# UOB Business Outlook Study 2023

## (SME & Large Enterprises)

Singapore Report

# Foreword

ASEAN is an interconnected, young, and dynamic economic region of more than 650 million people, offering unique and diverse business opportunities. Amidst market turbulence and uncertainty, ASEAN has weathered recessionary risks well and continues to show strong growth potential.

Today's multipolar world should expect a new post-Covid era of re-globalisation, even regionalisation, alongside a different set of geopolitical objectives. This means new investment opportunities for ASEAN that bring opportunity for business growth.

As a strategic partner to businesses, we have commissioned the UOB Business Outlook Study 2023 (SME & Large Enterprises) to capture key insights from over 4,000 companies across industries and 7 markets, to understand current business sentiments and how we can continue to support their resilience, growth and needs.

The insights cover three key areas:

1. The trends that are shaping the growth of businesses, in the areas of Sustainability, Digitalisation, Supply Chain Management and Overseas Expansion;
2. How companies are adapting to a changing business landscape and adopting growth strategies;
3. How UOB and industry partners can continue to support businesses with their growth ambitions

ASEAN remains competitive – in terms of its cost, young labour force, and infrastructure – all of which are beneficial for businesses. The region's part in achieving sustainable development also requires the need for businesses to strategically look at business sustainability, from day-to-day operations and long-term succession planning, to net zero goals through transition towards ESG goals.

In an awakening region, business leaders need strategic partners with the ambition and capability to build the future of ASEAN. This is especially true for SMEs that form the backbone, specifically, 97% of ASEAN's economies.

As the One Bank For ASEAN, UOB connects businesses with and within ASEAN, and to Greater China, and the rest of the world.

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# Background and Methodology

UOB conducted a Business Outlook Study in Singapore covering 823 business owners and key executives from SMEs and Large Enterprises.

This study provides a comprehensive understanding of the current business sentiments, inflation impact and outlook among businesses across various sectors in Singapore. The study also captures insights around key themes such as Sustainability, Digitalisation, Supply Chain Management and Overseas Expansion.

## What

15-minute online surveys

Total of 823 interviews

Data collection:
28 December 2022 - 20 January 2023

## Who

Businesses with revenue of less than SGD 300 million

Covers both SMEs and Large Enterprises across key industry verticals

Owners/chief executive level/management level who are involved with business decision making

## Coverage

| Industries | Sample |
|---|---|
| Consumer Goods | 125 |
| Manufacturing & Engineering | 125 |
| Tech, Media & Telecom | 122 |
| Construction & Infrastructure | 105 |
| Wholesale Trade | 75 |
| Industrials, Oil & Gas | 58 |
| Business Services | 57 |
| Community & Personal | 54 |
| Real Estate/Hospitality | 52 |
| Professional Services | 50 |
| **Total** | **823** |

**Business classification:**

**Small Enterprises:**

annual turnover SGD <10m

**Medium Enterprises:**

annual turnover SGD 10m to < 300m

# 2. Business Sentiments

# Business environment in 2022

Business environment in Singapore was more positive than in Hong Kong, and Thailand

Nearly **8 in 10** businesses in Singapore said the business environment was positive in 2022.

Most positive sentiments (sectors)

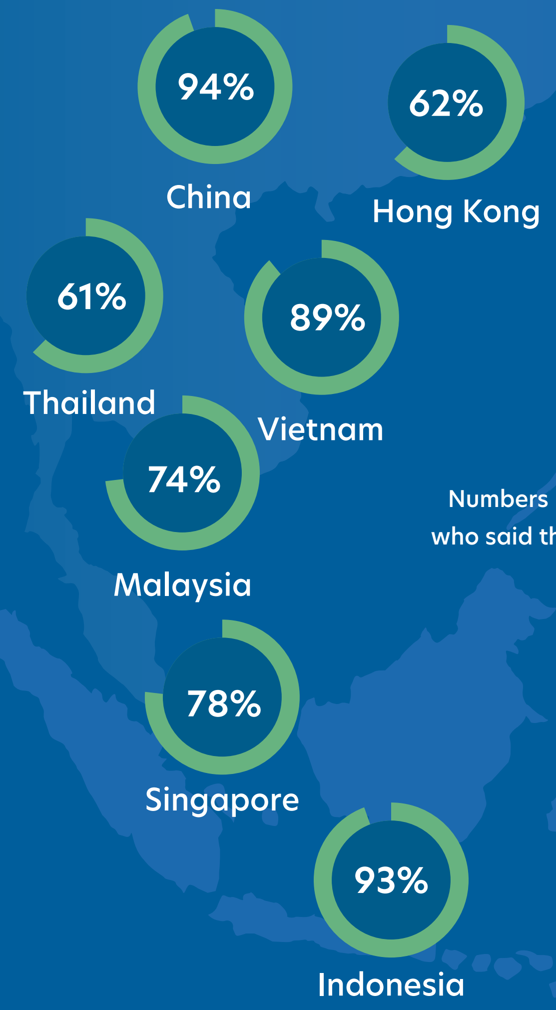
89%
Manufacturing & Engineering

86%
Industrials, Oil & Gas

82%
Tech, Media & Telecom

Most positive sentiments (enterprises)

87%
Medium Enterprises




Numbers represent percentage of businesses who said the current environment is somewhat or very positive in 2022

Q) How do you perceive the current business environment in ____ (country)? Base: Total (823)

# Increased revenue in 2022 has contributed to the positive sentiment among businesses

Nearly **8 in 10** businesses in Singapore have seen an increase in their revenue in 2022.

Fewer businesses in Singapore have seen a revenue growth in 2022 than in other markets in ASEAN.

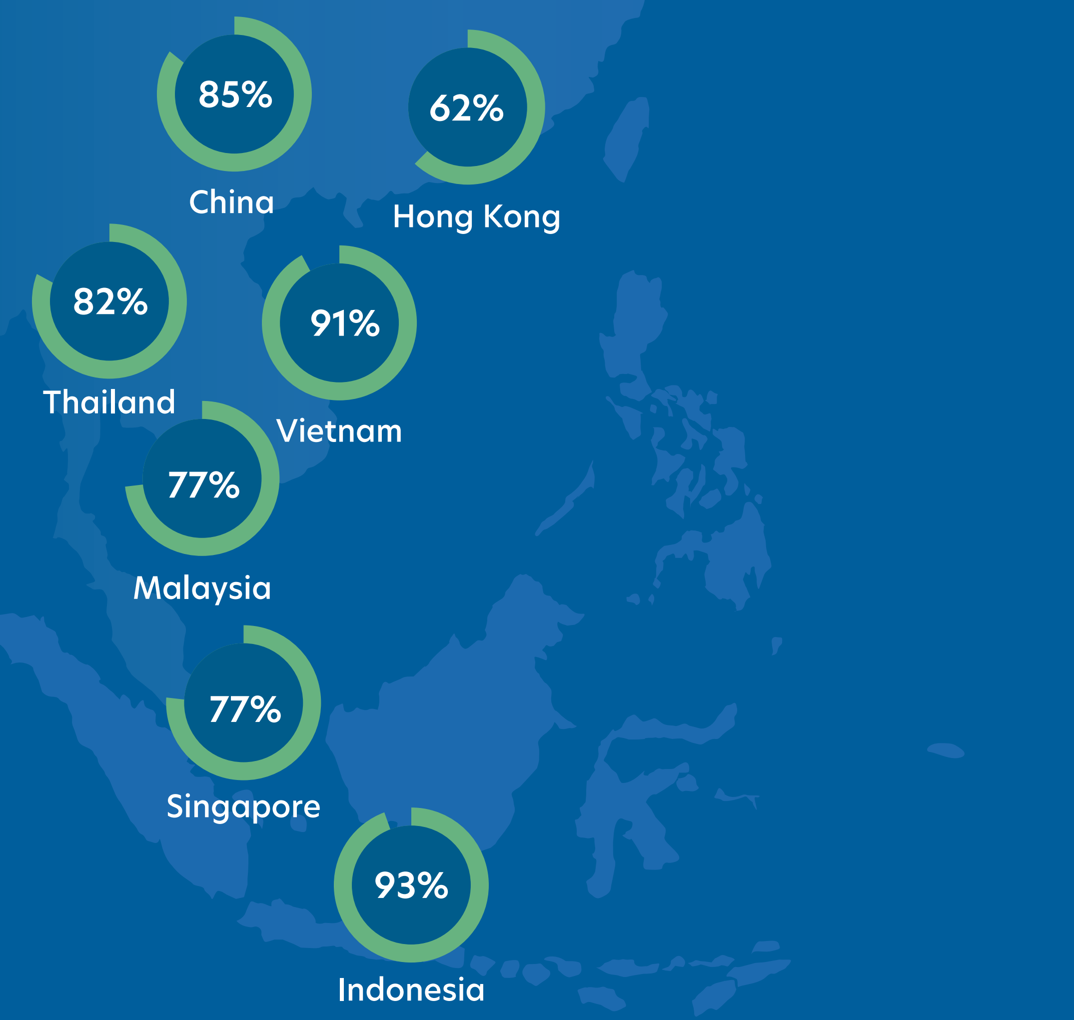
**Most revenue growth (sectors)**

- 84% Industrials, Oil & Gas
- 83% Construction & Infrastructure
- 81% Business Services

**Most revenue growth (enterprises)**

- 87% Medium Enterprises

## Revenue improvement in 2022 vs 2021




Q) How has your company's revenue changed in 2022 as compared with 2021? Base: Total (823)

# The positive business sentiment is in spite of macro factors like rising operational costs and high inflation impacting businesses in 2022

## Macro factors impacting businesses

| | |
|---|---|
| High levels of inflation | 32% |
| Rising operational cost | 29% |
| Rising interest rates | 29% |
| Recovering from overall economic slowdown | 22% |
| Manpower (labour) shortages | 21% |

## Most impacted sectors/enterprises

### High levels of inflation

- 50% Professional Services
- 44% Consumer Goods
- 38% Small Enterprises

### Rising operational costs

- 38% Consumer Goods

### Rising interest rates

- 40% Wholesale Trade

High levels of inflation had a bigger impact on businesses in Professional Services and Consumer Goods sectors. The Consumer Goods sector was also impacted more by rising operational cost.

Q) Which of the factors below had the biggest impact on your business in 2022? Select up to 5. Base: Total (823)

## These macro factors have led to rising operating expenses and cost cutting

Over **1 in 3** businesses in Singapore say their operating expenses have increased.

