



mitchell & co
CHARTERED ACCOUNTANTS

ASK NOT WHAT EMDG CAN DO FOR YOU BUT WHAT YOU CAN DO FOR EMDG!

As per our prior newsletter, EMDG (the Export Market Development Grant) Scheme is under review at the moment.

Some background first and then some jobs for you to do.

Background

EMDG gets reviewed every 5 years. This review will be different, I can feel the need for change happening.

- The Review team has been set as advised before.
- The terms of reference for the review are pretty broad – see the link: <https://www.austrade.gov.au/Australian/Export/Export-Grants/review/terms-of-reference>
- Consultation sessions have been announced already, with the first one to be held in Adelaide on Monday. <https://www.austrade.gov.au/Australian/Export/Export-Grants/review/consultations>
- Written submissions need to be in by Monday 11th November 2019 – not that far away!! Some of us might be sober post the Melbourne Cup by that time.

Our View - From the top of the Soap Box!

We will make a submission on behalf of you, our client base, in due course.

Overall, EMDG works well. It clearly makes a difference to your export efforts.

It's about encouraging SMEE's (Small to Medium Enterprises/Exporters) to have a crack at overseas markets for your goods and services. It underpins many jobs, both in the big sticks and rural areas.

If not for the EMDG program, your export efforts and returns (sales) would be much less. EMDG does lead to increased export sales, which benefits the Australian economy, creates income, tax revenue, employment etc, etc, etc.

EMDG is the "MOST" effective and efficient export assistance program Australia has had and therefore should continue.

Effectiveness is about - **What does EMDG do!** (encourages more exporters and makes them better ones)

Efficiency is about - **How is this done!** (rules based, money spent first and claimed back, audit process etc)

EMDG may have some issues with under funding and sometimes over aggressive audit behaviour, but overall it is the most efficient and effective means to help exporters and supports the wishes of government to create an export culture, with export sales and employment.

EMDG has worked in the past, but it is the present/future of the program that is important.

EMDG is "not broken" it just needs some fixes as follows:-

- Additional funding or better matching of the supply of funds to demand for the scheme.
- Some rules changes to match clients' expectations with the outcome – for those clients with a payment of \$40,000 or more.
- To help fund new Export Activity, not just new exporters.
- EMDG to cover investment attraction from overseas, not just making sales.
- To fund better, products/ideas, inventions during the commercialisation process, not to just expect a product/service to be 100% complete before it is marketed overseas.

- To clear the decks for many clients that have had grant history in the past (going back to 1970's) for their business or previous owners of the business that had no knowledge of the grant history.
- Exporting environment changes every year and hence the scheme should keep up.
- To think of a better way to allocate funding between clients of the scheme – not just on number of years, maybe a cap of funding in total, irrespective of the years.

In short - **The Review outcome should be about making EMDG the best it can be, not replacing it.**

Our submission will be completed and lodged before Tuesday 5th November 3.00 pm EDST.

True story, the starting gates for the Cup are actually made by Steriline Racing, one of our clients and an EMDG recipient - their gates are used around the world...helped by EMDG.

NOW IT'S YOUR TURN - EMDG needs you – so volunteer/ be conscripted.

Cards and letters from Exporters like you carry more weight than the ramblings from some like us on your behalf!

If you can attend the briefing sessions in your state, please do so. Short notice and a bit of time commitment, but it will help. Speak from the heart is always the best way.

If you have had a good experience with EMDG, say that.

Likewise a bad experience, it should be told as well.

As well, a written submission as short or as long as you want it to be – it will make a huge difference. It's about volume - the more cards and letters the better!!!

A short one can be “EMDG has been good for us”, a long one can start with “A

long time ago in a far and distant Galaxy” whatever you choose to submit, make a statement! You can just respond via the portal link below – fill in the boxes or attach a submission.

<https://austrade.citizenspace.com/government-and-partnerships-division/review-sme-exporters/>

Myself, I find any submission to government is best done with a full glass of red close by to help one’s creative musings, maybe I will not be that sober post the Melbourne Cup!

If you need any help “ghost writing”, give us a call.

Regards,

Stuart and Team

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