

JOINT MEDIA RELEASE

More than 11,000 F&B stallholders have adopted e-payment since 2018

- *Transaction value and volume increased by more than 15-fold over three years*
- *Government to extend subsidy for Merchant Discount Rate (MDR) for a final year till 31 Dec 2024 to ease transition*

SINGAPORE, 26 October 2023 – More than 11,000 stallholders are offering e-payments through the Unified e-Payment Solution (UePS) initiative, subsequently known as ‘Hawkers Go Digital’ (HGD). Both transaction value and volume saw more than 15-fold increases to respective monthly figures of \$45 million and 5.4 million in August 2023, compared to \$2.9 million and 266,000 transactions in June 2020.

2. The HGD programme is a multi-agency effort by Enterprise Singapore (EnterpriseSG) and the SG Digital Office (SDO) under Infocomm Media Development Authority, supported by Housing & Development Board (HDB), JTC Corporation (JTC) and National Environment Agency (NEA). The programme seeks to encourage e-payment adoption among stallholders at hawker centres (cooked food and market stalls), coffee shops and industrial canteens (collectively referred to as stallholders thereafter) operating in Government-owned (HDB, JTC and NEA) premises.

Final extension of Government’s subsidy for MDR until 31 Dec 2024

3. To kickstart the adoption of e-payment among stallholders, the Government has been subsidising the 0.5% Merchant Discount Rate (MDR)¹ incurred by stallholders up to the first \$20,000 of e-payment transactions per stall per month since 2018. The subsidy had been extended for three years until 31 December 2023, to support F&B stallholders during the COVID-19 pandemic. Currently, the Government’s subsidy is sufficient to fully cover the MDR incurred for almost all the stallholders onboard the HGD programme.

4. With more than 11,000 stallholders on board, alongside strong growth in transaction value and volume, the MDR subsidy has served its objective of catalysing the adoption of e-payment among the stallholders.

5. Following ground feedback and consultation with stakeholders, **the Government will extend the subsidy by one final year until 31 December 2024**. This extension will encourage more stallholders to adopt e-payment, and ease the transition for existing stallholders before they start paying the MDR themselves.

¹ NETS was appointed as master acquirer for the e-payment solution. A master acquirer refers to the appointed entity that handles the payment transactions of merchants across the multiple payment schemes. The entity will act at the main touchpoint to accept e-payments and facilitate reconciliation of accounts and earnings with participating merchants. MDR refers to the fee paid by stallholders to NETS for e-payment transactions under UePS. The MDR is currently 0.5% of the monthly e-payment transaction value.

Continued efforts in encouraging adoption of digital tools

6. The UePS was first launched by EnterpriseSG in 2018, and subsequently encapsulated under the HGD programme in June 2020. The programme built on earlier efforts to further drive e-payment adoption among stallholders, where SDO deployed Digital Ambassadors island-wide to help stallholders onboard Singapore Quick Response Code (SGQR) during the pandemic.

7. The UePS provides a single, interoperable e-payment system using the SGQR, a single standardised QR code, making it easy for stallholders to accept payments from multiple mobile wallets. Currently, there are 25 such payment schemes (e.g. wallets and cards), such as GrabPay, PayLah! and WeChat Pay.

8. Under UePS, stallholders are charged an MDR of 0.5% on transactions paid through SGQR (for example, 2 cents for an order of \$4), which is below the average industry rate of between 2% and 5%. This MDR of 0.5% has been subsidised by the Government since 2018. There is no monthly subscription fee for stallholders. Consumers do not pay any administrative fees when making such e-payments.

9. The Government will work with stallholders to encourage continued e-payment adoption, including SDO's efforts in educating them on the benefits of e-payment and supporting them in digital upskilling.

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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.

Visit www.enterprisesg.gov.sg for more information.

About SG Digital Office

The SG Digital Office ("SDO"), under the Infocomm Media Development Authority ("IMDA"), was established in June 2020, to drive the Government's concerted push to accelerate digital adoption, by building on and ramping up existing efforts to equip individuals with digital skills as the society digitalises.

To find out more about SDO, visit www.sdo.gov.sg.

About the Housing & Development Board

The Housing & Development Board (HDB) is Singapore's public housing authority. We plan and develop Singapore's housing estates; building homes and transforming towns to create a quality living environment for all. We provide various commercial, recreational, and social amenities in our towns for our residents' convenience.

Today, more than 1 million flats have been completed in 23 towns and 3 estates across Singapore. HDB flats are home to about 80% of Singapore's resident population, of which about 90% own their home.

For more information, please visit <http://www.hdb.gov.sg> .

About JTC

Since its inception in 1968, JTC has played a strategic role in ensuring Singapore stays innovative and dynamic amid global manufacturing trends.

As a government agency under Singapore's Ministry of Trade and Industry, JTC is paving the way forward for Singapore's industrial landscape with green and smart estate masterplans such as one-north, Seletar Aerospace Park, Jurong Innovation District, and Punggol Digital District. Our estates attract new investment and foster collaborative ecosystems that strengthen Singapore's position as an advanced manufacturing hub. We also drive innovation in the Built Environment sector by piloting new construction technologies.

For more information on JTC, visit www.jtc.gov.sg

About the National Environment Agency

The National Environment Agency (NEA) is the leading public organisation responsible for ensuring a clean and sustainable environment for Singapore. Its key roles are to improve and sustain a clean environment, promote sustainability and resource efficiency, maintain high public health standards, provide timely and reliable meteorological information, and encourage a vibrant hawker culture. NEA works closely with its partners and the community to develop and spearhead environmental and public health initiatives and programmes. It is committed to motivating every individual to care for the environment as a way of life, in order to build a liveable and sustainable Singapore for present and future generations.

For more information, visit www.nea.gov.sg