## Factors impacting business operations

| Factor | % |
|---|---|
| Increase in operating expenses | 33% |
| Needed to cut costs | 29% |
| Drop in customer demand/revenues | 25% |
| Insufficient cash flow | 23% |
| Delays in delivery/supply of goods to customers | 20% |

## Most impacted sectors/enterprises

**Increase in operating expenses**

- 52% Professional Services
- 39% Small Enterprises

**Insufficient cash flow**

- 29% Small Enterprises

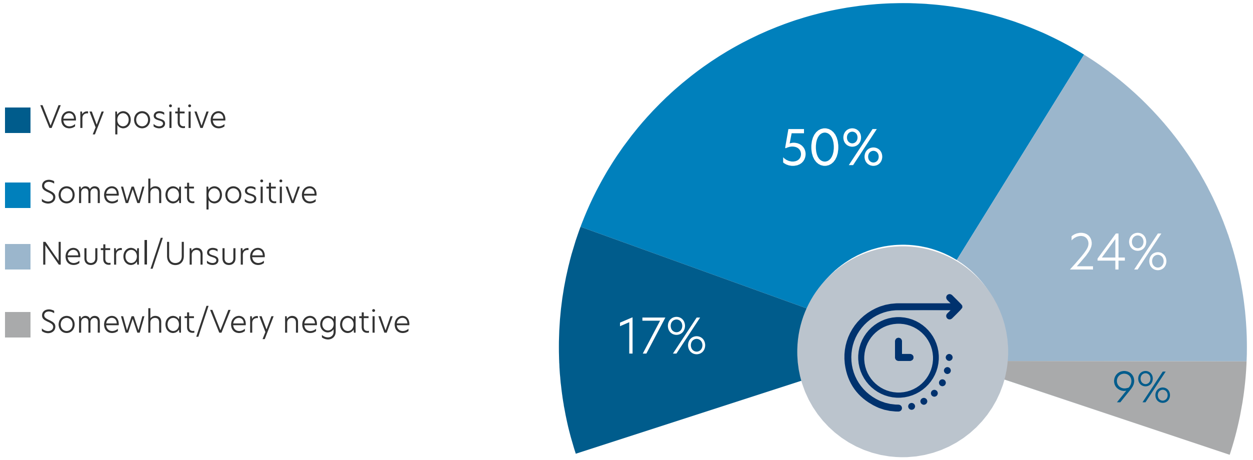
Q) How have the above factors affected your business in 2022? Base: Total (823)

# Business Sentiments

## Business Outlook 2023 and Beyond

# Nearly 7 in 10 businesses in Singapore have a positive business outlook in 2023

## Outlook for 2023




**Most positive outlook (sectors)**

- 82% Manufacturing & Engineering
- 78% Industrials, Oil & Gas
- 68% Construction & Infrastructure

**Most positive outlook (enterprises)**

- 80% Medium Enterprises

Q) How would you describe the outlook for your business in 2023? Base: Total (823)

# Reducing costs, developing new sources of revenue and sourcing new customers are key priorities for businesses in Singapore in the next 3 years

## Priorities in the next 1-3 years

Reduce costs
32%

Develop new sources of revenue
30%

Source for new customer base
30%

Re-skill/upskill existing talent
28%

Digitalise the business to raise efficiency
25%

Pivot to a new business model
24%

## Priorities by sectors/enterprises

Reduce costs

48%
Community & Personal Services

41%
Construction & Infrastructure

39%
Small Enterprises

Source for new customer base

35%
Small Enterprises

Digitalisation is a key business priority as it improves customer service and helps businesses extend their range of products/services to new customers.

Q) What are your top business priorities for the next 1-3 years? Base: Total (823)

## Extending range of products and services and improving customer experience are top actions taken in Singapore to drive growth

## Top actions for growth

**26%**
Extend our range of products and services

**24%**
Focus on improving customer service/experience

**23%**
Invest in employee training

**20%**
Adopt digital solutions to automate processes

**20%**
Use digital marketing tools to build the company's brand

**20%**
Diversify sales channels to selling online via e-commerce platforms

## Most prioritised in

Adopt digital solutions to automate processes

**23%**
Medium Enterprises

Diversify sales channels to selling online via e-commerce platforms

**34%**
Consumer Goods

Q) How do you plan to achieve these priorities? Base: Total (823)

**Automation for easy customer service and user friendly channels for customer interaction will play a key role in helping businesses improve customer service**

Over 3 in 5 businesses are looking for automation to ease customer service.

## Capabilities for better customer experience

**61%**
Automation to ease customer service

**50%**
User friendly channels for customer interaction

**31%**
Use of AI, chatbots etc. for real time interaction

**20%**
Hyper personalised service/offer for customers

## Most prioritised in

Automation to ease customer service
**80%** Wholesale Trade

User friendly channels for customer interaction
**64%** Professional Services

Use of AI, chatbots etc. for real time interaction
**43%** Tech, Media & Telecom

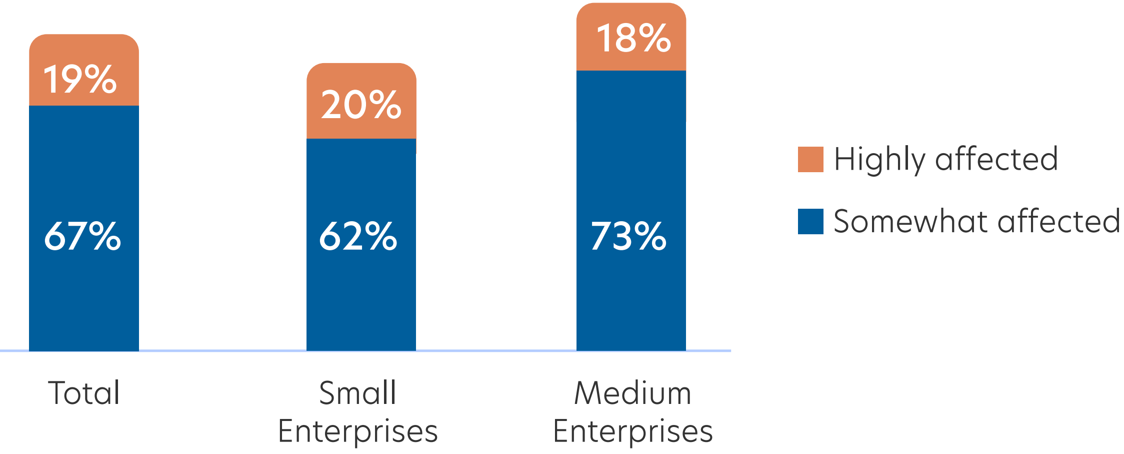
Q) What are the key channels/capabilities that your business needs to improve upon to handle this change in customer engagement expectations? Base: Total (823)


# 3. Inflation Impact on Businesses

# Extent of inflation affecting businesses in 2022

Nearly 9 in 10 businesses in Singapore have felt the impact of high inflation.

| 86% | 81% | 90% | Total |
|---|---|---|---|




Q) To what extent has high inflation affected your business this year? Base: Total (823)

Medium Enterprises in Singapore have been affected more by high inflation than Small Enterprises.

## Extent of inflation

Most affected sectors

92% Construction & Infrastructure

90% Manufacturing & Engineering

90% Real Estate/ Hospitality

# Many businesses have seen an increase in cost of operations and raw materials

## Impact of inflation on business operations

Increase in cost of operations
59%

Increase in cost of raw materials
37%

Reduction in profit levels
36%

Increase in staff salaries
36%

Difficulty in retaining talent
30%

Increase in utility costs
28%

Nearly 3 in 5 businesses in Singapore say that high inflation has led to an increase in cost of operations.

Nearly 2 in 5 businesses have seen an increase in cost of raw materials.

Inflation is also impacting the profitability of businesses in Singapore. Businesses in Construction & Infrastructure and Professional Services have witnessed a greater reduction in profits.

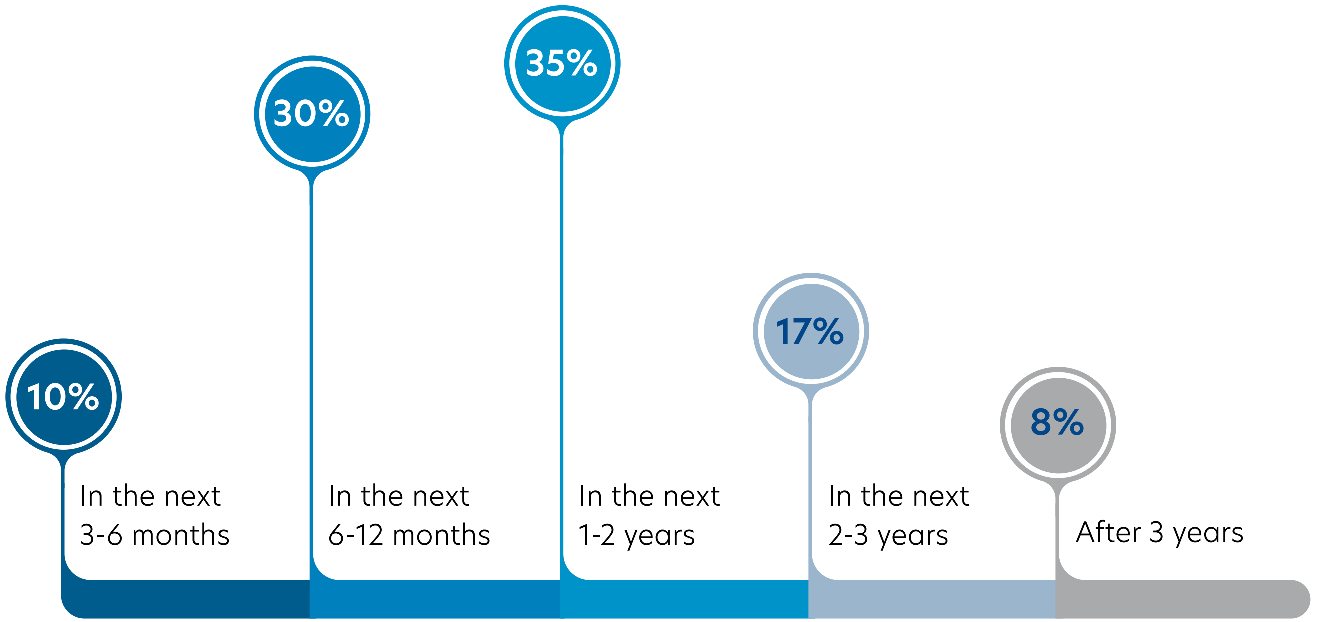
Q) Which specific areas of your business have been affected by high inflation? Base: Those affected by high inflation (707)

# Inflation Impact on Businesses

## Inflation Expectation in 2023

# Most businesses expect inflation to reduce within the next 12 months

## Expectations of inflation




### Most affected sectors

- **62%** Industrials, Oil & Gas
- **48%** Construction & Infrastructure
- **42%** Manufacturing & Engineering

