

**RELEASE**



## **SG:D Spark Guidelines**

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## NOTICE

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# 1 INTRODUCTION

## 1.1 General

- 1.1.1 The advent and adoption of disruptive technologies has revolutionized the global economy, leading to digital transformation that has reshaped business models and created new possibilities for our businesses to increase productivity, achieve greater scale and generate new streams of earnings. Against this backdrop, Singapore must prepare our businesses, workers and people for the digital economy that is upon us. Aligned with our Smart Nation vision, the Info-Communications Media Development Authority (“**IMDA**”) has been working towards building a competitive Infocomm and Media (“**ICM**”) industry that can underpin the nation’s drive towards digital transformation.
- 1.1.2 The Spark Scheme (“**Spark**”) is a scheme aimed at supporting the growth of promising Singapore-based ICM start-ups and young companies through selected Government tools and creation of a vibrant ecosystem and network.
- 1.1.3 Spark aims to support these companies through:
- a. Building a vibrant Singapore ICM community and network that promotes problem-solving and collaboration with peers and ecosystem partners to drive the growth of Singapore’s ICM ecosystem;
  - b. Uplifting their capabilities through a hybrid of Government grant tools and support from industry community partners; and
  - c. Providing opportunities for promising enterprise tech start-ups and young companies to establish initial reference customers in Singapore leveraging Government demand.
- 1.1.4 This Spark Guidelines (“**Guidelines**”) – in conjunction with the Application Form, the Terms & Conditions and any other relevant documents issued by IMDA in connection with Spark – constitute the set of requirements and obligations for enrolment into Spark. The Guidelines introduces and provides an overview of:
- a. The criteria, requirements and benefits for enrolment into Spark;
  - b. The process for achieving and maintaining Spark; and
  - c. The obligations of Spark companies.
- 1.1.5 This document is intended to be used primarily by companies that have interests to be enrolled under Spark. Enterprise buyers intending to procure products and/or services from the Spark companies and other stakeholders assessing such companies’ capabilities will also find this

document useful for understanding what the Spark assessment and evaluation entails.

## **1.2 Organisation and Governance Structure**

- 1.2.1 The Spark is owned and managed by IMDA.
- 1.2.2 The overall policy of the Spark is set by a Steering Committee comprising senior management of IMDA. The Steering Committee approves the Spark membership status as well as the listing of Spark companies on the Government Procurement Panel (“**Panel**”).
- 1.2.3 The Director, Accreditation@SG:D, is responsible for the implementation of Spark, ensuring that organisation and management of the functions of enrolment and evaluation for the Spark achieve high standards of competency, impartiality and consistency.

## **2 APPLICATION FOR SPARK**

### **2.1 Target Audience and Pre-Qualification**

- 2.1.1 The Spark targets promising Singapore-based ICM start-ups and young companies that offer innovative infocomm products or services for the enterprise and consumer markets.
- 2.1.2 Companies must meet the following pre-qualification criteria to apply for Spark:
- a. The company must be registered in Singapore and has initial presence (i.e. headcount employed in Singapore);
  - b. The company must have annual Singapore sales turnover of less than \$20M and annual group revenue of less than \$100M; and
  - c. The company must own an enterprise product / service that has clear differentiated proposition from its competitors.
- 2.1.3 Company nominated by Spark's panel of Nominating Partners, as designated by IMDA and listed on its website, shall be provided preferential consideration for enrolment into the scheme.

### **2.2 Spark Enrolment Process**

- 2.2.1 A company interested to participate in the Spark shall first approach IMDA to obtain an initial assessment of whether it meets the pre-qualification criteria. IMDA may request the company to provide a brief overview of its company and demonstration of the product / service's value propositions for the assessment.
- 2.2.2 The company will then apply with the application form provided by IMDA. The official submission by the company must be accompanied by all supporting documents as indicated in the application form. All applications are to be submitted in softcopy to IMDA either via email, or in any standard media storage device in person or via registered post. The documents may be password protected during the submission to IMDA, in which case the password must be separately provided to IMDA. The company shall also appoint an Application Representative ("**AR**") who shall be one of the key management of the company as a point of contact for IMDA to liaise with for all matters related to Spark.
- 2.2.3 The company will then be further assessed by IMDA and must demonstrate, to IMDA's satisfaction, that it meets the enrolment criteria as follows:
- Strong Leadership*
- a. The company must demonstrate that it has strong management

team with established track records and low key-man risks.

