

ANNEX B-9: BUILDING CAPABILITIES AND RESILIENCE

(I) Boosting Enterprise Transformation

I-1. Enhancements to Enterprise Development Grant (EDG)

The EDG, announced at Budget 2018, is a holistic scheme providing customised support to local enterprises for their growth and transformation. It supports enterprises in undertaking projects in three areas: Core Capabilities, Innovation and Productivity, and Market Access. At Budget 2019, the maximum support level of up to 70% was extended to 31 March 2023.

From 1 April 2020 to 31 December 2020, the support level will be raised from up to 70% to up to 80%. For enterprises that are most severely impacted by COVID-19, the maximum support level will be further raised to 90% on a case-by-case basis. Enhanced support will be granted to enterprises that plan to refresh their business models and find new opportunities.

Unionised enterprises and Employment and Employability Institute (e2i) partners under the Labour Movement can qualify for an additional 10% funding, subject to endorsement from e2i under NTUC. The maximum support under EDG is capped at 90%, excluding additional out-of-pocket support from the SkillsFuture Enterprise Credit (SFEC).

Enterprises can approach Enterprise Singapore to ask for flexibility in the grant disbursement schedule.

To qualify for the EDG, enterprises will need to fulfil the following criteria:

- a) Be registered and operating in Singapore;
- b) Have a minimum of 30% local shareholding; and
- c) Be in a financially viable position to start and complete the project.

In addition, to ensure that the benefits of enterprise transformation are passed on to our workers, enterprises will need to commit to improving workers' outcomes (such as wage increment, job creation, job re-design, or training for existing staff) in order to qualify for the EDG, with effect from 1 April 2020.

MORE INFORMATION

Enterprises can apply for the EDG through the Business Grants Portal.

For more information on EDG, please contact Enterprise Singapore at enquiry@enterprisessg.gov.sg.

I-2. Enhancements to Productivity Solutions Grant (PSG)

The PSG, announced at Budget 2018, provides support to enterprises in their transformation journey through funding support for the adoption of off-the-shelf productivity solutions and equipment that have been pre-approved by the Government. Currently, the maximum support level is 70%, until 31 March 2023.

From 1 April 2020 to 31 December 2020, the maximum support level will be raised from 70% to 80%.

Enterprises can apply for the PSG through the Business Grants Portal.

MORE INFORMATION

For more information on PSG, please contact Enterprise Singapore at enquiry@enterprisessg.gov.sg.

I-3. Enhancements to SMEs Go Digital

SMEs Go Digital helps small and medium enterprises (SMEs) build digital capabilities.

Expansion of scope of pre-approved solutions under PSG

Under SMEs Go Digital, SMEs receive funding support for the adoption of pre-approved digital solutions through the PSG.

From 1 April 2020 to 31 December 2020, the scope of pre-approved digital solutions under PSG will be expanded to help SMEs implement safe distancing and business continuity measures.

PSG will cover:

- a) Online collaboration tools;
- b) Virtual meeting and telephony tools;
- c) Queue management systems; and
- d) Temperature screening solutions.

The list of digital solutions for PSG can be found on the Tech Depot (www.smeportal.sg/content/tech-depot/en/home.html).

SMEs that are looking for visitor registration and contact tracing tools can access free trials provided by the tech industry (<https://www.imda.gov.sg/bizgodigital>).

SMEs can apply for these digital solutions if they meet the following criteria:

- a) Registered and operating in Singapore;

- b) Purchase, lease or subscription of the IT solutions or equipment must be used in Singapore; and
- c) Minimum 30% local shareholding.

Advanced Digital Solutions

To help enterprises deepen their digital capabilities to strengthen business continuity measures and build resilience, IMDA and Enterprise Singapore will **provide up to 80% funding support for enterprises to adopt advanced digital solutions from 1 May 2020 to 31 December 2020**. This will be done in collaboration with partners that can scale reach and implement digital solutions, both within the enterprise and across the industry.

Examples include:

- a) Advanced security and facilities management systems for buildings – cluster guarding¹, digital concierges², sensors and analytics for energy management and predictive maintenance, smart toilet systems, and mobile robots for security and/or cleaning. These solutions will help enterprises balance the need to minimise physical contact among staff, with the increased demand for security, cleaning and maintenance. It will also help to integrate security, cleaning and maintenance for more seamless facilities management.
- b) Integrated Business-to-Business (B2B) systems to facilitate end-to-end transactions between buyers and sellers. These would help enterprises transit from manual/paper transactions to electronic transactions by covering inter-linked transactions such as e-procurement, e-invoicing, e-payments, and inventory management.

