

GUIDELINES MARKET DEVELOPMENT GRANT (MDG) 2018

Effective 1 January 2018

*This guideline is only applicable for export promotional activities undertaken between **1 January – 31 December 2018**. Guidelines are subject to yearly review and changes from time to time*

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GENERAL INFORMATION

I. OBJECTIVE

To assist Malaysian Small and Medium Enterprises (SMEs), Professional Service Providers, Trade & Industry Associations, Chambers of Commerce and Professional Bodies in undertaking eligible export promotional activities.

II. FORM OF GRANT

Reimbursable grant (reimbursable financial assistance).

III. GRANT CEILING

RM 200,000 per eligible company.

(Any company that has utilised the full grant amount of RM200,000, since the date of commencement of MDG in 2002, will no longer be eligible for consideration).

***MDG reimbursements for any given year will be subject to the availability of funds.**

IV. MANDATORY REQUIREMENTS

1. Registered with MATRADE under the Malaysian Exporters Registry (MER).
(Please ensure that your company is already **registered with MATRADE** and **update current information**. If not, you can commence registration at <http://www.matrade.gov.my/en/online-applications/register-as-matrade-member>.)
2. An active business entity (**NOT applicable for company less than one (1) year**).
3. Not a Government Linked Company (GLCs) or have government equity (federal or state).
4. Export promotional activities which are subsidised or sponsored by third parties are not eligible for MDG. (e.g Ministries or *Government agencies/ Trade and Industry Associations/ Chambers of Commerce/ Professional Bodies and Others*).
5. All **completed** applications must be **submitted online** through MATRADE's website at www.matrade.gov.my/mdg/ **within forty (40) days as per following:**
 - i. **from the last date of promotional activity for:**
 - International Trade Fairs/ Exhibitions held locally or overseas;
 - Trade & Investment Missions or Export Acceleration Missions (EAM);
 - International Conferences overseas.
 - ii. **from the first day of listing** in the Supermarkets/ Hypermarkets/ Retail Centres overseas.

LATE APPLICATIONS WILL NOT BE CONSIDERED.

ELIGIBILITY CRITERIA

I. SMALL AND MEDIUM ENTERPRISES (SMEs)

- Incorporated under the Companies Act 1965.
- At least 60% equity is owned by Malaysian(s).
- Exporting products which are made in Malaysia or exporting services originating from Malaysian companies, and fulfilling the following criteria:

Type of Business	Annual Sales or	Full Time Employees
Manufacturing: (including agro-based)	not exceeding RM50 million or	not exceeding 200
Trading:	not exceeding RM20 million or	not exceeding 75
Services: (excluding real estate)	not exceeding RM20 million or	not exceeding 75

* Annual Sales (based on latest Audited Financial Statement)

* Full Time Employees (based on latest EPF Statement)

II. PROFESSIONAL SERVICE PROVIDERS (SOLE PROPRIETOR OR PARTNERSHIP)

- Incorporated under the Registration of Business Act (1956)/ Registered under the respective statutory bodies for professional services providers.
- At least 60% equity owned by Malaysian(s).
- Exporting Malaysian services; and fulfill any of the following criteria:

Annual Sales or	Full Time Employees
not exceeding RM20 million or	not exceeding 75

III. FOR TRADE & INDUSTRY ASSOCIATIONS/ CHAMBERS OF COMMERCE/ PROFESSIONAL BODIES

- Registered with the Registrar of Society (ROS) or Associated Professional Authority.

ELIGIBLE ACTIVITIES/ GRANT AMOUNT & ELIGIBLE EXPENSES

I. PARTICIPATION IN INTERNATIONAL TRADE FAIRS/ EXHIBITIONS

ACTIVITY	DESCRIPTION	*GRANT AMOUNT	EXPENSES
a) International Trade Fairs/ Exhibitions in Malaysia	Business to Business (B2B) Events	RM5,000	<ul style="list-style-type: none"> • Participation fee/ Booth rental • Booth construction/ Enhancement • Air fare
b) International Trade Fairs/ Exhibitions Overseas	(Consumer fairs (B2C)/ Festival fairs or similar events are not eligible for consideration)	RM15,000	<ul style="list-style-type: none"> • Land transportation (Malaysia to ASEAN countries) • Accommodation

*The maximum claim amount is as per company per participation or the actual eligible expenses, whichever is lower.

