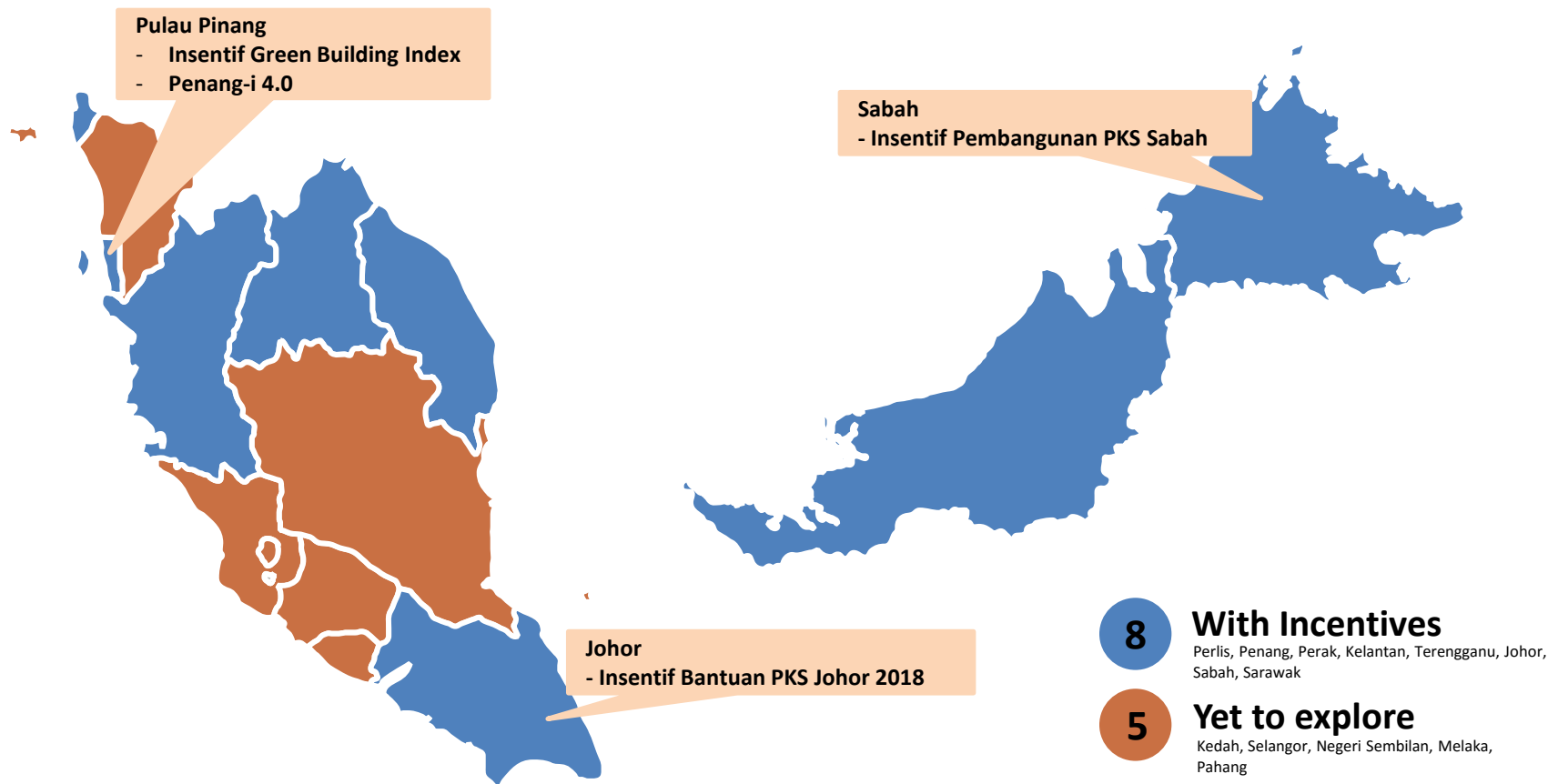
<https://www.tekun.gov.my/en/tekun-entrepreneur/teman-tekun-financing-scheme/>

<https://www.tekun.gov.my/en/tekun-entrepreneur/indian-community-entrepreneur-development-scheme-spumi/>