Funding support can cover costs for hardware and software, infrastructure, connectivity, cybersecurity, integration, development, enhancement, and project management. It can also cover costs of replacing or expanding legacy systems and existing infrastructures.

Industry partners with a good track record of helping SMEs digitalise will be invited to submit proposals. The proposals, when supported, will be published as projects on IMDA website. Any eligible enterprise may choose to approach the project lead to join the project.

To be eligible, enterprises will need to fulfil the following criteria:

- a) Be registered and operating in Singapore;
- b) Have a minimum of 30% local shareholding; and
- c) Be in a financially viable position to start and complete the project.

¹ Cluster guarding solutions enable the monitoring of a cluster of buildings using a single team, removing the need to deploy guards at each building.

² Digital concierges perform tasks that physical concierges do (i.e. take requests, make bookings, answer questions) through a technology platform such as a kiosk or mobile application.

MORE INFORMATION

For more information on SMEs Go Digital, please contact IMDA at info@imda.gov.sg.

I-4. E-invoicing Registration Grant

Singapore's nationwide e-invoicing network is based on the international open framework Peppol, which allows businesses to send e-invoices from their accounting and Enterprise Resource Planning (ERP) systems directly to their buyers. This helps businesses improve efficiency, reduce cost, enjoy faster payment cycles, and build a strong foundation for digitalisation.

The adoption of e-invoicing will also help businesses implement work-from-home plans by eliminating the need to handle paper invoices.

Businesses registered on the nationwide e-invoicing network on or before 31 December 2020 will receive a one-time grant of \$200³. Businesses can register through more than 50 Peppol-ready accounting and ERP solutions. Once registered on the nationwide e-invoicing network, businesses will be able to send and receive e-invoices through the network. Businesses incorporated on or before 25 March 2020 and registered on the network on or before 31 December 2020 will automatically receive their grant via PayNow Corporate. There is no need to apply for the grant. More details will be announced later.

MORE INFORMATION

For more information on the E-invoicing Registration Grant, please visit www.imda.gov.sg/einvoice or contact einvoice@imda.gov.sg.

³ Adopting e-invoicing may involve a small incremental cost which the grant can help offset.

(II) Training

II-1. Enhancements to Course Fee Subsidy and Absentee Payroll (AP)

SkillsFuture Singapore (SSG) provides course fee subsidies and absentee payroll⁴ for a wide range of approved courses to support employers in sending their employees for training.

Under the Stabilisation and Support Package (SSP), SSG is providing enhanced course fee subsidies (Table 1) and absentee payroll (AP) rates (Table 2) for employers in sectors directly affected by the COVID-19 outbreak (i.e. air transport, tourism, retail, and food services), when they sponsor their workers for eligible courses. These enhancements will last for three months and aim to encourage employers to make use of the downtime to send their workers for training, such that companies can be in a position of strength to capitalise on the upswing when the economy recovers.

In view of the worsening COVID-19 situation and the increasingly uncertain economic outlook, SSG will further enhance training support measures to provide greater help to companies.

Extension of Course Fee Subsidy to New Sectors

SSG will extend the enhanced course fee subsidy (Table 1) to the Land Transport⁵ and Arts and Culture sectors. These enhanced rates will apply for selected sector-specific training programmes offered by SSG-appointed training partners.

⁴ Absentee payroll is a grant to help employers defray the manpower costs incurred when they send their employees for certifiable skills during working hours.

⁵ This applies to point-to-point transport and private hire buses.

