

FEATURES OF GTFS 2.0

A summary of the latest salient terms (effective 1st January 2019) of the scheme are as follows:

Features	Producer of Green Technology	User of Green Technology	ESCOs
Purpose	To finance investment for the production of green products	To finance investment for the utilization of green technology	To finance investment or assets related to energy efficient project and/ or energy performance contracting
Financing Size	Maximum: RM100 million per group of company	Maximum: RM50 million per group of company	Maximum: RM25 million per group of company
Financing Tenure	Up to 15 years	Up to 10 years	Up to 5 years
Eligibility	Company or Business must be legally registered Malaysian with a simple majority of at least 51% Malaysian shareholding Minimum paid-up capital must be 10% or RM50,000 of project cost, whichever is higher		
Participating Financial Institutions (PFIs)	All Commercial Financial Institutions, Islamic Financial Institutions and Development Financial Institutions as per BNM & other participating entities duly approved by MOF		
Government Incentives	Rebate of 2% per annum on interest/ profit rate (limited to the first seven (7) years only) for each loan/financing. 60% government guarantee on Green Technology Cost.		
Interest/ Profit Rate	Determine by Participating Financial Institutions (PFI's) for financing		
Source of Fund	Participating Financial Institutions (PFI's)		

Implementation Agencies	Ministry of Environment and Water, Credit Guarantee Corporation Malaysia Berhad (CGC) and MGTC
Application Method	Application are to sublit application to MGTC at www.gtfs.my for green project certification. The successful applicant then proceeds to forward application for financing to any Participating Financial Institutions (PFI's)
Application Date	The Scheme will be opened until 31 December 2020 or upon approval of financing/ funding issuance up to RM2.0 billion, whichever is earlier or any subsequent extension on the availability date.
Processing Fee	<ul style="list-style-type: none"> • 0.25% - Financing tenure of 10 years and less • 0.50% - Financing tenure of more than 10 years <p>The above processing fee is subject to green component cost apply or approved, subject to a minimum processing fee of RM8,000 (payable upfront upon submission of the application), payable to Malaysian Green Technology and Climate Change Centre. (No maximum ceiling)</p> <p>A processing fee of RM4,000 is payable for request to extend the validity of the project certificate (for 2nd and 3rd extension). Each extension on the validity is only for a period of 6 months.</p> <p>A processing fee of RM8,000 is payable for any request to vary the information on the certificate.</p> <p>Note:</p> <p>Processing fee paid shall be refunded should;</p> <ol style="list-style-type: none"> 1. the application for green project certificate rejected by the Technical committee 2. the applicant company fail to secure financing under the scheme after the 3rd extension of the certificate validity. <p>The amount to be refunded shall be after deduction of minimum RM8,000 processing fee and plus any other expenses incurred during the technical assessment.</p>

Note *: The maximum financing size/amount shall be aggregated and limited based on **Single Group Exposure Limit**.

Group Exposure is defined as:

- Companies having common directorship/management which include an individual who exercises control over a company or companies either directly or indirectly.
- Companies having common ownership/shareholding i.e. shareholding of over 50%.
- Subsidiary companies.

Only **new, retrofitting** or **expansion** projects and **energy performance contracting** that incorporate Green Technology elements that have not been funded are eligible for funding under the Scheme.

The Scheme is applicable to fund the purchase of equipment and financing can be for both new and re-conditioned equipment. A list of approved Green Components shall be provided by GreenTech Malaysia with issuance of the Green Project Certificate.

The Scheme is also available for the financing of working capital for the purchase of raw materials. The maximum financing tenure allowed for working capital is 5 years and maximum financing amount is RM5 million.

Reimbursement for advance payments included as part of the financing granted by PFI is allowed under the Scheme, subject to advances made on or after the Green Project Certificate date. Any advances made before the certification date is not eligible for reimbursement under this Scheme.

Applications for the following purposes are **NOT** eligible under this Scheme:

- For refinancing or restructuring of existing facilities;
- For financing Research and Development cost; or
- For projects which have already been completed and financed.