

SkillsFuture Enterprise Credit (SFEC)	
FAQs	
Scheme parameters and eligibility criteria	
1. What is SkillsFuture Enterprise Credit (SFEC)?	
<ul style="list-style-type: none"> SFEC aims to encourage employers to invest in enterprise and workforce transformation. Eligible employers will receive additional support for their enterprise and workforce transformation efforts, over and above the support levels of existing schemes. 	
2. What is the support level for SFEC?	
<ul style="list-style-type: none"> Eligible employers can tap on a one-off \$10,000 credit per firm to cover up to 90% of out-of-pocket expenses on qualifying costs for programmes or courses that demonstrate support for enterprise or workforce transformation. <ol style="list-style-type: none"> <u>Enterprise Transformation (up to \$7,000 only)</u> – Programmes by various agencies hosted on the Business Grant Portal (BGP); and/or <u>Workforce Transformation (up to the full \$10,000)</u> – Courses aligned to the various Industry Skills Frameworks by SkillsFuture Singapore (SSG), Job redesign initiatives, and Professional Conversion Programmes etc. by Workforce Singapore (WSG) The list of SFEC-supportable programmes can be found in Annex A. The list will be updated from time to time and is available on Enterprise Singapore's and respective agencies' websites. Employers will have to meet the eligibility criteria of the individual SFEC-supportable programmes before they can draw down the Credit. 	
Examples on how employers can benefit from SFEC	
<u>Example 1:</u>	
Employer decides to enhance its productivity through automation and applies for Productivity Solutions Grant (PSG) under the 'Enterprise Transformation' supportable programme.	
Cost of Equipment:	\$20,000
Claim Approved Amount (based on qualifying costs & supported at 80%*):	\$16,000
Out-of-pocket Expense:	\$4,000
SFEC Disbursement (90%):	\$3,600
* PSG support level of 80% is effective till 31 Dec 2020	
<u>Example 2:</u>	
Employer sends its employees for relevant Skills Framework-aligned courses under the 'Workforce Transformation' supportable programme.	
Full Fee of Training:	\$1,000
SSG Course Fee Subsidy (90%):	\$900

Out-of-pocket Expense:	\$100
SFEC Disbursement (90%):	\$90

3. What are the criteria that employers must meet to be eligible for SFEC?

- Employers which meet the following conditions will qualify for the SFEC:
 - a. Have contributed at least \$750 Skills Development Levy (SDL) over a qualifying period¹;
 - b. Have employed at least three Singapore Citizens (SCs) or Permanent Residents (PRs) every month over the same period; and
 - c. Have not been qualified at any of the earlier periods.
- There will be four qualifying periods:
 - a. 1 April 2019 – 31 March 2020
 - b. 1 July 2019 – 30 June 2020
 - c. 1 October 2019 – 30 September 2020
 - d. 1 January 2020 – 31 December 2020
- There will be no qualification of employers after the last period.

4. How do employers apply for SFEC?

- There is no need to apply for SFEC. Employers that fulfil the eligibility criteria will be informed by Enterprise Singapore in writing.
- The Credit will be used to subsidise supportable projects or courses that these employers successfully apply for.
- More details will be released subsequently to eligible employers.

5. What is the Skills Development Levy (SDL) and what is the purpose?

- Skills Development Levy (SDL) is a mandatory contribution by employers, as stipulated in the Skills Development Levy Act (Chapter 306). It was introduced on 1 October 1979 to encourage employers to upgrade their employees' skills. SDL collections are channelled into the Skills Development Fund (SDF), which support a wide variety of skills upgrading programmes and activities. The SDL and SDF are administered by SkillsFuture Singapore (SSG).
- All employers are required to pay SDL. The amount of SDL payable is prescribed in section 3 of the SDL Act. With effect from 1 October 2008, every employer is required to contribute 0.25% of the monthly remuneration of every employee on their payroll subject to:
 - A minimum of \$2 (for employees earning \$800 or less a month)
 - A maximum of \$11.25 (for employees earning \$4,500 or more a month)

¹ Excludes penalty payments (i.e. interest levied on SDL paid late)

