MARCH 2010

MEDIA FACTSHEET

Infocomm@SME Programme

Infocomm@SME programme was launched in June 2007, to accelerate the adoption and innovative use of infocomm by SMEs, so that these enterprises can leverage infocomm to improve productivity, sharpen their competitiveness and expand their market reach.

The Infocomm@SME Programme focuses on:
a) Educating SMEs on the value and possibilities of infocomm;
b) Providing SMEs with hassle-free and trusted access to infocomm; and
c) Making infocomm affordable to SMEs

The existing initiatives and resources under the Infocomm@SME Programme are:

i) **SME Infocomm Resource Centres (SIRCs)**
The SIRCs serve as a one-stop channel to advise SMEs on the usage of infocomm. Besides advisory services, SMEs are encouraged to tap on the resources available to trial or pilot innovative solutions. The SIRCs also organise regular workshops or technology learning sessions for SMEs to learn about common infocomm business applications, such as IP telephony, security software and updates of current technology trends. The first SIRC was set up at the Singapore Polytechnic in June 2007, followed by a second centre at the Singapore Chinese Chamber of Commerce & Industry in August 2008. As at end January 2010, more than 7,000 SME participants learnt how to apply infocomm technology through the two SIRCs.

ii) **Technology Innovation Programme (TIP)**

Since June 2007, IDA and SPRING have assisted SMEs to grow their businesses through innovative use of infocomm technologies under SPRING's TIP. TIP provides co-funding to help offset part of the SMEs' costs such as manpower, equipment and professional fees incurred in taking up more advance infocomm projects, in the likes of implementing enterprise resource planning system and mobile solutions to enhance their business operations and efficiency.

SPRING's TIP will continue tos focus on supporting new product & process development while all infocomm adoption projects will be supported under the new Increase SME Productivity with Infocomm Adoption and Transformation Scheme (iSPRINT).

iii)   SME Infocomm Package (SIP)

The SME Infocomm Package (SIP) offers one-stop, ready-to-go bundled infocomm solutions on hardware, sector-specific applications, website development, broadband connectivity and maintenance support for SMEs.

In addition, SMEs that do not own a website can enjoy a subsidy to develop an online presence for their business. Since its official launch in June 2008, more than 3,000 SMEs have enjoyed this subsidy and established the first website for their business.

iv)   Online Infocomm Directory for SMEs (i-Directory)

In August 2008, IDA launched a dedicated one-stop portal with easy classification of infocomm products and services to better help SMEs look for suitable infocomm solutions for their businesses. The directory offers short profiles of infocomm solutions providers, contact information and details of available infocomm products and services.

i-Directory is available under the Infocomm Singapore Portal[1] at: www.infocommsingapore.sg/idirectory. As at end of January 2010, SMEs can have access to more than 400 unique infocomm products and services in i-Directory.

v)   Accounting Software Assistance Scheme (ASAS)

ASAS is an initiative by IDA and the Inland Revenue Authority of Singapore to encourage SMEs that are Goods-and-Services Tax (GST) registered to apply for a subsidy to defray the cost of purchasing and setting up the accounting software, as well as the training expenditure on the use of it.

ASAS is now part of iSPRINT.

Drawing from the past two years of implementation experience and feedback from SMEs, the Infocomm@SME Programme is now expanded to further drive and scale up the level of infocomm adoption among SMEs through:

a)   Promoting the use of "quick-to-implement" infocomm solutions by the SMEs to improve their basic business functions. For example, accounting, human resource & payroll, customer relationship management and enterprise resource planning.

b)   Transforming the SMEs by sector to achieve greater economies of scale and to enhance the capability of the sector; and

c)   Helping SMEs leverage "Plug & Play" and easy to use infocomm technologies, such as the mobile and Software-as-a-Service applications.

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[1] Infocomm Singapore portal is a virtual storefront with a one-stop directory listing and capability maps of local infocomm companies.

As part of the programme enhancements, the following new initiatives will be introduced:

i) **<u>iSPRINT – Increase SME Productivity with Infocomm Adoption and Transformation</u>**

The new SME Productivity with Infocomm Adoption and Transformation Scheme (iSPRINT) aims to address the different infocomm adoption needs of the SMEs and make it easy for the enterprises to seek assistance for their infocomm adoption projects to improve their productivity and efficiency. IDA will be the one-stop contact point for SMEs to seek advice on available assistance for infocomm adoption projects.

This is a new initiative launched by IDA, in collaboration with SPRING Singapore and the Inland Revenue Authority of Singapore (IRAS).

Please see **Annex A** for the factsheet on iSPRINT.

ii) **<u>Sectoral Transformation</u>**

Given that over 80%[2] of our SMEs[3] are small businesses with less than ten employees, it is beneficial for SMEs to approach infocomm adoption from a sectoral approach that will help aggregate their demand and allow them to embark on computerisation together with better economies of scale. The collective implementation of infocomm solution(s) can help to level up the capability and efficiency of the sector.

