

FREQUENTLY ASKED QUESTION ON MARKET DEVELOPMENT GRANT (MDG) 2016

1) What is MDG?

MDG (Market Development Grant) is a reimbursable financial assistance that supports specific eligible expenses incurred in undertaking export promotion activities.

2) What are the eligible export promotional activities?

These activities include:

- i. International Trade Fairs (locally and international)
- ii. Trade & Investment Mission (TIM)/ Export Acceleration Missions (EAM)
- iii. International Conferences Overseas
- iv. Payment of Listing fees in overseas supermarket/ hypermarkets/ retail centres for Malaysian made products.

3) Who is eligible to apply for MDG?

MDG is open to Malaysian companies in both the Malaysian merchandise and services export sectors. It is targeted to:

- i. Malaysian Small and Medium Enterprises (SMEs)
- ii. Trade & industry Associations, and
- iii. Chamber of Commerce & Professional Bodies,

who undertake export promotion activities.

4) What are the mandatory requirements for MDG?

Companies must be:

- i. Registered with MATRADE under the Malaysia Exporters Registry (MER)
- ii. At least 60% equity is owned by Malaysian(s)
- iii. Exporting merchandise made in Malaysia or services originating from Malaysian companies
- iv. An active business entity
- v. Incorporated under Companies Act 1965, or incorporated under the Registration of Business Act 1956/ respective statutory bodies for professional service providers, or registered with the Registrar of Society (ROS)/ Associated Professional Authority.

5) What is the maximum reimbursable amount under the various eligible activities?

The maximum grant under MDG since its commencement in 2002, is RM200,000 per company. MDG funding is subject to the availability of funds from the Government, and the terms are reviewed yearly and may be changed from time to time. Currently, the maximum eligibility are as follows:

- i. For International Trade Fairs (locally and international)
 - RM5,000 (held locally)
 - RM15,000 (held overseas)
 - ii. For Trade & Investment Mission (TIM)/ Export Acceleration Missions (EAM)
 - RM10,000 organised by MATRADE
 - RM10,000 jointly organised with MATRADE
 - RM2,000 not jointly organised with MATRADE
 - iii. For International Conferences Overseas
 - RM2,500
 - iv. For Listing fee in overseas supermarket/ hypermarkets/ retail centres for Malaysian made merchandise products
 - RM20,000/ company/ hypermarket/ supermarket/ country
- 6) What are the claimable expenses under MDG?
- i. Participation in International Trade Fairs (locally and international)
 - Participation Fee/ Booth Rental
 - Booth Construction/ Enhancement
 - Air Fare
 - Land Transportation (to ASEAN countries only)
 - Accommodation
 - ii. Participation in Trade & Investment Mission (TIM)/ Export Acceleration Missions (EAM)
 - Participation Fee
 - Air Fare
 - Land Transportation (to ASEAN countries only)
 - Accommodation
 - iii. Participation in International Conferences Overseas
 - Participation Fee
 - Air Fare
 - Land Transportation (to ASEAN countries only)
 - Accommodation
 - iv. Listing fee cost for participation in overseas supermarket/ hypermarkets/ retail centres.
 - Listing Fee
- 7) What are the supporting documents required in applying for MDG?
- i. Form 9/ Form 13
 - ii. Form of Latest Annual Return/ Form 24 (company incorporated less than 1 year)
 - iii. Latest Audited Financial Statement/ Management Account (company incorporated less than 1 year)
 - iv. Latest EPF statement

Additional documents for Trading Companies.

- v. Letter of declaration by supplier to certify products are made in Malaysia.
- vi. Product brochure.

8) What are the supporting documents required for claims under MDG?

- i. Proof of payment (receipts/ bank statements/ credit card statement/ telegraphic transfers)
- ii. Invoice(s)
 - All documents must be scanned from original copies in colour
 - If unavailable in color, photocopies or originals in black and white are acceptable, provided they are certified by an External Auditor or Chartered Accountants or Commissioner for Oath or the issuer of the payment document.

9) Where I can get further information on MDG?

MDG guidelines can be accessed through MATRADE's website at www.matrade.gov.my > Malaysian Exporters > Exporters Development > Export Assistance > MDG

10) How to apply MDG?

An application must be submitted online within forty (40) days from the last date of the trade promotional activity, (international trade fair / EAM / TIM / international conference etc., and within forty (40) days from the first day of listing in the overseas supermarket / hypermarket / retail centre. All submissions must be done through www.matrade.gov.my/mdg

11) How to check the remaining balance for the MDG facility?

Companies are urged to check online through www.matrade.gov.my > Malaysian Exporters > Exporters Development > Export Assistance > MDG > Check Disbursed Amount

12) Who should companies contact for further information?

The MDG Hotline is: 03-6207 7593

Email: mdg@matrade.gov.my

Address: Level 8, East Wing, Menara MATRADE