

IE SINGAPORE'S MARKET READINESS ASSISTANCE GRANT

A. Overview of the Market Readiness Assistance Programme

The Market Readiness Assistance (“**MRA**”) Programme was first introduced by International Enterprise (“**IE**”) Singapore in 2013 to help local firms establish an international presence and seek business partners overseas. The MRA Programme offers assistance to Singapore-based businesses looking to venture overseas for business expansion or to export to a new market abroad, by providing “Knowledge Resources”, “Learning and Networking” opportunities, and “Financial Assistance”. In particular, it is aimed at encouraging Small and Medium-sized Enterprises (“**SMEs**”) to prepare for the future and to support them in bringing their businesses overseas for the first time.

B. The Market Readiness Assistance Grant

One of the most popular forms of assistance under the MRA Programme is the MRA Grant, which was subsequently enhanced in the 2015 Singapore Budget to provide up to 70% funding support, an increase from the previous co-funding cap of 50%. The scope of the MRA Grant was further enhanced to include support for marketing campaigns, listings on global e-commerce platforms, online marketing as well as participation in international tradeshows. The boost in funding support was expected to benefit an estimated 700 projects in 3 years.

Under the enhanced MRA Grant, eligible SMEs with their global headquarters anchored in Singapore and with an annual turnover of less than S\$100 million per annum, will be able to claim a maximum of S\$20,000 for up to two “supportable activities” per fiscal year.

Some notable practical benefits of the MRA Grant is the ability to offset overseas company incorporation and business licensing fees, as well as the costs incurred in the filing and registration of Intellectual Property (“**IP**”) rights abroad.

C. Supportable activities under the MRA Grant

The MRA grant supports overseas venture through the co-funding of pre-determined activities targeted at helping SMEs in areas such as overseas market set-ups, identification of business partners, and overseas market promotion.

(i) *Overseas Market Set-up*

During the early stages of venturing overseas, eligible SMEs may obtain co-funding for conducting market assessment and obtaining advice on legal, tax, labour, import and export regulations in the target markets. The grant support may also be used to cover advisory, legal and documentation expenses relating to market entry, such as business registration, protection of IP rights and drafting of relevant commercial agreements.

(ii) *Overseas Business Partners*

The MRA Grant also allows SMEs to claim for costs incurred in the market and business matching process. This includes identifying potential business partners and/or customers such as licensees, franchisees, agents, distributors and joint venture partners.

(iii) *Overseas Market Promotion*

As an integral part of business, funding support for marketing activities is an important feature offered by IE Singapore under the MRA Grant. SMEs may claim for third-party vendor and/or consultant costs incurred for marketing and Public Relation (“PR”) activities, which include the launch of in-store promotions, road shows and pop-up stores, as well as overseas speaking engagements.

Under the enhancements to the MRA Grant to keep up with the times, the scope of supportable activities has further been extended to cover online marketing and advertising activities such as social media marketing campaigns, search engine marketing and/or optimisation and listings on global e-commerce platforms.

In addition, participation in overseas tradeshows not supported by IE Singapore’s existing “International Marketing Activities Programme” may now be subsidized through the co-funding of space rental, booth design and construction costs. This would allow SMEs the opportunity to gain access to potential partners and customers, get feedback on their products and/or services, establish valuable business contacts and learn more about their target markets.

With the most recent refinements to the financial support offered under the MRA Grant, the MRA Programme is now better equipped to help Singapore-based companies expand their businesses overseas and embrace changes, such as the rise of e-commerce and social media platforms, amid increasing competition in the global market.

Should you have any queries as to how this update may affect your organisation or require further information, please do not hesitate to email us.



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