# State Incentives



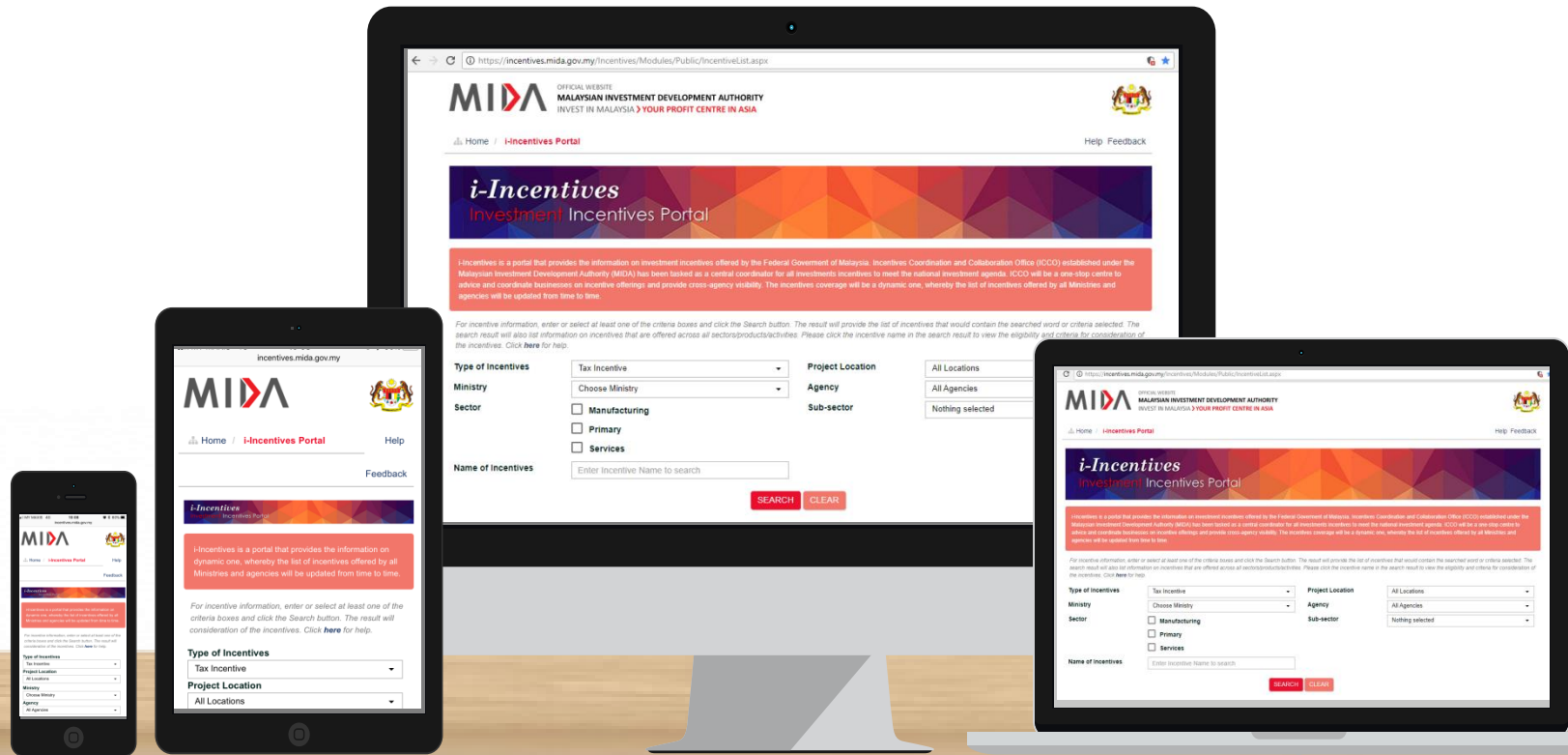
National Productivity Council meeting on 27<sup>th</sup> November 2017: ICCO **was directed** to expand **the coverage to state government incentives**.



*\* Information update as at 30 June 2019*

# i-Incentives Portal

## Accessibility





# ICCO's Initiatives

## *Meetings and Workshops*





incentives.mida.gov.my

Google Search I'm Feeling Lucky



**Thank You** *for your kind attention*

# Functions of ICCO

e.g. Ministries



e.g. Agencies



## Agencies that manage incentives



- Companies (Foreign & Local)
- Covers all economic sectors (Manufacturing, Services and Primary)

Incentive approving & monitoring authorities



# Incentives

## *incentive*

### TEMAN TEKUN Financing Scheme

#### Intended for

- Providing financing facilities that are easier, faster and more efficient to business needs.

#### Key Requirement (among others)

- Bumiputera or **Indian Community** (through the SPUMI Fund)
- Aged between 18 – 60 years old
- Form a group of 5 trustworthy members (males or females) and undergo the basic training of TEKUN Nasional financing
- Possess a valid license/permit/Business Register (SSM)
- Has a specific business location or premise / mobile business
- Existing business financing (e.g. MARA, AIM, SME, PNS, etc) does not exceed RM 50,000

Financing Value	Repayment Period
RM 1,000 – RM 5,000	6 Months – 3 Years
RM 5,001 – RM 50,000	6 Months – 5 Years

## *incentive*

### Skim Pembangunan Usahawan Masyarakat India (SPUMI)

#### Intended for

- Providing financing facilities that are easier, faster and more efficient to business needs.

#### Key Requirement (among others)

- Indian race and Malaysian citizen
- Aged between 18 – 60 years old
- Applicant is not a bankrupt
- Companies 100% owned by Indians and Malaysian citizens
- Has a valid license/permit/Business Register (SSM)
- Has a specific business location or premise / mobile business
- Engage directly or part-time in business
- Paid capital limit does not exceed RM 300,000
- Existing business financing (e.g. MARA, AIM, SME, PNS, etc) does not exceed RM 100,000

Loan	Amount	Payment Period
Small Loan Scheme (SPK)	RM 10,000 – RM 50,000	Up to 5 years
Medium Loan Scheme (SPS)	RM 50,000 – RM 100,000	Up to 10 years