

*flex*HR®

Elevating, Innovating and Redefining
Human Capital Management

OVERVIEW OF SMART AUTOMATION GRANT (SAG)

- SAG is matching grant for **services companies** to automate their business processes and move towards digitalisation.
- The companies from the service sector include **Retail, Wholesale, Food and Beverages, Tourism, Logistics, Transportation, Education, Healthcare, Real Estate, Professional Services and Financial Services**. The list of services sector will be regularly updated.
- The grant will be used solely for the purpose to kick start the development and implementation of project by adopting technology to automate the business operation.
- MDEC has launched the SAG on 2 July 2020.

FUND AMOUNT

Up to 50% of the total project cost, subject to a ceiling limit of RM200,000.

EXPECTED OUTCOME

- Increase in revenue
- Savings in business cost
- Reduction of process time cycle
- Reduce man hours
- Create new sources of growth

PROJECT DURATION

- Project implementation period is up to 1 month.
- Post monitoring to achieve project outcome is up to 3 months.

Project Milestone Requirements

- Project implementation period is up to one (1) month and post monitoring to achieve project outcome is up to three (3) months. Total **4 months duration**.
- The SAG recipient (Recipient) may apply to MDEC for an **extension** of the following date, by serving a written request on MDEC **not less than One (1) month** or such other period as agreed by MDEC.
- **IF** granted, shall not exceed the following duration maximum period of extension:-
 - Project Commencement Date – up to 1 month
 - Project Completion Date – up to a third (1/3) of the original Project Duration (subject to recommendation of the Project Assessor where applicable)

Eligible Expenses

Expenses include:

- Cost of IT Hardware or IT equipment
- Cost of Software associated
- License fee
- Process redesign
- Testing and certification costs associated with the development of the project
- Training costs associated to the project

Eligibility Criteria - Customer

<p>Entity 1 : Company</p> <p>(Registered under Companies Act 1965 or Companies Act 2016)</p>	<p>Entity 2: Enterprise Entity 3: Sole Proprietorships Entity 4: Partnerships</p> <p>(Registered under Business Act 1956)</p>	<p>Entity 5: Limited Liability Partnerships</p> <p>(Registered under Limited Liability Partnerships Act 2012)</p>
<p>1. Issued and paid up capital of at least RM50,000.</p>	<p>1. Professional Services; but not limited to Legal, Accounting, Surveying, Engineering, Architectural, Consultation, Management, Employment and Security (Private Agency) Services.</p>	

2. Registered business activities, primarily traditional or non-technology activities from the service sector.
3. Not a liquidation / winding up / bankruptcy order.
4. No going concern issue and / or not dormant.
5. Has a written contract or a committed arrangement with Technology Solution Partner for the development of the project.
6. If received any MDEC / government grant, must demonstrate the completion and success of the funded project/s.