<ul style="list-style-type: none"> • Regulation 3 of the Skills Development Levy Regulations requires every employer liable to pay SDL for any month to compute and pay the SDL within 14 days after the end of that month. • For more information on SDL, please visit www.sdl.ssg.gov.sg. For further clarifications on the SDL contributions, please contact the SSG hotline at 6785 5785.
<p>6. As an employer, if I am liable to pay at least \$750 SDL for a qualifying period but I did not pay up on time, can I still be eligible for SFEC?</p>
<ul style="list-style-type: none"> • SDL contributions (including arrears payments) made after the closure of the respective qualifying period will not be considered for SFEC eligibility. Only contributions for the current and upcoming qualifying periods will be considered.
<p>7. Are employers required to maintain the minimum \$750 Skills Development Levy contribution and employ a minimum of 3 Singapore Citizens (SCs) or Permanent Residents (PRs) after qualifying for the SFEC?</p>
<ul style="list-style-type: none"> • An employer who qualifies for the SFEC at any of the four qualification periods will be eligible for the SFEC credits for the duration of the programme. No further checks on eligibility will be conducted subsequently.
<p>8. Can non-business entities* qualify for SFEC?</p>
<ul style="list-style-type: none"> • While SFEC is open to all employers who meet the qualifying criteria, SFEC can only be used on programmes or courses where the base programmes or courses are eligible to the entities. <p>*Includes charities, Voluntary Welfare Organisations, Institutions of a Public Character, associations, and cooperative societies but excludes government agencies and subsidiaries.</p>
<p>9. Is a training plan still required (as it was under the Productivity Solutions Grant (SkillsFuture Training Subsidy) for using SkillsFuture Enterprise Credit (SFEC) to defray the employers expenditure on training?</p>
<ul style="list-style-type: none"> • No, a training plan will not be required under the SFEC. Employers that meet the SFEC criteria will be informed of their eligibility, and can start to apply for the supported training programmes from 1 April 2020. They can obtain reimbursement under the SFEC from 1 April 2021.
<p>10. When do employers need to embark on the supportable programmes in order to utilise SFEC?</p>
<ul style="list-style-type: none"> • Upon qualification, employers will be able to use SFEC on supportable programmes applied on or after 1 April 2020. • Supported training courses that commence from 1 April 2020 are eligible for SFEC, with final claims to be submitted by 30 June 2023. The credit will only be disbursed upon approval of claims

11. Will the unused credit be reimbursed to the employer upon expiry of the scheme?
<ul style="list-style-type: none"> • Upon expiry of the scheme, the unused Credit will be forfeited.
12. What will happen to the Productivity Solutions Grant (SkillsFuture Training Subsidy) with the launch of SFEC?
<ul style="list-style-type: none"> • Both PSG (SFTS) and SFEC have the common objective of supporting employers, especially SMEs, to invest in their transformation and the capabilities of their workers in tandem. • Given the overlap in coverage, the Productivity Solutions Grant (SkillsFuture Training Subsidy) [PSG(SFTS)] was rationalised under the SFEC. SSG has ceased accepting new PSG (SFTS) applications from 1 March 2020.
13. Who should I contact for more information on SFEC?
<ul style="list-style-type: none"> • Please contact Enterprise Singapore at enquiry@enterprisesg.gov.sg for assistance should you have questions on SFEC and on your eligibility etc.
<u>Course Eligibility</u>
14. What types of courses are eligible for SFEC?
<ul style="list-style-type: none"> • In general, courses or programmes eligible for SFEC must demonstrate support for enterprise or workforce transformation. For example, courses mapped to the various industry Skills Frameworks will be eligible for SFEC. These courses must receive course fee funding from a Singapore government agency or be conducted by a Singapore government agency. • Employers can access the list of approved courses in the Enterprise Portal for Jobs and Skills via https://psgsfts.enterprisejobskills.sg/Course_Internet/. The list of courses will continue to be reviewed and updated.
15. I am a training provider with courses that are funded by another government agency (e.g. IMDA). Are these courses eligible for SFEC?
<ul style="list-style-type: none"> • Government agency-funded courses are eligible for SFEC. Training providers will need to work with the respective government agencies to get their courses eligible for SFEC.
16. Why is the list of SFEC approved courses more limited than the list of SkillsFuture Credit courses?
<ul style="list-style-type: none"> • The SFEC is focused on training to support productivity improvements and enterprise transformation. The approved courses therefore must demonstrate support for enterprise or workforce transformation. This includes taking reference from skills and competencies identified in the Skills Frameworks, which are co-developed with the employers, industry

