



## **Bio-based Accelerator Framework**

## BIO-BASED ACCELERATOR FRAMEWORK

*Please note that the information contained herein is intended to be used for guidance and information only. Whilst every effort has been taken to ensure the accuracy and completeness of the contents at the time, inaccuracies may exist due to several reasons including changes in circumstances and/or amendments brought about due to a change in the policy(s) or prevailing rules or regulations.*

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# **Chapter 1: Introduction and Background**

## **Chapter 1: Introduction and background**

1.1 Introduction of Bio-based Accelerator

1.2 Objectives of Bio-based Accelerator

## 1.1. Introduction of Bio-based Accelerator

- Bioeconomy Corporation is a one-stop agency to develop the biotechnology and bio-based industries in Malaysia.
- Biotechnology and Bio-based are an important element in creating a comprehensive bioeconomy framework.
- Bio-based Accelerator (BBA) is a newly introduced programme under Bioeconomy Corporation which aims to prepare the bio-based companies to meet the requirements and qualify for relevant incentives where applicable or / and to increase business performances.
- Bio-based Accelerator Programme is a preparatory stage programme for bio-based companies to upgrade their existing business capability and performances. This programme will consist of facilitation and nurturing programmes which will be offered to companies.
- The following is the list of benefits that will be made available to a Bio-based Accelerator company :-
  - i. Nurturing and guidance through Bio-based Accelerator programme;
  - ii. Facilitate adoption of Technology to improve efficiency;
  - iii. Facilitation of international accreditation and standards;
  - iv. Facilitation on obtaining funding;
  - v. Facilitation on recruitments, business matching, regulatory services etc.;
  - vi. Assistance in developing branding, marketing and promotion activities;
  - vii. Access to BioNexus Partners Programme for shared laboratories and other related facilities.

## **1.2 Objectives of Bio-based Accelerator:**

1. Encourage and create interest among companies to venture into bio-based business activities
2. Address the common issues faced by bio-based companies e.g. access to latest technology, market and funding access, product development, accreditation and standard.
3. Provide assistance and guidance to bio-based companies to enable them to grow (e.g. increase business performance).
4. Provide assistance and guidance to bio-based companies to enable them to meet the requirement of relevant incentives if possible.

## **1.3 Bio-based Accelerator Programme**

Bio-based Accelerator Programme consists of three components:-

1. Technology Facilitation Programme;
2. Product Development Programme; and
3. Market Access and Export Market Promotion Programme.

