

AGRI-FOOD CLUSTER TRANSFORMATION (ACT) FUND

Guidelines for Cash Advancement

Eligibility Criteria

1. Cash Advancement is awarded to help companies defray the upfront costs of a project. All ACT Fund projects under the 'Innovation & Test-bedding' and 'Technology Upscaling' components may be eligible for up to 30% cash advancement.
2. Applicant must generally have positive funding track records, assessed based on the following:
 - i. No adverse information on company;
 - ii. Positive financials; and
 - iii. Have completed and met deliverables for previous projects.

Funding Support

Component	Funding Support for Cash Advancement	Qualifying Cost (exclusive of GST)
Technology Upscaling (TU) Component	30% of approved fund for each qualifying cost item. The total quantum is capped at 30% of the total approved fund or \$100,000 per project, whichever is lower.	<p>(a) <u>Equipment Cost</u></p> <ul style="list-style-type: none">- Purchase price- Insurance & freight, delivery, handling, installation and commissioning charges pertaining to the main system / equipment- Project-related software <p>(b) <u>Infra-capital cost</u></p> <ul style="list-style-type: none">- Electrical power sub-station / cabling from main sub-station to farm- Electrical power upgrade- Solar power system- Chiller or air-conditioning system for SMART farming or biosecurity- Controlled environment farming-related cost- Sprinklers- Detention tanks and parameter drainage cost- Land preparation cost- Other infrastructure-related cost to meet regulatory requirements

		<p>(c) <u>Professional Services</u></p> <ul style="list-style-type: none"> - Consultancy, sub-contracting, design & development costs by third-party companies - Accounting audit fee for engaging auditors to audit claims <p>(d) <u>Other Qualifying Cost</u></p> <ul style="list-style-type: none"> - Training by external parties - Bank charges for purchase of equipment
Innovation & Test-bedding Component: 'Innovation' Projects	30% of approved fund for each qualifying cost item. The total quantum is capped at 30% of the total approved fund or \$100,000 per project, whichever is lower.	<p>(a) <u>Equipment Cost</u></p> <p>(b) <u>Basic Manpower Cost</u></p> <ul style="list-style-type: none"> - Gross monthly salary comprising of basic salary, monthly variable component and employer's CPF contribution of key project team members (up to 4 personnel). <p>(c) <u>Intellectual Property Rights (IPR)</u></p> <ul style="list-style-type: none"> - Fees payable to third parties for the licensing and acquisition of IPR (technology acquisition costs) only. - Fees payable to third parties for IP registration and related costs incurred for 2 markets. <p>(d) <u>Professional Services</u></p> <p>(e) <u>Other Qualifying Cost</u></p>
Innovation & Test-bedding Component: 'Test-bedding' Projects	30% of approved fund for each qualifying cost item. The total quantum is capped at 30% of the total approved fund or \$100,000 per project, whichever is lower.	<p>(a) <u>Equipment Cost</u></p> <p>(b) <u>Professional Services</u></p> <p>(c) <u>Other Qualifying Cost</u></p>

Application

3. Applicant can be considered for cash advancement after Letter of Offer has been issued. Applicant should submit the following documents to be considered for cash advancement:
 - i. Letter of Acceptance
 - ii. Proof of Commitment for each qualifying cost item (e.g. purchase orders for equipment or signed contract with vendor); and
 - iii. Letter of Commitment for project, if required.

Other Information

4. SFA has the right to reject any application for cash advancement and its decision is final.
5. For further information, please contact SFA (Capability Development Department) at:
 - Email: SFA_Incentives@sfa.gov.sg