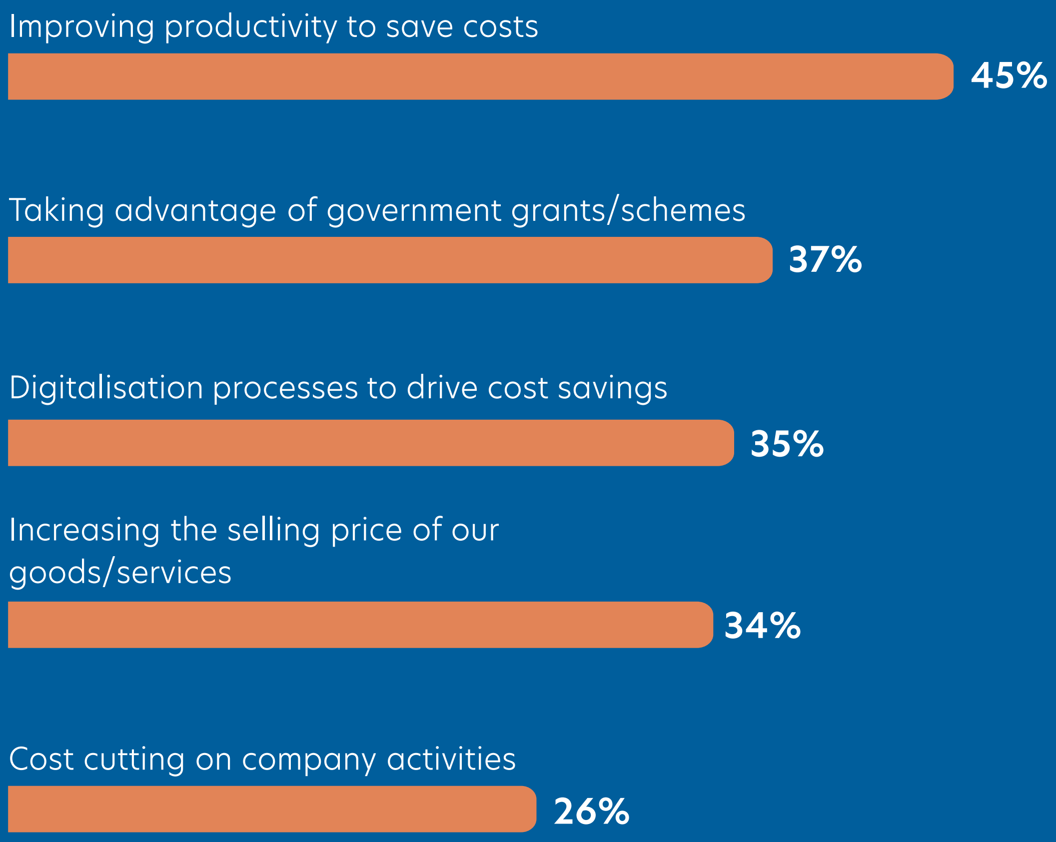
### Most affected enterprises

- **43%** Medium Enterprises

Q) By when do you expect the high inflation to reduce? Base: Total (823)

# Productivity improvement and using government schemes are key measures to mitigate inflation impact

## Ways to combat inflation




Nearly 1 in 2

businesses are improving productivity to combat inflation.

## Differences in combating approach

**Improving productivity to save costs**

51% Medium Enterprises

**Taking advantage of government grants/schemes**

49% Wholesale Trade

**Digitalisation processes to drive cost savings**

43% Medium Enterprises

Q) What is your company doing to mitigate the impact of high inflation on your business? Base: Total (823)

# 4. State of Sustainability and Future Plans

# Sustainability is important to a vast majority of businesses in Singapore

## Importance of sustainability

| Total | Small Enterprises | Medium Enterprises |
|---|---|---|
| 76% | 66% | 85% |

**Leading sectors**

- 83% Industrials, Oil & Gas
- 80% Manufacturing & Engineering
- 79% Wholesale Trade

Q) How important is sustainability (Environmental, Social and Governance considerations) to your business?
Base: Total (823)

# Sustainability helps businesses improve their reputation, work with MNC's and fit better into the ecosystem

Nearly **1 in 2** businesses say that sustainability helps to improve their business reputation and branding.

Over **2 in 5** businesses say that adopting sustainable practices makes it easier to work with MNCs.

## Stronger drivers

**Improved reputation/better branding of the company**

- 59% Wholesale Trade

**Easier to work with MNCs who have their sustainability goals**

- 55% Construction & Infrastructure
- 50% Medium Enterprises

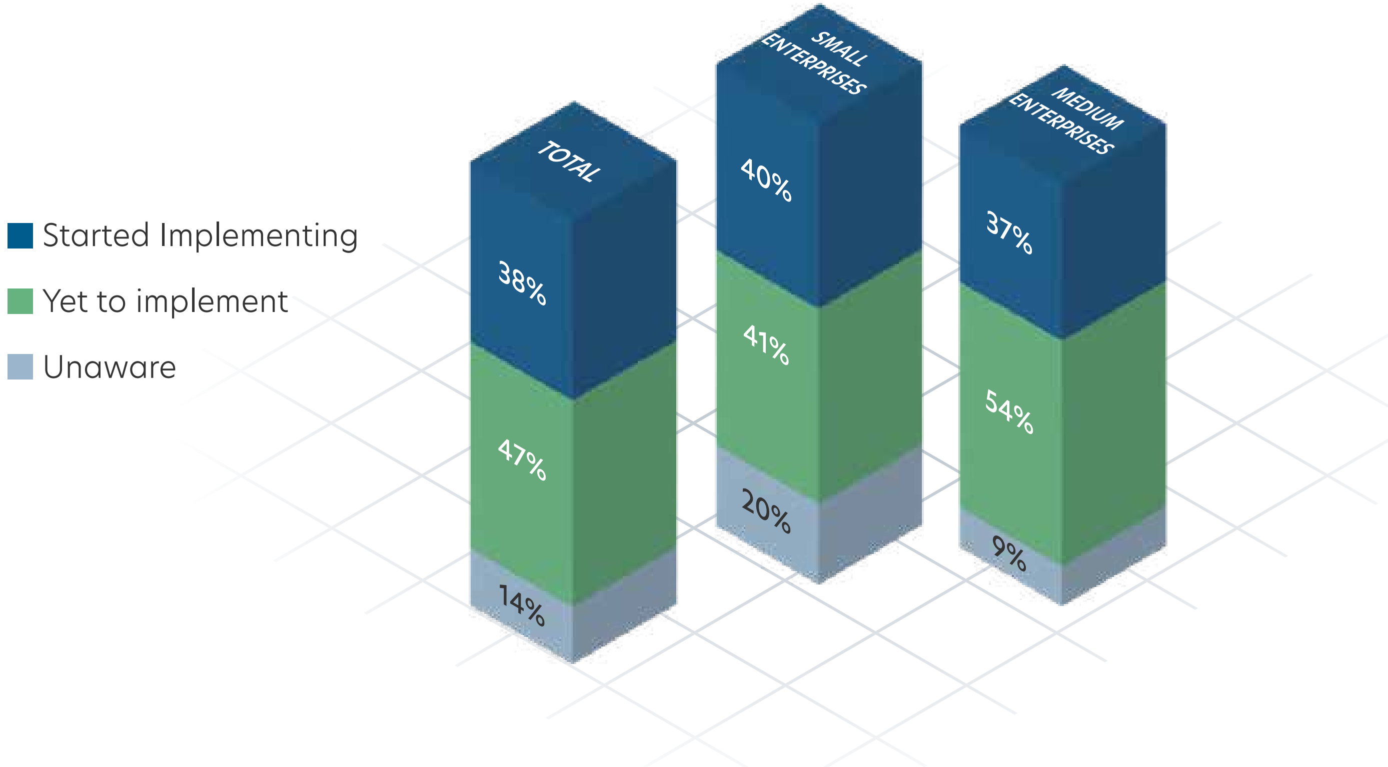
## Drivers of sustainability

- 47% Improved reputation/ better branding of the company
- 43% Easier to work with MNCs who care about their sustainability goals
- 38% Helps my business fit better into the ecosystem
- 36% Customers prefer or demand for it
- 35% Enables talent retention/attraction
- 33% Helps attract investors

Q) Why is sustainability important to your business? Base: Those who regard sustainability as important (623)

## Yet, less than half of all businesses have started implementing sustainable practices

## Current stage of sustainability adoption




### Implementing sectors

51% Wholesale Trade

46% Real Estate/ Hospitality

42% Professional Services

Q) What stage is your company at today in the adoption of sustainability practices? Base: Total (823)

# Concerns prevail about the increase in cost of products/services to end customers and insufficient knowledge to identify and execute the right initiatives

## Key barriers to implementation


## Stronger barriers

Possible impact to revenues in the short term

29%
Medium Enterprises

Concerns about negative impact on profits

33%
Consumer Goods

Q) What are the major barriers to implementing sustainability practices in your company? Base: Total (823)

# But businesses are convinced about implementing practices like employee welfare and efficient use of resources

## Practices planning to implement

| | |
|---|---|
| Ensure employee welfare | 36% |
| More efficient use of resources to minimise waste | 35% |
| Use energy efficient equipment and technologies | 33% |
| Procure from businesses with sustainable practices | 29% |
| Implement clear operational policies and processes | 29% |
| Establish clear corporate governance | 29% |

## Prioritised areas

**Procure from businesses with sustainable practices**

35% Medium Enterprises

**Implement clear operational policies and processes**

41% Tech, Media & Telecom

41% Construction & Infrastructure

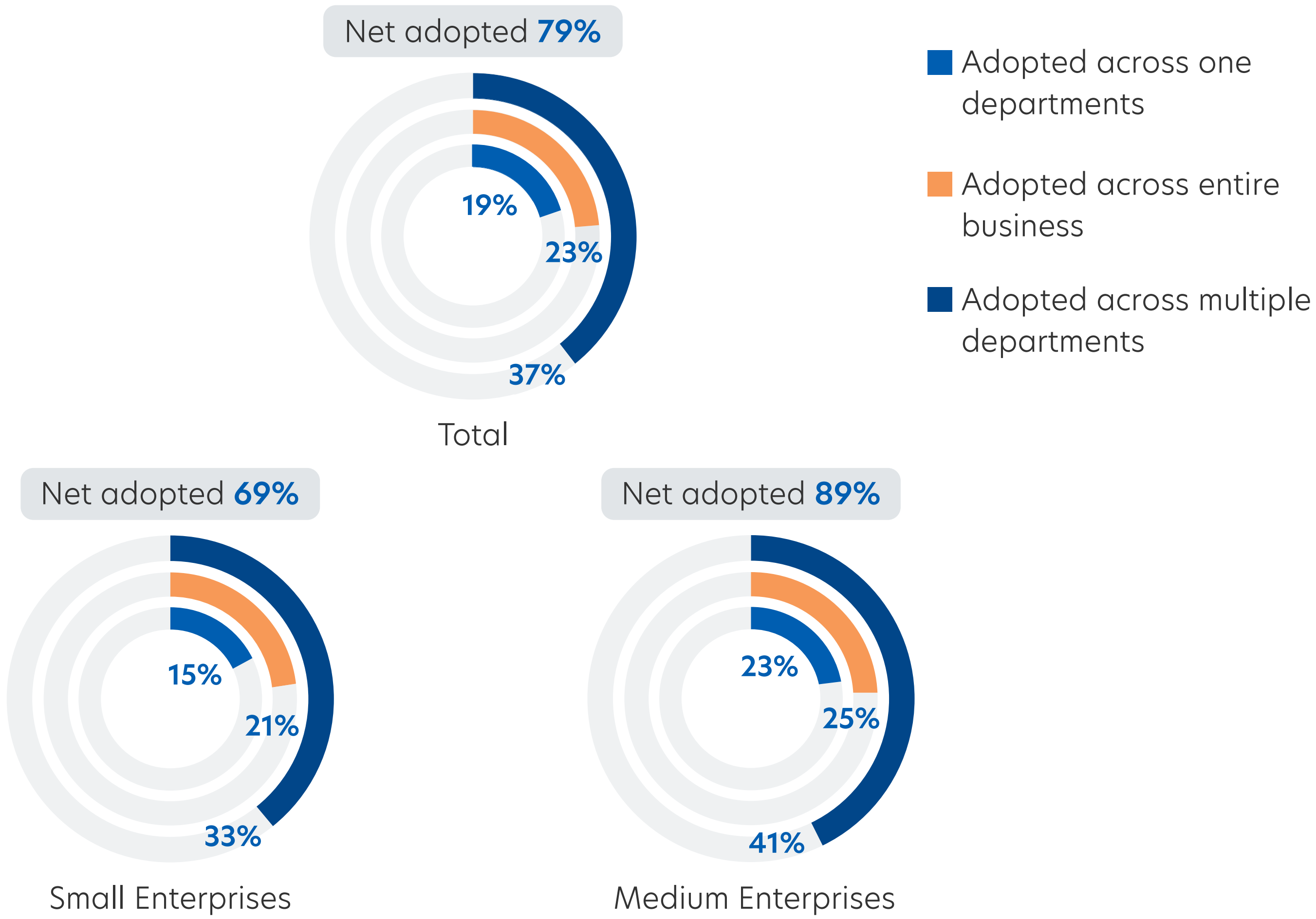
34% Medium Enterprises

Q) What sustainable practices (based on the ESG considerations) do you plan to incorporate within your business in future?
Base: Those who have not implemented sustainability practices (508)


