

ANNEX II: ELIGIBLE GRANT ACTIVITIES

Below tables represents the activities that are eligible and not eligible under each activity:

Purchase of Equipment or Machinery	
Description	Purchase of critical equipment that directly impacts the business' ability to produce goods or upgrade already existing machinery/equipment
Eligible Costs	<ul style="list-style-type: none"> - Essential Equipment for Production: Purchase of brand-new machinery essential for manufacturing, or to meet increased demand or service provision or acquisition of equipment to replace machinery damaged or destroyed due to conflict. - Equipment Installation and calibration: Costs associated with the delivery, installation, and commissioning of the new equipment. - Training for Staff: Expenses for training employees on the operation and maintenance of the new equipment.
Non-eligible costs	<ul style="list-style-type: none"> - Logistics and Distribution Equipment: Vehicles or equipment for transportation and distribution purposes are not covered. - Non-Essential or Luxury Equipment: Equipment not critical to core operations or considered luxury items. - Personal or Unrelated Purchases: Purchases not directly related to the business activities. - Maintenance Costs: Routine maintenance or repair costs of existing equipment. - Non-Operational Machinery/Equipment: Equipment that is not immediately functional or relevant to current operations. - Excessive or High-Cost Purchases: Equipment with costs that are unjustifiably high without clear necessity or cost-benefit justification. - Used/secondhand machineries: purchase for pre-owned equipment, ensuring focus on new, reliable solutions - Purchase of generator: generator purchases are not covered under this grant category.
<i>Documents required</i>	<ul style="list-style-type: none"> - A detailed description of the equipment to be purchased, including specifications, safety regulations, quality standards, purpose, and how it will impact operations. - Quotations or Proforma Invoices: from suppliers for the equipment including installation, and training costs.

Infrastructure Enhancement	
Description	<p>Invest in improvements or upgrades to the business facility infrastructure to enhance facility quality, and safety standards for an enhanced work environment.</p> <p>Note: based on the committee assessment, businesses which require infrastructure improvement, will be required to use some of the grant package for that end.</p> <p style="background-color: #ffcccc;">MSMEs can allocate up to 30% of the grant value for Infrastructure Enhancement.</p>
Eligible Costs	<ul style="list-style-type: none"> - Machinery and Equipment Procurement or Rehabilitation: Purchase or rehabilitate essential machinery and production equipment to enhance operational efficiency and production capacity. - Structural Improvement: Enhance walls, floors, ceilings, storage, and other facilities to meet industry <u>safety and quality standards</u> (as per Good manufacturing and Hygiene practices GMP/GHP requirements) - Water Supply & Waste Management: Improve water supply systems and upgrade drainage and waste disposal infrastructure. - Fire Safety & Emergency Systems: Install fire extinguishers and alarms, and implement emergency response training. - Industrial Duct system: Install efficient systems to ventilate and remove fumes and dust. - Accessibility improvements: Including ramps and adaptations to cater for special needs.
Non-eligible costs	<ul style="list-style-type: none"> - Aesthetic-Only Renovations: Cosmetic enhancements or purely decorative changes without a direct impact on operations. - Non-Essential Construction Projects: Expansions that do not directly enhance production, service provision, or efficiency - Land Purchase or Real Estate Acquisition: Buying land or buildings is not covered under this grant category. - Routine Maintenance Costs: Repairs or maintenance expenses for existing infrastructure that do not contribute to a significant upgrade. - Personal or Non-Business-Related Expenses: Investments that do not directly relate to business operations. - High-Cost Projects Without Justification: Infrastructure upgrades that are disproportionately expensive without a clear cost-benefit analysis. - Upgrade of employees' offices or restrooms
<i>Documents required</i>	<ul style="list-style-type: none"> - A detailed description of the enhancement to be done, including specifications, safety regulations, quality standards (when applicable), purpose, and how it will impact operations. - Quotations or Proforma Invoices: from suppliers for the material and implementation cost. - Copy of the industrial permit received from the MoI (Only MSMEs holding the industrial permit will be eligible to receive infrastructure improvement)

