

Export Market Development Grants

Fact Sheet

austrade.gov.au/EMDG



This Fact Sheet is a summary only and must be read in conjunction with:

- the Export Market Development Grants Act 1997 (the EMDG Act)
- the Export Market Development Grants Rules 2021 (the EMDG Rules), and
- the 2021-22 Export Market Development Grants Guidelines (the Guidelines).

Grant opportunity

EMDG is designed to bring benefits to Australia by encouraging the creation, development and expansion of foreign markets for Australian products.

Eligible small to medium enterprises (SMEs) are able to apply for grants up to \$770,000 per applicant over 8 financial years for promotional activities to market eligible products in foreign countries, or training activities to develop skills in such marketing.

This grant opportunity opens at 09:00 AEST on 16 August 2021 and closes at 17:00 AEDT on 30 November 2021.

Grants available

Grants will be available in 3 tiers, designed to provide different levels of support to you during different stages of your export journey:

- **Tier 1**: for eligible SMEs who are ready to export in the grant year grants of up to \$40,000 per financial year for up to 2 years.
- **Tier 2**: for eligible SMEs who are exporting eligible products and seeking to expand export promotion activity for eligible products grants of up to \$80,000 per financial year for up to 3 years.
- **Tier 3**: for eligible SMEs who are exporting eligible products and seeking to expand export promotion activity and make a strategic shift in the marketing of eligible products in a foreign country grants of up to \$150,000 per financial year for up to 3 years. You can apply for any tier level that suits your organisation. You do not have to progress through each Tier. You do not have to proceed through the tiers in any particular order.

To be eligible:

- you need to have a turnover of less than \$20 million for financial year 2020-21
- you must be an Australian person within the meaning of the EMDG Rules, and
- you must have an Australian Business Number.

Plan to market

To apply, you must provide a **plan to market** – a high-level document that shows us what you intend to do to market your product overseas in the next 2 or 3 years and why.

An example plan to market and template is available here.

Eligible products

EMDG grant funds must be used for promotional activities to market eligible products in foreign countries, or for training activities to develop skills in such marketing.

To be an eligible product, your product(s) must be of <u>substantially Australian origin</u> and be:

- goods
- services
- events
- software
- intellectual property or know-how.

Further guidance on what **of substantially Australian origin** means can be found in the Guidelines.

Eligible expenses

The EMDG grant is provided for expenses that fall into one or more of the following categories:

- Maintaining a representative in a foreign country for more than 6 months in a financial year.
- Up to 21 days' continuous travel for you or your representative, between Australia and a foreign country.
- Engaging a consultant to undertake either:
 - research into the market in a foreign country for your eligible product
 - promotional activities to market your eligible product in that country.
- Up to 21 days' continuous travel within Australia for you or your representative, to undertake activities relating to marketing your eligible product to potential foreign buyers.
- Up to 21 days' continuous travel between Australia and a foreign country, and within Australia, of a prospective foreign buyer of your eligible product so you can undertake promotional activities to market your eligible products to that buyer.
- Expenses for activities undertaken by you or your representative to solicit for business in a foreign country for your eligible product.
- Providing free samples of your eligible product.

- Producing and providing material to promote or advertise your eligible product in the foreign country.
- Seeking the granting, registration or extension of intellectual property rights of your eligible product in a foreign country.
- If you are a <u>Tier 1</u> applicant, obtaining training so that you or your staff can better market your eligible products in foreign countries.

You must have a designated connection to the eligible product for your promotional activity expenses to be eligible. For most grantees, the designated connection will be that you own the product. Other types of designated connection relationships differ depending on the type of product you are marketing.

There are a number of ineligible expenses detailed in the Guidelines.

Payments

Once all grant applications have been received, Austrade will calculate the distribution of available funds for all eligible applications. Following assessment, if you are eligible, you will receive a grant agreement that will tell you how much your grant is for. Your obligation is to match, at a minimum, the dollar value of the grant monies you receive.

Payments will be made annually, with the timing of those payments to be determined as part of the grant agreement. You must provide us with a milestone report as set out in your grant agreement before we make a milestone payment.

Apply here

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