## **Chapter 2:**

### **Overview of Bio-based Accelerator**

## **Chapter 2: Overview of Bio-based Accelerator**

2.1 Benefits available for Bio-based Accelerator company

2.2 Bio-based Accelerator application

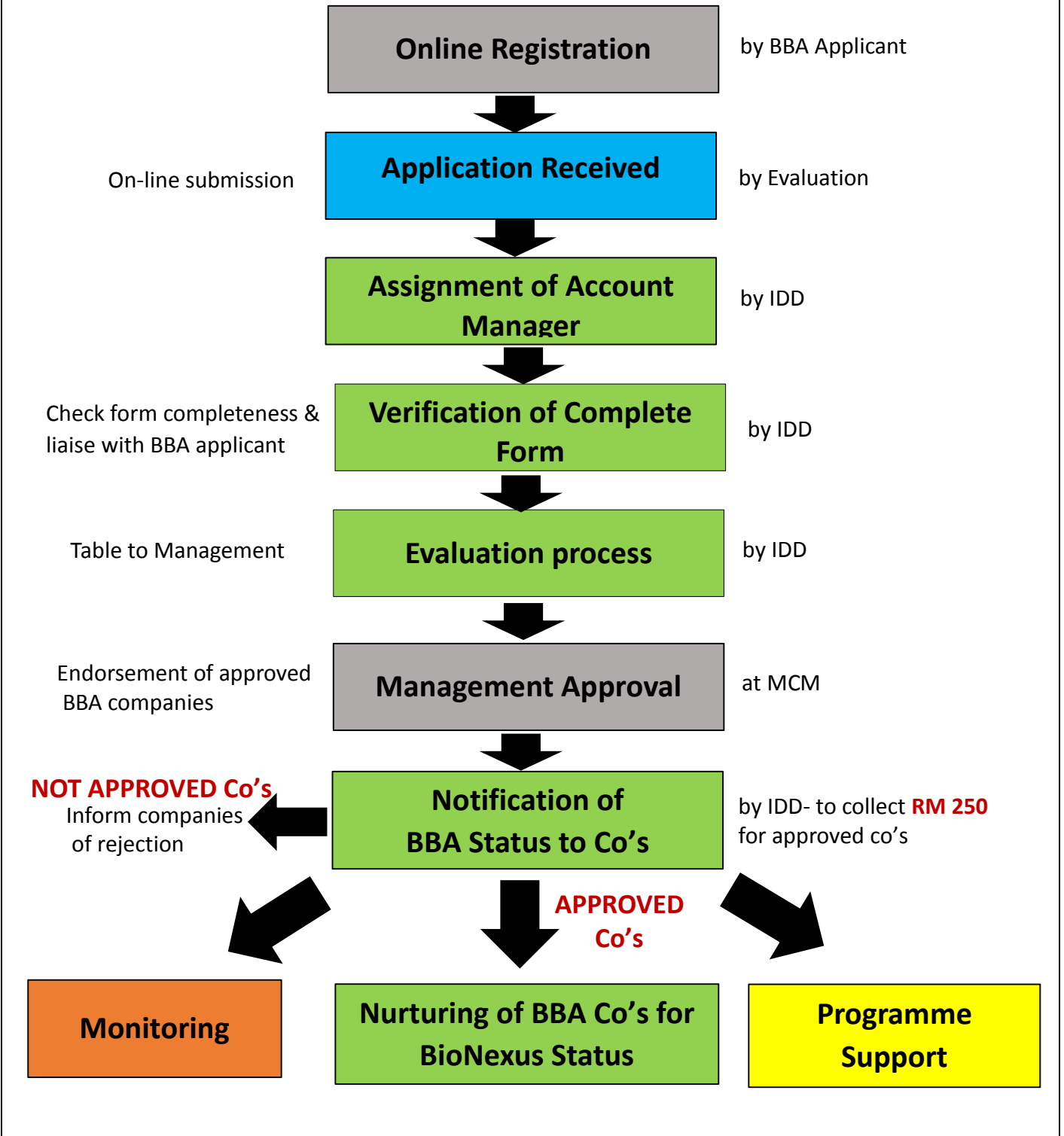
## 2.1. Benefits available for Bio-based Accelerator company

The following are the summary of benefits available for Bio-based Accelerator company:-

- 2.1.1. Funding - leverage on existing facilities available under the Ministry of Agriculture and Food Industries or other relevant funding programmes available.
- 2.1.2. Access to Technology – facilitate adoption of technology to improve efficiency.
- 2.1.3. Accreditation & Standard – facilitate Bio-based Accelerator companies toward acquiring relevant accreditation and standard.  
e.g. Halal certification, Product registration, Intellectual Property (IP) application, Clinical trials.
- 2.1.4. BioNexus Partners Programme (BNP) – access to shared laboratories and other facilities / technologies.
- 2.1.5. Branding, marketing and promotion – expand current market and access to new market  
e.g. Trade mission and market access, Design and packaging and Marketing and promotion, Bio pitching.



## 2.2 Bio-based Accelerator application



### **2.2.1 Bio-based Accelerator Evaluation Committee (BBAEC)**

“BBAEC” is a management level committee within Bioeconomy Corporation which comprises of different representatives from various department. The Committee is primarily responsible to the review, evaluate, assess, approve or reject the application and to recommend the company’s participation in the Bio-based Accelerator programme.

