



Press Release
For Immediate Release

MDEC ANNOUNCES #SMART AUTOMATION GRANT FOR SERVICES INDUSTRY UNDER PENJANA INITIATIVE

- **The new grant will provide financial assistance to businesses in the services sector that want to go digital as part of their plan to adopt to the new norm**
- **Under PENJANA, this SAG will ensure SMEs can automate and become more resilient towards current and upcoming market disruptions**

KUALA LUMPUR, 30 June 2020: The Malaysia Digital Economy Corporation (MDEC) revealed the #SMART Automation Grant (SAG) today as part of the government's initiative to expand support for Small and Medium Enterprise (SMEs) to make the digital leap in this era of unprecedented disruption.

The SAG takes a partnership approach between the government and SMEs to drive forward digitalisation for Malaysian businesses. All SMEs in the services sector are invited to check their eligibility at mdec.my/sag. SMEs who are interested, and confirmed as qualified, can send their applications directly to the MDEC.

Eligibility of businesses include, among others, the requirement to be incorporated in Malaysia; has a paid-up capital of RM50,000; and with a minimum of 51% equity held by Malaysian(s).

Businesses in the services sector that qualify include the following:

- Retail
- Wholesale
- Food and Beverages
- Tourism
- Logistics
- Transportation
- Education
- Healthcare
- Real Estate
- Professional and Financial Services

Upon being qualified by MDEC, the SMEs will be required to present their business case for fast-track approval to an evaluation committee who will provide a decision within 24 hours. The SAG is available for 50% of the total project cost – or up to a maximum grant cap of RM200,000, whichever is lower. They must also strictly adhere to the one to three-month project timeline. As this is a matching grant, successful applicants will need to invest the balance 50%.



SAG is an outcome-based grant whereby projects must achieve specific digitalisation benefits, such as increased revenue, savings in business costs, reduction in process lifecycle and man-hours.

“The SAG for the services sector is necessary as many SMEs are trying to survive in this disrupted business environment. In fact, most are also looking to do more digitally so they can overcome any potential challenges that may negatively impact their operations and income generation. The introduction of this grant is timely for many as it will give them the support needed to take that digital leap onto the Fourth Industrial Revolution (4IR) era,” said Surina Shukri, CEO, MDEC.

In developing and offering this services-focused SAG to SMEs, MDEC will ensure that these businesses will be able to quickly go digital and even accelerate current efforts to transform their operations. Beyond enabling these businesses to be more sustainable, this initiative will also help them discover new sources of revenue growth and market expansion.

SMEs in the services space are encouraged to participate in capability building programmes run by MDEC that drive digitally powered businesses, such as 100 Go Digital and Digital Transformation Acceleration Programme 2.0. By doing so, SMEs will be better equipped and will receive clear guidance on developing a structured approach for their operations and be able to also identify possible pain points and opportunities in the digital space. These initiatives will help increase their chances of success to obtain this SAG.

All current and upcoming updates on the SAG that focuses on the services sector can be found here at mdec.my/sag.

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About Malaysia Digital Economy Corporation (MDEC)

Malaysia Digital Economy Corporation (MDEC) is a government agency under the purview of the Ministry of Communications and Multimedia Malaysia entrusted to lead Malaysia's digital economy forward.

Incorporated in 1996 to oversee the development of the MSC Malaysia initiative, MDEC's primary mandate today is to accelerate the growth of digitally-skilled Malaysians, digitally-powered businesses and digital investments in Malaysia. MDEC is focused on creating inclusive, high-quality growth through the nationwide digitalisation initiatives that are in line with the Government's Shared Prosperity Vision 2030 and firmly establishing Malaysia as the Heart of Digital ASEAN.

#LetsBuildTogether #DigitalMalaysiaForward

To find out more about MDEC's Digital Economy initiatives, please visit us at www.mdec.my or follow us on:

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