#### *Growth Potential*

- b. The company must demonstrate strong growth potential, including but not limited to clear business plan on how to grow the business, strong business value proposition, relevant domain expertise, and competitive advantage to competitors/alternative substitutes in the market; and
- c. The company must demonstrate that it has existing or a coherent plan to build capabilities and resources to support its business plan.

#### *Customers*

- d. The company must demonstrate that its product / service offering has a clearly identified customer segment(s) and demand; and
- e. The company must have at least one customer who has deployed its product / service to support its claimed business value proposition.

2.2.3 The companies shall ensure that all information provided to IMDA in the Spark enrolment process are true and correct, and must not withhold, suppress or misrepresent any material facts or information from IMDA.

2.2.4 During the enrolment assessment, IMDA may request for more information on the company's financials, conduct interviews with the company's key management to understand its business model and interviews with reference customer(s) to obtain feedback on the use of the product/ service.

2.2.5 Upon IMDA's determination, at its sole and absolute discretion, that the company meets the enrolment criteria, the company will be enrolled into Spark and provided with a written notification accordingly. A company that does not meet the enrolment criteria will also be notified.

2.2.6 Companies that are successfully enrolled into Spark ("**Spark Member**") will be awarded a membership status ("**Spark Membership**"). Validity of the membership is subject to review by IMDA which will minimally be conducted annually or at periods deemed appropriate by IMDA. Company would be notified by IMDA at least 1 month before the review period, and the company shall work with IMDA to complete the review within 1 month from the start of the review period. Each enrolment / review process is estimated to take about 1 to 2 weeks, provided that all requisite information is provided by the company.

### **2.3 Spark Enrolment Benefits**

2.3.1 The Spark Members will have access to various community events / masterclasses as well as network of reputable Professional Services firms, industry mentors and like-minded peers ("**Community Partners**")

to assist them in their growth challenges. Spark Members may be invited to participate in social media sites and/or listed on IMDA's websites or any publications that IMDA deemed necessary to facilitate interactions with Community Partners.

- 2.3.2 IMDA will work with the Community Partners to customise and offer workshops and masterclasses targeted at addressing specific challenges in a company's growth journey. Spark Members will be notified of the calendar of events / masterclasses and invited to register via email or social media sites.
- 2.3.3 Our Community Partners would also be offering pro-bono advisory services to assist the Spark Members in areas such as business consultancy, legal, human resource and branding/marketing. IMDA will match interested Spark Members with relevant Community Partners for discussion on acceptance details for access to the pro-bono services. Any contractual agreement required between the Community Partner and the Spark Member is to be discussed solely between the two parties involved and is outside the scope of Spark.
- 2.3.4 IMDA would also provide priority processing of applications to selected grants offered under Business Grant Portal for Spark Members. The grant applications and approval will be subject to the applicable evaluation criteria and Terms & Conditions of the grant.
- 2.3.5 Fast-growing Spark Members, which are looking to rapidly scale their technical operations in Singapore, will also be provided assistance by IMDA in their technical talent recruitment under the existing TeSA programmes, where applicable.
- 2.3.6 Spark Members that are offering enterprise technology products can also apply and be evaluated for listing on the Government Procurement Panel ("**Panel**"). Interested Spark Members can refer to **paragraph 4** for details.

## **2.4 Termination of Spark Membership**

- 2.4.1 If a company decides to terminate its Spark Membership, it must provide a written notification to IMDA on its termination. It is not required to provide a reason for termination. When informed of a termination by the company, IMDA will archive the information that has thus far been provided by the company unless upon the specific written instruction by the company to destroy the stated information. Any fees (outlined in paragraph 3.2) paid by the company will be forfeited.
- 2.4.2. The company may re-apply for Spark at a later date, and such re-application shall be treated as a new application, shall be required to undergo the full Spark enrolment process including but not limited to the payment of the applicable fees, the submission of a full set of documents and all required evaluations.