Additional info

ACTIVITY	DESCRIPTION
International Trade Fairs/ Exhibitions <u>in Malaysia</u>	<p>For events not organised by MATRADE, the following criteria will apply:</p> <ol style="list-style-type: none"> i. Minimum requirement: <ol style="list-style-type: none"> a. Gross space occupied must be at least 1,000 square meters; and b. 10% foreign visitors; or c. 20% net space rented to foreign exhibitors; or d. 20% foreign exhibitors. ii. MATRADE shall receive the trade fair/ exhibition audited report by certified auditor confirming compliance of item (i) of the above together with: <ol style="list-style-type: none"> a. Show directory b. Form 4 (form of renewal of approval of auditor) c. Auditor certificate (practicing certificate) iii. The report must be submitted within forty (40) days from the last date of the trade fair/ exhibition. (format as in annex 2) iv. Applicants are to deal directly with the organiser(s) for the submission of the trade fair audited report.

II. PARTICIPATION IN TRADE & INVESTMENT MISSIONS/ EXPORT ACCELERATION MISSIONS

ACTIVITY	DESCRIPTION	*GRANT AMOUNT	EXPENSES
a) Trade & Investment Missions/ Export Acceleration Missions	Organised by MATRADE	RM10,000	<ul style="list-style-type: none"> • Participation fee/ Booth rental • Air fare • Land transportation (Malaysia to ASEAN countries) • Accommodation
	Jointly organised with MATRADE (subject to approval)		
b) Trade & Investment Missions/ Export Acceleration Missions Organised by other Government Ministries or Agencies, Chambers of Commerce, Trade and Industry Associations and Professional Bodies	Organised by:	RM2,000	
	i. Malaysian Government Ministries or Agencies ii. Chambers of Commerce iii. Trade and Industry Associations iv. Professional Bodies that are registered in Malaysia.		

*The maximum claim amount is as per company per participation or the actual eligible expenses, whichever is lower.

Additional info

ACTIVITY	DESCRIPTION
Trade & Investment Missions/ Export Acceleration Missions Organised by Other Government Agencies, Chambers of Commerce, Trade and Industry Associations and Professional Bodies	i. The organiser of the mission must submit the full report of the mission <u>within forty (40) days from the last date of the mission, by using the MDG report format attached</u> . Failure to submit within the specified time frame or to comply with the full report requirements, will result in the rejection of the company's application. ii. The report format for Trade & Investment Missions/ Export Acceleration Missions (EAM) is as per Annex 3 .

III. PARTICIPATION IN INTERNATIONAL CONFERENCES OVERSEAS

ACTIVITY	DESCRIPTION	*GRANT AMOUNT	EXPENSES
International Conferences Overseas	The activity must be related to the promotion of exports for the industry or professional services. (It <u>does not</u> apply to workshops, seminar or training for the purpose of acquiring skills, upgrading knowledge or human capital development)	RM2,500	<ul style="list-style-type: none"> • Participation fee/ Booth rental • Air fare • Land transportation (Malaysia to ASEAN countries) • Accommodation

*The maximum claim amount is as per company per participation or the actual eligible expenses, whichever is lower.

IV. LISTING FEE FOR MADE IN MALAYSIA PRODUCTS IN SUPERMARKETS/ HYPERMARKETS/ RETAIL CENTRES OVERSEAS

ACTIVITY	DESCRIPTION	*GRANT AMOUNT	EXPENSES
Listing Fee for Made in Malaysia products in Supermarkets / Hypermarkets / Retail Centres Overseas	Limited to one Supermarket/ Hypermarket/ Retail Centre per country.	RM20,000	Listing Fee

*The maximum claim amount is as per company per participation or the actual eligible expenses, whichever is lower.

