Australian Government Department of Industry,

Innovation and Science



Frequently Asked Questions

Business

Small and Medium Enterprises (SME) Export Hubs grant opportunity

1. What is an export hub?

Export hubs are collaborative business networks that help small to medium enterprises (SMEs) in the Growth Centre sectors harness opportunities in global marketplaces.

Export hubs will boost the export capability of small to medium local and regional businesses, through supporting activities such as to developing collective brands, leveraging local infrastructure to scale business operations, and positioning regional businesses to participate in global supply chains.

The grant opportunity will help SMEs to grow, export and increase local and regional jobs.

Export hubs will develop export strategies, based on local strengths, which will align with the national strategies and networks of the Growth Centres.

Export hubs will undertake activities such as:

- help to address barriers to SME participation in global supply chains
- deliver improved local business capability
- increase information and resource sharing between SMEs
- provide market intelligence about export opportunities
- enhance workforce skills through training and seminars.

The grant opportunity builds on successful overseas clustering initiatives including Germany's Leading Edge Clusters Competition and Norway's Innovation Clusters.

2. What is the Industry Growth Centres Initiative?

The <u>Industry Growth Centres Initiative</u> is an industry-led approach driving innovation,

productivity and competitiveness by focusing on areas of competitive strength and strategic priority. Growth Centres are building capability and stronger industry systems and represent national collaboration networks.

Growth Centres are leading cultural change in their sectors by focusing on four key areas:

- increasing collaboration and commercialisation
- improving access to global supply chains and international opportunities
- enhancing management and workforce skills
- optimising the regulatory environment.

All six Growth Centres have published Sector Competitiveness Plans, which are strategic visions that highlight opportunities and activities to boost sector productivity and drive cultural change in each sector. The six Growth Centres are the:

- Advanced Manufacturing Growth Centre, AMGC
- Cyber Security Growth Centre, <u>AustCyber</u>
- Food and Agribusiness Growth Centre, <u>Food Innovation Australia Ltd (FIAL)</u>
- Medical Technologies and Pharmaceuticals Growth Centre, <u>MTPConnect</u>
- Mining Equipment, Technology and Services Growth Centre, <u>METS Ignited</u>
- Oil, Gas and Energy Resource Growth Centre, <u>National Energy Resources</u> Australia (NERA).

The Growth Centres will provide advice to export hubs and help connect hubs across Australia.

3. How can export hubs align with other government Initiatives?

There are many approaches that a hub may take to align their activities with other government initiatives, for example:

- work with relevant Growth Centres to align their strategies with respective Sector Competitiveness Plans and utilised Growth Centre networks and knowledge
- coordinate and collaborate with relevant Growth Centres on activities and services
- facilitate opportunities for grant recipients under the Entrepreneurs' Programme to trial, sell or add value to products and services with businesses in the hub
- bring together firms to which Entrepreneurs' Programme learning events (or other third party activities) can be delivered
- connect firms with Austrade market intelligence, networks and in-market expertise to prepare participating firms to access international opportunities.

4. How do I apply for funding?

The grant opportunity will be delivered through a two-stage competitive selection process. Go to <u>business.gov.au</u> for information on how to apply.

5. What sources of funding can I contribute as the matching contribution?

If you are invited to submit a Stage 2 application, you will need to provide evidence of matching funding with your Stage 2 application. You must demonstrate you can match the requested grant amount with cash contributions from one of, or a combination of the following sources:

- State government
- Local government
- Industry partners which may include corporate sponsors.

Commonwealth sources of funding cannot be used as a matching contribution.

In-kind contributions are not an eligible matching contribution.

6. What is an acceptable cash contribution to match the grant?

Your contribution to match the grant must be cash, not in-kind. Eligible contributions are:

 cash to be spent by the applicant or a project partner on eligible expenditure for the purpose of undertaking an eligible project activity; and

 labour costs of employees directly employed by the applicant or a project partner on eligible project activities.
 Eligible labour costs must be within the limits specified in Appendix B of the SME Export Hub Grant Opportunity Guidelines.

