

**NONE OF THE ESTABLISHMENTS IN THE ILLEGAL KTV
CLUSTER RECEIVED PIVOT SUPPORT PACKAGE;
STRINGENT CRITERIA IN PLACE WHEN ASSESSING GRANT
APPLICATIONS**

1. MTI and ESG wish to clarify comments and misperceptions about recent breaches of Safe Management Measures (SMM) by illegal KTV clubs masquerading as F&B outlets which resulted in the spread of COVID-19 cases.
2. Due to the pandemic, all nightlife establishments were not permitted to operate from 27 March 2020. Many businesses and the Singapore Nightlife Business Association appealed to the government to allow them to pivot to other permissible activities, including F&B outlets, office spaces and gym/fitness centres. Considering the challenges faced by the industry, the Government allowed selected establishments to pivot to other permissible activities from October 2020.
3. Nightlife establishments that wished to pivot to other permissible activities had to first obtain the necessary approvals from the relevant regulatory agencies¹. The firm had to submit a business plan, including details on the operational requirements. Each application was carefully assessed on its own merit, taking into consideration factors such as the applicant's operational plan. Approved applicants were eligible for a pivot grant of up to \$50,000 from Enterprise Singapore (ESG), to defray qualifying costs incurred during the pivoting process, such as equipment and third-party consultancy costs. Grants are given on a reimbursement basis and disbursed only upon satisfactory checks of the required documentation and onsite inspection.
4. As at 21 July 2021, more than 400 former nightlife establishments have pivoted to other approved uses. Of these, only 18 have received ESG's pivot support package to pivot to F&B operations. Of these 18 establishments, 10 were bars and pubs, six were nightclubs and discos and two were karaoke establishments. **None of the establishments belonging to the KTV COVID-19 cluster received a pivot grant.**

¹ As announced by the Ministry of Sustainability and the Environment (MSE) in their press release dated 16 July 2021, all applications from nightlife operators seeking to convert to F&B establishments have been suspended with immediate effect for three months, pending further review.

5. The various agencies (e.g. ESG, URA, STB) check on all F&B establishments to ensure compliance with all SMM protocols. Checks on pivoted ex-nightlife operators are jointly conducted with the Singapore Police Force (SPF).
6. Agencies will not hesitate to take firm enforcement action against errant operators. If found in breach of SMM, grant terms or declarations as submitted in the grant applications, ESG reserves the right to recover the grants even after disbursement.

Ministry of Trade and Industry & Enterprise Singapore

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