

# Global Company Partnership

## AREAS OF SUPPORT - ACCESS TO FINANCING



	Trade Credit Insurance Scheme (TCIS)	Political Risk Insurance Scheme (PRIS)
<b>What it is for</b>	Protect against non-payment risks of buyers	Protect overseas investments and projects against political risk
<b>Support from IE Singapore</b>	50% support on minimum premium of Trade Credit Insurance (TCI) policies provided by Singapore-registered credit insurers, up to S\$100,000 per Applicant Company in aggregate	50% support on premium for Political Risk Insurance (PRI) policies provided by Singapore-registered credit insurers, up to S\$500,000 per Applicant Company in aggregate
<b>Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>• Singapore-based company with at least three strategic business functions<sup>1</sup> in Singapore</li> <li>• Turnover of Applicant Company and its subsidiaries not exceeding S\$100 million</li> <li>• Annual total business spending<sup>3</sup> in Singapore of at least S\$250,000 for each of the past three years</li> <li>• Minimum paid-up capital of S\$50,000</li> <li>• At least three managerial staff who are Singaporeans or PRs</li> </ul>	<ul style="list-style-type: none"> <li>• Singapore-based company with at least three strategic business functions<sup>1</sup> in Singapore</li> <li>• Global HQ in Singapore<sup>2</sup></li> <li>• Turnover of Applicant Company not exceeding S\$500 million</li> <li>• Annual total business spending<sup>3</sup> in Singapore of at least S\$250,000 for each of the past three years</li> <li>• Minimum paid-up capital of S\$50,000</li> <li>• At least three managerial staff who are Singaporeans or PRs</li> </ul>
<b>How to Apply</b>	Approach any Singapore registered credit broker/ insurer for a TCI or PRI policy.  Should your company qualify for premium support, the insurer/ broker will assist in the submission of your application to IE Singapore.	

<sup>1</sup> Strategic business functions refer to activities such as (i) banking & financial, (ii) marketing and business planning, (iii) procurement, logistics, (iv) training & personnel management, (v) investment planning/ co-ordination, (vi) R&D, (vii) technical support, (viii) manufacturing, and (viii) other value-added activities.

<sup>2</sup> Refers to global (not only regional) management control and decision making functions (eg strategic global planning and management, HR, sales and marketing, finance and treasury) based in Singapore.

<sup>3</sup> Total business spending refers to expenses incurred by the Applicant Company, which includes:

- Staff costs (salary, training, etc)
- Finance costs (bank loans, overdraft or interest)
- Other operating expenses (e.g. advertising & promotion, audit fees, depreciation, director's remuneration, freight charges, insurance cost, office rental, professional consultant's fees, telecommunications, utilities and distribution & selling expenses)

Total business spending excludes:

- Costs of goods sold, cost of sales
- Exchange rate losses
- Allowances for doubtful debts
- Income tax expenses
- Property tax expenses

