

## **NCT Group to work with Creative Advanced Machine Intelligence Research Centre (UMS) and BIMP EAGA Business Council (Malaysia, Sabah) to achieve Blue and Green Economy Initiatives Certification with the integration of Double Tax Deduction Research Incentive Scheme.**

1st Meeting was held on **16 March 2024** between NCT Group (Shipping and forwarding Company, venture into aquaculture industries, including other potential initiatives), UMS (Creative Advanced Machine Intelligence Research Centre, Faculty of Computing, and Informatics, Universiti Malaysia Sabah, headed by Associate Professor Ts. Dr Rayner Alfred and Dr Raymond Alfred, representing Allyssa Certification Sdn Bhd and BEBC Malaysia, Sabah).



UMS (Creative Advanced Machine Intelligence Research Centre, Faculty of Computing, and Informatics, Universiti Malaysia Sabah), headed by Associate Professor Ts. Dr Rayner Alfred and Dr Raymond Alfred (Allyssa Certification Sdn Bhd and BEBC Malaysia, Sabah) presenting the concept of the Blue and Green Economy Initiative, integrated into the Double Tax Deduction Research Incentive Scheme.

Several ideas, approaches and directions were discussed to come up with multiple angle benefits to the PEOPLE – TRADE – ENVIRONMENT.

The proposed NCT Group's research-based project laid the foundation for solutions (Addressing Green Economy and Blue Economy) through R&D program, while fulfilling the compliance requirement for the Double Tax Deduction Research Incentive Scheme and create the enabling condition to secure match funding through relevant grant application from IMAP, BKCF etc.

Green Economy = Low Carbon Growth + Resource Efficiency + Social Inclusivity = Sustainable Development

Blue Economy = Goes beyond the economic concept of GDP, focus on marine-related activities (renewable energy linked to ecotourism and biotechnology as well as sustainable aquaculture and fisheries) that generate economic value and contribute positively to ecological, cultural and social wellbeing.

Double Tax Deduction Research Incentive Scheme - As a measure to encourage companies engaged in targeted business activities, the Malaysian government has introduced various tax incentives, including tax incentives in the form of double deduction for qualifying expenditures. Under this incentive, companies are eligible for a tax deduction of twice the amount incurred (i.e. 200% tax deduction of the qualifying expenditure).

Double Tax Deduction Research Incentive Scheme's Qualifying expenditure includes:

- raw materials used in the research project.
- technical services
- travelling and transportation costs
- salary and allowances of research personnel
- maintenance costs of research buildings and equipment, and
- rental of equipment, machinery or buildings used for research.

Other categories of expenses that qualify for double deduction (Not related to research-based activities) includes Halal Certification, Quality Systems and Standards Certification, including provision of structured Internship Program (SIP)

This is one of the complicated-challenging ventures of research-based and commercialization approach (involve integration of R&D, AI, IT, Certification, Green and Blue Economy System Certification and Policies Intervention), but BEBC Malaysia, Sabah believe that this initiative will be able to establish very significant outputs for future BIMP EAGA Green and Blue Economy guidelines (especially policies) and could become one of the Proof of Concept (POC).

The project aims to encourage corporate spending in areas that benefit both the companies and the nation. This creates a win-win situation for businesses and the government.



High appreciation to Datuk Thomas Ng (Vice President of Malaysia-China Chambers & Commerce) and Managing Director of NCT Group for the ideas and commitment to work with UMS and BEBC Malaysia, Sabah.