



The Australian Industry Group
Level 2, 441 St Kilda Road
Melbourne VIC 3004
PO Box 7622
Melbourne VIC 3004
Australia
ABN 76 369 958 788

Ai Group Submission - EMDG Review

The Export Market Development Grants scheme (EMDG) plays an important role in encouraging small and medium-sized businesses to export new products and services, and to reduce the risks associated with accessing new markets.

In the current environment of uncertainty in international markets, exporters should be able to count on the EMDG scheme to support their efforts to promote Australian products around the world.

While EMDG is not the only lever available to increase the international competitiveness of Australian businesses, it is however an important program that encourages investment in international market expansion.

Almost 50% of Australian exporters have only three or less export transactions a year. It is essential that we improve this, and one essential element is to lift the international business skills of our new and emerging exporters. One shortcoming of the previous EMDG rules has been that companies were able to claim the expense of engaging an outside consultant, however unable to claim the expense of professional development training for existing staff who are already loyal to the company and knowledgeable about the product. These reforms finally address this anomaly.

The second complaint often made by members is that the complexity of the rules and application process of EMDG has required some exporters to use external consultants to prepare their applications. Given that the grant is actually a refund on money spent by the exporter, and it is an entitlement grant, not a competitive grant, losing 10% of the payout to a consultant is grating.

The EMDG is a popular program with exporters and the improvements being considered are practical responses to the current limitations of the program.

A handwritten signature in black ink, appearing to read 'Louise McGrath'.

Louise McGrath
Head of Industry Development and Policy.
Australian Industry Group