

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 'Technology Upscaling' component may be eligible for up to **20%** 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 Items (exclusive of GST)
Technology Upscaling (TU) Component	20% of approved fund for each qualifying cost item. The total quantum is capped at 20% of the total approved fund.	<p>(a) <u>Equipment Cost</u></p> <ul style="list-style-type: none">- Purchase price of main system and equipment- Insurance- Freight, delivery, handling, installation and commissioning charges of materials- Consumables to be expended during project duration- Transport of main system and equipment- Project-related software <p>(b) <u>Infra-capital cost</u></p> <ul style="list-style-type: none">- Construction of farming structure- Construction cost incurred to install the main system- Electrical power sub-station- Electrical cabling from main sub-station to farm- Electrical power upgrade- Energy infrastructure (e.g. Solar power system, LNG-based system, etc.)- Chiller system or air-conditioning system for SMART farming or biosecurity- Controlled environment farming-related cost- Detention tanks and parameter drainage cost- Land preparation cost- Other infrastructure-related cost to meet regulatory requirements (e.g. discharge tanks to meet PUB requirement)

		<p>(c) <u>Basic Manpower Costs</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 <p>(d) <u>Professional Services</u></p> <ul style="list-style-type: none"> - Consultancy, sub-contracting, design & development costs - Marketing and branding services - Logistics, storage, distribution, transportation, packing, processing, and waste management services. <p>(e) <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 for the duration of the project - Fees payable to third parties for IP registration and related costs incurred for 2 markets. This includes patent search and application costs, and registration and related costs for trademarks and registered designs only <p>(f) <u>Other Qualifying Cost</u></p> <ul style="list-style-type: none"> - Project-related training by external parties which includes fees payable to third parties to conduct in-house training or attend external training - Accounting audit fee for engaging auditors to audit claims
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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 (Local Production Planning & Development Department) at:
 - Email: SFA_Incentives@sfa.gov.sg