

Financial Sector Technology & Innovation (FSTI) Scheme - *Proof-of-concepts*

● FAQs

Frequent Asked Questions for Proof-of-Concept Scheme

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Application and Evaluation

1. I am working with a partner company for the project. Can we apply separately for the same project?

If multiple parties are working on the same project, but on different and distinct components, they may apply separately with multiple proposals. The proposals will be treated as separate projects, and will be evaluated and funded separately. Applicants should not submit multiple similar proposals for the same POC. Only the first application received will be accepted. All other similar applications by related parties will be rejected on double funding grounds.

2. Can I apply for POC funding if the project has already started?

The project activities for which the funding is being applied for, must not have commenced at the time of the application, i.e. before the proposal is received by MAS. Applicants who wish to start their project prior to the confirmation of the POC grant award, can do so upon the submission of the project application. However, applicants must be conscious that they are bearing the risk of the proposal being rejected during the evaluation process.

3. Can I date eligible expenses to project start date, which is before the project approval date?

Project expenses must be within the project period, which is stated by the applicant in the application form, and must be mutually agreed-upon between applicant and MAS. As a general guide, project start date may be any time after project application date, including before project approval date.

4. What happens if multiple unrelated parties submit similar proposals at the same time?

The evaluation panel will evaluate the similar proposals together and provide a recommendation for the proposal to be funded. The other projects may still be approved for

other innovative components within the project, e.g. different methodology or different approach to achieving the same outcomes.

5. **What happens if a proposal is submitted for an idea that is not yet on the market, but has been accepted by MAS for POC funding by a different applicant?**

One of the aims of the POC scheme is to generate knowledge and promote innovation in the financial industry. We hence look out for new and novel ideas that are not in the Singapore market. Once a POC proposal is accepted, we will treat the idea as successfully completed and available in the market, for evaluation of subsequent POC proposals.

If there are other innovative components in your proposal, e.g. different methodology or different approach to achieving the same outcomes, you may still be eligible for funding. If the prior POC turns out to be unsuccessful and we believe that your proposal may fare better, we may subsequently approve your project, or increase the funding quantum to account for the other innovative aspects.

Eligibility – General

6. **I am a tech start-up working on FinTech areas. Am I eligible for funding?**

Eligible applicants must be either (a) a Financial Institution licensed, regulated, supervised or registered by MAS; or (b) a technology or solution provider with at least 1 Financial Institution licensed, regulated, supervised or registered by MAS sponsoring the project.

You must have an FI as a partner or project sponsor to be eligible for funding. The FI need not have a direct financial stake in the project, but must exhibit active engagement and commitment to see the project to completion.

7. **How do I know if an organisation is considered a Financial Institution licensed, regulated, supervised or registered by MAS?**

You may refer to the MAS Financial Institutions Directory, available at: <https://eservices.mas.gov.sg/fid/>.

8. **I am working with an Academic or Research Institution which is directly related to the financial industry, but is not classified as an FI, e.g. SMU FTI, NTU ICRM, NUS RMI. Am I eligible for funding?**

Research Institutions typically work with an industry partner for projects, to ensure the relevance and applicability to the industry. You will be eligible for funding if you are working with the Research Institution as well as an industry partner which is a Financial Institution licensed, regulated, supervised or registered by MAS. The FI is not required to take a financial stake in the project, but must exhibit active engagement and commitment to see the project through.

9. **Can I apply for POC funding if I have already received a grant from another government agency or from MAS?**

You may do so if the previous funding received was for a different project scope and development activities. The general principle is that there should be no duplicate funding for the same expenses.

10. **Can I explore investments at the same time as POC funding? Will it affect the assessment?**

The company can explore investments at the same time as POC funding and it would not affect the assessment, as the nature and fundamental purpose for exploring investment and grants are different.

11. **Will my successful application for this grant affects my future eligibility for other government funding schemes?**

With most government funding schemes, you will be required to declare any grants previously received or currently being applied for, to ensure that there's no double funding. This may affect the grant quantum (exclusion for previously funded cost items), but should not affect your overall eligibility for the grants. You may wish to check with the relevant agencies for specific details and conditions for the individual grant schemes.