MDG SUPPORTING AND CLAIM DOCUMENTS CHECKLIST

MDG SUPPORTING AND CLAIM DOCUMENTS CHECKLIST

i. SUPPORTING DOCUMENTS FOR APPLICATION

NO	TYPE OF BUSINESS	SUPPORTING DOCUMENTS	TICK
1.	Manufacturing	i. Certificate of Incorporation Form 9 or Form 13	<input type="checkbox"/>
		ii. Latest Form of Annual Return of Company Having A Share Capital (full set)	<input type="checkbox"/>
		iii. Company's Audited Financial Statement for the year 2015 or 2016 (full set)	<input type="checkbox"/>
		iv. Latest EPF Statement (<i>Form A is not applicable</i>)	<input type="checkbox"/>
2.	Trading	i. Certificate of Incorporation Form 9 or Form 13	<input type="checkbox"/>
		ii. Latest Form of Annual Return of Company Having A Share Capital (full set)	<input type="checkbox"/>
		iii. Company's Audited Financial Statement for the year 2015 or 2016 (full set)	<input type="checkbox"/>
		iv. Latest EPF Statement (<i>Form A is not applicable</i>)	<input type="checkbox"/>
		v. Letter of declaration by supplier to certify that products are made in Malaysia (<i>Format as per Annex 1 and to be printed in supplier Letterhead</i>)	<input type="checkbox"/>
		vi. Company Brochure/ Company Profile	<input type="checkbox"/>
3.	Services	i. Certificate of Incorporation Form 9 or Form 13	<input type="checkbox"/>
		ii. Latest Form of Annual Return of Company Having A Share Capital (full set)	<input type="checkbox"/>
		iii. Company's Audited Financial Statement for the year 2015 or 2016 (full set)	<input type="checkbox"/>
		iv. Latest EPF Statement (<i>Form A is not applicable</i>)	<input type="checkbox"/>
		v. Company Brochure/ Company Profile	<input type="checkbox"/>
4.	Professional Service Providers (partnership/ sole proprietor)	i. Registration Letter/ License/ Certificate issued by Professional Services Body	<input type="checkbox"/>
		ii. Management Account / Income Statement/ Company Account/ Company's Audited Financial Statement for the year 2015 or 2016 (full set)	<input type="checkbox"/>
		iii. Latest EPF Statement (<i>Form A is not applicable</i>)	<input type="checkbox"/>

NO	TYPE OF BUSINESS	SUPPORTING DOCUMENTS	TICK
5.	Chambers Of Commerce, Trade And Industry Associations & Professional Bodies	i. Registration certificate issued by the Registrar of Society/ Associated Professional Body/ Certificate Of Incorporation Of Public Company (Form 8)	<input type="checkbox"/>

ii. CLAIM DOCUMENTS FOR APPLICATION

A. PARTICIPATION IN INTERNATIONAL TRADE FAIRS/ EXHIBITIONS (IN MALAYSIA AND OVERSEAS)

TYPE OF EXPENSES	CLAIM DOCUMENTS <u>*original to be scanned in colour</u>	TICK
a) Participation Fee/ Booth Rental	i. Receipt/ Bank Statement/ Credit Card Statement/ Telegraphic Transfer; and ii. Invoice(s), or iii. Confirmation Letter from the Organiser (if sponsored or subsidised) iv. Proof of Presence (Exhibitor Pass / Booth Photo)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
b) Booth Construction/ Enhancement	i. Receipt/ Bank Statement/ Credit Card Statement/ Telegraphic Transfer; and ii. Invoice(s),	<input type="checkbox"/> <input type="checkbox"/>
c) Air Fare	i. Receipt/ Bank Statement/ Credit Card Statement/ Telegraphic Transfer, ii. Invoice(s); and iii. Boarding Pass/ Passport with Immigration Stamp of Entry Into & Exit from the Foreign Country	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
d) Land Transportation (Malaysia To ASEAN Countries Only)	i. Receipt/ Ticket	<input type="checkbox"/>
e) Accommodation	i. Receipt/ Bank Statement/ Credit Card Statement/ Telegraphic Transfer ii. Guest Folio/ Invoice(s)	<input type="checkbox"/> <input type="checkbox"/>

B. PARTICIPATION IN TRADE & INVESTMENT MISSIONS/ EXPORT ACCELERATION MISSIONS (EAM)

TYPE OF EXPENSES	CLAIM DOCUMENTS <u>*original to be scanned in colour</u>	TICK
a) Participation Fee	i. Receipt/ Bank Statement/ Credit Card Statement/ Telegraphic Transfer; and ii. Invoice(s), or iii. Confirmation Letter from the Organiser (if sponsored or subsidised)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
b) Air Fare	i. Receipt/ Bank Statement/ Credit Card Statement/ Telegraphic Transfer, ii. Invoice(s); and iii. Boarding Pass/ Passport with Immigration Stamp of Entry Into & Exit from the Foreign Country	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
c) Land Transportation (Malaysia to ASEAN countries only)	i. Receipt/ Ticket	<input type="checkbox"/>
d) Accommodation	i. Receipt/ Bank Statement/ Credit Card Statement/ Telegraphic Transfer ii. Guest Folio/ Invoice(s)	<input type="checkbox"/> <input type="checkbox"/>