# 5. State of Digitalisation

# Nearly 8 in 10 businesses have adopted digitalisation in at least one department

## Current state of digital adoption




Q) What is the current state of digital adoption in your company? Base: Total (823)


Sectors leading in digital adoption

92% Manufacturing & Engineering

84% Consumer Goods

80% Tech, Media & Telecom

# Processes like sales, payroll and accounting are a priority for digitalisation

## Top priorities for digitalisation

Sales
27%

Payroll
27%

Accounting
26%

Customer Service
25%

Marketing
25%

Customer relationship management
24%

## Priority areas

**Sales**

41% Wholesale Trade

43% Real Estate/ Hospitality

**Customer service**

40% Professional Services

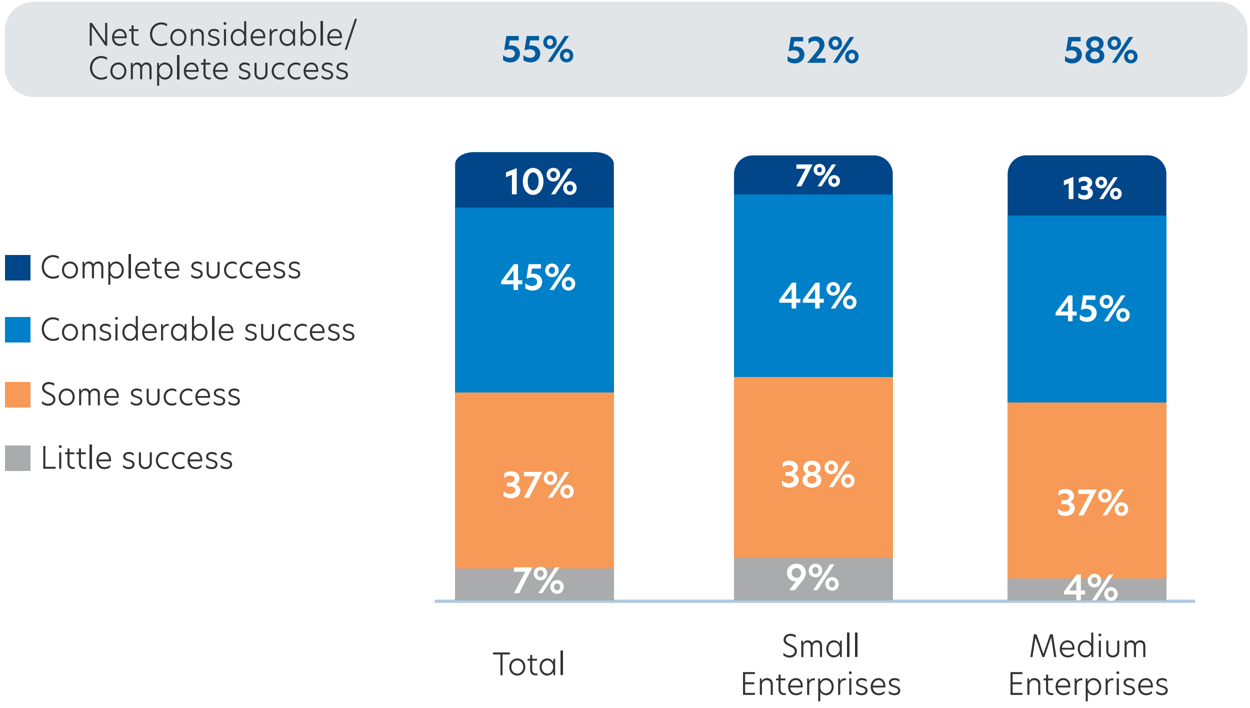
Q) Which of these processes did your company digitalise specifically to help your business perform better in 2022? Base: Those currently trialling or adopted digitalisation in at least one department (745)

**Most businesses that adopted digitalisation have been successful in their efforts**

Nearly **3 in 5**

businesses have seen success in their digitalisation efforts.

# Success with digitalisation



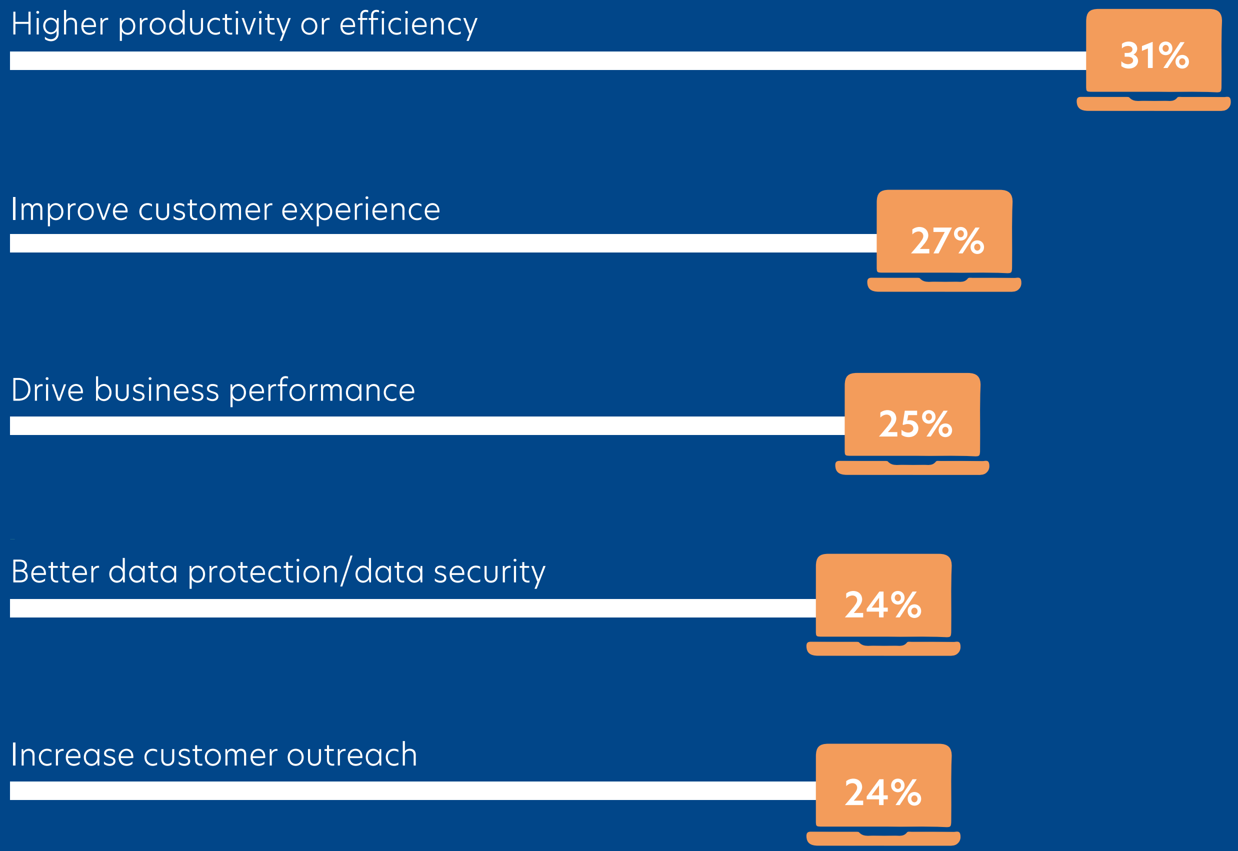

## More success with digitalisation (sectors)

- 66% Wholesale Trade
- 65% Industrials, Oil & Gas
- 59% Tech, Media & Telecom

Q) How much success has your company had so far in its digital adoption journey?
Base: Those currently trialling or adopted digitalisation in at least one department (745)

# Digitalisation has led to higher productivity, improved customer and business performance

## Impact of digitalisation




## Most impacted areas by sectors/ enterprises

Higher productivity or efficiency

36%
Small Enterprises

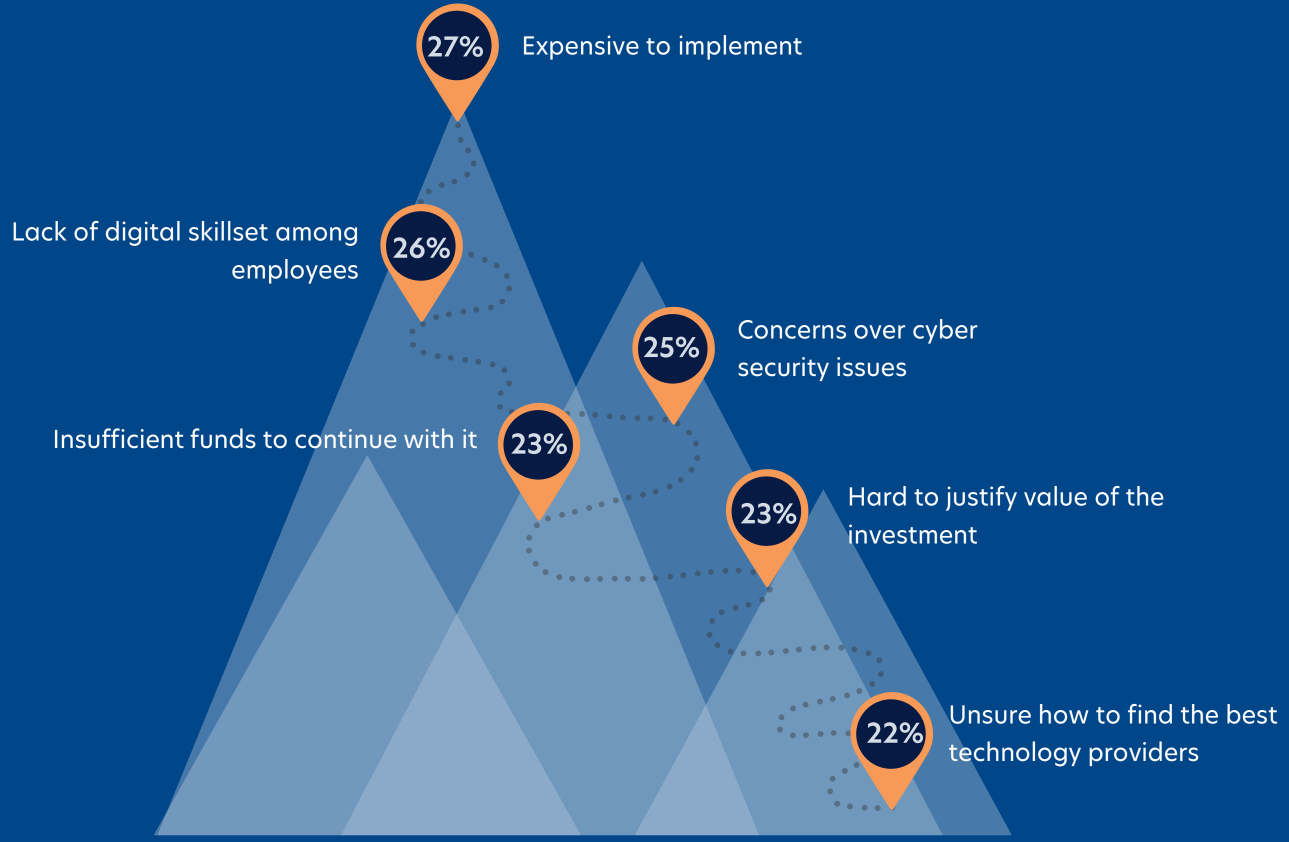
Drive business performance

36%
Consumer Goods

Q) How has digital adoption impacted your company? Base: Those adopted digitalisation in at least one department (650)