12. **I am not willing to share proprietary information about my product developed. Am I still eligible for funding?**

Proposals will be evaluated on the potential benefits to the industry, of which knowledge sharing is a key component. The knowledge shared need not be proprietary information. Neither is there is a requirement to cede the Intellectual Property Rights. It is up to the applicants on what and how much they want to share, and to articulate how the knowledge shared will be useful and relevant to the industry. A few examples are listed below:

- a. A company is planning to provide a totally new insurance product which is not available in Singapore. A key concern is whether there will be any interest in such a product, and the pricing level that will be acceptable to consumers. They intend to make public the results of their market research. They are not releasing any proprietary information on their product, but the report will be of value to the industry, as it creates awareness of a potential new market/product, and the potential market size and receptivity of the consumers in Singapore.
- b. A company is planning to localise a voice message analysis solution already in use in other countries. One of their key challenge is in catering for local slangs (due to the marrying of various different languages into Singlish) and difference in grammatical structure. They intend to write a whitepaper on the challenges faced, and how they overcome the challenges.
- c. A company is interested in using some form of machine learning to analyse financial chat messages. For the analysis, there will be 1) the algorithm, 2) the messages used to train the model, and 3) the trained model. (2) is private and sensitive to the

partner they are working with, while (3) is considered proprietary knowledge for partner. However, they are happy to open-source and share (1) the algorithm. Another FI might pick up the algorithm to use it, but the company believe that the FI will likely still seek them out as a vendor because of their expertise with the other surrounding processes. At the same time, releasing (1) is beneficial to the industry, because others can build upon it, and provide other services, or similar services but to other areas in the industry.

Eligibility – Expense Items

13. Are salaries for founders eligible for funding?

Salaries for founders and direct owners of the applicants are specifically excluded from the eligible expenses in line with other funding similar schemes.

14. Are employees with Employee Stock Ownership Plans (ESOP) considered direct owners of the companies?

We would not automatically consider an employee a direct owner simply because of stock options received.

To help us better determine the eligibility, please declare all pertinent details of the ESOP in addition to the salary details on the application form. Do note that you may be required to engage external auditors to provide a certification of your grant claims. Your auditors may refuse to certify your grant claims or raise an exception if they find that you have inaccurately declared a direct owner as an employee.

15. I am engaging professional services from a sister company. Are these services eligible for funding?

While there is no restriction on engaging services from related-parties, applicants should declare any such transactions, and ensure that fees paid are in line with industry norms.

Do note that you may be required to engage external auditors to provide a certification of your grant claims. Your auditors may refuse to certify your grant claims or raise an exception if they deemed that the transactions are fraudulent, e.g. overcharging/overbilling, and such cases will be referred to the relevant authorities.

Eligibility – Project type

16. There are multiple innovative components in my project. Can I apply for multiple grants?

The scheme is meant to fund POCs and not projects. If there are multiple distinct components within your project that fit the qualifying criteria, you may submit multiple proposals. They will be treated as separate projects, and will be evaluated and funded separately.

17. What type of projects are considered FinTech projects? Will building a consumer app for an FI qualify?

Qualifying projects should be directly related to the financial industry, e.g. provision of a new or improved financial service, or new or improved processes supporting the provision of a financial service.

Some examples of projects which will likely not qualify:

- a. Alternative revenue streams through the provision of a product or service that is not of a financial services nature, e.g. referral fees
- b. Improvement of internal corporate processes, e.g. HR or financial processes such as staff claims, with no direct impact on customers
- c. Services not of a financial services nature, but may lower costs for an FI, e.g. personal healthcare app which may lower cost of care.

Where the lines are not clearly delineated, the evaluation panel will decide if the project is considered an innovative FinTech project, and provide a recommendation on whether it should be approved.

18. I am providing a new and novel financial service/product which will be available in Singapore for the first time, using a packaged solution which I will need to integrate with the banks. Am I eligible for funding?

The funding scheme is meant to fund POCs and not projects. The parts of your projects which are considered novel will be eligible for funding.

Market sizing and market testing of a new and novel financial service/product may be eligible for funding. Applicants will need to show that the uncertainty, e.g. unclear customer preferences, receptivity, feasibility etc, is an impediment to players entering the market, and that a successful first mover would catalyse the growth of the area in Singapore.

Work done on integration, while crucial to project, are usually not considered innovative and will not be eligible. Some exceptions, such as integration using a new and novel approach or technology, may apply.

Administrative

19. How long do I have to wait to know the results of my submission?

Applicants will be informed of the outcome of their proposal submission at the end of each stage of evaluation. It takes about three months from the date of submission of the project proposal to receive the formal letter of offer from MAS.

20. My proposal was rejected. Can I reapply?

Applicants who wish to re-apply based on the proposal previously submitted should do so only after they have adequately addressed the issues or concerns highlighted for the rejection.

21. Will the panel disclose my project? Can applicants sign NDAs with 3rd party/external evaluators or ask evaluators to sign an NDA?

Forms of non-disclosure protection have been established with the Evaluators. They will not sign separate NDAs with applicants/companies.

Ultimately, the onus is on the companies to exercise discretion and caution, and to provide sufficient and necessary information about proprietary know-how/IPs/technology development to allow the panel to perform the required evaluation.