## **Chapter 3:**

# **Bio-based Accelerator Framework**

### **Chapter 3.0 Bio-based Accelerator Framework**

- 3.1 Bio-based Accelerator eligibility criteria
- 3.2 Post approval monitoring requirement
- 3.3 Re-application and Non-eligibility clause

### 3.1 Eligibility criteria

#### **Definition of Bio-based activities**

The programme is open to bio-based company which uses technology to convert biological resources into products or provide services in a reproducible and scientific manner.

Applicant must fulfil all the following eligibility criteria at the point of application for bio-based company:

- An established legal entity (e.g. Sdn Bhd company)
- Undertake bio-based or biotechnology activities
- Minimum paid-up capital of RM50,000 or annual sales of RM80,000 from bio-based or biotechnology activities
- The company has or plan to adopt technology in its business process
- The company employs an adequate number of full-time employees to carry on the business at any point of time.
- Payment of RM250 application fee (only for approved company). The fee is conditional and non-refundable

#### **3.1.2 Location of operation**

3.1.2.1 Bio-based Accelerator company must locate its operations in Malaysia and undertake its proposed activity at the Location of Operations as defined and specified in the Letter of Approval.

3.1.2.2 Any changes in the location of its operations, the Bio-based Accelerator company must immediately notify Bioeconomy Corporation in writing within ninety (90) days.

#### **3.1.3 Complies with applicable laws, regulations and guidelines**

The applicant must comply with all applicable laws, regulations and guidelines.

### **3.2 Post-approval requirement by company**

The Bio-based Accelerator companies are required to submit TWICE yearly Progress Report which include information on Revenue, investment and total full time employees figures

### **3.3 Re-application and non-eligibility clause**

The applicant is allowed to resubmit the Bio-based Accelerator application six months after its application is rejected.

## Reference

# Terms and Conditions of Bio-based Accelerator

..... SDN BHD (company registration no xxxxx)

("The Bio-based Accelerator Company") must at all times fully comply with the terms specified in the attached Letter of Approval and these Terms and Conditions.

## 1 Business Activities ("BA")

### 1.1 Scope

The Bio-based Accelerator Company must conduct the BA specified and detailed in the attached Letter of Approval.

**Business Plan.** The BA must be performed in accordance with the Business Plan and any other documents (hereinafter collectively referred to as the "Business Plan") submitted to (in support of the Company's application for Bio-based Accelerator) and received by Bioeconomy Corporation from the Company prior to the date of the attached Letter of Approval.

**Changes.** Companies should notify Bioeconomy Corporation of any changes or variation in its BA and business plan. Any changes in BA would require notification and approval from Bioeconomy Corporation.

### 1.2 Diligence

The Bio-based Accelerator Company must act diligently in performing the BA and do all things necessary to achieve or fulfil its objectives, financial projections or assurances as contained in the Application Documents (including but not limited to the Business Plan) and/or any subsequent update documents.

## 2 Location of Operations

The Bio-based Accelerator Company is required to locate its operations and undertake the BA at the Location of Operations specified in the Letter of Approval. Any changes to the Location of Operations shall be notified to Bioeconomy Corporation within ninety (90) days after such relocation.

Where there are justifiable reasons for any intended relocation of the entire or a part of the BA on a temporary basis outside of Malaysia, the Bio-based Accelerator Company must seek prior written approval of Bioeconomy Corporation. Bioeconomy Corporation may, in its sole discretion, evaluate the proposal for temporary relocation and attach any conditions to any approval granted for the intended relocation.

Any permanent relocation of the BA or any part thereof outside of Malaysia will result in the revocation of the Bio-based Accelerator recognition.

