

## Productivity Solutions Grant for Environmental Services (ES) Industry

### Frequently Asked Questions (FAQs)

#### Enhancements to PSG

**With the increase in grant cap from \$250k to \$350k per company and support of up to 70 per cent (from 50%) from 1 March 2020, can companies that previously tapped on the grant, re-apply to get a higher grant support?**

- Companies that previously tapped on the grant can submit new applications from 1 March 2020 for equipment if they had not reached their company's grant cap.
- Companies can also receive up to 70 per cent grant support for selected equipment on the pre-approved list (see the list), as long as the companies have not committed to purchase the equipment / solution under a pre-existing purchase agreement.

#### Eligibility criteria

**Can companies with 30% local shareholding apply for the grant?**

- Yes. The PSG for the Environmental Services (ES) Industry is applicable to small and medium-sized enterprises, multinational corporations, as well as building/facility owners looking to adopt proven and commercially available equipment/digital solutions that mechanise waste management and cleaning tasks, as well as robotic, automation and autonomous systems which will potentially have a greater impact on the level of productivity in the environmental services industry.

**How many existing contracts do companies need to have before being able to apply for the PSG?**

- The company needs to show that it is servicing at least one contract when applying for the PSG for the environmental services industry.

**Will NEA consider expanding the eligibility criteria to allow companies that do not require to be licensed under existing regulations to apply for the PSG?**

- NEA will review the application submitted by the company and assess the suitability of the grant disbursement on a case-by-case basis.

**Can companies apply for the PSG, if they have already tapped on an existing grant offered by the Government?**

- Companies are not allowed to apply for the PSG for a solution that is being supported by an existing grant for a similar purpose. Companies that wish to apply for the PSG will need to declare in their application form whether they have applied for the PSG and/or other grants previously for the same equipment/digital solution.
- If the company has fully utilised the funds of the earlier grant (e.g. WorkPro), they can apply for the PSG, as long as they meet the eligibility criteria and adopt solutions from the supportable list of equipment and/or digital solutions.

**Can residential owners procure equipment for personal use?**

- The PSG is to help defray the cost of companies to adopt commercially available and proven technologies to increase efficiency and manpower productivity in their operations. The PSG supported solutions must be used in commercial or industrial or common areas of residential sites.

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#### Can pre-owned equipment qualify for the grant?

- No. Pre-owned equipment is not supported.

#### Funding support

#### How is the S\$350,000 grant applied? Is it through the premises owner or company name?

- The grant is tied to the Unique Entity Number (UEN) of the company. Company with a valid UEN may apply for support under the PSG. For ES Industry, the grant cap is at S\$350,000 within the application period between 17 Sep 2018 and 28 Feb 2021. Companies are encouraged to plan the use of the PSG for their purchases.

#### Is the cap limit of S\$350,000 inclusive of the total project cost or total grant amount?

- The S\$350,000 is the total grant amount. Only the actual purchase/lease/hire purchase cost of the digital solution or equipment is supported. The grant support is on a reimbursement basis.

#### Can companies apply for the PSG for ES equipment/digital solutions that are not in the supportable list?

- Companies can only apply for the PSG, for the supportable ES equipment/digital solutions listed. NEA constantly review the supportable list of solutions. If the equipment is currently not in the supportable list, companies are welcome to share more information for NEA's review.

#### Which mode of purchases are supportable under the PSG for the environmental services industry?

- Companies can apply for the grant for supportable equipment and/or digital solutions regardless of whether the solutions are on direct purchase, hire purchase or lease/subscription. The funding duration for hire purchase and leasing options are as follows:

	Hire Purchase		Lease/Subscription
Solution cost	≤S\$100,000	>S\$100,000	All amounts
Maximum supportable period	Up to 12 months	Up to 24 months	Up to 12 months

#### What happens to the company after the maximum support period of 12 months or 24 months is over?

- The applicant may apply for other supportable solutions as long as the application is submitted by 28 February 2021, and the grant applied for is within the company grant cap of S\$350,000. Companies are encouraged to plan the use of the PSG for their purchases.

#### What if the company loses or terminates its contracts with the service buyers after applying for the PSG? Will NEA forfeit the grant that has been disbursed to the company?

- The company is required to own/lease the equipment/digital solutions within their premises for at least one year from the date when the final claim is disbursed. The company is required to submit a request and inform NEA if it is unable to meet the holding period requirement. NEA will review the request on a case-by-case basis.

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**Can companies apply for more than one supportable equipment/digital solution under PSG at the same time?**

- Yes, companies can apply for more than one supportable equipment/digital solution under PSG at the same time.

**Is the grant support of S\$30,000 for the PSG solutions supported under ESG on top of the grant support of S\$350,000 for solutions under the ES industry?**

- All companies in the ES industry will be subjected to a company-level grant cap of S\$350,000 for PSG.

#### Others

**How soon must company implement the solution after the application is approved?**

- Company shall only confirm and procure the solution after the grant application has been approved. In the application, company is required to indicate the equipment delivery date as well as the proposed implemented date for NEA's consideration. It is important for company to refer to the offer letter where details of the milestones are provided.

**Is the PSG grant taxable?**

- The PSG for the ES industry is given for the purpose of acquiring equipment/solutions which is capital in nature, hence it will not be taxable. Please refer to [IRAS' website](#) for more information.