C. PARTICIPATION IN INTERNATIONAL CONFERENCES OVERSEAS

TYPE OF EXPENSES	CLAIM DOCUMENTS <u>*original to be scanned in colour</u>	TICK
a) Participation Fee	i. Receipt/ Bank Statement/ Credit Card Statement/ Telegraphic Transfer	<input type="checkbox"/>
	ii. Invoice(s)	<input type="checkbox"/>
	iii. Conference Programme	<input type="checkbox"/>
	iv. Confirmation Letter from the Organiser (for speaker or presenter), or	<input type="checkbox"/>
	v. Confirmation Letter from the Organiser (if sponsored or subsidised)	<input type="checkbox"/>
	vi. Proof of Presence (Conference Pass)	<input type="checkbox"/>
b) Air Fare	i. Receipt/ Bank Statement/ Credit Card Statement/ Telegraphic Transfer,	<input type="checkbox"/>
	ii. Invoice(s); and	<input type="checkbox"/>
	iii. Boarding Pass/ Passport with Immigration Stamp of Entry Into & Exit from the Foreign Country	<input type="checkbox"/>
c) Land Transportation (Malaysia to ASEAN countries only)	i. Receipt/ Ticket	<input type="checkbox"/>
d) Accommodation	i. Receipt/ Bank Statement/ Credit Card Statement/ Telegraphic Transfer	<input type="checkbox"/>
	ii. Guest Folio/ Invoice(s)	<input type="checkbox"/>

**D. LISTING FEE FOR MADE IN MALAYSIA PRODUCTS IN SUPERMARKETS/
HYPERMARKETS/ RETAIL CENTRES OVERSEAS**

TYPE OF EXPENSES	CLAIM DOCUMENTS <u>*original to be scanned in colour</u>	TICK
a) Listing Fee	<p>Directly with the Supermarkets/ Hypermarkets/ Retail Centres Overseas</p> <ul style="list-style-type: none"> i. Receipt/ Bank Statement/ Credit Card Statement/ Telegraphic Transfer; ii. Payment Voucher iii. Invoice(s) from the Supermarket/ Hypermarket/ Retail Centre and iv. Offer/ Invitation Letter from the Supermarkets/ Hypermarkets/ Retail Centres 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	<p>Through an Authorised Agent of the Supermarkets/ Hypermarkets/ Retail Centres Overseas</p> <ul style="list-style-type: none"> i. Receipt/ Bank Statement/ Credit Card Statement/ Telegraphic Transfer; ii. Payment Voucher; iii. Appointment Letter of the Agent to Act on Your Behalf; and iv. Offer/ Invitation Letter from the Supermarket/ Hypermarket/ Retail Centre to the agent. 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

IMPORTANT

- i. MDG claims MUST be supported by **original receipts** or **bank statements** or **credit card statements** or **telegraphic transfers** and **invoice(s)** as proof of participation. **These documents must be scanned in color.**

*(If scanned documents in color are not available, **black and white photocopies** can be accepted provided they are **certified** by an External Auditor or External Chartered Accountants or Commissioner for Oaths or the issuer of the payment document)

- ii. All claim documents **MUST** be **under the applicant's name**. Submission of **claim documents** under names other than the applicant, **will not be accepted.**
- iii. Documents **not in the English language** must be accompanied by an **English translation.**

REMINDER:

- ***All Original Documents Must Be Fully And Clearly Scanned in Color***
- ***If applicant is unable to provide scanned original receipt, photocopies must be certified by an External Auditor/ External Chartered Accountants/ Commissioner for Oaths/ issuer of the payment document.***

ANNEX 1:
For Trading Companies ONLY

DECLARATION LETTER BY SUPPLIER FORMAT

[SAMPLE DECLARATION LETTER

(On Supplier's Original Letterhead)

(Supplier address)

MADE IN MALAYSIA PRODUCT DECLARATION AND CERTIFICATION

To MDG Section:

Our company hereby declares and certifies that all of the following products listed below are manufactured and made in Malaysia by our company for (MDG applicant's name eg: ABC Sdn Bhd)

No.	Name of products	Details of products
1.		
2.		
3.		
4.		
5.		

(Please add more rows if space is insufficient)

2. Our company through the undersigned hereby declares that the above details and statements are true, correct and complete; that all the listed products are produced in Malaysia and that the products comply with the origin requirements specified for each products. Attached is the necessary document to support the above certification. (if any)

3. Our company fully understands that in the event that any information given is found to be incorrect, false, misleading or wrong, the undersigned and/ or the company may be liable to face any penal actions including but not limited to the Penal Code (Act 574) and/ or other consequences as may be prescribed by the laws or otherwise warranted.

4. Our company undertakes and agrees to fully indemnify **MATRADE** in full, from and against all consequences, liabilities, actions, suits, proceedings, damages, costs, claims, demands, expenses, and/or losses whatsoever which may be taken or made against **MATRADE** or incurred or become payable by **MATRADE** by reason of or on account of or arising out of **MATRADE's** reliance on the Company's declaration above. Thank you.

