

Productivity Solutions Grant

生产力提升计划

The Productivity Solutions Grant (PSG) is a new initiative to assist businesses in their transformation journey. Aligned to the Industry Transformation Maps, PSG provides support for the adoption of IT solutions and equipment that have been selected by the respective industries' lead agencies. Interested companies can apply for the PSG through the Business Grants Portal (BGP) from April 2018. An initial budget of \$110M has been set aside for the next three years for this initiative. The PSG is coordinated by MTI's Grants Management Office (GMO) and administered by relevant agencies.

Key features of PSG

2. The PSG will first streamline three existing grants, namely (i) the National Parks Board's (NParks) Landscape Productivity Grant (LPG); (ii) SPRING Singapore's Innovation and Capability Voucher (ICV); and (iii) the Infocomm and Media Development Authority's (IMDA) support for pre-approved digital (IT) solutions under the SMEs Go Digital programme. All three grants currently provide businesses with support for basic productivity upgrading. More grants will be on-boarded on PSG gradually.

3. To better support businesses in the next phase of transformation, which may require more substantial investments and longer term commitments, PSG will have the following features:

- a. Funding of up to 70% of cost;
- b. Increase in grant caps;
- c. Pre-scoping of IT solutions and equipment with prequalified vendors (for IT solutions); and
- d. Simplified grant processes.

Principle of co-payment and up to 70% support

4. The government will support up to 70% for IT solutions and equipment under the PSG. The sharing of cost with businesses ensures that companies take ownership in selecting the most appropriate products for its stage of growth.

Increase in grant caps

5. As companies require heavier investments with longer time commitments, the grant caps have been increased and customised for the respective sectors.

Streamlining for Businesses' convenience

6. PSG streamlines existing pre-scoped grant schemes into a single grant. This helps businesses navigate the grants landscape more easily. Through the BGP, businesses can apply for the grants, monitor the status of their applications and manage the claims process more seamlessly. This complete end-to-end process seeks to enhance the grant application experience for businesses.
7. Industry lead agencies will work closely with IMDA to pre-qualify suitable vendors which can offer digital (IT) solutions suitable for mass adoption and are aligned to the Industry Transformation Maps (ITMs). This will better ensure harmonisation across the various sectors.
8. For a start, the PSG will cover sector-specific solutions in the Retail, Food, Logistics, Precision Engineering, Wholesale, and Landscaping industries. Other than sector-specific solutions, PSG will also support businesses' adoption of broad-based solutions that cut across all industries, such as Customer Relationship Management (CRM) and Human Resource Management (HRM) systems.
9. The suite of supported solutions under the grant will be regularly reviewed and expanded as more lead agencies put up solutions for support under PSG that are in line with the ITMs.

10. The table below shows a summary of the key features of the PSG.

Table 1: Summary of PSG Scheme Parameters

Description	<p>The PSG helps to defray the cost of adopting pre-scoped IT solutions and equipment that can improve a firm's productivity.</p> <p>Both broad-based and sector-specific solutions and equipment are supportable under the grant.</p> <p>Up to 3 different modes of purchases may be supported based on solution:</p> <ul style="list-style-type: none"> • Direct Purchase • Hire Purchase • Subscription
Eligibility Criteria	<ul style="list-style-type: none"> • Applicant must be a business entity registered in Singapore • Applicant's purchase/subscription of the IT solution or equipment must be used in Singapore • Other sector specific requirements may apply
Support level	<p>Up to 50% or 70% depending on IT solution or equipment. The support level is determined based on agencies' assessment of impact and current industry adoption.</p>
KPIs	<ul style="list-style-type: none"> • Cost-Savings • Productivity Improvement
Grant Cap	<p>Each company will be subjected to a firm-level grant cap based on the industry sector that they are in. Grant caps are valid for a period determined by sector lead agency.</p>

11. The respective agencies will provide more details in due course. Businesses can also visit the SME Portal (www.smeportal.sg) to find out more about PSG.

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