- 2.4.3 IMDA may terminate a company's Spark Membership at any time during the validity of the membership if it is assessed that the company can no longer continue to fulfil its enrolment criteria during IMDA's review of the company, if company is unable to provide the information required by IMDA for the review or if it breaches any the Terms and Conditions.

### **3 OBLIGATIONS ON SPARK MEMBER**

#### **3.1 *Achieving and Maintaining Spark Membership***

- 3.1.1 Claims of enrolment as a member into Spark may be made only after IMDA has issued a written notification to the company.
- 3.1.2 During the validity as a Spark Member, the company shall provide self-declaration to IMDA upon any material changes to the business, organisation (including corporate structure, key personnel, corporate direction and financials), regulation and reputation, in an email to IMDA, documenting accurately and truthfully any material changes in their business, service and/or system, company finances, operations or company directions. For avoidance of doubt, material changes will include, without limitation, the occurrence of a trigger change as determined by IMDA and communicated to the company upon enrolment as a Spark Member.
- 3.1.3 At any time while the company is a member of Spark, IMDA has the right to request for more information and/or seek additional clarifications to ensure that the Spark Member meets the enrolment requirements. In these cases, any costs for incurred in connection with such interim evaluations and/or additional clarification shall be borne by the Spark Member.

#### **3.2 *Fees***

- 3.2.1 Currently, IMDA does not collect any fees for participating in Spark. IMDA reserves the right to impose fees in the future in for participation in Spark. Where 3rd party assessor(s) are necessary for the evaluation, IMDA will endeavour to identify and inform the company of such requirement and any 3rd party fees payable prior to the start of the evaluation. Where this not possible, IMDA will inform the company of such requirement and any 3rd party fees payable as soon as practicable.



## 4 EVALUATION FOR LISTING ON GOVERNMENT PROCURMENT PANEL (“PANEL”) (FOR ENTERPRISE PRODUCTS ONLY)

### 4.1 Overview and Types of Evaluation

- 4.1.1 A Spark Member may apply and be further evaluated by IMDA for listing on the Panel for a limited period of up to 12 months. A Spark Member will be evaluated as depicted in the following diagram (see Figure 1). All evaluation is conducted by the IMDA, or where necessary, by 3rd party assessors appointed by or in partnership with IMDA.



Figure 1. Types of evaluation.

- 4.1.2 During the evaluation process, IMDA may communicate areas of concerns, in any of the 3 key areas of evaluation, to the company in parts. Upon discussion with the company, IMDA may require the company to undertake and implement corrective actions in a timely manner prior to proceeding with the evaluation.
- 4.1.3 This evaluation phase is estimated to take between 2 to 4 weeks depending on the comprehensiveness of the submitted documents for evaluation, product complexity and the company’s ability to implement any corrective action required. Upon IMDA’s determination, at its sole and absolute discretion, that the company meets the evaluation criteria, the company will be successfully listed on the Panel. A company that does not meet the evaluation criteria will be notified.

- 4.1.4 The evaluation is not an acceptance test of the product from IMDA for any enterprise deployment and the inclusion into the Panel does not indicate that the company is an accredited company and shall not be taken or marketed as such. The company shall be responsible to ensure that, where necessary, proper acceptance tests are conducted to meet the needs of its clients.
- 4.1.5 Spark Member listed on the Panel shall work with IMDA, when required, to showcase its product to potential key stakeholders and partners identified by IMDA or participate in other IMDA or related Government initiatives. IMDA may also publish the list and information of companies on IMDA's website, Government Intranet or on any other publications relevant for Spark.