# Yet, there are several challenges that need to be addressed

## Top challenges in digitalisation





## Top challenges by enterprises

Insufficient funds to continue with it

29%
Small Enterprises

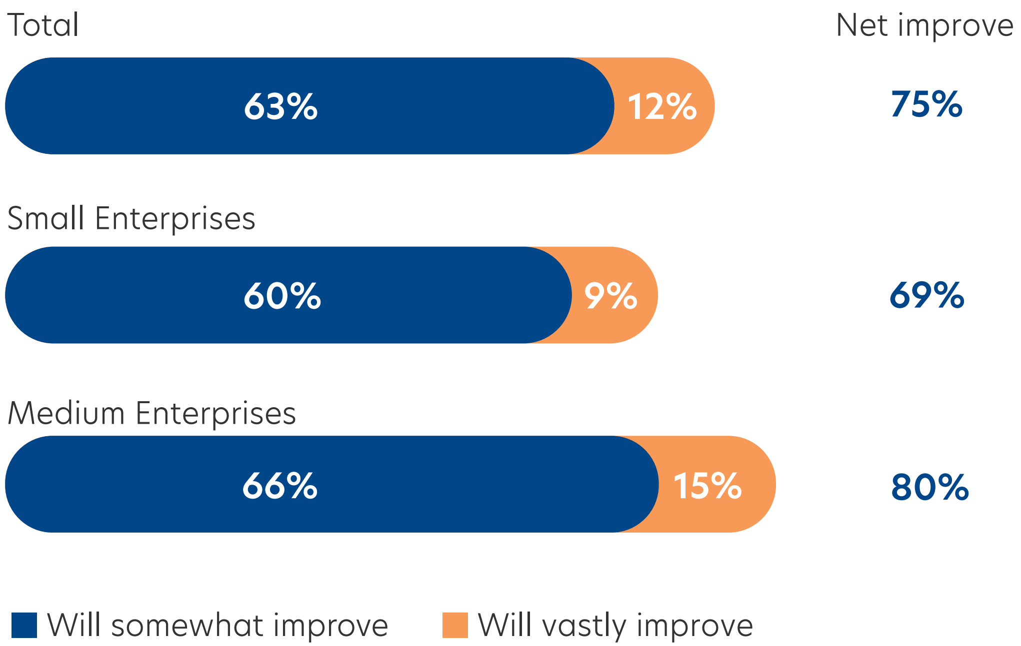
Q) What challenges have you faced or expect to face in your digital adoption journey? Base: Total (823)


# State of Digitalisation

## Outlook for 2023

# Post digitalisation business outlook is expected to be positive

## Business outlook post digitalisation





Most positive outlook (sectors)

88% Industrials, Oil & Gas

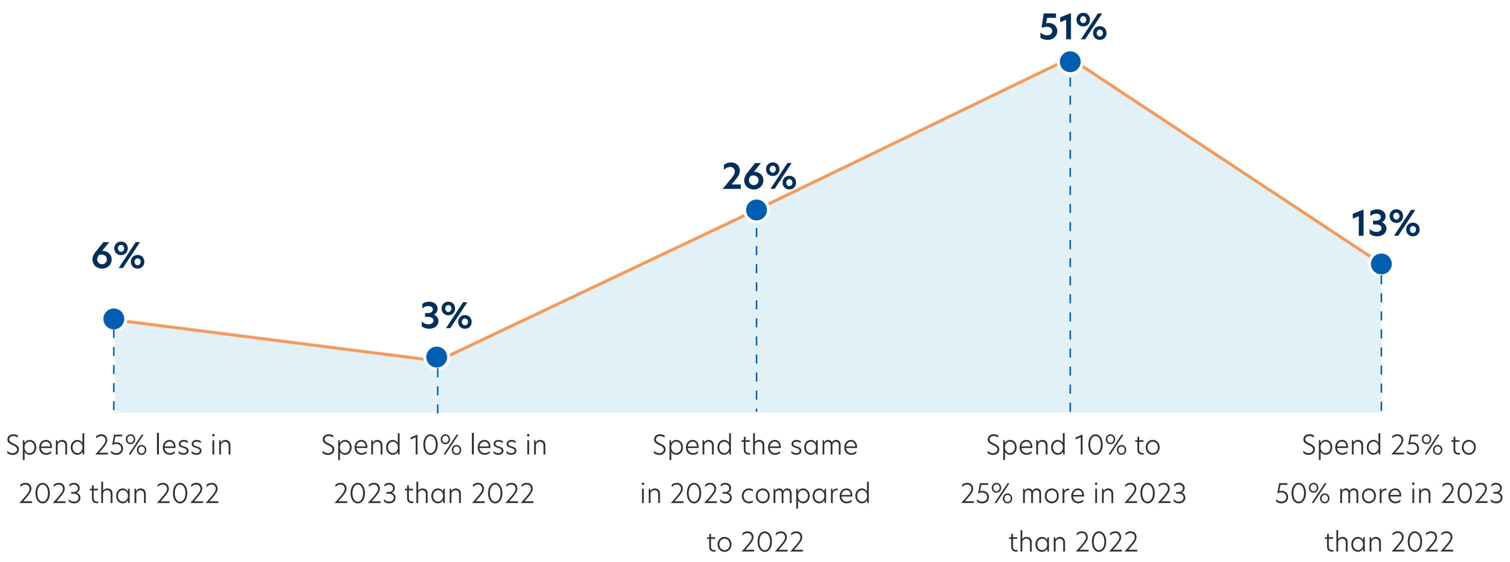
84% Professional Services

79% Real Estate/ Hospitality

Q) How do you see your company's business outlook changing (e.g. revenue, productivity) in 2023, after digital adoption?
Base: Total (823)

# Hence, businesses are continuing their digitalisation journey. Most expect to spend more on it in 2023

## Future expenditure in 2023




64 %
of businesses foresee spending more on digitalisation in 2023.

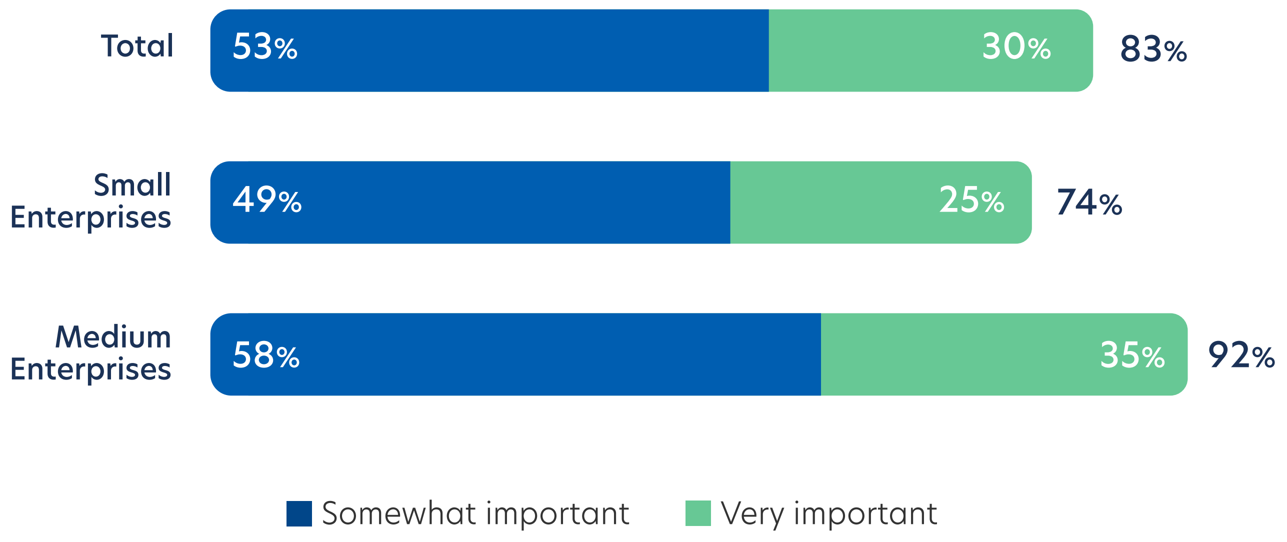
Q) Do you foresee spending more on digital solutions and/or technology in 2023 compared to 2022? Base: Total (823)

# 6. Supply Chain Management (SCM)

# SCM is important to most businesses in Singapore

Over **8 in 10**
businesses consider SCM important.

## Importance of SCM



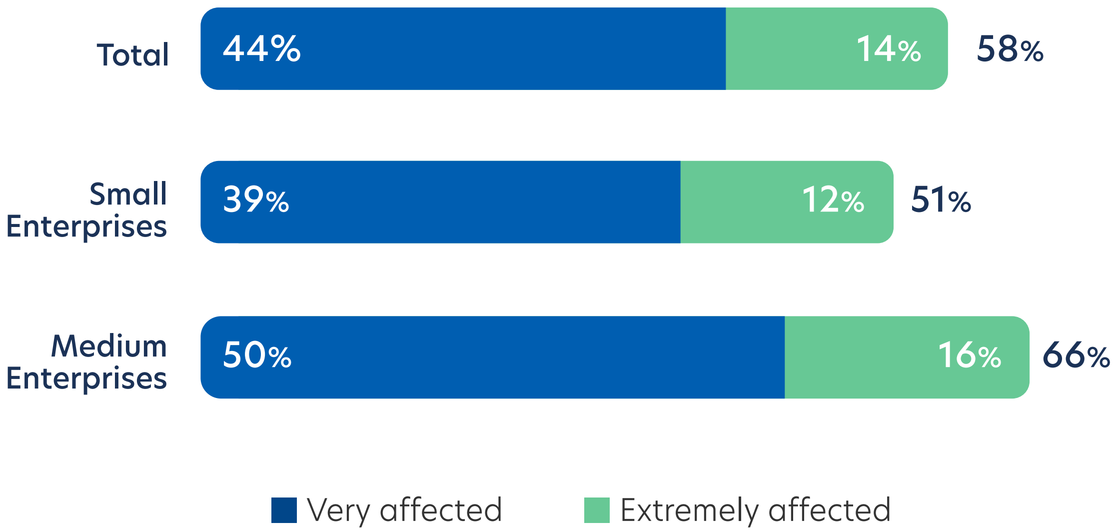

### Higher importance to SCM (sectors)

| 92% Wholesale Trade | 91% Manufacturing & Engineering | 86% Consumer Goods |
|---|---|---|

Q) How important is supply chain management to your business? Base: Total (823)

# Geopolitical tensions are having an adverse impact on supply chains

## Geopolitical impact on supply chains




Q) To what extent has your company's supply chain been affected by geopolitical tensions such as Russia-Ukraine conflict, US-China trade tensions, or by COVID-19 restrictions etc.? Base: Total (823)

Nearly **3 in 5** businesses say their supply chain has been affected by geopolitical tensions.

