FACTSHEET   **Annex**

6 November 2020

HELPING SMEs GO DIGITAL

About SMEs Go Digital

1. SMEs are at the heart of Singapore's economy, employing two thirds of our workforce and contributing to nearly half of Singapore's Gross Domestic Product (GDP). With digital technology transforming every sector of Singapore's economy, our SMEs have to capitalise on digital technologies to thrive and seize growth opportunities.

2. Launched in April 2017, the SMEs Go Digital programme by the Infocomm Media Development Authority (IMDA) aims to make going digital simple for SMEs. As at Sep 2020, more than 50,000 SMEs have adopted digital solutions from the programme.

Industry Digital Plans provide sector-specific roadmap for digital adoption and training

3. The sector-specific Industry Digital Plans (IDPs) provide SMEs with a step-by-step guide on the digital solutions to adopt and relevant training for their employees at different stages of their growth. The IDPs serve as a common reference for SMEs and they are aligned with the Industry Transformation Maps for each sector.

4. To date, IMDA has rolled out IDPs for the following sectors – Retail, Logistics (including Air Transport), Environmental Services, Security, Food Services, Wholesale Trade, Media, Sea Transport (Bunkering, Harbour Craft and Ship Agency), Accountancy, Hotel, Construction and Facilities Management, as well as Training and Adult Education. We will develop IDPs for more ITM sectors.

Pre-Approved Solutions with up to 80% grant support[1]

5. To make it easy for SMEs to adopt digital solutions recommended in the IDPs, IMDA provides a list of pre-approved solutions assessed to be market-proven, cost-effective and supported by reliable vendors. SMEs interested in adopting these solutions can start by visiting GoBusiness Gov Assist[2] and applying for the Productivity Solutions Grant (PSG) through the Business Grants Portal[3]. PSG can help to offset up to 80% of the costs of adopting these solutions.

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[1] The maximum funding support level has been raised to 80% from 1 April 2020 to 30 September 2021, after which it will revert to 70% from 1 October 2021.

[2] For more information, please refer to https://govassist.gobusiness.gov.sg/productivity-solutions-grant/

[3] For more information, please refer to www.businessgrants.gov.sg

Start Digital, Start Right

6. Together with Enterprise Singapore (ESG), IMDA launched the Start Digital initiative in January 2019. Start Digital helps newly incorporated SMEs and those that have yet to digitalise, to get started with foundational digital solutions through their natural touchpoints – the banks and telcos.

7. These digital solutions are consolidated in Start Digital Packs, so that SMEs can easily select from these five categories: Accounting, Human Resource Management System (HRMS) & Payroll, Digital Marketing, Digital Transactions and Cybersecurity.

8. The Start Digital Packs are offered by banks and telcos partners – DBS, M1, Maybank, OCBC, Singtel and UOB – at competitive prices. SMEs that sign up for a minimum 18-month contract will receive cost waivers for at least six months, applicable for any two solutions.

Grow Digital Helps SMEs Go Global

9. Officially launched in June 2020, Grow Digital[4] is an initiative jointly developed by IMDA and ESG where SMEs can participate in Business-to-Business (B2B) and Business-to-Consumer (B2C) e-commerce platforms to sell overseas without a need for physical presence.

10. These platforms, pre-approved by IMDA and ESG, are selected for their strong networks with complementary business service providers (e.g. logistics and financing), good track record and experience in operating in multiple overseas markets. Through these platforms, SMEs will benefit from:

- Greater overseas exposure from smart matching to connect with potential overseas clients.

- Optimised listings on overseas e-marketplaces.

- Prompt access to financing offers facilitated via the platforms.

- Cross-border e-payment facilities that alleviate currency risks.

- Strong partners network such as with logistics companies to facilitate last-mile delivery.

- Training and support to build competency for cross-border e-commerce.

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[4] For more information, please refer to www.imda.gov.sg/GrowDigital

Supporting Growth and Innovation through Pilot Projects for SMEs

11. IMDA collaborates with industry leaders and infocomm media solution providers to pilot new digital solutions. These are typically solutions that meet new business needs in the industry and have the potential to scale up and have a broader impact on the industry. Solutions that are proven to be effective and useful to SMEs in the industry could be considered for pre-approval and supported under the PSG.

Digital Resilience Bonus (DRB) for the Food Services and Retail sectors

12. The DRB seeks to uplift the digital capabilities of a broad base of enterprises. As a pilot, the Bonus will be targeted at the Food Services and Retail sectors, which are most affected by the safe distancing requirements as we re-open the economy.

13. Food Services and Retail enterprises that are incorporated on or before 26 May 2020, and have adopted pre-defined categories[5] of digital solutions by 30 June 2021, are eligible for the bonus. Eligible enterprises can receive payouts of up to $10,000, if they:

- Adopt PayNow Corporate **and** InvoiceNow; and

- Adopt the digital solutions in the required categories.