### 3 Compliance

The Bio-based Accelerator Company shall at all times:

- a) comply with all applicable laws, regulations and guidelines, including Bioeconomy Corporation's Policy on Integrity and Governance in the Workplace;
- b) take all measures to prevent corrupt practices in its dealings with Bioeconomy Corporation;
- c) not:
  - i) offer or provide, directly or indirectly, any bribe, gift, reward, consideration, favour or any other advantages (material or immaterial) ("Advantages") to any employee of Bioeconomy Corporation for:
    - influencing he/she to act contrary to Bioeconomy Corporation's interest; or
    - obtaining or rewarding favourable treatment;
  - ii) offer or provide Advantages to a Government official, which can be considered as a bribe under any legislation;
  - iii) collude with any party to preclude or compromise dealings with Bioeconomy Corporation. The Bio-based Accelerator Company shall undertake to report to Bioeconomy Corporation of any such attempts made by others to involve them in any act of collusion against Bioeconomy Corporation;
  - iv) instigate any third party to perform actions pertaining to the above.
- d) ensure that all its employees, sub-contractors or agents are aware of and comply with the related provisions on anti-corruption;
- e) strictly comply with Bioeconomy Corporation's Gift Policy;
- f) undertake to promptly inform Bioeconomy Corporation of any breach and/or alleged/suspected breach of the above and cooperate with Bioeconomy Corporation in any investigation of such breach involving the employees of Bioeconomy Corporation; and
- g) ensure that it does not, at any material time whatsoever, infringe or violate any intellectual property rights of Bioeconomy Corporation or any third party whether registered or otherwise.



## 4 Reporting

### 4.1 General

The Bio-based Accelerator Company is required to submit the following reports to Bioeconomy Corporation:

- a) **Audited Financial Statements.** As soon as they become available (and in any event within one hundred eighty (180) days after the end of each of its financial year) a copy of its audited Financial Statements for that period which shall contain a profit and loss account and a balance sheet. The Financial Statements must be prepared in accordance with the Companies Act 1965 and the Malaysian Accounting Standards Board approved accounting standards in Malaysia and the Financial Statements must give a true and fair view of the results of the operations and the state of affairs of the Bio-based Accelerator Company for the period for which the Financial Statements are made up.
- b) **Management accounts.** As soon as they become available (and in any event within 60 days after the end of each quarter of each financial year). The submission shall be made via Bioeconomy Corporation's Online Submission System ("OSS") and shall contain full particulars of the business of the Bio-based Accelerator Company together with its income statement and balance sheet.
- c) **Progress report.** The Bio-based Accelerator Company is required to attend to and submits on an annual basis a progress report (in the format as forwarded by Bioeconomy Corporation from time to time).
- d) **Other relevant documents** as may be requested by the Government of Malaysia and/or Bioeconomy Corporation from time to time.

### 4.2 Notification

The Bio-based Accelerator Company **must immediately notify** Bioeconomy Corporation of:

- a) any circumstance(s) that has occurred which affects or is reasonably expected to affect the Bio-based Accelerator Company or its performance of the BA;
- b) any change which is reasonably expected to affect the nature of the operations of the Bio-based Accelerator Company or the manner in which the Bio-based Accelerator Company implements and operates the BA;

- c) any constructive or actual knowledge of any claim, allegation, action or prosecution in respect of any improper or wrongful use or possible infringement of any intellectual property rights of any third party; and
- d) any event which it anticipates or should reasonably anticipate will affect the interests of Bioeconomy Corporation, biotechnology industry or the bio-based industry.

## 5 Review Process

### 5.1 Right of Access and Inspection and Monitor

The Bio-based Accelerator Company agrees that Bioeconomy Corporation shall have the right, in its absolute discretion, to reasonable access to the premises of the Bio-based Accelerator Company where the BA are performed and to monitor the activities and operations of the Bio-based Accelerator Company. The Bio-based Accelerator Company shall render all reasonable and necessary assistance to Bioeconomy Corporation for the above purpose.