Most impacted sectors

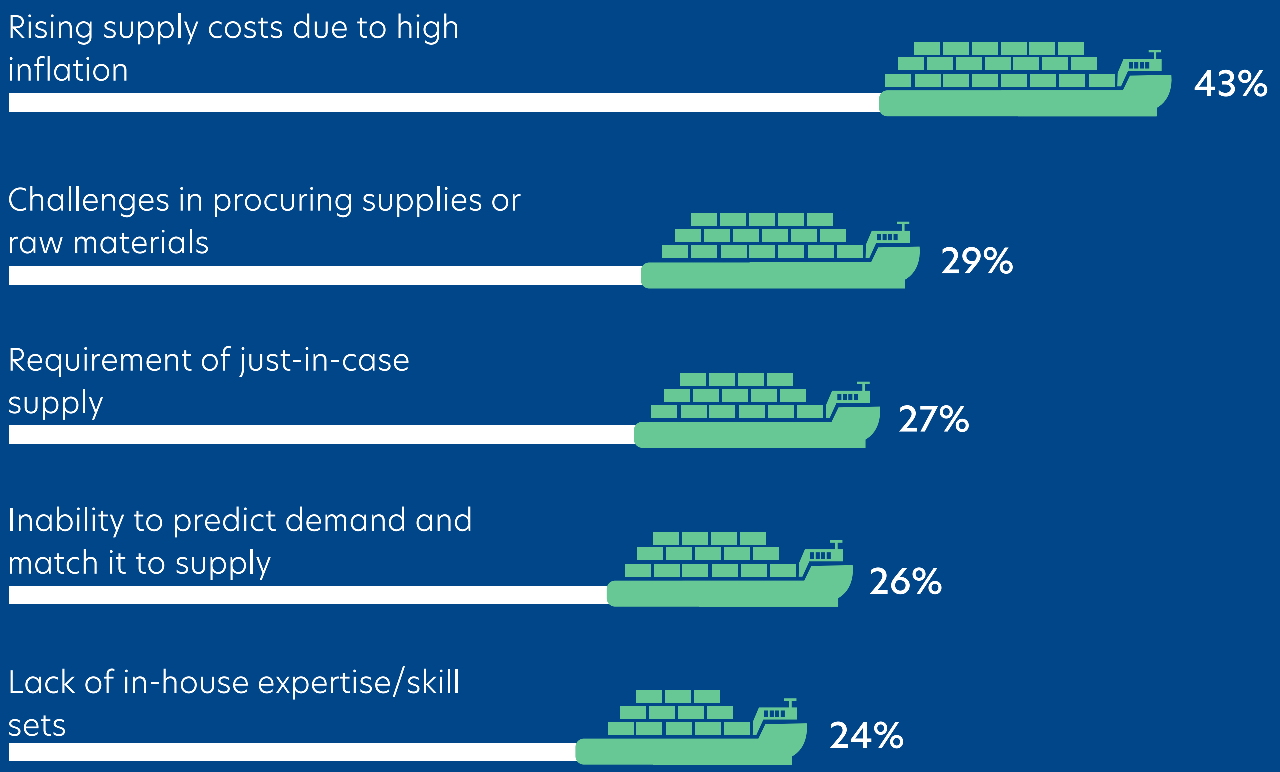
72% Industrials, Oil & Gas

72% Wholesale Trade

66% Tech, Media & Telecom

# This has led to rising supply costs and challenges in procurement

## Key supply chain challenges




## Higher challenge enterprises

Rising supply costs due to high inflation

47%
Small Enterprises

Requirement of just-in-case supply

33%
Medium Enterprises

Over 2 in 5 businesses say their key supply chain challenge is rising supply costs due to high inflation.

Q) What are the current challenges faced by the business in supply chain management? Base: Total (823)

# To address these challenges, businesses are diversifying sources of suppliers and investing in stronger relationships

## Actions for supply chain stability


## Top actions by enterprises

Invest in stronger supplier relationships

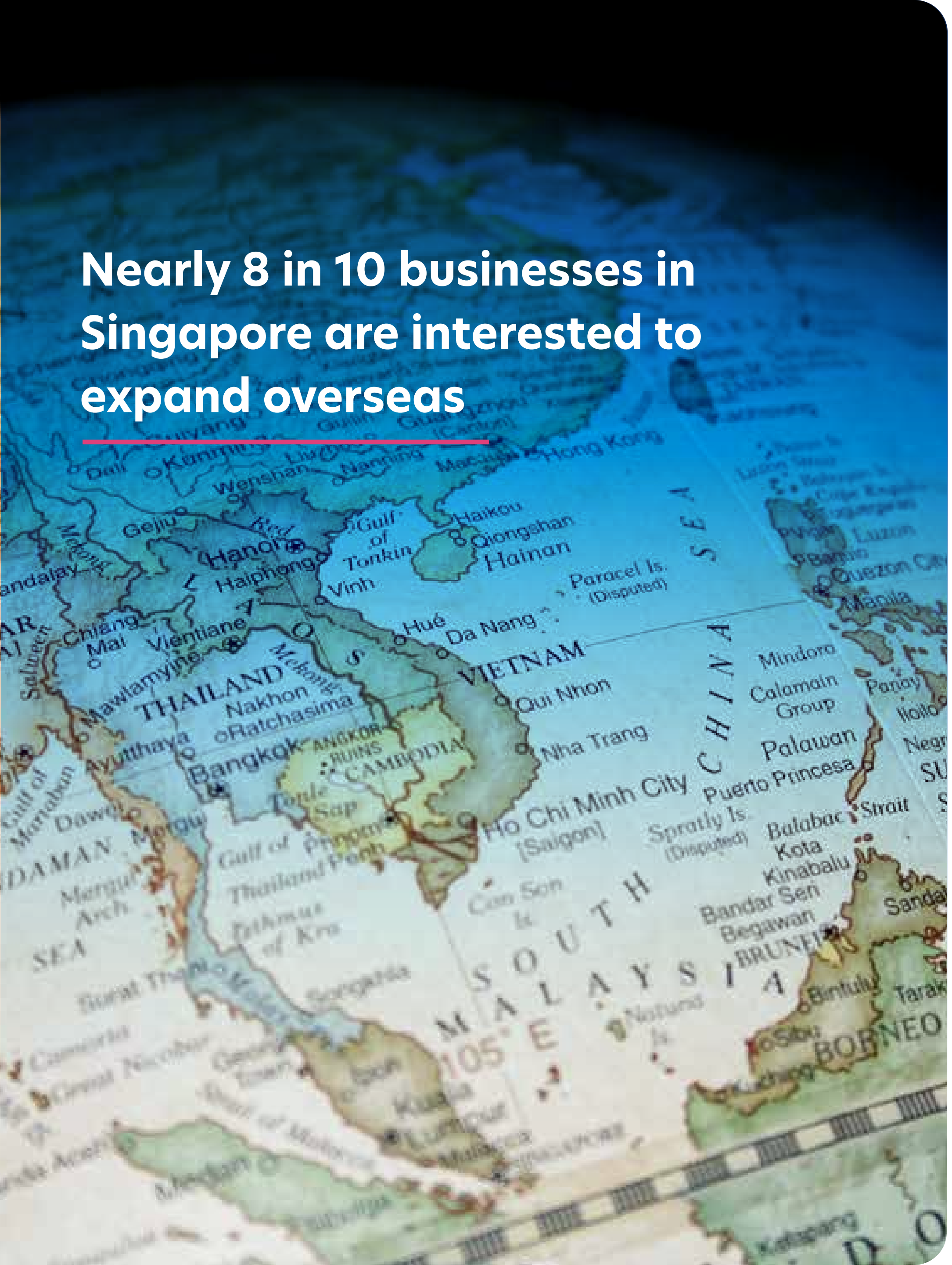
27%
Medium Enterprises

Use data analytics and insights for faster decision making and execution

25%
Medium Enterprises

Q) What steps, if any, have you taken or are planning to take to ensure a stable supply chain in the future? Base: Total (823)

# 7. Interest in Overseas Expansion




# Nearly 8 in 10 businesses in Singapore are interested to expand overseas

## Interest in overseas expansion

| | Slightly interested | Very interested | Net interested |
|---|---|---|---|
| Total | 50% | 26% | 75% |
| Small Enterprises | 44% | 21% | 65% |
| Medium Enterprises | 55% | 30% | 85% |

■ Slightly interested ■ Very interested

### Most interested sectors

- **84%** Industrials, Oil & Gas
- **79%** Manufacturing & Engineering
- **79%** Construction & Infrastructure

Q) How interested is your business in expanding overseas in the next three years? Base: Total (823)

