

Email title: Circular 01/2025 [for Baby Bonus Approved Persons/Approved Institutions]: Updated List of Approved Incidental Charges at Preschools

CIRCULAR 01/2025

10 March 2025

To: Baby Bonus Approved Persons/Approved Institutions

Dear Sir / Madam,

UPDATED LIST OF APPROVED INCIDENTAL CHARGES AT PRESCHOOLS

Aim

1. This circular informs all Approved Persons (“AP”) of early childhood development centres that are Baby Bonus Approved Institutions (“AI”) on revisions to the list of approved incidental charges in preschools for payment through the Child Development Account (CDA).

Background

2. The Ministry of Social and Family Development (“MSF”) has announced on 10 March 2025 that from May 2025, the uses of the CDA scheme will be expanded to cover all preschool incidental charges. This change follows MSF’s review of the CDA scheme to better support families’ needs and streamline scheme administration. The expansion of CDA uses will provide more comprehensive financial support for their preschoolers. It includes enrichment programmes provided by preschools, allowing preschoolers to fully tap on the learning opportunities offered by their preschools.

Expansion of Uses of CDA

3. From 1 May 2025, parents can use the CDA for all incidental costs at preschools as stipulated in the Early Childhood Development Centres Regulations 2018. This would cover enrichment programmes provided by preschools, such as speech, drama, robotics, and coding classes. Please refer to Annex for the updated list of approved incidental charges.

Reminders on Usage of CDA

4. MSF would like to remind APs of Baby Bonus AIs of the following:
 - a. CDA moneys may only be used to pay for basic fees and approved incidental charges listed in the Annex to this circular. Appendix 1 of the AP/AI Terms and Conditions will be published to reflect the updated list of

approved incidentals in due course. In the meantime, Appendix 1 of the AP/AI Terms and Conditions ('Approved list of indirect education expenses for payment through the CDA') will remain valid. The moneys must be used for the benefit of the CDA member or his/her sibling(s).

- b. CDA moneys cannot be used for non-approved expenses, which include, but are not limited to, administrative fees (e.g. bank processing fee or late penalty fee) or parents' participation in school activities, such as excursions. There had also been instances of APs/AIs offering loans to parents by depositing money into the CDA to receive Government matching and subsequently withdrawing the loan amount from the CDA as recovery of the loan. This is strictly not allowed, and action will be taken against non-compliant APs/AIs.
- c. Refunds for payments made from CDA must be credited back into the CDA via (a) the AI's corporate bank account registered with MSF, using Interbank GIRO, or (b) the AI Portal, using the "Refund to CDA" service.

5. MSF will continue to perform routine audits on CDA transactions and may take actions against an AP/AI should we discover any potential breach of the Relevant Legislation and Conditions.

Resources and Clarifications

6. Please see attached [Information Kit](#) relating to this circular, including a set of anticipated Frequently Asked Questions (FAQs) and infographics for your reference. **We also seek your assistance to disseminate the infographic to parents for their information.**

7. For clarifications on the contents of this circular, please direct your queries to: MSF_Babybonus_CDAUses@msf.gov.sg.

Yours faithfully,

Sylvester Koh
Deputy Director
Family Life Group – Services (Baby Bonus)
Ministry of Social and Family Development

List of Approved CDA incidental charges for payment through the CDA, as aligned with Early Childhood Development Centres (ECDC) Regulations 2018¹

(i)	uniform and any other attire
(ii)	insurance coverage for a child who is enrolled in the centre
(iii)	transporting a child from his or her home to the centre, or from the centre to his or her home, or both
(iv)	attending field trips and excursions outside the centre, including the cost of meals for the child and the cost of transporting a child to the venue of such field trips and excursions
(v)	participating in concerts organised by the licensee, including graduation ceremonies*
(vi)	photographs and videos taken of the centre's children and events*
(vii)	maintaining online communication tools and systems between the licensee and the parent or guardian of a child*
(viii)	enrichment programmes*
(ix)	e-learning materials
(x)	where the centre provides half-day services — (A) readers ² , academic materials, stationery, school bags and folders, and art and musical materials ³ used in providing those services; and (B) meals that are provided to children
(xi)	where the centre is a full-day service centre, use of a mattress, mattress cover or stack cot
(xii)	where the centre conducts any infant class, the diapers, nappy rash cream, milk bottle, milk powder, cot bedding and any other item which may be consumed or used by a child*

*included with effect from 1 May 2025

¹ See Regulation 3(6)(c) of the ECDC Regulations 2018.

² Regulation 7 of the ECDC Regulations 2018 states: "In this regulation — "readers" means materials that are used to teach a child how to read or to cultivate reading habits in a child"

³ Regulation 7 of the ECDC Regulations 2018 states: "In this regulation — "art and musical material" means material that is used to cultivate a child's interest in art, music or dance, or to reinforce a child's interest in art, music or dance"