## 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. | (a) Equipment Cost<br>- Purchase price of main system and equipment<br>- Insurance<br>- Freight, delivery, handling, installation and commissioning charges of materials<br>- Consumables to be expended during project duration<br>- Transport of main system and equipment<br>- Project-related software<br><br>(b) Infra-capital cost<br>- Construction of farming structure<br>- Construction cost incurred to install the main system<br>- Electrical power sub-station<br>- Electrical cabling from main sub-station to farm<br>- Electrical power upgrade<br>- Energy infrastructure (e.g. Solar power system, LNG-based system, etc.)<br>- Chiller system or air-conditioning system for SMART farming or biosecurity<br>- Controlled environment farming-related cost<br>- Detention tanks and parameter drainage cost<br>- Land preparation cost<br>- Other infrastructure-related cost to meet regulatory requirements (e.g. discharge tanks to meet PUB requirement) |

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|---|---|---|
| | | (c) Basic Manpower Costs<br>- Gross monthly salary comprising of basic salary, monthly variable component and employer's CPF contribution of key project team members<br><br>(d) Professional Services<br>- Consultancy, sub-contracting, design & development costs<br>- Marketing and branding services<br>- Logistics, storage, distribution, transportation, packing, processing, and waste management services.<br><br>(e) Intellectual Property Rights (IPR)<br>- Fees payable to third parties for the licensing and acquisition of IPR (technology acquisition costs) only for the duration of the project<br>- 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<br><br>(f) Other Qualifying Cost<br>- Project-related training by external parties which includes fees payable to third parties to conduct in-house training or attend external training<br>- Accounting audit fee for engaging auditors to audit claims |

**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