



EXPORT MARKET DEVELOPMENT GRANT (EMDG) SCHEME

Mitchell & Co provides specialised advice relating to the EMDG Scheme.

We help you navigate the rules & regulations, and avoid common traps set for new players. Put simply, we get your maximum grant entitlement with a minimum of fuss.



3000+
grant submissions



98%
success rate



100,000
hours on EMDG

FAQS

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 FY18/19 & 19/20 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.

Stop Press: Does not apply for a 2020 Application due to EMDG COVID-19 response.

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

GLOSSARY

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.

Note: Accommodation, food & beverages, entertainment, travel insurance, country visa application costs, excess baggage & ground transport i.e. taxi, train, hire car, fuel, parking **are not claimable**

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.**

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, 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 CALCULATION BASED ON EXPENDITURE

Overseas Representative	\$150,000	Max \$200,000
Marketing Consultants	\$20,000	Max \$50,000
Travel (Airfares 15,000 OVA 14,000)	\$29,000	
Free samples	\$1,000	Max \$15,000
Trade Fairs	\$12,000	
Promotional Literature	\$11,000	
Overseas Buyers	\$22,000	Max \$45,000 (\$7500 per buyer)
Patent Registrations	\$30,000	Max \$50,000
Total eligible expenditure	\$275,000	
Less threshold	\$5,000	
Total expenditure	\$270,500	$\$270,500 \times 50\% = \$135,250$ rebate
Total rebate	<u>\$135,250</u>	Max \$150,000

*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 all know about.

For 2020 your EMDG Entitlement is guaranteed up to \$100,000.