Purchase of Energy-Efficient Equipment	
Description	Purchase of energy-efficient machinery/tools/equipment that would support in streamlining production cost.
Eligible Costs	<ul style="list-style-type: none"> - Renewable Energy Solutions: Purchase of renewable energy systems such as solar panels, wind turbines, or other renewable energy technologies. - Installation Costs: Expenses related to the installation and setup of energy-efficient equipment or renewable energy systems. - Basic Training for Staff: Costs for training employees to operate and maintain the newly acquired energy-efficient equipment. - Energy Monitoring Systems: Investment in systems to monitor energy consumption and optimize efficiency, such as smart meters or energy management software. - Upgrade of Existing Systems: Costs associated with upgrading current energy systems to improve efficiency. Replacing or adding batteries and routine maintenance are considered not eligible. - Upgrade Existing Machinery or Equipment by incorporating tools or components that enhance energy efficiency.
Non-eligible costs	<ul style="list-style-type: none"> - Non-Essential Equipment: Purchase of equipment that offers minimal or negligible improvements in energy efficiency. - Luxury or Premium Features: Costs for high-end features or premium versions of equipment that are not essential for energy efficiency. - Long-Term Investments Beyond Scope: Expenses for permanent infrastructure or large-scale renewable energy projects that do not address immediate operational needs. - Repairs or Maintenance: Routine maintenance or repair costs of existing energy systems or equipment. - Unrelated Consumables or Accessories: Costs for consumables or accessories that are not directly related to energy efficiency improvements - Upgrade of existing systems: replacement or adding additional batteries
<i>Documents required</i>	<ul style="list-style-type: none"> - Quotations or Proforma Invoices: from suppliers or installers for the energy-efficient equipment and renewable energy systems. - Technical Specifications: Detailed technical specifications or product descriptions of the proposed energy-efficient equipment, renewable energy systems or the upgrades - Proof of Existing Energy Systems: Documentation (including pictures), verifying the presence and condition of existing energy systems (if applying for upgrades for existing energy systems).

Note: Companies requesting energy support will also receive energy audit to ensure that the requested support minimize environmental footprint

E-commerce and Digital Solutions	
Description	Develop or upgrade an e-commerce platform (or website upgrade) or entering online marketplace to expand market reach, improve customer engagement, and enhance sales channels. This activity also includes the development and implementation of digital solutions to enhance operations.
Eligible Costs	<ul style="list-style-type: none"> – E-Commerce Platforms and Online Marketplaces: Website development to facilitate online sales, subscription costs for e-commerce platforms, integration of online payment gateways to ensure smooth transactions and training sessions for staff to manage the e-commerce platform. (Capped at 2,000 USD) – Digital Solutions development or subscriptions (capped at 2,000 USD)
Non-eligible costs	<ul style="list-style-type: none"> – Digital marketing: Development and implementation of marketing campaigns as well as advertising on platforms such as Google, Facebook, Instagram and others. Hardware: Procurement of physical devices such as laptops, tablets, or smartphones. – Internet Costs: Internet subscriptions or monthly bills. – Non-Business Software: Any software not directly related to digital distribution or marketing. – Maintenance Costs: Costs related to maintaining pre-existing platforms or tools. – Unrelated Digital Tools: Tools that do not support distribution, marketing, or customer engagement. – Logistics and Delivery Management Tools: Inventory management systems and order-tracking software to streamline online operations or subscription to delivery service platforms or integration with logistics providers – Email Subscription
<i>Documents required</i>	Quotations/Proposals: Proposal from vendors for e-commerce platforms, solutions providers/ and/or listing fees.

Access to Local Markets & in-store promotional Activities	
Description	This activity is designed to attract, retain, and engage new customers to strengthen the company's market position, brand loyalty, and overall growth.
Eligible Costs	Listing fees for local or international supermarkets or labeling and packaging design/upgrade.
Non-eligible costs	Digital marketing: Development and implementation of marketing campaigns as well as advertising and developing social media content on platforms such as Google, Facebook, Instagram and others. Social media boosting cost. Printing and packaging: Printing/purchasing of packaging material
<i>Documents required</i>	Quotations/Proposals: Proposals from vendors for listing fees or design and rebranding.

Other **non-eligible** costs that can **NOT** be covered under this grant:

- **Consumable Inputs:** Fuels, gases, adhesives required for manufacturing processes
- **Non-Operational Supplies:** Office supplies, furniture, or items not directly involved in manufacturing.
- **Promotional Materials:** Items used for marketing rather than production.
- **Finished Goods for Resale:** Fully finished products intended for retail.
- **Salaries for Full-time, part-time, seasonal, daily Workers or interns**
- **Non-Salary Benefits:** Benefits such as allowances, bonuses, or perks that are not directly tied to salaries
- **Owner or Management Wages:** Salaries of business owners
- **Storage Solutions:** Costs associated with securing storage facilities
- **Monthly Rent:** any fees associated with renting the production or storage facility
- **Facility Maintenance and Repairs:** Costs for upgrading, maintaining or repairing storage facilities