F&B	Solutions to adopt in addition to PayNow Corporate and InvoiceNow
Category 1	(i) Accounting, (ii) HR/Payroll and (iii) Digital Ordering (Dine in/Takeaway)
Category 2	Online food delivery (via food delivery platforms or own online shopfront) or e-procurement
Category 3	Data mining and analytics

Retail	Solutions to adopt in addition to PayNow Corporate and InvoiceNow
Category 1	(i) Accounting, (ii) HR/Payroll and (iii) Inventory Management
Category 2	e-Commerce
Category 3	Data mining and analytics

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[5] For more information, please refer to www.imda.gov.sg/DRBonus

14. The payout for Category 1 and 2 is $2,500 per enterprise per Category. The payout for Category 3 is $5,000 per enterprise. Enterprises that fulfil all categories will receive $10,000.

15. There are more than 100 digital solutions[6] qualified for DRB. 2,700 Food Services and Retail enterprises have received $6.8 million in DRB payouts.

Cost-Free Digital Consultancy Services at the SME Digital Tech Hub

16. The SME Digital Tech Hub[7] provides digital consultancy to SMEs who require expert advice in specialised areas such as data analytics, cybersecurity, artificial intelligence and Internet of Things. Established by IMDA and operated by the Association of Small and Medium Enterprises (ASME), the SME Digital Tech Hub complements SME Centres which help SMEs identify the pre-approved solutions that meet their business needs.

17. The SME Digital Tech Hub also provides free advisory clinics for SMEs and recommends suitable infocomm technology vendors and consultants.

Digital Project Management Services to help SMEs implement digitalisation

18. SMEs can engage services from a ready pool of skilled digital project managers, at subsidised fees, to help with implementing their digital solutions. This can include the review of business processes and job redesign so that they can realise the full benefits of going digital. The digital project management services are provided by the Singapore Manufacturing Federation (SMF) and supported by ESG and IMDA.

**Advanced Digital Solutions (ADS)**

19. Enterprises can enjoy up to 80% co-funding support to adopt more advanced solutions to deepen their capabilities, strengthen business continuity measures and build longer term resilience. Solutions supported under ADS address common enterprise-level challenges at scale, help enterprises to adopt cutting-edge technologies and enable enterprises to transact more seamlessly within or across sectors.

20. IMDA works with sector lead agencies and industry players to identify relevant integrated digital solutions for their respective sectors, that can be supported under ADS. Funding support can cover costs for hardware and software, infrastructure, connectivity,

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[6] For more information, please refer to http://www.imda.gov.sg/DRBonus#5
[7] For more information, please refer to www.digitaltechhub.sg

cybersecurity, integrations, development, enhancement and project management. It can also cover costs of replacing or expanding legacy systems and existing infrastructures. The funding support will be available from 1 May 2020 to 31 December 2020.

How do SMEs get started?
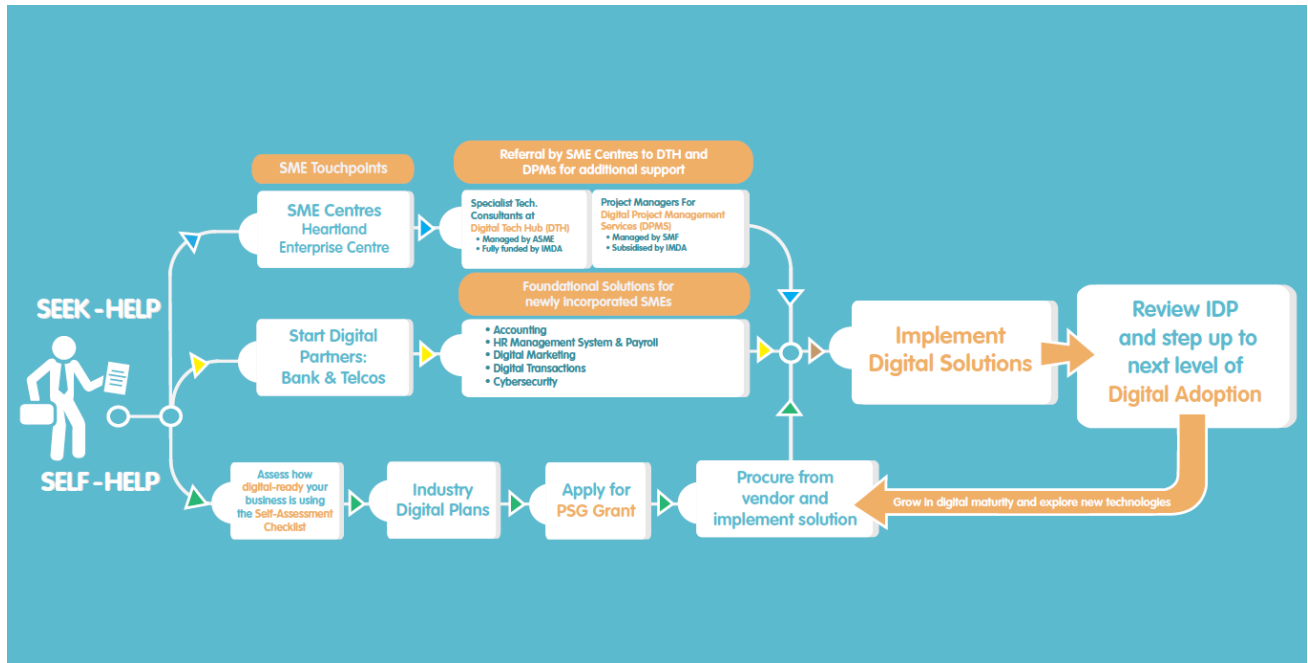
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