

Singapore Budget 2026: S$1 Billion Boost for Startups and Enhanced SME Grants of Up to 70% Now in Effect

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Singaporeâ??s startup and SME ecosystem received a major shot in the arm with Budget 2026, and as of **1 April 2026**, several key measures have officially kicked in. From a massive S$1 billion injection into the Startup SG Equity scheme to enhanced grant support levels of up to 70% for local SMEs, here is everything business owners and entrepreneurs need to know about the changes now in effect.

S$1 Billion for Startup SG Equity

The centrepiece of Budget 2026â??s enterprise support measures is the **S$1 billion top-up to the Startup SG Equity (SSGE) scheme**. Previously focused on early-stage deep tech startups, the scheme has been expanded to include **growth-stage companies** as well â?? a significant shift that addresses one of the longest-standing gaps in Singaporeâ??s startup funding landscape.

For years, founders have spoken about the â??Series B cliffâ?• â?? the difficulty of raising growth capital in Singapore after the seed and Series A stages. With global venture capital funding tightening and investors becoming more cautious, many promising Singapore-based startups were struggling to scale despite having proven products and revenue. The expanded SSGE aims to change that by co-investing alongside private investors in growth-stage deep tech firms.

The S$1 billion allocation is expected to catalyse significantly more private investment, as government co-investment typically gives private investors greater confidence to participate in funding rounds.

MRA Grants Enhanced to 70% for SMEs

From **1 April 2026 to 31 March 2029**, the **Market Readiness Assistance (MRA) grant** support levels have been enhanced to **up to 70% of eligible costs** for local SMEs, up from the previous cap of 50%. This is a substantial increase that makes it significantly more affordable for small businesses to expand overseas.

The MRA grant helps Singapore companies defray the costs of internationalisation activities, including:

- Overseas market entry and setup costs
- Business matching and market assessment
- Overseas marketing and promotion activities
- Legal and compliance costs for entering new markets

Non-SMEs also benefit from enhanced support of **up to 50%** during this period. Both enhancements run until 31 March 2029, giving businesses a three-year window to take advantage of the higher support levels.

S$1.5 Billion for the Anchor Fund

Beyond startups and SMEs, Budget 2026 also allocated a second tranche of **S$1.5 billion to the Anchor Fund**, a co-investment initiative between the government and Temasek aimed at attracting high-quality public listings to Singapore. First established in 2021, the Anchor Fundâ??s expansion signals the governmentâ??s commitment to making the Singapore Exchange (SGX) a more vibrant and attractive capital market.

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An additional **S$1.5 billion top-up to the Equity Market Development Programme** will further support fund managers and institutional investors in Singaporeâ??s capital markets ecosystem.

AI Adoption Among SMEs Tripling

The budget measures come at a time when Singapore SMEs are increasingly embracing technology. According to recent data, **AI adoption among Singapore SMEs tripled from 4.2% to 14.5%** between 2023 and 2024. While this figure still leaves significant room for growth, the trajectory is encouraging and suggests that government digitisation initiatives are bearing fruit.

Events like GITEX AI Asia 2026, which recently drew 23,000 tech leaders to Singapore, underscore the countryâ??s growing position as a regional AI and technology hub. The enhanced grant support should further accelerate technology adoption among smaller firms.

What This Means for Business Owners

If you are a startup founder or SME owner in Singapore, here is what you should do:

- **Check your eligibility for enhanced MRA grants:** If you have been considering overseas expansion, the 70% support level makes this the best time to apply. Visit Enterprise Singaporeâ??s website for details.
- **Explore Startup SG Equity:** If you are running a deep tech company at the growth stage, the expanded SSGE scheme could provide the co-investment you need. Applications are processed through Enterprise Singapore.
- **Leverage digital transformation grants:** With AI adoption accelerating, grants like the Productivity Solutions Grant (PSG) and the Enterprise Development Grant (EDG) remain available to help SMEs adopt new technologies.

- **Use GoBusiness as your starting point:** The GoBusiness portal is the one-stop shop for discovering all available government grants and support programmes.

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Harnessing AI

as a Strategic Advantage

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Driving Transformation

- Establish **National AI Council**, chaired by the Prime Minister, to drive national AI efforts
- Transform key sectors with national **AI Missions**

Accelerat Adoption

- Launch **Champio** programme to dr business transfor
- Expand **Enterpris Scheme** to inclu AI expenditures
- Expand **Producti Solutions Grant** more AI-enabled



Empowering Workers

- Expand **TechSkills Accelerator** workers build practical AI capab
- Help Singaporeans to find releva AI courses through **redesigned SkillsFuture website**

Budget 2026 highlights AI as a strategic advantage for Singapore businesses

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Building a Resilient & Skilled Workforce

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Uplifting Lower-Wage Workers

- Raise **Local Qualifying Salary** to **$1,800** from Jul 2026
- Extend and enhance **Progressive Wage Credit Scheme**
- Enhance basic tier of **Workfare Skills Support**



Strengthen Assurance Mid-Career Workers

- Expand coverage **SkillsFuture Programme** to industry-relevant
- Extend **Senior Credit** to 20

Updating Foreign Worker Policies

- Raise minimum qualifying salary to **$6,000** for **Employment Pass** and **$3,600** for **S Pass** from 2027



Taking Skills Forward

- Merge SkillsFuture and Workforce into a **new sta**

Budget 2026 invests in building a skilled and resilient workforce

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BUDGET 2026

Securing Our Future Toge in a Changed World

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Full details of Budget 2026 enterprise support measures

The Bigger Picture

Budget 2026â??s enterprise measures are part of Singaporeâ??s broader refreshed economic strategy, which aims to position the country as a global hub for innovation, deep tech, and high-value manufacturing. By supporting companies from the startup stage through to public listing, the government is building a comprehensive pipeline of support that few other countries can match.

For SMEs that have been on the fence about expanding or investing in new capabilities, the enhanced grant levels provide a compelling reason to act now. The three-year window runs until 31 March 2029, but given the competitive nature of grant applications, earlier movers are likely to benefit most.

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Looking Ahead

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The S$1 billion allocation for startup funding and the enhanced SME grants represent a clear signal from the Singapore government that supporting local businesses remains a top economic priority. With global economic headwinds and ongoing geopolitical uncertainties, these measures provide a much-needed safety net and growth catalyst for Singaporeâ??s business community. Entrepreneurs and SME owners who have been considering expansion, digital transformation, or new market entry should take advantage of these enhanced support measures while they are available.

For the latest updates on grant applications, eligibility criteria, and disbursement timelines, business owners can visit the GoBusiness website at go.gov.sg/gobusiness or contact Enterprise Singapore directly. Industry associations such as the Singapore Business Federation and the Association of Small and Medium Enterprises (ASME) also provide advisory services to help businesses navigate the various government support schemes effectively.

Singaporeâ??s Budget 2026 measures demonstrate the governmentâ??s commitment to ensuring that local businesses remain competitive and resilient in an increasingly uncertain global landscape. From startups to established SMEs, the enhanced funding and grant programmes provide meaningful support for businesses at every stage of their growth journey.

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