Certified by,

[Signature of
Authorised Signatory

Company's official
Rubber stamp



Name of Authorised Signatory

Designation of Authorised Signatory]

ANNEX 2:

For Exhibition Organiser Use ONLY

TRADE FAIRS/ EXHIBITIONS HELD IN MALAYSIA REPORT FORMAT

[APPLICANTS ARE TO DEAL DIRECTLY WITH THE ORGANISER(S) FOR THE SUBMISSION OF THE TRADE FAIR AUDITED REPORT]

AUDITED REPORT OF EXHIBITION

(This record MUST BE filled by an External Auditing Firm/Chartered Accountant)

1. **Name of Exhibition** :
2. **Date** :
3. **Venue** :
4. **Number of Times the Exhibition Has Been Previously Held** :
5. **Total Gross Space Occupied (sq.m.)** :
 - a) *Total Space Occupied* by Malaysian Exhibitors :
 - b) *Total Space Occupied* by Foreign Exhibitors :
6. **Total Number of Exhibitors** :
 - a) *Number of Malaysian Exhibitors* :
 - b) *Number of Foreign Exhibitors* :
 - i) Majority of Foreign Exhibitors Coming From (list 5 major countries and their % compared to the total number of exhibitor)
7. **Total Number of Visitors** :
 - a) *Number of Malaysian Visitors* :
 - i) Number of Trade Visitors
 - ii) Number of General Public
8. **Number of Foreign Visitors** :
 - i) Majority of Foreign Visitors Coming From (list 5 major countries and their compared to the total number of visitor)

BY EXTERNAL AUDIT FIRM:-

Authorised Signatory:

Name of Authorised Signatory:

Firm / Company Name:

Firm/ Company's Official Rubber Stamp:

ANNEX 3:

For Mission Organiser Use ONLY

**TRADE & INVESTMENT MISSIONS (TIM)/
EXPORT ACCELERATION MISSIONS (EAM)
REPORT FORMAT**

REPORT ON TRADE MISSIONS/ EXPORT ACCELERATION MISSIONS (EAM)

1. INTRODUCTION

2. OBJECTIVES OF THE MISSION

3. MALAYSIAN DELEGATION

- No. of delegates in details (by how many company/ government agency/ representative of association etc)
- Detail list of delegates as per ANNEX I.

4. MISSION PROGRAMME

The (x) days programme comprises:

4.1 Detail programme as per ANNEX II

4.2 Business Matching Session (Individual Business Meeting)

- Details of the Business Matching
- Detail list of the buyer during the Business Matching as per ANNEX III.
- Total number of of business meetings conducted during the Mission
- Total generated/ potential sales or other opportunities
- Pictures during the Business Matching Session

4.3 Others (Meeting, MOU signing, business visit, etc.)

- Objectives
- Details
- Outcome

5. MISSION OUTCOME

5.1 Potential Sales

- Reported by exporters:
- Actual sales:
- Potential sales:
- Areas of potential business:

5.2 General Comments by Malaysian Exporters

5.3 Challenges Faced by Malaysian Exporters

6. CONCLUSIONS / RECOMMENDATIONS

Annex I

LIST OF MALAYSIAN DELEGATES

No.	Company Details	Business Interest	Representative
1.	<ul style="list-style-type: none"> Company Name Business Address 		<ul style="list-style-type: none"> Name (in full) Designation

Annex II

**PROGRAMME FOR TRADE MISSION/ EXPORT ACCELERATION MISSIONS (EAM) ON.....
(PLACE & DATE)**

Date (Day 1)

(Time) hrs :
(Time) hrs :

Date (Day 2)

(Time) hrs :
(Time) hrs :

Annex III

LIST OF BUYERS

No.	Company Details	Business Interest	Representative
1.	<ul style="list-style-type: none"> Company Name Business Address 		<ul style="list-style-type: none"> Name (in full) Designation

Note:

This guideline is applicable for export promotional activities *undertaken from 1 January 2018* and is subject to change from time to time.

If the **documentation** or claim is found to be **false**, the applicant and/ or company or both, will be **blacklisted** and will be required to reimburse in full to MATRADE, all monies received from MDG.

CONTACT INFORMATION

All enquiries are to be directed to Market Development Unit

Market Development Unit
8th Floor, East Wing
Menara MATRADE
Jalan Sultan Haji Ahmad Shah
50480 Kuala Lumpur

Tel: 03-6207 7593
Fax: 03-6203 7252

Website: www.matrade.gov.my
Email: mdg@matrade.gov.my