

Export Market Development Grant (EMDG) Scheme – 2017

What is it?

The EMDG Scheme encourages Australian exporters to develop overseas markets for goods, services (including tourism services) and intellectual property and know-how, which are manufactured, provided or developed in Australia. The Scheme provides reimbursement of approximately 50% of eligible expenditure incurred in the promotion and marketing of goods and services to overseas markets (after the initial \$5,000 threshold – see Sample Grant Calculation). An Export Grant can amount to \$150,000 with a minimum grant payable of \$2,500 per annum.

Australian resident entities may access the Scheme where their total annual turnover (domestic and export) does not exceed \$50 million. An EMDG application can be submitted when an entity has incurred **at least \$15,000** in eligible expenditure during a financial year, although a first time EMDG claimant may combine two financial years to reach this minimum level. You can receive up to **8** grants.

How much money will I get back?

You get paid at the rate of 50 cents in the dollar above \$5,000 subject to funding in scheme on a year-by-year basis as well as the impact of the “earnings test” for clients who have already been paid 2 grants.

Do I need Export Success to get a grant?

The EMDG scheme requires that all applicants claiming their 3rd or subsequent grants demonstrate a level of export performance to qualify for their grant. You get paid the lower amount of your grant based on expenditure or a percentage of your export earnings (receipts) which decreases the longer you access the scheme.

The sliding scale is 40% of Export Earnings in Year 3, decreasing to 5% in Years 7 & 8.

How can we help?

We will determine whether your expenditure is eligible and will ensure your EMDG claim is maximized through our in-depth knowledge of the legislation and guidelines. We assist you to implement systems to capture supporting documentation, which will ensure your rebate is received as quickly as possible.

We will facilitate any meetings, investigations and appeals with Austrade on your behalf to ensure you are able to get on with what you do best – running your business. For first time clients of the scheme we will also assist you with the provisions of the Grant Entry Test and other issues that could prevent a grant being paid.

We get your maximum grant entitlement with a minimum of fuss.

Don't “fit in the box”?

Our specialty is assisting companies who often find that their business activities present technical challenges when trying to access the Export Grants and we have a record of success with these difficult applications.

How do we get paid?

Our services are provided on performance of obtaining a successful grant i.e. a **‘No Grant, No Fee’** basis.

What can I spend my Money on? – Export Marketing, Marketing & Marketing !!!

- Overseas Representatives , Marketing Consultants,
- Travel Costs for Marketing Purposes
- Product Promotion (Free Samples), Trade Fairs,
- Promotional Literature & Advertising Material,
- Overseas Buyers Visiting Australia, Trademark and Patent Registrations

Overseas Representatives

The costs attributable to maintaining an overseas representative on an ongoing basis to market your business overseas. Eligible costs include salaries/fees, office costs and travel. **Capped** at \$200,000. p.a.

Marketing Consultants

Expenditure incurred in engaging independent consultants who provide services relating to market development, market research and other marketing assistance activities. Consultants may be located either in Australia or overseas, but must be truly independent and pass other tests. **Capped** at \$50,000 p.a.

Travel Costs for Marketing Purposes.

The costs of travel overseas to develop export markets, airfares plus a daily travel allowance of AUD \$350 per day maximum 21 days per trip, per person (Overseas Visitors Allowance) can be claimed, this covers accommodation & meals , ground transport i.e. taxi , train, hire car.

Free Samples (Product Promotion)

The actual cost of providing free product samples to overseas buyers including the cost of providing FOC's and Famils in the tourism industry. **Capped** at \$15,000 p.a. (Note: the cap does not apply to 1st time applicants who put two years' expenditure in 1st grant application (fy15/16 & 16/17)

Trade Fairs

The external costs associated with participation in overseas trade fairs, seminars, in-store promotions, international forums, private exhibitions or similar promotional events. Some trade events held in Australia are also eligible if an accurate percentage of overseas attendees can be ascertained.

Promotional Literature & Advertising Material

The external costs associated with brochures, promotional videos/dvds, CD ROMs, advertising and other promotional material are eligible. Reasonable external costs associated with the development of promotional websites and a percentage of website hosting costs are claimable.

Overseas Buyers Visiting Australia

Airfares, transport, accommodation and meal costs associated with bringing overseas buyers, or potential buyers, to Australia to evaluate goods, services or intellectual property are eligible.

Up to \$7,500 per buyer per visit is claimable. **Capped** at \$45,000 p.a.

Trademark and Patent Registrations

Costs associated with registering International patents and trademarks in markets other than Australia. This generally relates to the charges made by patent attorneys. **Capped** at \$50,000 p.a.

A sample Grant Calc based on Expenditure.

Overseas Representative:	\$150,000	Maximum \$200,000
Marketing Consultants:	\$ 20,000	Maximum \$50,000
Travel (Airfares 15,000 OVA 14,000)	\$ 29,000	
Free Samples	\$ 1,000	
Trade Fairs	\$ 12,000	
Promotional Literature & Advertising Material	\$ 11,000	
Overseas Buyers	\$ 22,500	Maximum \$45,000 (\$7500 per overseas buyer)
Patent Registrations	<u>\$ 30,000</u>	Maximum \$50,000
Total eligible expenditure:	\$275,500	
Less Threshold	<u>\$ 5,000</u>	
Total expenditure:	\$270,500	\$270,500 x 50% = \$135,250 rebate
Total rebate:	\$135,250.00	(Max \$150K)

THIS WILL ONLY BE PAID IF THE GRANT POOL FOR THE RELEVANT YEAR HAS ENOUGH MONEY TO PAY ALL APPLICANTS THEIR GRANT ENTITLEMENT IN FULL. EMDG has a split payment system for large grant payments. This is part of the fine print of the EMDG scheme that we know all about.