

# Malaysia-Singapore Third Country Business Development Fund

## Specific Guidelines for Joint Feasibility Studies

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### Forms of assistance

Forms of assistance under the joint feasibility studies portion under the Malaysia-Singapore Third Country Business Development Fund are:

#### Target-Specific-Due-Diligence Studies

- The Fund will cover up to 50% of the eligible expenses of the studies, subject to a maximum of RM200,000.
- Target-Specific-Due-Diligence Studies refer to cases where the applicants have a specific company or project which they would like to invest in and a consultant is engaged to conduct a thorough investigation or due diligence on the viability and business potential of the targeted company or project.

#### Pro-Active Searches

- The Fund will support up to 50% of the expenses incurred in retaining an intermediary for a pro-active search for overseas investment activities subject to a maximum of RM100,000.
- Pro-Active Searches for overseas investment or business opportunities – refer to cases where the applicants have no specific target and a consultant is engaged to conduct a general search for investment opportunities.

### Eligibility criteria

- Applicants must fulfill criteria as indicated in the general guidelines of this fund.

### Eligible expenses

- For Joint Feasibility Study, expenses incurred by enterprises in commissioning independent bankers, management consultants, accountants or lawyers to undertake the study are eligible for the grant.

Enterprises can claim the following expenses:

- traveling (economy, lowest fare), accommodation (standard room) and subsistence allowance
- fees for patent and information search
- consultant's fees (excluding success fees) covering the following activities:-
- performing a thorough and comprehensive due diligence investigation of the investment.
- Counseling for valuation
- Structuring the investment
- Providing tax, financial and legal advice in the investment
- Assisting in negotiation in connection with the investment

Success fees refer to fees paid to lawyers or consultant should the feasibility study conducted prove to be successful, and the investment is entered into by the clients.

# Malaysia-Singapore Third Country Business Development Fund

## Specific Guidelines for Market Research

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### Form of assistance

Forms of assistance under joint market research are as follows:

#### Joint Market Research

- The Fund will cover up to 50% of the eligible expenses of the research, subject to a maximum of RM100,000
- Joint Market Research - refer to a joint study commissioned by business associations to analyse and/ or determine the business environment, potential market entry strategies and/ or business opportunities for a specific market and industry. The joint market research can include analysis of market opportunities, business climate, regulations, distribution channels, market size, growth, competition, demographics, etc
- The joint market research can only be undertaken if there is an official requests by members of the business associations.

### Specific eligibility criteria

- For joint market research, it must be jointly commissioned by at least 1 business association from Malaysia and 1 business association from Singapore. If more than 1 association is involved, the participation ratio must be equal between both countries (50:50)
- Business associations must be local associations in Malaysia with at least 51% of its members are Malaysian owned companies. For Singapore, the business association must be local association in Singapore with at least 30% of its members are Singapore owned companies.
- Malaysian owned companies refer to a locally incorporated company in Malaysia which has at least 51% equity owned by citizens of Malaysia, whereas Singapore owned companies refer to a locally incorporated company in Singapore which has at least 30% equity owned by nationals or permanent residents of Singapore.

- Appointed consulting firm undertaking the joint market research will be entitled to claim eligible expenses for a maximum of two consultants.
- Business associations are required to obtain proposal and quotation from at least two (2) consultancy firms, whereby the proposal and quotation should be sourced from at least one (1) consultant from each country.
- The chosen consultant's proposal and quotation, curriculum vitae (CV) of the consultant(s) and proposals from other consultant approached for the project are to be submitted together with the application form.
- The application form and other related documents are to be submitted to either MIDA or IE Singapore at least one (1) month before the proposed start date of the project

## Eligible expenses

- For Joint Market Research, expenses incurred by business associations in commissioning independent bankers, management consultants, accountants or lawyers to undertake the research are eligible for the grant.
- Business associations can claim the following expenses:
  - Traveling (economy, lowest fare), accommodation (standard room), and subsistence allowance of the appointed consultant
  - consultant's fees. The appointed consultant is required to provide breakdown of the fee where applicable as follows:
    - number of phases / modules involved in the project
    - number of man-hours and total man-hour cost for each phase / module
    - grand total cost for the entire consultancy project

## Report

For the report on Joint Market Research, the report must include the following information:

- objective of the market research
- methodology of the market research undertaken
- findings of the market research undertaken
- recommendations made by the appointed consultant to the associations
- any follow up actions undertaken after the completion of market research
- information on any of the associations' members interested to venture into the market

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# Malaysia-Singapore Third Country Business Development Fund

## Specific Guidelines for Joint Missions

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### Forms of Assistance

The forms of assistance under joint mission are as follows:

- The Fund will cover up to 50% of the eligible expenses of all claims of participants, subject to a maximum of RM200,000.

### Specific eligibility criteria

- Joint Missions can be jointly organised by at least two (2) business associations or a group of a minimum number of five (5) companies incorporated in Malaysia and Singapore.
- Individual enterprise participating in joint mission will be entitled to claim eligible expenses for a maximum of two participants.
- The total number of participants from either Malaysia or Singapore should not exceed the ratio of 2:3. However, both IE Singapore and MIDA can jointly exercise some flexibility on the required participation ratio, provided that such flexibility does not undermine the need to ensure a balanced participation from both countries.

### Eligible expenses

- For Joint Missions, the Lead Business Association/Enterprise should submit claims on behalf of all participants on the following eligible expenses
  - Air travel (economy, lowest fare) and accommodation (standard room) and
  - Common costs which can cover arrangement on logistics, publicity, networking, consultants' fees, mission official gifts and execution. Details of the common costs are listed in Annex A.