



SOALAN-SOALAN LAZIM

PROGRAM MODENISASI RANTAIAN NILAI AGROMAKANAN (PMRNA)

NO.	SOALAN	JAWAPAN
1	What is Program Modenisasi Rantaian Nilai Agromakanan (PMRNA)?	<p>This program is a financing facility offered through Agrobank in line with the focus on smart and high value agriculture in the Vision of Shared Prosperity 2030 by the Ministry of Agriculture and Food Industry (MAFI) through the National Agro-Food Policy 2.0. The program emphasizes on the modernization of the agriculture sector and the food industry along the Agro-food value chain through increased use of automation and technology based on the Fourth Industrial Revolution 4.0 (4IR).</p> <p>Financing under this program can be given via two models which are contract farming model and non contract farming model, where the credit assessment for this application is subject to assessment by Agrobank.</p>
2	What is the scope of funding under Program Modenisasi Rantaian Nilai Agromakanan (PMRNA)?	<p>The scope of this financing involves financing facilities under the syariah concept (Tawarruq) which involves financing for costs related to asset purchase, development costs and working capital costs for the agriculture and food industry sectors with more efficient use of 4IR -based technology and automation and in turn can help improve business/project results. Among the scope of funding are as follows:</p> <ol style="list-style-type: none"> i. Purchase of equipment or technology to drive increased production of higher quality products compared to conventional methods; ii. Obtain technologies and systems that have been adopted by any existing project and certified results and/or; iii. Capital to expand business scope and technology implementation must address the increasing use of 4IR - based technology and automation.
3	How can I apply for funding?	Financing applications can be made at any Agrobank branch close to the applicant's business location.
4	Who is eligible to apply for funding under this program?	<ol style="list-style-type: none"> i. Age 18 (during application) to 60 years old (upon maturity of financing). ii. Individuals or non-individuals. iii. For non-individual, organisation with 51% owned by Malaysians registered under Malaysian law such as SSM or local authorities for non-individuals such as (enterprise, partnership, Sdn Bhd) and other agencies as per approved by MAFI, operated in Malaysia. iv. Must be Shariah-compliant business. v. Credit Rating to follow Bank's current credit policy (CCRIS, CTOS including the Section E, financial analysis, etc). vi. No bankruptcy proceeding or declared bankrupt or under any judgment proceedings. vii. Scale of operation is as deemed fit for commercial purposes (the fitness of scale of operation is subject to type farming projects), if applicable. viii. The proceeds/production are intended for domestic sales or exports.



SOALAN-SOALAN LAZIM

PROGRAM MODENISASI RANTAIAN NILAI AGROMAKANAN (PMRNA)

NO.	SOALAN	JAWAPAN
		<p>ix. Business activities under commercial registered space/lot as per ACT 172 (Bahagian IV Kawalan Perancangan, Seksyen 18) and/or any relevant act pertaining the usage of land for agriculture purposes.</p> <p>x. Technology to be used is towards 4IR and validated by Technology Validator or Jawatankuasa Kerja MAFI.</p> <p>xi. Applicants had attended relevant training with technology supplier or Anchor Company or Technology Validator, if applicable.</p> <p>xii. The expansion of the business with the use of validated technology must be able to improve productivity of the agriculture sector.</p> <p>Specific Eligibility:</p> <p><u>Contract Farming Model:</u></p> <p>Anchor Company:</p> <ul style="list-style-type: none"> Anchor company that fulfils the eligibility as per Program Berkelompok dan Ladang Kontrak-i. Anchor Company must establish Strategic Alliance Agreement with the Bank prior to financing application origination by the project participants. <p>Entrepreneurs (project participants)</p> <ul style="list-style-type: none"> Entrepreneurs (project participants) had received Project Offer Letter from the Anchor Company. <p><u>Non-contract Farming Model:</u></p> <p>Technology Provider/Developer</p> <ul style="list-style-type: none"> Business has been operating for at least 3 years; and/or Have business registration or distributor certification that is still valid or in force. Standard compliance or certified SIRIM/ ISO/ MyGap is an advantage. <p>Entrepreneurs (not tied to Anchor Company) / Anchor Company</p> <ul style="list-style-type: none"> Business has been operating in the same field of at least 3 years; (*If less than 3 years, proven experienced technology providers who will provide advisory services, technical assistance, and also after sales service to entrepreneurs can be considered); At least produce 2 cycles of the same agri-activities based on sales record and/or relevant documentation accepted by Agrobank.



