

**BNM's Fund for SMEs:
SME Automation and Digitalisation Facility
General Frequently Asked Questions (FAQ)**

SME Automation and Digitalisation Facility (ADF)		
No.	Question	Answer
1.	What is the SME Automation and Digitalisation Facility (ADF)?	ADF is a financing facility established by BNM to incentivise SMEs to automate processes and digitalise operations to increase productivity and efficiency.
2.	Who is eligible to apply for ADF?	All Malaysian SMEs ¹ .
3.	What is the maximum financing amount and tenure for SMEs under the ADF?	Up to RM3 million per SME and financing tenure of up to 10 years.
4.	When will the ADF be made available?	Until full utilisation.
5.	How can SMEs know that they are eligible to apply for financing under the ADF?	Eligible SMEs are advised to contact the PFIs to ascertain their eligibility under the ADF. All applications for financing will be subject to assessments by the PFIs.
6.	Is ADF open to existing customers of the PFIs only?	No, ADF is open to both new and existing SME customers of the PFIs as long as they are Malaysian SMEs that fulfil the eligibility criteria set out by BNM and meet the PFIs' credit assessments.
7.	Can SMEs obtain the ADF to re-finance existing loans?	No. The ADF must not be used for re-financing of existing credit/financing facilities.
8.	Do SMEs need to provide collateral to obtain financing under the ADF?	No. Collateral is NOT required under the ADF.
9.	If my business is not eligible for the ADF, what other support is available to me?	<ul style="list-style-type: none"> SMEs that are not eligible for the ADF may apply for financing from other facilities under BNM's Fund for SMEs (e.g. All Economic Sector Facility, Agrofood Facility, Micro Enterprise Facility, PENJANA Tourism Financing, High Tech and Green Facility or other financing products for SMEs offered by the financial institutions. SMEs can also apply via the imSME² platform. Approval for financing under the above schemes are subject to the specific scheme's eligibility criteria and assessment by the PFIs.
10.	What are the projects/activities eligible for financing under the ADF?	ADF can be used to finance the purchase of equipment, machinery, ICT hardware and software, ICT solutions and services, technology support services and other intangible assets, to enhance the SMEs' productivity and efficiency.

¹ At least 51% shares held by Malaysians and as defined by SME Corporation Malaysia's Guideline for SME Definition, accessible at https://smecorp.gov.my/images/pdf/2024/Guideline_on_SME_Definition_March_2024_Final.pdf

² Online SME financing/loan referral platform managed by Credit Guarantee Corporation Malaysia Berhad (CGC). Accessible at <https://imsme.com.my>

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11.	What can an SME do if its application for financing under any of the facilities is rejected by the PFI?	<p>If an application is rejected, the SME is advised to do the following:</p> <ul style="list-style-type: none">a) Obtain clarification from the PFI on the reason(s) of rejectionb) Consider re-submitting the application via the imSME platform, if the SME has not done so earlierc) Obtain financing advisory services through MyKNP@CGC (Financing Advisory Services) that provides advisory assistance and tips to improve eligibility for future financing and alternative sources of finance (https://imsme.com.my/myknp); ord) Channel enquiries or complaint to BNM via BNMLINK: <p><u>Customer Contact Centre (BNMLINK)</u> Bank Negara Malaysia P.O. Box 10922 50929 Kuala Lumpur</p> <ul style="list-style-type: none">• Tel: 1-300-88-5465• Web form: https://bnmlink.bnm.gov.my

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