

MEDIA FACTSHEET

Grant and financial support measures for enterprises extended to support business recovery

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1. As part of the continued efforts to support Singapore companies in their ongoing journey to recover from the impact of the COVID-19 pandemic, Enterprise Singapore (ESG) is extending or enhancing several grant and financial support measures that are aimed at helping businesses strengthen their core capabilities and capture growth opportunities, so that they will be more well-positioned to emerge stronger post-COVID 19.
2. To give a boost to those seeking to tap new sources of growth through internationalisation, digitalisation and other transformation efforts, ESG is making the following enhancements to our grant schemes:

(A) **Market Readiness Assistance Grant (MRA)** supports local enterprises in taking their business overseas through supporting the cost of qualifying activities related to promoting products and services, identifying business partners and setting up overseas.

Enhancements

- Increase in the funding support level from up to 70% to up to 80% from 1 November 2020 to 30 September 2021. Support levels will revert to 70% thereafter.
- Expansion of scope from 1 November 2020 to include support for participation in virtual trade fairs to encourage and enable companies to find new business opportunities overseas through such virtual platforms, without physical travel.

(B) **Enterprise Development Grant (EDG)** provides 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.

Enhancement

- Extension of the enhanced EDG funding support level of up to 80% from 1 January 2021 to 30 September 2021. Support levels will revert to up to 70% thereafter.

(C) **Productivity Solutions Grant (PSG)** supports enterprises in their transformation journey through supporting the cost for adoption of off-the-shelf productivity solutions and equipment that have been pre-approved by the Government.

Enhancement

- Extension of the enhanced PSG support level of up to 80% from 1 January 2021 to 30 September 2021¹. Support levels will revert to up to 70% thereafter.

3. Viable businesses that require working capital and financing support to sustain and grow their business activities, can tap the following ESG schemes, which will be extended and calibrated to ensure enterprises can continue to access financing for their cashflow, trade activities and project needs.

(A) **Temporary Bridging Loan Programme (TBLP)** provides local enterprises access to working capital for their business needs.

Enhancements

- Extension of TBLP from 1 April 2021 to 30 September 2021. This will be supported by the concurrent extension of the MAS SGD Facility for ESG Loans².
- Under this extension, the Government's risk-share on the loan will be lowered to 70% (90% currently), with the maximum loan quantum lowered to S\$3 million

¹ Applicable to all PSG solutions. For a full listing of solutions, please refer to the [GoBusiness Gov Assist](#) website.

² The Facility will be correspondingly extended to support all loans approved under the TBLP (as well as the Enterprise Financing Scheme-Working Capital Loan) from 1 April 2021 to 30 September 2021. Under the Facility, MAS will continue to lend to eligible PFIs at an interest rate of 0.1% per annum, for up to two years, to ensure that local enterprises can continue to access low-cost funding amid continued economic uncertainty.

(S\$5 million currently). This is to calibrate the support for businesses as the economy gradually recovers.

(B) **Enterprise Financing Scheme - Trade Loan (EFS-TL)** supports local enterprises' trade financing needs, which include the financing of short-term import, export and guarantee needs.

Enhancements

- Extension of the EFS-TL from 1 April 2021 to 30 September 2021.
- Under this extension, the Government's risk-share on the loan will be lowered to 70% (90% currently). The maximum loan quantum will remain at S\$10 million.
- The Loan Insurance Scheme (LIS) will be streamlined into the EFS-TL programme from 1 April 2021, to enable Singapore enterprises to access trade loans more readily. Borrowers looking for coverage for trade loans can apply to Participating Financial Institutions (PFIs) for government risk cover under the EFS-TL scheme.

(C) **Enterprise Financing Scheme - Project Loan (EFS-PL)** supports companies in their internationalisation efforts, by assisting them in financing the fulfilment of their overseas projects.

Enhancements

- In view of the challenges faced by the construction sector, EFS-PL will be enhanced to extend support to construction companies to finance the fulfilment of secured domestic projects, from 1 Jan 2021 to 31 Mar 2022.
- The Government will provide risk-share for loans made by PFIs to finance the fulfilment of secured domestic projects. The risk-share support extended to PFIs will be at 50%, with the risk-share increasing to 70% for young companies³. The maximum loan quantum is S\$30 million.

³ Young companies refer to firms formed within the past 5 years with at least 1 employee, and more than 50% equity owned by individuals.

- Construction companies that fall under the construction SSIC codes (i.e. SSIC code beginning with 41, 42 or 43) can apply to their PFIs for the EFS-PL for the following types of loans⁴:
 - Working Capital
 - Factory/ Building/ Land (includes Purchase/ Renovation/ Construction)
 - Equipment/ Machineries/ Other Fixed Assets/ Machinery Hire Purchase
 - Guarantees

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About Enterprise Singapore

Enterprise Singapore is the government agency championing enterprise development. We work with committed companies to build capabilities, innovate and internationalise.

We also support the growth of Singapore as a hub for global trading and startups, and build trust in Singapore's products and services through quality and standards.

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⁴ There must be an underlying contract, secured sales order and/or projects tied to the fixed asset, working capital loan and guarantee.