

Enterprise Financing Scheme – Trade Loan (EFS – TL)
企业融资计划 – 贸易贷款

What is it?

The Enterprise Financing Scheme – Trade Loan (EFS – TL) supports Singapore-based enterprises’ trade financing needs, which include the financing of short-term import, export, and guarantee needs.

What is being enhanced/revised?

In April 2020, the EFS – TL was enhanced to provide enterprises with better access to trade financing amid slower business activities and longer payment cycles due to COVID-19.

Given continued uncertainties in the global trade ecosystem, the enhanced EFS – TL will be extended with revised parameters.

However, to encourage enterprises to internationalise and capture new opportunities, the enhanced risk-share of 70% will be maintained for young enterprises and enterprises trading in challenged markets.

A summary of the revised parameters of the enhanced EFS – TL are as follows:

Parameters	Details
Maximum loan quantum [Revised]	<ul style="list-style-type: none"> • S\$5 million per Borrower, from \$10 million previously • S\$20 million limit per Borrower Group¹
Maximum repayment period	<ul style="list-style-type: none"> • 1 year
Government’s risk-share [Revised]	<ul style="list-style-type: none"> • From 1 Apr 2022 - 30 Sep 2022: 70% • From 1 Oct 2022: <ul style="list-style-type: none"> ○ Standard: 50% ○ Young enterprises² and enterprises trading in challenged markets³: 70%
Interest rate	<ul style="list-style-type: none"> • Subject to assessment by participating financial institutions

When will it be implemented?

¹ Borrower Group consists of the following:

- a. Borrower; and
- b. Corporate shareholders holding more than 50% at all levels up; and
- c. Subsidiaries where the Applicant company holds more than 50% shareholdings and subsequent subsidiaries at all levels down
- d. Subsidiaries where the Applicant’s Ultimate Parent Company holds more than 50% shareholdings and their subsidiaries at all levels down

² Young enterprises refer to firms formed within the past 5 years with at least 1 employee, and more than 50% equity owned by individuals

³ Challenged markets refer to countries with S&P rating BB+ and below, including non-rated countries

The enhanced EFS-TL is presently available and will be extended from 1 April 2022 to 30 September 2022. The enhanced risk-share support for enterprises trading in challenged markets will be maintained from 1 October 2022.

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