### 5.2 Process and Procedures

Bioeconomy Corporation may from time to time, at its absolute discretion, establish applicable monitoring processes and procedure and conduct compliance review, which MUST be complied by the Bio-based Accelerator Company. The Bio-based Accelerator Company shall also provide to Bioeconomy Corporation, including but not limited to the following:

- a) standard update forms or other documents, with sufficient details, as may be requested by Bioeconomy Corporation from time to time;
- b) detailed progress reports and/or such other information and documentation in relation to its activities and operations which may be requested by Bioeconomy Corporation from time to time;
- c) cooperation through means of discussions or meetings with Bioeconomy Corporation's employees or representatives/agents in relation to any monitoring activities or processes;
- d) reasonable access to Bioeconomy Corporation's employees or representatives/agents to inspect its operations, equipment, research facilities, company records, accounts and books; and
- e) access to inspect and audit its records, books and accounts or have them inspected or audited by an independent firm of accountants appointed by Bioeconomy Corporation.

## 6 Confidentiality

Any written information, unless expressly marked as “confidential”, submitted by the Bio-based Accelerator Company to Bioeconomy Corporation, will not qualify as “confidential or privileged information” and Bioeconomy Corporation will assume no responsibility to protect the information from disclosure.

Bioeconomy Corporation shall treat written information clearly marked “confidential” in the same manner and use such reasonable care as it would treat its own confidential information.

**Please do note** that Bioeconomy Corporation reserves the right to utilise confidential information released by the Bio-based Accelerator Company for the purpose of compiling data or statistics and/or for evaluation by Bioeconomy Corporation, its professional advisers and/or agents.

Bioeconomy Corporation will not be liable for disclosure of any information provided by the Bio-based Accelerator Company which has been identified as “confidential” if Bioeconomy Corporation is required by law or obliged pursuant to a court order or by any governmental authority to make such disclosure.

## 7 Tax Liabilities

The tax projections and computations submitted in the Bio-based Accelerator Company’s Business Plan are for Bioeconomy Corporation’s internal assessment and reporting purposes only and in no way does the award of Bio-based Accelerator relieve the Bio-based Accelerator Company of any of its legal and/or statutory responsibilities or obligations under any law or governmental regulations pertaining to income or taxation.

The adjudication and final decision on actual tax computations lie with the Inland Revenue Board Malaysia.

## 8 Non-Compliance

Bioeconomy Corporation reserves the right, in its absolute discretion, to recommend termination of participation of company in program under the attached Letter of Approval in the event of any of the following:

- a) **Non-compliance or Breach.** Failure to comply with any of the terms and conditions stipulated herein (*including any amendments thereto made by Bioeconomy Corporation from time to time*) or in the attached Letter of Approval including but not limited to failure to comply with any of the processes and procedures described herein; or

- b) **Failure to perform.** The Bio-based Accelerator Company fails or is unable to achieve or fulfil its objectives or assurances as contained in the Application Documents (including but not limited to the Business Plan) and/or any subsequent update documents; or
- c) **Unsatisfactory Performance.** The Bio-based Accelerator Company is, in Bioeconomy Corporation's opinion, assessment and/or evaluation, unable to undertake or perform the BA; or
- d) **Reputation.** Any act or omission on the part of the Bio-based Accelerator Company which, in the opinion of Bioeconomy Corporation, has or may tarnish, harm, damage or adversely affect the reputation of the Government of Malaysia, Bioeconomy Corporation, the biotechnology industry or the bio-based industry; or
- e) **Insolvency.** The Bio-based Accelerator Company becomes insolvent or is unable to pay its debts when due, or enters into any arrangement or composition with its creditors generally, or a receiver or manager is appointed for the Bio-based Accelerator Company, or where the Bio-based Accelerator Company goes into liquidation or passes a resolution for its winding-up (other than pursuant to an approved scheme of reconstruction, amalgamation or re-organisation);
- f) **Distress.** The Bio-based Accelerator Company suffers any distress or where execution is levied against any assets of the Bio-based Accelerator Company which, in Bioeconomy Corporation's opinion, would render the company unable to undertake or continue to undertake the BA, or to comply or continue to comply with the terms and conditions of the Bio-based Accelerator awarded; or
- g) **Misrepresentation.** Breach of any representation, warranty or statement which is made (or acknowledged in writing to have been made) by the Bio-based Accelerator Company in the Application Documents or any other documents furnished to Bioeconomy Corporation, or if repeated at any time with reference to the facts and circumstances subsisting at such time would not be accurate in all material respects; or
- h) **Defunct.** The Bio-based Accelerator Company is deregistered or struck off the Register of Companies for any reason whatsoever.

