

**GUIDELINES AND PROCEDURES FOR THE APPLICATION OF
INDUSTRY4WRD READINESS ASSESSMENT INTERVENTION PROGRAMME
("INDUSTRY4WRD INTERVENTION FUND")**

1. INTRODUCTION

- 1.1. The Industry4WRD Intervention Fund is a financial support facility for Malaysian Small and Medium Enterprises (SMEs) in the manufacturing and related services sectors to embrace Industry 4.0.
- 1.2. The Fund will be provided to support companies in implementing intervention projects based on the recommendation of Industry4WRD Readiness Assessment (RA) Report on the shift factors of people, process and technology.
- 1.3. Objectives of this Fund are to:
 - 1.3.1. Improve productivity of the company;
 - 1.3.2. Accelerate business growth through adoption of Industry 4.0 technologies and processes; *and*
 - 1.3.3. Improve the current level of scoring based on the Industry4WRD RA undertaken.

2. ELIGIBILITY

- 2.1. This Fund is eligible for all SMEs in the manufacturing and related services sectors which have completed the government-funded Industry4WRD Readiness Assessment (RA) programme.

3. APPLICATION PROCEDURE

- 3.1. Upon completion of the Industry4WRD RA, SMEs may apply for this Fund to MIDA. Application must be submitted not more than two (2) months after receiving the Industry4WRD RA report (date of approval letter issued by MPC).
- 3.2. The applicants are required to submit the following documents:
 - 3.2.1. Application Form ([Appendix A](#));
 - 3.2.2. Industry4WRD RA Report (With cover letter by MPC);

- 3.2.3. Detailed technical proposal; *and*
- 3.2.4. (Audited) Financial statements for the past three (3) years.

3.3. The detailed technical proposal should include:

- 3.3.1. Background, purpose and objectives;
- 3.3.2. Scope of project;
- 3.3.3. Method of execution including potential solution providers;
- 3.3.4. Implementation period;
- 3.3.5. Breakdown of expenditure;
- 3.3.6. Expected outputs and outcomes.

3.4. Applicants will be invited to present their proposal to the Industry4WRD Intervention Fund Approval Committee (pitching session).

4. APPLICATION EVALUATION

4.1. Prior to the pitching session, evaluation will be carried out by MIDA by taking into consideration the following criteria:

- 4.1.1. Viability of technical proposal;
- 4.1.2. Company's financial performance;
- 4.1.3. Projected impact towards productivity improvement and business growth; and
- 4.1.4. Adoption or implementation of at least one (1) of the industry 4.0 technology pillars.

5. PROJECT DURATION

5.1. The project duration is up to 12 months from the date of the Approval Letter issued by MIDA or by 31 December 2021 (whichever is earlier).

5.2. Any request for extension is required to be made at least 2 months before the project end date and subject to the approval of the Committee.

6. SCOPE AND QUANTUM OF FUNDING

6.1. The funding will be provided on matching basis (70:30) based on eligible expenditures, up to a maximum grant of Ringgit Malaysia Five Hundred Thousand (RM500,000.00) only.

6.2. Only expenditures based on the recommendations of RA report will be considered. At least one of the shift factors of people, process and technologies must be addressed in the intervention project, subject to a maximum grant of RM50,000 on the shift factor of people.

6.3. The following expenditures will not be eligible:

6.3.1. Purchase or rental of land, building, vehicles and furniture;

6.3.2. Premise renovation;

6.3.3. Collateral or loan for any purpose;

6.3.4. Marketing/ promotional activities;

6.3.5. Operation expenditure including salary, employee benefits, travelling expenditures;

6.3.6. Expenditures on R&D activities; *and*

6.3.7. Working capital not related to the project.

7. NOTIFICATION OF RESULTS

7.1. The result of the application will be notified by MIDA after decision by the Industry4WRD Intervention Fund Approval Committee. The decision by the Approval Committee is final.

7.2. Successful applicants will be approved a maximum 30% upfront payment of the 70% matching grant. Amount of upfront is subject to decision by the Industry4WRD Intervention Fund Approval Committee (based on the company's financial status). The balance of the remaining grant will be disbursed upon progress of the proposed project by:

7.2.1. Submission of progress report and project completion report to MIDA.

7.2.2. Submission of milestones achievement to MIDA.

8. EFFECTIVE DATE OF APPLICATION

Application received by MIDA from the date of approval of Industry4WRD Readiness Assessment Report (refer letter issued by MPC) until 31 December 2021 is eligible to be considered for the Industry4WRD Intervention Fund.

9. CONDITION

Government reserves the right to withdraw the grant if the applicant fails to execute the intervention project as approved.

10. OVERALL PROCESS WORKFLOW

Refer to Appendix B.

11. APPLICATION SUBMISSION:

The application should be submitted to:

Chief Executive Officer
Malaysian Investment Development Authority (MIDA),
MIDA Sentral,
No. 5, Jalan Stesen Sentral 5,
Kuala Lumpur Sentral, 50470 Kuala Lumpur.

For project in Sabah and Sarawak, the application should also be submitted to the relevant MIDA office as follows:

Sabah

Director
MIDA Sabah Office
Lot D9.4 & 9.5,
9th Floor, Block D, Bangunan KWSP,
Karamunsing,
88100 Kota Kinabalu,
Sabah, Malaysia.

Sarawak

Director
MIDA Sarawak Office
Room 404, 4th Floor,
Bangunan Bank Negara Malaysia,
No 147, Jalan Satok,
PO Box 716, 93714 Kuching,
Sarawak, Malaysia.

For enquiries and clarification, please refer to:-

MIDA website : www.mida.gov.my
Tel : (603) 2267-3633
Fax : (603) 2273-4208
E-mail : investmalaysia@mida.gov.my