<p>partners, unions, and economic agencies. These courses must receive course fee funding from a Singapore government agency or be conducted by a Singapore government agency.</p> <ul style="list-style-type: none"> • The aims of the SkillsFuture Credit are broader and includes promoting lifelong learning and supporting active ageing.
<p>17. Will there be courses for sectors currently without Skills Frameworks?</p>
<ul style="list-style-type: none"> • SSG will continue to work with agencies in sectors without Skills Frameworks to identify and approve industry-relevant courses for the SFEC. • Notwithstanding, Skills Frameworks contain job roles and functional areas that are portable across industries. For instance, under the Skills Framework for Wholesale Trade, the tracks for Operations, Procurement and Sourcing, can be relevant to other sectors. Employers can consider relevant courses under these job roles or functional areas when upskilling their employees.
<p>18. I am a training provider with courses eligible under the Productivity Solutions Grant (SkillsFuture Training Subsidy) currently. How will the launch of the SFEC affect the eligibility of my courses?</p>
<ul style="list-style-type: none"> • Existing eligible courses under PSG (SFTS) will automatically be eligible for SFEC. As such, no further action is required on your end. The list of approved courses can be found at the Enterprise Portal for Jobs and Skills (enterprisejobsskills.sg).
<p><u>Claims</u></p>
<p>19. When can employers receive the SFEC reimbursement?</p>
<ul style="list-style-type: none"> • The SFEC will be reimbursed directly to employers from 1 April 2021.
<p>20. How should I make a claim for the supportable programmes in order to utilise SFEC?</p>
<ul style="list-style-type: none"> • The final claim for the projects or courses have to be submitted by 30 June 2023. Employers are required to follow the claim processes and requirements indicated by the respective agencies for the SFEC-supportable programmes. • Credit will only be disbursed upon approval of the final claims.
<p>21. What is the claims process for training courses under the SFEC?</p>
<ul style="list-style-type: none"> • The SFEC claims process for training courses is still being finalised and more details will be released in due course.
<p>22. How will employers receive the SFEC reimbursement?</p>
<ul style="list-style-type: none"> • Credit reimbursement will be by GIRO or Paynow payment to the employer's company account as registered with IRAS.

- Company status must be 'LIVE' to receive the credit reimbursement.

23. Can employers choose which programmes to utilise the SFEC credit?

- Credit disbursement will be based on final claims that are processed on a "first-come-first-served" basis. More details will be released to eligible employers.

Annex A

List of SFEC Supportable Programmes (as at 01 April 2020)

The supportable programmes will be updated from time to time.

Programmes	Agency
Enterprise Transformation Programmes	
1. Enterprise Development Grant (EDG)	Enterprise Singapore
2. Enterprise Leadership for Transformation Programme (ELT)	
3. Market Readiness Assistance (MRA) Grant	
4. Productivity Solutions Grant (PSG)	Administered by Enterprise Singapore, Singapore Tourism Board, Building and Construction Authority, National Environment Agency, Infocomm Media Development Authority, Monetary Authority of Singapore
5. Business Improvement Fund (BIF)	Singapore Tourism Board
6. Aviation Development Fund (ADF)	Civil Aviation Authority of Singapore
Workforce Transformation Programmes	
1. Skills Framework-aligned courses (in support of the Industry Transformation Maps)	SkillsFuture Singapore
2. Professional Conversion Programme (course fee expenses only)	Workforce Singapore
3. Rank-and-File Place-and-Train Programmes (course fee expenses only)	
4. Support for Job Redesign consultancy under Productivity Solutions Grant (PSG-JR)	
5. Job Redesign initiatives [e.g. i4.0 Human Capital Initiative for Manufacturing Sector, Service Industry Transformation Programme for the Services sector]	
6. Training Industry Professionals in Tourism (TIP-iT)	Singapore Tourism Board

Note: Employers will have to meet the eligibility criteria of the individual SFEC-supportable programmes before they can draw down the Credit.