Table 1: Course fee subsidy rates

| Type of Course | Current Baseline Course Fee Subsidy* | COVID-19 Course Fee Subsidy Support for selected courses |
|--------------------------------------|---|--|
| Courses by SSG Appointed CET Centres | 70% (PMET-level courses); 90% (Non-PMET level courses) | 90% |
| Certifiable Courses Approved by SSG | 50% [#] (PMET-level courses); 80% [^] (Non-PMET-level courses) | |

*Today, Singapore Citizens aged 40 and above are already eligible for up to 90% of course fee subsidy for SSG-approved courses through the SkillsFuture Mid-Career Enhanced Subsidy. Local SMEs sending their Singapore Citizen / Permanent Resident employees for SSG-approved courses are also eligible for up to 90% course fee subsidy under the Enhanced Training Support for SMEs. The rates in the table do not apply to employer-supported training under the Workfare Training Support (WTS) scheme, where Singapore Citizens aged 35 years and above, and with salary up to \$2,000, are already supported at more generous rates – course fee subsidy of 95%, capped at \$26.50/hr for non-PMET level courses and \$53/hr for PMET level courses.

[#] Course fee subsidy is subject to a cap at \$15/hr

[^] Course fee subsidy is subject to a cap at \$17/hr

Extension of Absentee Payroll

SSG will also progressively extend enhanced absentee payroll rates ([Table 2](#)) to all sectors, to provide support for more employers to upskill their workers.

Table 2: Absentee payroll (AP) rates

| Firm Type | Current AP Rates* | Enhanced AP Rates |
|-----------|--|--|
| Non-SMEs | 80% of hourly basic salary (capped at \$4.50 per trainee-hour) | 90% of hourly basic salary (capped at \$10 per trainee-hour) |
| SMEs | 80% of hourly basic salary (capped at \$7.50 per trainee-hour) | |

* For both non-SMEs and SMEs, funding rate under the Workfare Training Support (WTS) scheme is 95% of hourly basic salary for Singapore Citizens aged 35 years & above, and with salary up to \$2,000

From 1 April 2020, the enhanced absentee payroll rates will be extended to the Land Transport and Arts and Culture sectors. Similar to the sectors supported under the SSP, these enhanced rates will apply for selected sector-specific training programmes offered by SSG-appointed training partners.

From 1 May 2020, the enhanced absentee payroll rates will be further extended to cover all sectors. This will apply to all courses that are eligible for absentee payroll funding today, e.g. selected courses by SSG-appointed CET Centres or certifiable courses by

other SSG-approved training providers. Employers are advised to check with training providers on the courses that are eligible for absentee payroll funding.

Duration of Training Support

The above training support measures will cover eligible courses that start before 1 January 2021. This will provide sustained support for employers to upskill their workers as they prepare for recovery.

MORE INFORMATION

For more information, please contact SkillsFuture Singapore at <https://www.ssg.gov.sg/feedback>.

(III) Building Resilience

III-1. SG Together Enhancing Enterprise Resilience (STEER)

The private sector, in partnership with the Government, has been supporting enterprises affected by COVID-19. To encourage more industry players to pool their resources to support the business community, the SG Together Enhancing Enterprise Resilience (STEER) programme was launched by Enterprise Singapore under the Stabilisation and Support Package.

STEER supports funds set up by the Trade Associations and Chambers (TACs) or industry groupings⁶, with the aim of helping businesses tide over the challenges arising from COVID-19, and to push on with transformation efforts in preparation for economic recovery. Under the programme, Enterprise Singapore matches \$1 for every \$4 raised by such industry-led funds, up to \$1 million per fund.

The Government will enhance STEER by increasing the matching ratio. From 1 April 2020, Enterprise Singapore will match \$1 for every \$2 raised by such industry-led funds, up to \$1 million per fund.

Areas that can be covered by STEER-supported funds include:

- a) Business Sustenance – Grants to cope with the current economic situation, such as working capital, rental support, wage support, and crisis management costs;
- b) Business Growth – Grants to position enterprises for continued growth through

⁶ An industry grouping is defined as a group of at least five companies collaborating to set up a fund, with an independent legal entity set up and an independent 3rd party secretariat supporting the management of the fund.

- and beyond the crisis, such as support for marketing costs, market diversification efforts, and branding & design costs; and
- c) Capability Upgrading – Grants for businesses to continue upgrading their capabilities, such as training support, reskilling of workers, purchase of productivity solutions, and business process improvements.

Interested TACs and business groups can submit their proposals to Enterprise Singapore from **now until 2 Mar 2021**. Proposals will be assessed on a case-by-case basis.

Upon qualifying for STEER, TACs and industry groupings will need to use the matching grant from Enterprise Singapore within 18 months.

MORE INFORMATION

For more information on STEER, please contact Enterprise Singapore at enquiry@enterprisesg.gov.sg.