## **4.2 Technical Evaluation and Requirements**

- 4.2.1 A technical evaluation will be conducted on the product to be listed. The company shall submit to IMDA the version of the product to be listed and the relevant detailed technical documentations (such as technical design documents, test cases and test reports) prior to the commencement of the technical evaluation.
- 4.2.2 The evaluation will be based on assessments of relevant documents and product testing conducted by IMDA at its laboratory located in IMDA. IMDA may, at its sole and absolute discretion, rely on the independent 3rd party certification(s) or test results presented by the company for relevant parts of the technical evaluation provided that IMDA has assessed such certification or results to be reliable – For example: certification from recognised industry certification bodies or signed user acceptance test(s) from enterprises deemed acceptable by IMDA.
- 4.2.3 Where, in IMDA's sole and absolute discretion, IMDA determines that the IMDA laboratory is not able to fully evaluate the product at its premises, IMDA may choose to conduct selected aspects of the product testing at the company's premises in order to leverage on specific testing tools or set-up from the company.
- 4.2.4 IMDA may also require access to the company's staging servers for penetration tests in the event IMDA deems that security testing is necessary.
- 4.2.5 The company shall provide all resources deemed necessary by IMDA to enable the technical evaluation by IMDA, including but not limited to technical assistance in the set-up and configuration of the product at the appointed test premise and guidance on the use of the product.
- 4.2.6 The technical evaluation is based on individual product's functionality claims made by the company and key product features deemed important by the reference customers of the company. Hence, the technical

requirements to be met and the tests to be conducted will be uniquely defined for each product.

- 4.2.7 IMDA will, in consultation with the company, determine the technical requirement(s) and test scope, taking into account the product's technical claims and capabilities by the company, interviews with the company's reference customers and, assessment of the relevant technical specifications and product documents.

### **4.3 Financial Evaluation and Requirements**

- 4.3.1 The company must demonstrate the financial sustainability (minimally for 12 months) of its business. A financial evaluation will be conducted on the company for IMDA to evaluate the company's claims and documentary evidence, to sufficiently assure IMDA that the company would be able to sustain its operations and deliver on its potential pipeline.

- 4.3.2 In conducting the financial evaluation, IMDA may have regard to the following requirements:

#### Business sustainability

- a. Funding plans for working capital and other expenditure
  - b. Investment and financing cash flows
  - c. Business model and cost structure
  - d. Business pipeline and growth projections
- 4.3.3 The company must demonstrate to IMDA's satisfaction, that it meets the requirements listed in paragraph 4.3, which must be supported by documentary evidence such as its audited financial reports, business plans, pipeline contracts and financing plans. The company must provide IMDA with any document that IMDA deems relevant for the financial evaluation.
- 4.3.4 For the purpose of the financial evaluation, the Chief Executive Officer and Chief Financial Officer, or their equivalent, of the company will be interviewed by IMDA.

### **4.4 Operations Evaluation and Requirements**

- 4.4.1 The company must demonstrate its ability to deliver and support the product. An operations evaluation shall be conducted on the company to evaluate the company's internal processes and capabilities of its manpower, to sufficiently assure IMDA that the company would be able to support the product implementation and maintenance for its potential pipeline.

- 4.4.2 In conducting the operations evaluation, IMDA may have regard to the following areas:

Strength of development and operations team

- a. Size of development and operations team and/or partnership for product delivery and implementation
- b. Expertise of key personnel for development and operations

Internal development and support processes

- c. Processes and tools in place for managing product development lifecycle
- d. Processes and partnership in place for product maintenance and support to customers

- 4.4.3 The company must demonstrate, to IMDA's satisfaction, that it has the necessary capabilities or expertise in each of the above areas, which must be supported by documentary or on-site evidence such as resumes and partnership agreements. The company must provide IMDA with any document as IMDA deems relevant for the operations evaluation.

- 4.4.4 For the purposes of the operations evaluation, the key support and operation team of the company will be interviewed by IMDA. IMDA may also request to interview the company's existing customers for reference checks.

## **4.5 *Achieving and Maintaining Listing on Panel***

- 4.5.1 Claims of listing on the Panel may be made only after IMDA has issued a written notification to the company.

- 4.5.2 The company must, to the best of a company's knowledge, warrant and represent that the company conforms to the evaluation and testing requirements, and to the policies herein during the validity of the listing period.

- 4.5.3 The listing of the Spark Member on the Panel signifies that all necessary evaluation work has been performed and IMDA is satisfied that the company and the specific version of the product in the defined environment meets the IMDA defined evaluation and testing requirements, including the technical requirements set out at the start of the Spark technical evaluation.

- 4.5.4 The company shall keep the version of the product that is evaluated available for sale on the Panel throughout the listing.

