

ANNEX B-3: SUPPORT FOR DIGITAL TRANSFORMATION

Boosting e-payment adoption

Adopting e-payments allows businesses to operate in a safe manner by reducing contact with customers and cash during transactions. In June 2019, the Government had launched a unified e-payment solution to provide an interoperable system, lower merchant discount rate, and quicker transaction of credit¹.

The Government will now boost its support for stallholders in hawker centres (including cooked food and wet market stalls), coffee shops, and industrial canteens to adopt this unified e-payment solution. In the next phase, agencies will prioritise the deployment of Singapore Quick Response Codes (SGQRs)² for contactless payments. Stallholders will only need to sign up once with the master acquirer, NETS³. Through the SGQR, stallholders will be able to receive payments through 19 different providers, which include Dash, GrabPay, and local bank offerings such as DBS PayLah!. Stallholders can still request for payment terminals if they wish.

A bonus of up to \$1,500 (\$300 per month, over a period of five months) will be given to encourage stallholders to adopt this e-payment solution. The bonus is contingent on sustained use of the e-payment solution, with a minimum number of e-payment transactions per month. The Government will also bear the transaction fees (i.e. merchant discount rate payable by merchants) until 31 December 2023⁴.

At the same time, to drive e-payment usage at these stalls, the Government will continue to engage customers through education and marketing efforts with private sector partners.

More Information

For more information about the unified e-payment initiative, please visit epaysg.com.

Stallholders who wish to sign-up for the solution can contact NETS at 6274 1212 or email CFCpayments@nets.com.sg.

For more information, please contact info@imda.gov.sg.

¹ The initiative, provides a single, interoperable system for stallholders. Under the initiative, a merchant discount rate (MDR) of 0.5% for monthly payment transactions was agreed upon. The Government provides funding support over three years, bringing down the MDR to 0%. The appointed master acquirer of the initiative, NETS, also waived the terminal rental fee for merchants. Consumers can choose to pay using any of the 27 schemes available. The initial target was to deploy the solution to approximately 20% of stallholders. As at April 2020, the Government was on track to reach the target, with approximately 15% of stallholders having already adopted the solution.

² SGQRs rely on Quick Response (QR) codes to process contactless e-payment.

³ A master acquirer refers to the appointed entity that handles the payment transactions of merchants across the multiple payment schemes. The entity will act as the main touch point to accept e-payments and facilitate reconciliation of accounts and earnings with participating merchants.

⁴ Stallholders that have already adopted the solution will also enjoy extended funding support on their merchant discount rate until 31 December 2023.

Digital Resilience Bonus

The Digital Resilience Bonus provides additional support to enterprises seeking to uplift their digital capabilities to adapt to safe management practices after the circuit breaker period. As a pilot, the Bonus will be targeted at the Food Services and Retail sectors. There is a greater urgency for these sectors to digitalise and adapt quickly due to the consumer-facing nature of their businesses.

Food Services and Retail enterprises that adopt pre-defined categories of digital solutions can receive bonus payouts of up to \$10,000 to offset the cost of adoption (Table 1). More details will be announced at a later date.

Table 1: Solution categories and Digital Resilience Bonus quantum

	Baseline	Category 1 (\$2,500)	Category 2 (\$2,500)	Category 3 (\$5,000)
Food Services	PayNow Corporate and e-invoicing	Business process solutions: (i) Accounting; (ii) HR/Payroll; <u>AND</u> (iii) Digital ordering (dine-in/takeaway)	Digital presence: online food delivery (via food delivery platforms or own online shopfront) or e-procurement	Data-driven operations: data mining and analytics
Retail	PayNow Corporate and e-invoicing	(i) Accounting; (ii) HR/Payroll; <u>AND</u> (iii) Inventory management	Digital presence: e-commerce	Data-driven operations: data mining and analytics

Enterprises that adopt qualifying solutions in any one of the three categories, on top of baseline solutions, will receive bonus payouts for the respective categories. For example, an enterprise that adopts baseline, Category 1 and Category 2 solutions, will receive a total bonus payout of \$5,000. An enterprise can receive up to \$10,000, for adopting solutions across all categories (inclusive of baseline category). More details on qualifying conditions will be announced at a later date.

More Information

For more information, please contact the Infocomm Media Development Authority (IMDA) at info@imda.gov.sg.

National Innovation Challenges

To address immediate nationwide priorities and challenges of reopening and recovery post circuit breaker, IMDA and ESG will introduce a set of National Innovation Challenges. These challenges will focus on how we can re-open Singapore safely – to achieve safe workplaces, safe homes, safe schools, and safe commuting – as well as medium- to long-term solutions for emerging stronger.

The National Innovation Challenges will be launched over a series of Innovation Calls, starting from Q3 2020. Successful solutions may receive Government co-funding for initial deployment. They build on IMDA's Open Innovation Platform, and the Open Innovation Network, jointly managed by IMDA and ESG, which support companies in getting quality and multi-disciplinary ideas, talent and resources to meet their innovation and business needs effectively.

More Information

For more information, please contact Open Innovation Platform at info@openinnovation.sg.