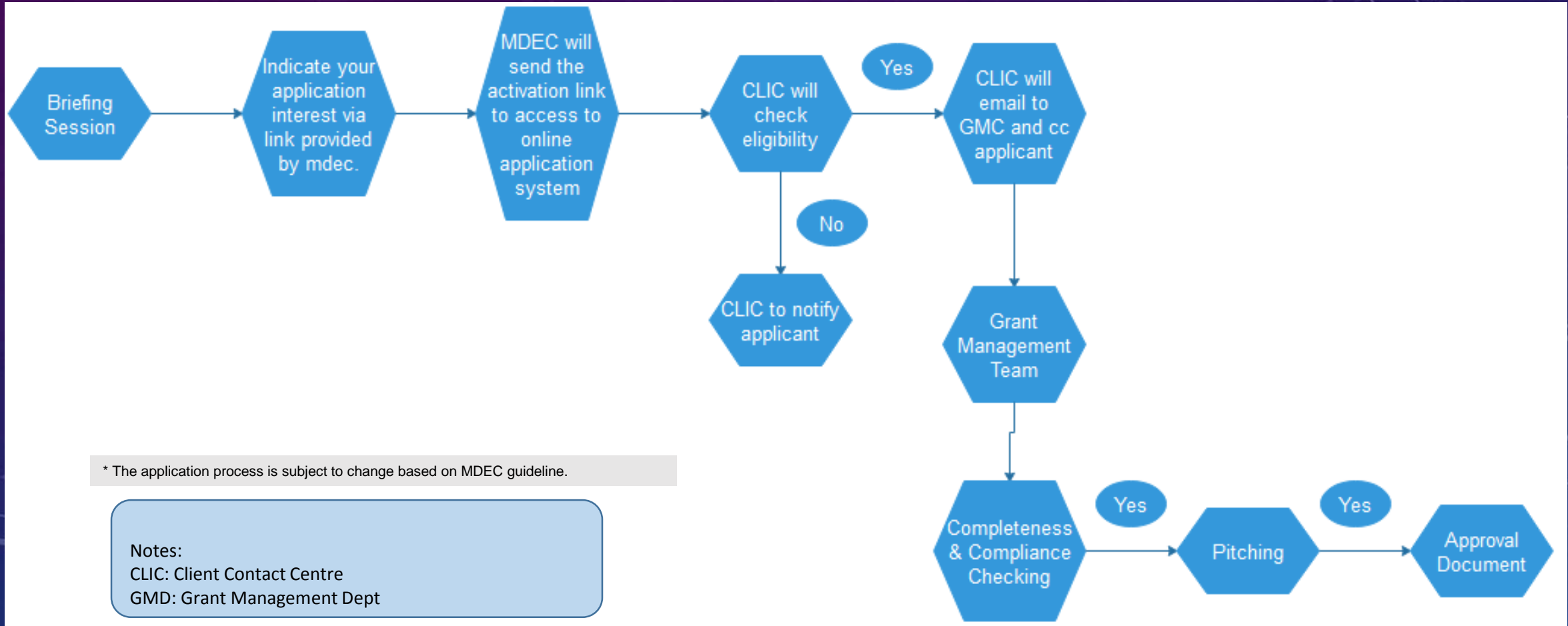
How to Apply?

Direct online Application

Companies who are interested and confirmed as qualified can **send their application directly to MDEC.**

Application Journey

1. Click the link provided to submit for attend briefing session. <https://forms.office.com/Pages/ResponsePage.aspx?id=ig8-XuADJ0S6IUOQKNPRQLK8JIrZP2xGqvsxNE-kbIpUOFBGQ1BTVkZQMfNHNDBDtzVDN0ZGUiJETyQlQCN0PWcu>



* The application process is subject to change based on MDEC guideline.

Notes:
 CLIC: Client Contact Centre
 GMD: Grant Management Dept

Supporting Documents Required

1. Fully completed and signed application form.
2. SSM Search Report.
3. Winding up / Bankruptcy Search Report.
4. Latest Audited Account (for company) / Tax Return Form **(For professional services)** of:-
 - Enterprise /Sole Proprietorships / Partnerships / Limited Liability Partnerships
 - Current Management Account
5. Board of Director Resolution **(For Company only)** of the appointment authorized signatory.
6. Written commitment with the Technology Solution Provider (TSP) for the development of the project.
7. If ex-MDEC / government grant recipient to provide closure / completion letter.
8. **On behalf of TSP:**
 - **TSP SSM Search Report**
 - **Proof of successful deployment of the digital solutions to at least 10 enterprise.**

Reimbursement Process

- The amount of matching grant which will be awarded to each applicant for up to **fifty percent (50%) of the total project cost** or subjected to a ceiling limit **up to RM200,000** which ever is lower.
- The matching grant will be reimbursed based on achievement of the agreed milestone deliverables, which will be limited to **2 times payments** as follows:-

Mobilization costs

- 1st payment: 50 % of the approved grant amount for Project Milestone One (1) deliverable(s).

Remaining Project Cost

- 2nd / Final payment : 50% of the approved grant amount for Project Milestone Two (2) deliverable(s) / Final deliverable(s).

- For more info please visit MDEC website

<https://mdec.my/digital-economy-initiatives/for-the-industry/smart-automation-grant/>