IDA will work with organisations such as government agencies, trade and industry associations to facilitate the transformation of a sector through harnessing infocomm technology.

iii) **<u>SME Change Ambassadors</u>**

IDA will partner with SMEs that have succeeded in using infocomm technology to transform their business and showcase them as role models to inspire other SMEs with their success stories. As role models for the other SMEs, their stories will be featured in marketing materials and they will be invited to different platforms to share their experience with the other SMEs.

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FOR MORE INFORMATION

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[2] Based on Singapore Department of Statistics' and Economic Development Board's 2008 preliminary statistics for the services and manufacturing sectors (excludes construction sector as the 2008 statistics are not available)

[3] SMEs are defined as enterprises with net fixed assets investment less than $15 million for those in the manufacturing sector. For the services sector, SMEs are defined as enterprises with employment size less than 200 workers.

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iSPRINT – Increase SME Productivity with Infocomm Adoption and Transformation

IDA supports SMEs on their infocomm adoption journey through the Infocomm@SME Programme. Launched in June 2007, the programme serves to accelerate the adoption and innovative use of infocomm among SMEs to improve productivity, sharpen their competitiveness and expand their market reach.

SMEs can now expect a broader scope of assistance from the Infocomm@SME programme. The expansion of the Infocomm@SME programme through the Increase SME Productivity with Infocomm Adoption and Transformation Scheme (iSPRINT) serves to address the different infocomm adoption needs of SMEs and make it easy for these enterprises to seek assistance, through the one-stop contact point from the Infocomm Development Authority of Singapore (IDA).

iSPRINT will support a suite of infocomm solutions, from simple solutions to improve business operations to innovative use of technology to transform the business or sector. It will also support subscriptions to Software-as-a-Service applications so that SMEs can easily get started with minimum infrastructure investments.

The S$25 million[4] iSPRINT scheme is an initiative launched by IDA, in collaboration with SPRING Singapore and the Inland Revenue Authority of Singapore (IRAS). It is expected to benefit more than 4,500 SMEs.

Support Areas for SME Infocomm Adoption

iSPRINT will support the following areas of infocomm adoption by SMEs:

a. **Business Improvement** – Acquisition of basic infocomm solutions to improve the fundamental business functions of an SME. For example, accounting, human resource & payroll, customer relationship management enterprise resource planning. Each SME can seek support of up to 50% of the qualifying costs, with a cap of S$10,000[5], to either purchase packaged solutions that have been pre-qualified by IDA, or engage consultants to develop customised solutions.

b. **Business Transformation** – Implementation of large-scale infocomm solutions to integrate business operations within the company and beyond resulting in significant value-add to the SME and transform the way the SME conducts its business. For example, a SME wholesaler implementing a supply chain management system to automate their stock replenishment from their manufacturers or suppliers, to achieve a just-in-time inventory control without any human intervention. Each SME can get support of up to 50% of qualifying

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[4] The S$25 million comprises S$20 million from SPRING Singapore and an existing S$5 million from IRAS for the Accounting Software Assistance Scheme that was launched in July 2009.
[5] Based on up to 50% of qualifying costs of pre-qualified packaged solutions or customised solutions, SMEs can make multiple applications up to S$10,000 per SME, whilst funds last.

costs for manpower-related costs, consultancy services, hardware and software.

Criteria for Application:

The basic[6] qualifying criteria are:

a.   At least 30% local shareholding;
b.   Group fixed assets less than S$15 million[7]; and
c.   Less than 200 employees (for SMEs in the non-manufacturing sector)[7]

To initiate the application, SMEs will need to submit a request form and a business proposal with the required details about their company and infocomm needs. IDA will make an assessment and advise the SMEs on the suitable assistance for the project.

SMEs can visit www.ida.sg/sme for further details on the scheme.

Sectoral Transformation

Besides supporting individual SME to leverage infocomm for their business, IDA will partner other government agencies, industry and trade associations to promote infocomm adoption at a sectoral level. This will enable a collective implementation of infocomm solution(s) which can help level up the capability and efficiency of the sector.

Some examples of sectoral wide projects include IDA's collaboration with the Ministry of Education on the pre-school sector to computerise the operations and support innovative teaching and learning at pre-schools, and with the Association of Employment Agencies (Singapore) to automate their members' common business processes through the implementation of a portal.

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[6] Depending on the funding source for the assistance, additional criteria may apply and will be advised by IDA.

[7] Computed on a group basis, i.e. checking up to three levels for corporate shareholders holding 20% or more of the total shareholding in the company and one level down where the company owns 50% or more of the total shareholding in a subsidiary company.