# Interest in expansion is fuelled by a desire to improve profits, grow revenue and build an international reputation

## Motivators for overseas expansion

Improve profitability
68%

Build reputation as an international business
53%

Grow Revenue
50%

Leverage my company's regional/global network
46%

Take advantage of government policies/schemes
35%

Reduce risk by diversifying to other markets
32%

## Top motivators by sectors/enterprises

**Improve profitability**

73%
Small Enterprises

**Build reputation as an international business**

63%
Manufacturing & Engineering

58%
Medium Enterprises

**Grow revenue**

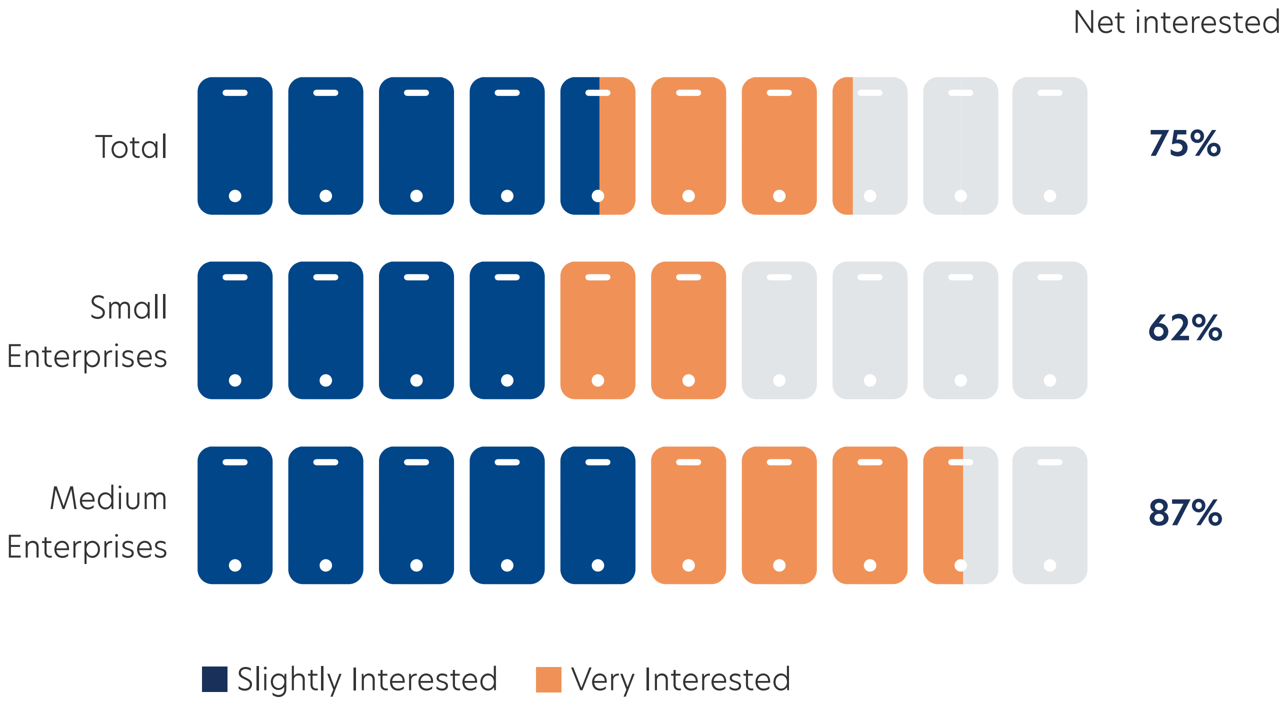
58%
Small Enterprises

Nearly 7 in 10
businesses are looking to expand overseas to improve profits and revenue.

Q) What are the key motivators in your effort for overseas expansion? Base: Interested in overseas expansion (618)

# Thus, cross-border digital trade platforms as a means for overseas expansion have high interest

## Interest in using cross-border digital trade platforms




Q) How interested is your company in using cross-border digital trade platforms as a means for overseas expansion?
Base: Total (823)

Nearly **8 in 10** businesses are interested in leveraging cross-border digital trade platforms for their overseas expansion.

Most interested sectors

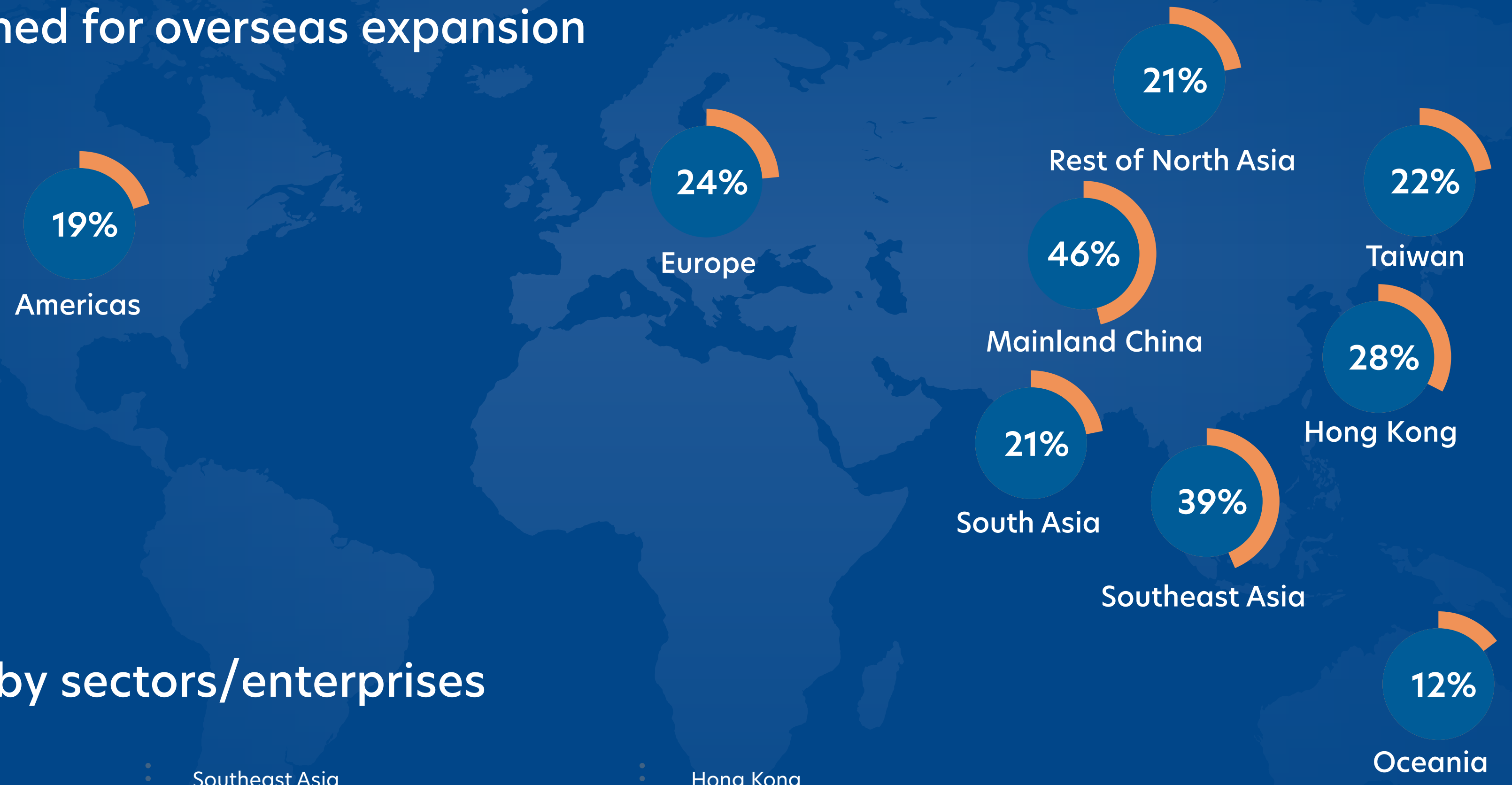
- 88% Industrials, Oil & Gas
- 82% Manufacturing & Engineering
- 80% Tech, Media & Telecom

# Interest in Overseas Expansion

## Future Expansion Plans

# Mainland China, Southeast Asia and Hong Kong SAR are key markets of interest for overseas expansion

## Location planned for overseas expansion




## Top locations by sectors/enterprises

**Mainland China**

- 67% Manufacturing & Engineering
- 53% Medium Enterprises

**Southeast Asia**

- 55% Consumer Goods
- 48% Small Enterprises

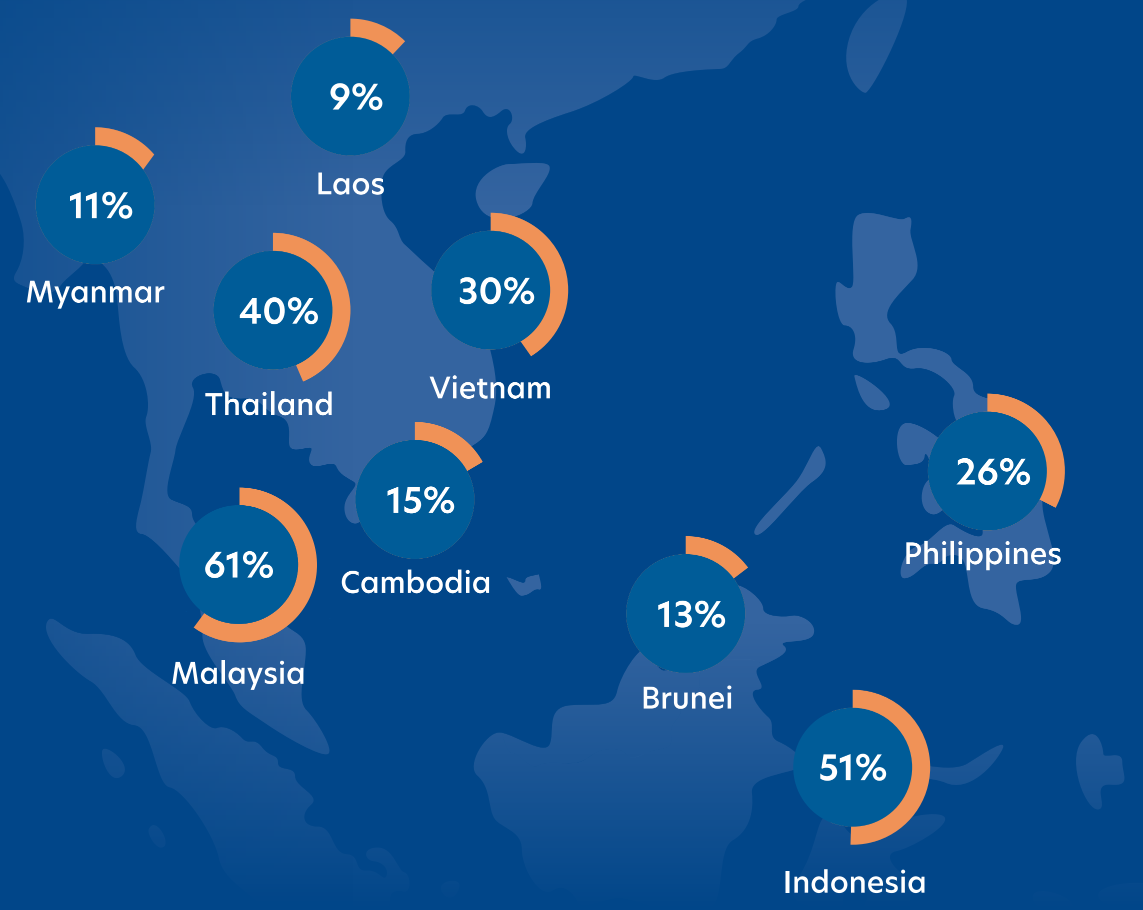
**Hong Kong**

- 45% Industrials, Oil & Gas

Q) Which of these markets is your enterprise intending to venture into within 3 years (by 2025)? Base: Interested in overseas expansion (618)