SOALAN-SOALAN LAZIM

PROGRAM MODENISASI RANTAIAN NILAI AGROMAKANAN (PMRNA)

NO.	SOALAN	JAWAPAN																		
5	What types of financing products are offered?	<p>i. Working Capital Financing-i (MK-i)</p> <ul style="list-style-type: none"> To provide for operating expenses but not limited to costs for the purchase of seeds, fertilizers, maintenance and system utilities, employee salaries, overhead costs and others related to farm operations. <p>ii. Term Financing-i (TF-i)</p> <ul style="list-style-type: none"> To provide capital expenditure but not limited to input costs for the purchase of seeds, fertilizers, technological equipment, procurement of materials for intelligent agricultural cultivation. 																		
6	What is the duration of the financing facility under this scheme?	Maximum up to 10 years (120 months) including a maximum moratorium period of 12 months. subject to project requirements/cashflows/ and/or other needs. Also subject to the technology lifespan.																		
7	What is the profit rate charged to the customer?	Effective rate of 3.5% per annum on the balance of the financing.																		
8	What is the financing limit that can be applied for?	<p>Up to 100% of total cost including incidental cost (e.g. takaful, stamp duty, etc.) subject to maximum financing as below:</p> <table border="1"> <thead> <tr> <th>Micro Enterprise</th> <th>Contract</th> <th>Non-contract</th> </tr> </thead> <tbody> <tr> <td>Minimum</td> <td>RM10,000</td> <td>RM10,000</td> </tr> <tr> <td>Maximum</td> <td>RM500,000</td> <td>RM500,000</td> </tr> <tr> <th>Small and Medium Enterprise</th> <th>Contract</th> <th>Non-contract</th> </tr> <tr> <td>Minimum</td> <td>RM30,000</td> <td>RM50,000</td> </tr> <tr> <td>Maximum</td> <td>RM1,000,000</td> <td>RM1,000,000</td> </tr> </tbody> </table> <p>The financing amount i.e. aggregated financing amount for both CAPEX and/or OPEX and financing related to SMEs with common shareholders of >20% shareholding shall not exceed the maximum financing limit set for SME and Micro Enterprise.</p>	Micro Enterprise	Contract	Non-contract	Minimum	RM10,000	RM10,000	Maximum	RM500,000	RM500,000	Small and Medium Enterprise	Contract	Non-contract	Minimum	RM30,000	RM50,000	Maximum	RM1,000,000	RM1,000,000
Micro Enterprise	Contract	Non-contract																		
Minimum	RM10,000	RM10,000																		
Maximum	RM500,000	RM500,000																		
Small and Medium Enterprise	Contract	Non-contract																		
Minimum	RM30,000	RM50,000																		
Maximum	RM1,000,000	RM1,000,000																		
9	What is the financing margin?	Up to 100% of total cost including incidental cost (e.g. takaful, stamp duty, etc.) and subject to credit assessment and financing facility offered.																		
10	How will the funding money be channeled?	All at once or in stages (according to the progress of the work) to the account of the supplier that has been appointed and agreed or to the anchor company (under contract model) or customer, subject to the agreement/terms and conditions of financing.																		



SOALAN-SOALAN LAZIM

PROGRAM MODENISASI RANTAIAN NILAI AGROMAKANAN (PMRNA)

NO.	SOALAN	JAWAPAN
11	What are the technology criteria that can be financed under this program?	<ul style="list-style-type: none"> • The type of technology to be used must be classified towards 4IR and has been validated by Technology Validator / Jawatankuasa Kerja MAFI. • Only technology providers validated by Technology Validator / Jawatankuasa Kerja MAFI will be able to supply the technology infrastructure under PMRNA. • If the technology has yet to be validated by the Technology Validator/ Jawatankuasa Kerja, entrepreneurs/ technology providers shall submit technology validation application to MAFI via email (admin.bpp@mafi.gov.my) prior to financing application at the Bank. • Applicant is to obtain relevant documentations such as proof of technology validation / certification / summary report / quotations before financing origination at the Bank. • If the applicant (entrepreneur) who develops his own technology (has a pilot project) and wants to obtain PMRNA financing, the entrepreneur must contact MAFI (admin.bpp@mafi.gov.my) for the technology evaluation process.
12	What documents are required for the purpose of the application?	<p>Completed financing facility application form.</p> <ul style="list-style-type: none"> • Copy of identity card of the applicant and joint applicant (for joint application). • Bank savings account statement or business sales record for the last 6 months. • Copy of business registration or business license for businesses involving permanent premises. • Technology validation report/ verification from the technology validator / <i>Jawatankuasa Kerja</i> that has been appointed by MAFI. • Quotation from technology providers that have been identified and validated by a technology validator. • Project offer letter from the anchor company (under Contract Farming Model) <p>Other supporting documents required under the program.</p>
13	How should the payment of this financing facility be done?	<p>Monthly installments through any of the following channels;</p> <ol style="list-style-type: none"> i. Standing instruction (SI); ii. Cash Deposit (CDM); iii. Online transfer (automated teller machine (ATM) or via internet banking); iv. Through the counter of any Agrobank branch..



SOALAN-SOALAN LAZIM

PROGRAM MODENISASI RANTAIAN NILAI AGROMAKANAN (PMRNA)

NO.	SOALAN	JAWAPAN
14	Where can I get more information and application forms?	<ol style="list-style-type: none">Agrobank Call Center at 1-300-88-2476;Visit Agrobank's official website www.agrobank.com.my;Visit the nearest Agrobank branch;Browse Agrobank's official social media Facebook, Instagram, Twitter.