

FREQUENTLY ASKED QUESTIONS

1. What is Malaysia Digital Acceleration Grant (MDAG)?

Malaysia Digital Acceleration Grant intent is to accelerate growth of Malaysia Digital Status companies who are in commercialisation and expansion stage to become regional champions and is aligned with Malaysia Digital promoted sectors and tech enablers.

2. What are the expected outcomes of Malaysia Digital Acceleration Grant (MDAG)?

- a. Accelerated growth of MD status companies with mature technology.
- b. Drive companies based on Malaysia Digital Investment Strategy on Tech Enablers and Focus Areas.
- c. Scale companies with proven and validated technologies and/or solutions.
- d. Creation of regional players in the next 3 years.

3. What are the eligible expenses that can be claimed under Malaysia Digital Acceleration Grant (MDAG)?

The expenditure eligible as the Approved Claimable Cost are the approved project costs that are critical to the project success as follows:

Eligible expenses include:

- a. Rental on the operational for business premises as stated in SSM or data centre.
- b. Utilities (Electricity & telco cost) cover for all MD approved activities related to item 1.
- c. External training.
- d. Operations Start-up costs (for company operated less than one year) for the company for related MD activities from up to maximum of 1 year the effective date of the agreement.
 - Anything related to the OPEX & CAPEX for the above
- e. Research and development cost;
 - Capital & Operational expenditure (hardware and software); and/or
 - IP filing
- f. Salary (limited to personnel involved directly with the contracted KPI(s).
- g. Any other incentives approved by the approval Authority subject to considering the following:
 - reputational risk and/or adverse effect to MDEC; or
 - support an entity that is aligned to MDEC's business objective
- h. Marketing, and advertising and/or sales Management Tools cost i.e.; related to the following:
 - Exhibition, conference, virtual/physical international trade fair;
 - Sales Management tools i.e., Salesforce or LinkedIn Sales Navigator

The following are non-eligible expenses to be claimed under the Approved Claimable Cost:

Non-eligible expenses:

- i. Outsourcing Cost
- ii. Maintenance of plant/equipment
- iii. Mobile phones
- iv. Applicant's operating expenditures i.e, employee's phone bills, printing, stationaries, any form of secretarial and audit fees are non-claimable;
- v. Travelling expenses (this requirement is not applicable for Marketing, advertising and/or sales Management Tools cost expenses), and participation fee, air fare, public land transportation - bus, taxi or train;
- vi. Cost related to meeting potential clients;
- vii. Mileage
- viii. Food and beverages
- ix. Incentives that support political campaigns and/or of political nature
- x. Incentives for faith-based activities
- xi. Depreciation costs
- xii. Debts and debt service charges
- xiii. Any form of taxes and duties
- xiv. Fines, financial penalties and expenses of litigation
- xv. Bank charges, costs of guarantees and similar charges
- xvi. Conversion costs, charges, and exchange losses
- xvii. Provision for losses or potential future liabilities
- xviii. Credits to third parties

4. What is the reimbursement process of this incentive?

MDEC to reimburse and pay to the Recipient the amount of the approved claimable cost incurred by the Recipient upon satisfactory of completion of each project deliverables and submission of relevant supporting documents within the timeline specified in the terms and conditions to be issued by MDEC.

The submission of the reimbursement by the Recipient shall include the financial details relating to the project (in such format as may be specified by MDEC) which have been duly verified by an independent external auditor, to be appointed by the Recipient at the Recipient's own costs, together with evidence acceptable to MDEC, confirming among other things, the amount of approved claimable costs incurred and requested by the Recipient.

5. How to apply?

MDEC will be promoting Malaysia Digital Acceleration Grant (MDAG) on MDEC's corporate website and social media platforms with links to submit your application.

6. Are there any pre-screening processes in addition to the eligibility criteria for grant applications?

The pre-screening stage requires that the SSM of a company reflects a digital business presence. If there is no digital business presence in the SSM, the application will be rejected.

7. When is the opening and closing date of the incentive?

Opening date from 14 July 2023 until 28 July 2023.

8. What is the process after the submission?

MDEC verifies application based on the eligibility criteria and will notify the applicants via email to participate in the pitching session. Should you have any enquiries with regards to the application, kindly contact our Client Contact Centre at 1-800-88-8338 or clic@mdec.com.my.