



Expression of Interest (EOI)
for
MICRO CONNECTOR PROGRAMME (ConnectME)

Issuer : SME Corp. Malaysia
Level 6 Block B Platinum Sentral
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur

1. INTRODUCTION AND PURPOSE

SME Corporation Malaysia (SME Corp. Malaysia) is the Central Coordinating Agency and premier organisation for the development of progressive Small and Medium Enterprises (SMEs) to enhance wealth creation and social well-being of the nation. SME Corp. Malaysia formulates broad SME policies across all sectors, coordinate SME programmes by relevant Ministries & Agencies and promote development of SMEs through provision of business support programmes. SME Corp. Malaysia is also the central point of reference for information and advisory services for all SMEs in Malaysia.

One of the focus segment within the context of SME development is upgrading of the microenterprises (MEs) that constitute 76.5% (693,670) of the total SME establishments in the country. A microenterprise in Malaysia is defined as a business with annual sales turnover of less than RM300,000 or employing no more than 5 full-time workers.

2. MICRO CONNECTER PROGRAMME (ConnectME)

The Micro Connector Programme or ConnectME is one of SME Corp. Malaysia's continuous development initiatives for microenterprises and the Bottom 40% of household income (B40) community in the country. The Programme aims to provide simplified early stage assistance for microenterprises to set up and run a business as well as to train the B40 community to gain new skillset for income generation through entrepreneurship. The Programme is deliberately designed to complement the latest business ideas in the start-up ecosystem by focusing on new and upcoming market segments and creativity in doing business particularly for aspiring entrepreneurs.

The ConnectME Programme offers two range of assistances for the targeted segment:

- i. **Technical Assistance** is offered to facilitate microenterprises, especially start-ups in running their businesses effectively and efficiently.
- ii. **Competitive Skills Assistance** to assist the B40 community attain competitive skills that will act as a tool for them to embark into business activities and increase their household income.

SME Corp. Malaysia will appoint a Panel of Delivery Partners as our strategic partners to deliver the scope above. The appointed Delivery Partners to assist in implementing the ConnectME Programme according to the approved programme guideline together with SME Corp. Malaysia as the programme lead. The Government, through SME Corp. Malaysia may provide assistance up to 70% of the total project cost depending on the suitability of the proposed projects by the delivery partners.

SME Corp. Malaysia is inviting competent service providers to be our delivery partners. Interested service providers may propose suitable and relevant product and services specifically designed for microenterprises and B40 community based on the scope of the technical and competitive skills assistance listed. The proposed product and services can be clustered into single package or a combination of packages and it must have a unique value proposition for microenterprises and the B40 community. Ability to provide value added services such as training, market access and networking will be an advantage.

3. SCOPE OF TECHNICAL ASSISTANCE

Technical assistance refers to products and services that will assist businesses to increase their productivity, reduce their operating cost and graduate from micro to small. The offerings can be but not limited, as below:

- Online applications, mobile e-commerce and e-payment & ICT applications (up to 12 months only, if subscription based)
- Productivity improvement equipment/ activities
- Business premise/ space rental (up to 12 months only)
- Advertisement and promotional activities

4. SCOPE OF COMPETITIVE SKILLS ASSISTANCE

Competitive skills refer to skills that will enable the B40 community to develop a product or service for business income. The skills can be but not limited, as below:

- Creative craft (i.e. sewing, wood & bamboo base, mineral base and precious stones)
- Food & Beverages for Cottage Industry (i.e. local and traditional delicacies, snack, cuisine and dish)
- Health (i.e. hair dressing, make up, spa & massage)
- Maintenance and repair (i.e. vehicle, aircond, plumbing, electrical and mobile device)
- Agriculture and aquaculture (i.e. plant fertigation, hydroponics & aquaponics and ornamental fish)
- Child care (i.e. post-delivery care centre and kindergarten)

5. REQUIREMENT OF THE DELIVERY PARTNER

- Potential delivery partner must fulfil basic criteria as below:
 - Fulfil the definition of SME
 - Registered as a Sdn. Bhd. Company (for Technical Assistance)
 - Registered with either Companies Commission of Malaysia (SSM) or Registrar of Society (ROS) (for Competitive Skills)
 - Has at least 60% Malaysian equity
 - A full time business operator
 - In operation for at least 1 year
 - Has audited financial statement of at least 1 year
 - Has a valid related business including a business license, business premise and other licenses (if any)
- The delivery partner has the obligations to:
 - Undertake own promotional activities to garner the participation
 - Promote only product and services approved by SME Corp. Malaysia for the purposes of this Programme
 - Provide monthly operational reporting to SME Corp. Malaysia or as and when required
 - Strictly comply to ConnectME programme guideline issued by SME Corp. Malaysia
 - No conflict of interest between provider and applicant

6. EOI RELATED QUESTIONS / CLARIFICATIONS / SUBMISSION

- Submission for Expression of Interest (EOI) by service providers is effective from 10 January 2019. Interested service providers are required to send a letter or an email expressing their interest with a brief proposal to SME Corp. Malaysia at the following address:

Policy Monitoring & Inclusive Development Division
SME Corp. Malaysia
Level 7 Block C Platinum Sentral
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur

- ▶ Sivarao Aparahu (sivarao@smecorp.gov.my)
 - ▶ Raja Mohd Fitri Raja Jusoh (mohdfitri@smecorp.gov.my)
 - ▶ Nur Aishah Isa (aishah@smecorp.gov.my)
- The Policy Monitoring & Inclusive Development Division of SME Corp. Malaysia reserves the right to select or decline any EOI submissions. Potential EOIs will be considered for the next step. The final selection will be made by an internal panel at SME Corp. Malaysia.

Disclaimer:

All commitments and assistance extended under the said Programme are subject to the availability of fund. SME Corp. Malaysia reserves the right to discontinue or suspend the Programme, or change the content or formatting of the Programme, at any time without notice to anyone, and to require the immediate cessation of any specific use of the Programme. In addition, we reserve the right in our sole discretion to suspend, terminate or restrict the public's access to the Programme at any time and for any reason. SME Corp. Malaysia will not be held liable for any loss or damage suffered by any Parties participating in this Programme.

WARNING: Providing false or misleading information for the purpose of defrauding SME Corp. Malaysia is a crime under the Penal Code which penalties include imprisonment and with whipping and shall also be liable to fine. In addition, SME Corp. Malaysia may deny any benefits, rewards or assistance if false information is associated to an application.

SME Corp. Malaysia
10 January 2019