

GUIDELINES - TOURISM INFRASTRUCTURE FUND (TIF)

INTRODUCTION

To develop the tourism industry, the Ministry of Tourism, Art and Culture Malaysia (MOTAC) offers financial assistance through Tourism Infrastructure Fund (TIF) under the Bank Pembangunan Malaysia Berhad (BPMB).

The purpose of TIF is to assist tourism entrepreneurs who wish to develop or expend projects that contribute to the development of tourism industry.

Application will be processed by MOTAC and subject to the endorsement of Tourism Fund Finance Committee (**JKPTP**) based on the viability of the project for tourism industry. Application endorsed by JKPTP will be forwarded to BPMB for final assessment and approval.

PURPOSE OF FINANCING

To provide financial assistance to existing and new companies dealing with or involved in tourism related activities and services.

FUND SIZE

RM1.0 billion

APPLICATION PERIOD

1st January 2019 until 31st December 2020

FINANCING RATE

4.0% to 5.5% per annum

FINANCING OFFERED

Term financing

FINANCING PURPOSES

For capital expenditure (CAPEX) and operating expenditure (OPEX) purposes

FINANCING TENURE

- CAPEX –up to 20 years.
- OPEX – up to 5 years.

PROFIT SUBSIDY

Up to 1.75% per annum

MARGIN OF FINANCING

Up to 80%

CREDIT RELATED MATTERS

Subject to BPMB's credit approval processes

ELIGIBLE APPLICANT

- Applicants must be majority-owned by Malaysians (at least 51%);
- All applicants must have a minimum paid-up capital of Rm 5.0 million or minimum of 20% from the total financing applied, whichever is higher; and
- Applicants must acquire an endorsement (i.e Letter of Support) from the Ministry of Tourism, Art dan Culture Malaysia (MOTAC).

TARGET SECTOR

- All tourism infrastructure projects, i.e projects that contribute to the development of tourism industry such as, but not limited to hotel, convention center, facilities related to education, medical or agro tourism; and
- Projects must be located in Malaysia.

BASIC INFORMATION REQUIRED TO APPLY TIF

- Application letter
- Tourism Infrastructure Fund Application Form (must be typed)
- Company Profile shall include:
 - i. Form 9 or Business Registration Form
 - ii. Current SSM e-Info
 - iii. Certificate/ License / Approval Letter such as of Certificate of Registration for Tourism Projects, Registration for Tourism Accommodation Premises, Star Rating Certificate, Certificate of Registration of Homestay/ Handicraft / License from Travel Agency / Trading Business License from Local Council etc

- Project proposal shall include:
 - i. Information of project location and activities;
 - ii. Company Profile and Management Details;
 - iii. Facilities and services provided;
 - iv. Project schedule;
 - v. Detailed project costs;
 - vi. Sources of financing;
 - vii. Promotion and marketing strategy;
 - viii. Organization chart;
 - ix. *Cash flow dan Return On Investment (ROI)*;
 - x. Feasibility study by independant consultant

ADDITIONAL DOCUMENTS

Applicants will be required by BPMB to further submit additional documents once endorsement by MOTAC is obtained based on the proposal of the applicant's project.

The completed application form and documents must be forwarded to:

Chief Secretary

Ministry of Tourism, Art and Culture Malaysia (MOTAC)

Industry Development Division

Level 14, Tower 1

No. 2, Jalan P5/6 Presint 5

62200 Putrajaya

Tel: 03-8891 7480/7492/7469 (Dana Pelancongan)

E-mail: danapelancongan@motac.gov.my

For further inquiries or consultation session regarding TIF, please contact Dana Pelancongan 03 - 8891 7480 / 7492 / 7469 or email to danapelancongan@motac.gov.my.

Applicant is encourage to get consultation session regarding detailed terms and conditions of the loan from BPMB as follow:-

Malaysian Development Bank (BPMB)

Tower of the Malaysian Development Bank (BPMB)

Jalan Sultan Ismail

50250 Kuala Lumpur

Tel: 03-2611 3888