- 4.5.5 During the listing on the Panel, the company shall provide self-declaration to IMDA upon any material changes to the evaluated product,

organisation (including corporate structure, key personnel, corporate direction and financials), regulation and reputation, in an email to IMDA, documenting accurately and truthfully any material changes in their evaluated product, service and/or system, company finances, operations or company directions. For avoidance of doubt, material changes will include, without limitation, the occurrence of a trigger change as determined by IMDA and communicated to the company upon the listing on the Panel.

- 4.5.6 It is important to note that the maintenance of the listing on the Panel only considers the effect of changes to the company and product on the evaluation baseline (i.e. requirements defined at the start of evaluation).
- 4.5.7 At any time during the period of listing on the Panel, IMDA has the right to conduct interim evaluations and/or seek additional clarifications to ensure that the Spark Member meets the evaluation requirements. In these cases, any costs incurred in connection with such interim evaluations and/or additional clarification shall be borne by the Spark Member.

#### **4.6 *Validity of Listing on Panel***

- 4.6.1 The listing on Panel is valid for up to 12 months from the date of listing and is non-renewable.
- 4.6.2 At IMDA's sole discretion, IMDA may allow for an extension of the listing by up to another 12 months upon appeal by the company and provision of its justification for the need and/or impact of such extension. In the case where IMDA agrees to the extension, company must still be enrolled under Spark and demonstrate that it continues to meet the evaluation criteria for listing.
- 4.6.3 For the purpose of extension, the company shall be required to undergo the evaluation as per paragraph 4. IMDA may, at its own discretion, decide to re-use any of the previous evaluation assessments provided that there are no substantial changes that would have altered the previous outcomes.
- 4.6.4 At any time during the listing validity period, IMDA may suspend or terminate the company's listing if the company may be assessed to be unable to fulfil its current or future delivery obligations due to its financial situation or delivery capabilities. IMDA will notify the company in such cases and may request for company to provide corrective actions before resuming the listing.

#### **4.7 *Code of Conduct for Listing on the Panel***

- 4.7.1 Spark Members listed on the Panel are still required to demonstrate their

value proposition to the interested agencies, and Government agencies may procure from any Spark Member that meet their requirements.

- 4.7.2 To participate in the streamlined Government procurement process, listed Spark Members will need to comply with all applicable rules and requirements imposed by the Government and/or the procuring Government agency, such as register for a GeBIZ trading account.
- 4.7.3 Without limitation, Spark Members listed on the Panel shall observe and comply with the following code of conduct:
  - (a) Spark Members should respond to customer requests and enquiries in a prompt manner and without undue delay.
  - (b) Where the Spark Member is proposing or selling a product (including a new product version) which is not evaluated, Spark Members shall disclose and inform the potential customer of the same.
  - (c) Spark Members shall not misuse or abuse the Spark status to secure projects, including but not limited to:
    - (i) Where Spark Members are invited to propose through the Panel for Government agencies, the Spark Member should not cross sell or bundle other non-evaluated product(s) or services with the evaluated product(s), unless such product(s) or services are essential to meet the stated requirement(s) of the potential customer. PROVIDED ALWAYS that, at all times, where the companies cross sell or bundle other non-evaluated product(s) or services with evaluated product(s), the company shall declare upfront and provide details to the potential customer such cross-selling and/or bundling.
    - (ii) Spark Members should not unduly raise prices and/or profiteer using the Spark Members status as a pretext.

## **5 CONFIDENTIALITY**

### **5.1 Confidentiality**

- 5.1.1 IMDA will treat the information provided by the company as confidential. However, IMDA may use or disclose such confidential information to 3rd parties under certain circumstances or for certain purposes – For example (but not limited to): for the purposes of evaluation, for the purposes of monitoring or benchmarking the company’s performance, or where IMDA is required to disclose pursuant to law.
- 5.1.2 IMDA may also share any relevant information gathered through the Spark process with the Government of Singapore, provided always that where such information consists of the source codes, schematics and any information that is expressly marked as “proprietary”, IMDA will first seek written consent of the company before sharing with the Government of Singapore.
- 5.1.3 The company shall keep confidential any information relating to its application for Spark or extension of the enrolment until written notification by IMDA. The company shall also keep confidential all correspondence between the company and IMDA in connection with Spark.
- 5.1.4 The terms and conditions regarding confidentiality and non-disclosure are contained in the Spark Terms and Conditions.