	<b>Loan Insurance Scheme (LIS/ LIS+)</b>	<b>Internationalisation Finance Scheme (IFS)</b>
<b>What it is for</b>	<p>Helps companies secure short-term trade financing loans from Participating Financial Institutions (PFIs) by insuring against insolvency risks.</p> <p>Loans are for</p> <ul style="list-style-type: none"> <li>• Inventory/ stock financing</li> <li>• Structured pre-delivery working capital for fulfillment of confirmed sales orders</li> <li>• Factoring/ bill or invoice or accounts receivable discounting with recourse</li> <li>• Bankers Guarantee for contractual fulfilment</li> </ul>	<p>Helps companies secure loans of up to S\$30 million for internationalisation from Participating Financial Institutions (PFIs) by insuring against insolvency risks.</p> <p>Loans are for</p> <ul style="list-style-type: none"> <li>• Purchase of revenue-generating assets for use overseas</li> <li>• Acquisition<sup>#</sup> of equity stakes in companies for internationalisation</li> <li>• Working capital and Bankers Guarantee for fulfillment of secured overseas projects</li> </ul> <p># The acquisition should synergise with Applicant Company's core business</p>
<b>Support from IE Singapore</b>	<p>IE Singapore and SPRING Singapore support 50% of the insurance premium under LIS where risks are borne by commercial insurers.</p> <p>IE Singapore bears 75% risk with the PFIs under LIS+ for loans that exceed the risk appetite of commercial insurers.</p>	<p>IE Singapore bears 70% risk with the PFIs.</p>
<b>Eligibility Criteria</b>	<p><b>For selling to overseas customers:</b></p> <ul style="list-style-type: none"> <li>• Singapore-based company with at least three strategic business functions<sup>4</sup> in Singapore</li> <li>• Turnover<sup>5</sup> caps: <ul style="list-style-type: none"> <li>– Non-trading company: not exceeding S\$300 million</li> <li>– Trading<sup>6</sup> company: not exceeding S\$500 million</li> </ul> </li> </ul> <p><b>For selling to local customers:</b></p> <ul style="list-style-type: none"> <li>• At least 30% local shareholding</li> <li>• Applicant Company's group annual sales turnover not exceeding S\$100 million OR Applicant Company's group employment size not exceeding 200 workers<sup>7</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Singapore-based company with meaningful business operations and at least three strategic business functions<sup>4</sup> in Singapore</li> <li>• Turnover<sup>5</sup> caps: <ul style="list-style-type: none"> <li>– Non-trading company: not exceeding S\$300 million</li> <li>– Trading<sup>6</sup> company: not exceeding S\$500 million</li> </ul> </li> <li>• Overseas business must complement the Singapore company's core operations and result in economic spin-offs to Singapore</li> </ul>

<sup>4</sup> Strategic business functions refer to activities such as (i) banking & financial, (ii) marketing and business planning, (iii) procurement, logistics, (iv) training & personnel management, (v) investment planning/ co-ordination, (vi) R&D and design, (vii) technical support, (viii) manufacturing, and (viii) other value-added activities.

<sup>5</sup> Includes turnover of Applicant Company and subsidiaries

<sup>6</sup> Applicant Company will be considered a trading company if more than 50% of turnover comes from buying and selling goods.

<sup>7</sup> Group" is defined as consisting of the Applicant Company, the Applicant Company's corporate shareholders who own >50% of total shareholding and the Applicant Company's subsidiaries where the Applicant Company holds >50% of the total shareholding of the subsidiaries

### How to Apply

The loans under LIS/ LIS+ and IFS are funded and administered by PFIs. Applications must be made through any of the PFIs listed in the table below:

#### PFIs under LIS/ LIS+

Bibby Financial Services (Singapore) Pte Ltd	6922 5030
The Bank of East Asia, Limited	6602 7848/ 6602 7849
DBS Bank Limited	1800 222 2200
CIMB Bank Berhad	6438 7888
Hong Leong Finance Limited	1800 338 8338
The Hongkong and Shanghai Banking Corporation Limited	1800 216 9008/ 6216 9008
Maybank	1800 629 2265
Oversea-Chinese Banking Corporation Limited (OCBC Bank)	6538 1111
RHB Bank Berhad Singapore	1800 323 0100
Standard Chartered Bank	1800 743 3000
United Overseas Bank Limited	1800 226 6121

#### PFIs under IFS

AFC Merchant Bank	6224 7155/ 6228 6105
DBS Bank Limited	1800 222 2200
Hong Leong Finance Limited	1800 338 8338
The Hongkong and Shanghai Banking Corporation Limited	1800 216 9008/ 6216 9000
Industrial and Commercial Bank of China Limited	6538 1066
IFS Capital Limited	6270 7711
Maybank	6550 7586
Mizuho Corporate Bank, Limited	6416 0723/ 6416 0203
ORIX Leasing Singapore Limited	6339 3622
Oversea-Chinese Banking Corporation Limited (OCBC Bank)	6538 1111
United Overseas Bank Limited	6539 1236

Information accurate at time of printing.

#### International Enterprise Singapore

230 Victoria Street #10-00  
Bugis Junction Office Tower  
Singapore 188024

1800-IESPORE (1800-4377673) local toll-free  
T +65 6337 6628 • F +65 6337 6898

[www.iesingapore.com](http://www.iesingapore.com)