# Malaysia, Indonesia Thailand are the top 3 expansion markets within Southeast Asia

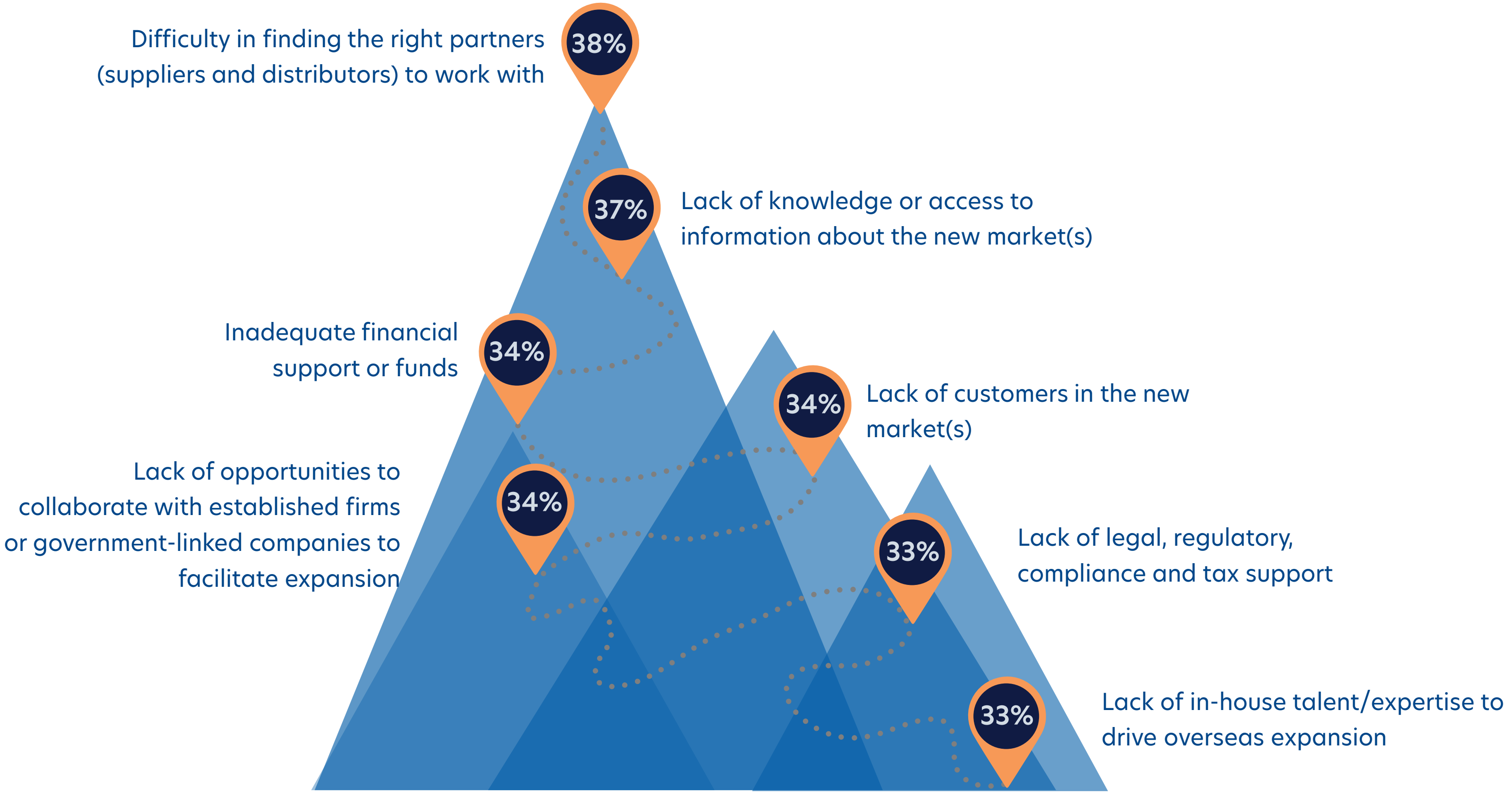
## Priority markets within ASEAN




Q) Please select the most important countries (up to 3) in ASEAN that your enterprise is intending to venture into within 3 years (by FY2025).
Base: Interested in expanding within ASEAN (243)

# Difficulty in finding the right partner and lack of knowledge are key hurdles to overseas expansion

## Expected challenges for overseas expansion




## Top challenges by enterprises

Lack of legal, regulatory, compliance and tax support

37%
Small Enterprises

Q) What are the key barriers in your effort for overseas expansion? Base: Total (823)

# Support from government and UOB (1/3)

SMEs may also look to government programmes and value-added services from UOB to realise their business ambitions.

## Financial Schemes

**UOB Business Loan:** Offers up to S$800,000 maximum loan per borrower by bundling the EFS-SME Working Capital Loan of up to S$500,000 and the UOB Business Loan of up to S$350,000. No collaterals are required, enabling SMEs to easily secure funding at preferential rates. Start-ups with operations of more than 12 months can apply for loans of up to S$100,000.

**Enterprise Financing Scheme (EFS)** is jointly offered by Enterprise Singapore and participating financial institutions such as UOB. This comprehensive scheme seeks to help businesses address seven key areas of their financing needs by offering the following type of funding:

- **EFS - SME Working Capital Loan:** Features an enhanced loan quantum of up to S$500,000 per borrower till 31 March 2024, enabling SMEs to improve their operational cash flow.
- **EFS - Trade Loan:** Enhanced to help SMEs finance their trade needs, with the maximum loan quantum raised to S$10 million per borrower till 31 March 2024.

## Digitalisation

**UOB BizSmart:** Offers a suite of digital solutions from accounting, HR and payroll to digital transactions, digital marketing and collaboration, to drive business efficiency and growth. Under the Start Digital Pack, you can sign up for up to two solutions and enjoy at least six months of free usage, along with a payout of S$400[1].

**UOB eBusiness Account[2]:** The UOB eBusiness Account simplifies banking for SMEs, with cost-effective perks such as 100% rebates for bulk payroll transactions, S$0.50 rebate per transaction on up to 60 outgoing FAST transactions, and waiver of annual fee during the year of account opening.

**UOB SME app:** Get an overview of your cash flow, receive personalised cash flow insights, and connect your accounting data with your business account in one convenient dashboard.

## Grants for Overseas Expansion

**Enterprise Development Grant (EDG):** The EDG provides funding for Singapore companies that aim to strengthen their core capabilities, innovate, or expand into overseas markets under the Market Access pillar. From 1 April 2023, the programme will cover up to 50% of qualifying project costs for local SMEs. For sustainability-related projects, however, SMEs may be able to enjoy up to 70% support from 1 April 2023 till 31 March 2026.

**Market Readiness Assistance (MRA) Grant:** For SMEs looking to venture abroad, this grant offers a much-needed financial leg up. You can get funding for up to 50% of eligible costs related to overseas market promotion, business development, and market set-up, capped at an enhanced S$100,000 per company per new market until 31 March 2025.

**Grow Digital:** A scheme under the SMEs Go Digital programme, Grow Digital focuses on helping SMEs sell overseas through e-commerce. SMEs can benefit from smart matching with overseas clients, access to financing offers facilitated via e-commerce platforms, and skills training in cross-border e-commerce.

**Singapore Global Enterprises (SGE) Initiative:** Given a fresh top-up of S$1 billion in Budget 2023, the SGE initiative delivers wide-ranging support through existing and new programmes. This includes strengthening innovation capabilities through the set-up of innovation centres and helping SMEs to grow market networks and diversify their supply chain.

# Support from government and UOB (2/3)

## Digital Transformation

**SMEs Go Digital** is an umbrella programme designed to spur SMEs' digital adoption, with resources ranging from digital start packs to funding support. This includes:

- **Productivity Solutions Grant (PSG):** For local SMEs adopting digital solutions to automate their operations, this grant offers funding for up to 50% of the cost. It covers sector-specific solutions like retail, food, logistics, construction, and precision engineering, along with cross-sector areas such as customer management, data analytics, financial management, and inventory tracking.
- **Advanced Digital Solutions (ADS):** Forward-thinking SMEs can tap into the ADS to deepen their digital capabilities and build future-readiness. Funding support covers up to 70% of the adoption costs for advanced technologies like AI and blockchain, as well as integrated digital solutions.

## Labour and Employee Training

**Progressive Wage Credit Scheme (PWCS):** Newly enhanced in Budget 2023, the PWCS aims to help businesses uplift their lower-wage workers. Until 2026, the government will co-fund wage increases up to a S$2,500 gross monthly wage ceiling, with a 75% co-funding ratio in 2023. Wage increases up to a S$3,000 gross monthly ceiling will receive 45% co-funding support in 2023.

**Senior Employment Credit (SEC):** Now extended to 2025, this wage offset scheme is targeted at supporting employers who hire senior workers. Employers will receive up to 8% of the wages paid to eligible Singaporean workers aged 60 and above and earning up to S$4,000 per month.

**Part-time Re-employment Grant:** Like the SEC, this grant is designed to promote employment of senior workers aged 60 and above. Employers who offer flexible work arrangements such as part-time re-employment, along with structured career planning, will receive S$2,500 per resident senior worker.

**Enabling Employment Credit (EEC):** The EEC offers wage offsets to employers who offer work to local workers with disabilities. For each employee with disabilities earning less than S$4,000 a month, employers will receive an offset of up to 20%, capped at S$400 per month. For employees who have been out of work for at least six months, employers can receive up to an additional 20% offset on the first nine months' wages, applicable till December 2025.

**Enterprise Leadership for Transformation (ELT):** This one-year programme is designed to help SME business leaders hone their entrepreneurial and expansion capabilities. Leaders will learn to develop a customised business growth plan, study market assessment strategies, and even go on a market immersion trip. Qualified SMEs can benefit from subsidies for a final course fee of approximately S$1,000.

**SkillsFuture Career Transition Programme (SCTP):** The SCTP offers training support for those pivoting to new sectors or roles mid-career. Full-time and part-time courses are being progressively rolled out, focusing on sectors with strong hiring opportunities such as infocomm technology and advanced manufacturing. Employees can leverage baseline subsidies of up to 70% of course fees, with additional subsidies available for up to 95% of course fees.

**SGUnited Mid-Career Pathways Programme:** This attachment programme helps mid-career individuals develop new, in-demand skills. Those aged 40 and above can join attachment programmes and receive training with host organisations for up to six months. Trainees will earn a monthly allowance of up to S$3,800, with 70% of that funded by the government.

**Job-Skills Integrator Initiative:** Introduced in Budget 2023, this initiative centres around Job-Skills Integrators who will connect companies and individuals with industry-relevant employment and training partners. Employers can contact the appointed Job-Skills Integrators in their industry for access to training courses, careers advisory, and career compatibility solutions.

# Support from government and UOB (3/3)

## Sustainability and Innovation

**Enterprise Innovation Scheme (EIS):** Announced in Budget 2023, this scheme features enhanced tax measures to support businesses' research & development, innovation, and capability development activities. Businesses will receive increased tax deductions for these activities, from up to 250% of qualifying expenditure before 2024 Year of Assessment (YA), to up to 400% of qualifying expenditure between the 2024 and 2028 YA. Eligible businesses can also opt to convert up to 20% of total qualifying expenditure for each YA into cash, capped at S$20,000.

**Enterprise Development Grant (EDG):** The EDG provides funding for Singapore companies under three pillars: Core Capabilities, Innovation & Productivity, and Market Access. Under the Innovation & Productivity pillar, businesses can apply for up to 50% support for the costs of adopting automation solutions, embarking on process redesign, and developing innovative technologies or products.

**Notes:**

1. Terms and Conditions apply.
2. Deposit Insurance Scheme: Singapore dollar deposits of non-bank depositors and monies and deposits denominated in Singapore dollars under the Supplementary Retirement Scheme are insured by the Singapore Deposit Insurance Corporation, for up to S$75,000 in aggregate per depositor per Scheme member by law. Foreign currency deposits, dual currency investments, structured deposits and other investment products are not insured. Please refer to UOB Insured Deposit Register for a list of UOB accounts / products that are covered under the Scheme. For more information on the Deposit Insurance Scheme, please click here.

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