



EXPORT MARKET DEVELOPMENT GRANTS (EMDG)
2022 - EMDG NEW

Mitchell & Co provides specialised advice relating to EMDG. It's our job!

EMDG is changing from 1 July 2021. You will need to have your wits about you to maximise your grant success. [Outsource all your EMDG obligations to us.](#) We will not let you down.



EMDG is changing

Goods, services, ip covered- must have substantial Australian input



Pre-approval only - not pre-payment

Covers overseas marketing costs, now including export education



3 step application process

No minimum spend, funding caps by year & tier



3 types of application tiers plus representative body

Short timeframe to make an application

FAQS

WHAT'S CHANGING?

Changes to EMDG commence on 1 July 2021.

There will be a period of overlap with the old model. Exporters will be able to lodge both an application based on the old act, for past expenditure up to 30 June 2021, and simultaneously an application for the 2022 year.

The new EMDG program will change from working in arrears, to a "bid" system- for pre-approval, not pre-payment, of your export marketing plans.

The application process has now been increased, there are 3 steps to being paid.

- your initial grant **bid**/application
- your grant funding agreement/**approval**
- your acquittal process/request for **payment**

Approval needs to be given before you spend the money you want to be paid for.

Exporters must have an annual turnover of less than \$20m.

Grants will be available in stages called Tiers, based on your grant age and export focus. Your grant history from before carries into the new program. You do not start again. Unlike before, you will not have months to lodge an application, only weeks.

So you need to get ready, contact us now!

HOW MUCH MONEY WILL I GET BACK?

There is no minimum or maximum spend level. There is an overall funding cap of \$770,000. You can only be funded for 8 years, but you can apply for funding over two or three forecast periods.

There are funding caps (max grants) per Tier status, i.e. your age in the scheme and export focus.

You have to lodge a bid for your grant. Your grant is not known or guaranteed at that stage.

Austrade must ration demand against the supply of money. That is, you might apply for a grant of \$50,000, but only gain approval for \$35,000.

You will then have to spend the same amount- your own contribution must match what you're approved for. So the funding level is 50/50 you/government.

DO I NEED EXPORT SUCCESS TO GET A GRANT?

No, but your level of export sales does determine your "Tier" status.

Tier 1 - covers grant years 1 to 2- no export sales.

Tier 2 - covers grant years 3 to 5- expected to have export sales.

Tier 3 - covers grant years 6 to 8- export

sales and spend focus on new markets, i.e. a "strategic shift" from Tier 2 markets and market activity.

HOW CAN WE HELP?

We will assist you through the entire process of applying under the new EMDG. We will determine your eligibility and "age" in the new program to ensure you make the most out of EMDG with a minimum of fuss.

HOW DO WE GET PAID?

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

We get paid when you do!

WHAT CAN I SPEND MY MONEY ON?

The categories of expenditure will remain the same, with one addition.

- 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
- Export Education (**new**)

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.

Marketing Consultants

Expenditure incurred in engaging independent consultants who provide services relating to market development, market research and other marketing assistance activities.

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.

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.

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 website, social media, brochures, promotional videos, advertising and other promotional material.

Overseas Buyers Visiting Australia

Airfares, transport, accommodation and meal costs associated with bringing overseas buyers, or potential buyers, to Australia.

Trademark and Patent Registrations

Costs associated with registering International patents and trademarks in markets other than Australia, New Zealand, and North Korea.

Export Education

Costs of selected exporter education, courses and training.

Tiers

Tier 1: for eligible small to medium exporters who are new to exporting - grants of up to \$40,000 per year for 2 years.

Tier 2: for eligible exporters who plan to expand their presence, in current markets or enter new markets - grants of up to \$80,000 per year for 3 years.

Tier 3: for eligible exporters who plan to make a strategic shift in their exporting business - grants of up to \$150,000 per year for 3 years.

Representative Body: for industry bodies representing an industry or group sector – grants of up to \$150,000 per year.

EMDG 2022 - INFORMATION REQUIREMENTS

What you need to supply to us:

- Full contact details
- Australian Business Number (ABN)
- Website/ Facebook page
- Export or Domestic sale evidence- actual or proforma
- Current Bank Statement that ties in with your ABN
- Cloud read only access to your financial statements (Xero/Myob etc)
- Export planning evidence and/or commentary
- Forecasts of Export based sales, Cost of Goods Sold (COGS), marketing expenditure

What we will do for you:

- Help you fill in the gaps and supply templates to make the process easier
- Prepare your initial grant bid to signature stage - [step 1](#)
- Vet and approve your grant offer/contract from Austrade - [step 2](#)
- Set up systems to monitor your "approved" expenditure
- Deal with the grant payment request process - [step 3](#)
- When you get paid, we take our agreed fee at that time

**Applications open 16th August, 2021,
and close on 30th November, 2021**