

EXPORT MARKET DEVELOPMENT GRANTS

AT A GLANCE

The Export Market Development Grants (EMDG) scheme is a key Australian Government financial assistance programme for small to medium aspiring and growing export-ready businesses.

It encourages businesses to increase international marketing and promotion expenditure to achieve more sustainable international sales.

It also provides businesses with an opportunity to enter and embed themselves in global value chains – something that encompasses 80 per cent of global trade.

EMDG recipients include many of Australia's best known exporters. The vast majority of recipients report that the scheme is invaluable in helping them access new markets, and develop better international business and cultural understanding.



WHO CAN APPLY?

An Australian individual, partnership, company, association, cooperative or statutory corporation that has:

- › carried on business in Australia
- › promoted the export of goods
- › promoted the delivery of services outside Australia
- › promoted certain services in Australia to non-residents
- › promoted inbound tourism
- › promoted the export of intellectual property and know-how outside Australia
- › an income of less than \$50 million for the year
- › spent at least \$15,000 on eligible export promotional activities.

A trustee may also apply on behalf of a trust.

WHAT CAN BE CLAIMED?

- › overseas representation expenses
- › marketing consultant expenses
- › marketing visits expenses
- › free samples expenses
- › trade fairs, seminars, in-store promotions expenses
- › promotional literature and advertising expenses
- › overseas buyers expenses
- › registration and/or insurance of eligible intellectual property expenses.



Australian Government

Australian Trade and Investment Commission

WHAT DO YOU GET?

- › up to 50 per cent reimbursement of eligible expenses, less the first \$5,000
- › each applicant may receive a grant of up to \$150,000 per application (subject to available funds), to a maximum of eight annual grants
- › grants are regarded as assessable for income tax purposes
- › the Australian Taxation Office has confirmed that GST will not apply to EMDG grants.

WHAT CANNOT BE CLAIMED?

Expenses that:

- › relate to trade with New Zealand and North Korea
- › are of a capital nature
- › relate to sales or product development
- › are fraudulent, unsubstantiated or related to an illegal activity.

The GST component of incurred expenses cannot be claimed under EMDG.

SPECIAL APPROVAL APPLICANTS

Industry associations and joint ventures are able to seek 'special approval' status from Austrade to enable them to apply for a grant. Special approval status is effective for five years from the approval date. If you would like further information about how to apply for these special status categories please contact Austrade.

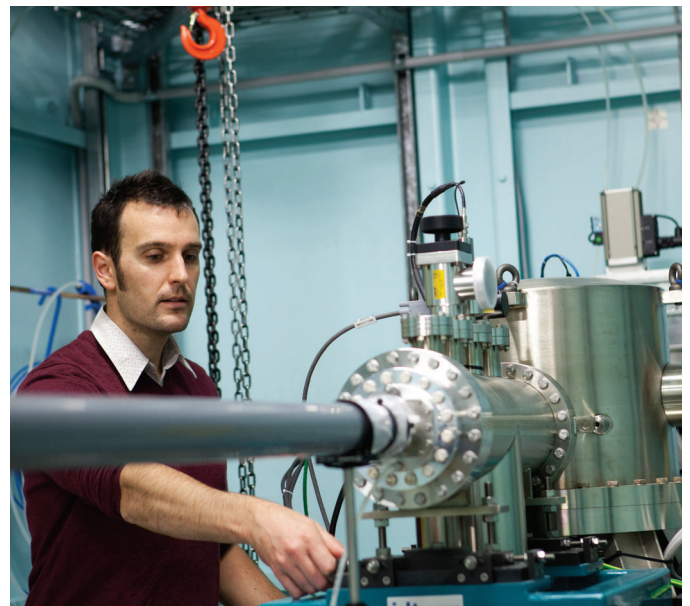
HOW TO APPLY

To find out more about the application process, go to austrade.gov.au/Export/Export-Grants and select 'Apply'. From this page you can also make sure your business is eligible to apply by reviewing the EMDG eligibility check list.

You can contact Austrade on 13 28 78 at any time to clarify your eligibility.



Image courtesy of Tourism Australia



KEY FACTS ABOUT EMDG

The annual EMDG budget is \$157.9 million. This was increased to \$207.7m in 2019-20 financial year in response to the COVID19 event. In the 2019-20 financial year grants worth \$192.2 million were paid to 4,015 businesses.

For the 2018-19 grant year:

- › The average grant was \$47,569
- › 1,287 businesses entered the scheme for the first time
- › Businesses that received grants reported generating \$4.3 billion in exports.
- › 730 recipients were from rural and regional Australia
- › 77% of recipients were small businesses, reporting annual income of less than \$5 million.
- › By broad industry classification, 70 per cent of EMDG recipients were from the services industries, with a further 26 per cent in manufacturing and four per cent in the primary sector.
- › The principal markets targeted by EMDG recipients are the USA, UK, China, Singapore, Canada and Germany

WHEN TO APPLY

You must complete and submit your online application, including the required documents, between 1 July to midnight Australian Eastern Daylight Time (AEDT) 30 November 2020 or you can use an approved EMDG Consultant who can lodge a claim on your behalf until (AEDT) 2 March 2021.

FIND OUT MORE

- › austrade.gov.au/export/export-grants
- › Call Austrade on 13 28 78