## 9 Remediation

In the event that the Bio-based Accelerator Company defaults in any of its obligations under these terms and conditions, Bioeconomy Corporation may at its absolute discretion allow for remediative action to be taken by the Bio-based Accelerator Company within a time period to be stipulated by Bioeconomy Corporation. If the Bio-based Accelerator Company still fails to remedy the default upon the expiry of the stipulated time period, Bioeconomy Corporation may then at any time revoke the Bio-based Accelerator previously granted to the Bio-based Accelerator Company.

## GENERAL

### 10 Use of Personal Data

In the event the processing of any personal data is required hereunder, both the Bio-based Accelerator Company and Bioeconomy Corporation undertake that the personal data shall be processed in accordance with the Personal Data Protection Act 2010.

By accepting the Letter of Approval, the Bio-based Accelerator Company provides its consent to Bioeconomy Corporation to process its personal data (inclusive of sensitive personal data) (whichever is applicable) as contained in the manners as set out in Bioeconomy Corporation's Privacy Notice, which can be viewed at [www.bioeconomycorporation.my](http://www.bioeconomycorporation.my). If Bio-based Accelerator Company does not consent or subsequently withdraw its consent to the processing and disclosure of its personal data, Bioeconomy Corporation will not be able to fulfil its obligations in relation to the Bio-based Accelerator Programme.

### 11 Waiver

No delay or failure by Bioeconomy Corporation to exercise or enforce at any time any right or provision under the attached Letter of Approval and/or these Terms and Conditions shall be considered a waiver unless expressly made in writing. No single waiver constitutes a continuing or subsequent waiver.

### 12 Contra Proferentem Rule

No rule of construction shall apply to the detriment of either party by reason of that party having control and/or being responsible for the preparation of these Terms and Conditions or any part thereof.

13 Status Cannot Be Assigned

The award of the Bio-based Accelerator is personal to the Bio-based Accelerator Company, and cannot be assigned, pledged or otherwise transferred, in whole or in part, to any other entity person or body corporate. Any assignment, pledge or transfer or any attempted assignment, pledge or transfer is null and void and of no effect whatsoever.

14 Variation

Bioeconomy Corporation may, by written notice to the Bio-based Accelerator Company amend, vary, modify any of the terms specified in the Letter of Approval and these Terms and Conditions.

15 Acknowledgement of Liability

The Bio-based Accelerator award referred to in the attached Letter of Approval is conferred by the Government of Malaysia. For this reason, notwithstanding anything herein to the contrary, Bioeconomy Corporation accepts no liability whatsoever, to the Bio-based Accelerator Company nor shall the Bio-based Accelerator Company have any claim against Bioeconomy Corporation in respect of any loss or damage suffered by the Bio-based Accelerator Company or any other person at any time as a result of or arising out of the award of the Bio-based Accelerator or the revocation of the Bio-based Accelerator.

In this connection, Bioeconomy Corporation is unable to make any representation nor provide any guarantee that the benefits attached to the Bio-based Accelerator or any part thereof will not be withdrawn revoked suspended or terminated by the Government of Malaysia.

16 Revocation

The Bio-based Accelerator granted under the Letter of Approval may be revoked for breach of the terms and conditions of the Letter of Approval and/or non-compliance with these Terms and Conditions of Bio-based Accelerator.

Upon the revocation of the award of the Bio-based Accelerator:

- a) all benefits, incentives and privileges awarded by Bioeconomy Corporation or any relevant governmental authorities to the Bio-based Accelerator company shall be immediately withdrawn;
- b) the Bio-based Accelerator company shall immediately surrender its Bio-based Accelerator certificate to Bioeconomy Corporation; and
- c) the Bio-based Accelerator company shall immediately cease holding itself as having Bio-based Accelerator Status.