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Minister for Trade, Tourism and Investment
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MEDIA RELEASE

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Backing Australian exporters to go global

The Morrison Government is backing Australian businesses to grow their exports and create jobs through reforms to the Export Market Development Grants (EMDG) scheme, after an independent review of financial assistance for small and medium enterprise exporters.

The EMDG scheme is a key Government financial assistance program to help aspiring and current exporters increase their marketing and promotional activities in international markets. Last year alone over 4000 Small and Medium Enterprises accessed the EMDG scheme, employing almost 69,000 Australians and generating exports worth \$3.7 billion

Federal Trade Minister Simon Birmingham said better assisting Australian exporters to enter new markets or expand their presence in existing markets would be critical to boosting export activity and supporting Australia's economic recovery from COVID-19.

"The EMDG scheme has played a critical role in helping hundreds of thousands of Australian exporters to expand into international markets, develop brand recognition overseas and form relationships with potential customers," Minister Birmingham said.

"COVID-19 has presented new hurdles for Australian exporters including the disruption to supply-chains and loss of markets, and it is more important than ever that they have the support mechanisms in place to help them reach their export potential.

"Maximising support to Australian businesses as they look to go global or expand their overseas footprint will be vital to continue growing the number of Australian exporters and the total value of Australian exports into the future which will help create more jobs."

In October last year, the Government commissioned the independent review into the administration of the EMDG scheme. It was led by Ms Anna Fisher, co-owner of Zontes Footstep who was assisted by Australia Post CEO Ms Christine Holgate and Aspen Medical CEO Mr Bruce Armstrong.

Minister Birmingham said the Government accepted in-principle all ten recommendations from the review which centered on cutting red tape, increasing awareness of the scheme and giving exporters more funding certainty.

"Whilst the review found many businesses were overwhelmingly positive about the EMDG scheme, it did find the current reimbursement model provided a lack of funding certainty and that administrative processes were too complex," Minister Birmingham said.

“By shifting away from a reimbursement model to a grants scheme, eligible exporters will now receive funding closer to when they incur costs, giving more confidence that EMDG funding will genuinely boost their international marketing and promotional activities.

“At the same time, simplifying application processes and reducing the administrative burden on exporters whilst still maintaining integrity in the scheme will allow recipients to focus on boosting export activities and ensure maximum return on taxpayer’s investment.

“I would like to thank Ms Fisher, Ms Holgate and Mr Armstrong for their work in ensuring the scheme remains fit for purpose and will support exporters to be competitive on the world stage into the future.”

Legislation to give effect to these changes to the EMDG scheme is scheduled for introduction into Parliament this year. The new scheme is intended to commence on 1 July 2021 once the new legislation has passed Parliament and associated rules are in place.

Consultations on scheme design and program rules will occur prior to changes coming into effect.

For further information, including the Reviewer’s report, go to:

www.austrade.gov.au/Australian/Export/Export-Grants

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