We consider in-kind to be non-monetary inputs such as facilities, equipment and services provided by the grantee or a project partner from its own resources.

Examples of in-kind are:

- equipment, technology, software or hardware;
- service fees or of discounted service fees;
- discounted rent/loan of facilities and equipment;
- access to intellectual property.

If there is no exchange of money (either by cash or bank transaction) by the applicant or a project partner, then it is considered to be in-kind.

7. What evidence do I need to provide to confirm matching funding?

If you are invited to submit a Stage 2 application, you will need to provide the following evidence of matching funding with your Stage 2 application:

- Accountant Declaration confirming the applicant contribution
- Letters of support from other contributing organisation. Letters must be signed by a person with the authority to commit the organisation and they must include the amount of funds being contributed.
- Evidence of support for the project from the applicant organisation board, CEO or equivalent – a sample letter is available on business.gov.au and GrantConnect.

8. What is the difference between a mature hub and a newly-established hub?

A mature export hub is a hub that has been operating for more than one year. A mature export hub has existing activities and services, and governance structure. Mature export hubs are expected to have at least 10 active participants accessing hub activities and services. A newly established export hub is a hub that is in the development phase, or not fully established, and wishes to fast track their formation. This can include hubs that have not been formally established.

9. How has the grant opportunity changed from Round 1?

An advisory committee will assess your EOI against the stage 1 merit criterion taking into consideration advice from Industry Growth Centres.

To encourage participation from Indigenous organisations, these organisations will receive a point as part of their EOI merit score. A new loading of of 4 points will be applied to Indigenous organisations who are invited to submit a Stage 2 application.

To account for the challenges faced in outer regional and remote areas, these projects will receive a point as part of their EOI merit score. The remoteness loading for regional and remote Stage 2 applications remains unchanged (6 points for projects with a remote location, 3 points for projects with a regional location and 0 points for projects with a metro location).

Projects must include activities that support capability development for hub manager(s) to help them build further skills to manage their export hubs and improve project outcomes.

10. Can I reapply under the current round if I applied under the previous round?

Yes, successful and unsuccessful Round 1 applicants can reapply under Round 2. Successful Round 1 applicants must clearly demonstrate their application does not duplicate activities already funded.

Unsuccessful Round 1 applicants can submit an EOI for the same project as submitted under Round 1. See question 10 below for some guidance on how an application could be strengthened.

11. How can I demonstrate that my organisation is an Indigenous organisation?

The Stage 1 Expression of Interest form will ask if your organisation is an Indigenous organisation. You can demonstrate this with an Indigenous Corporation Number (ICN). ICNs are registered through the <u>Office of the</u> <u>Registrar of Indigenous Corporations</u>. If you do not have an ICN and your organisation is at least 51 per cent owned or controlled by Indigenous persons you can provide a statutory declaration confirming this with your Stage 1 Expression of Interest.

12. Is any there any guidance from Round 1 that will help strengthen my Round 2 application?

Applicants must demonstrate the proposed project has industry buy-in.

Projects should leverage existing support, not duplicate it. Advice on how this will be managed should be included in your response.

If particular overseas markets are targeted, applicants must demonstrate how the markets best suit the needs of the participating SMEs.

Applicants should describe the competitive strength/s that the proposed project builds on.

Applicants must demonstrate their capability and capacity to deliver the project.

Project plans must clearly demonstrate how the project will be implemented and outcomes achieved within the maximum project period of 2 years and 5 months.

Organisations should consider working together where it is sensible to collaborate, pool resources and capitalise on competitive strengths.

13. When do applications close?

Expressions of interest will close at 5pm AEST Thursday 19 September 2019.

If your Expression of Interest is successful, you will be invited to apply for an SME Export Hub grant. Stage 2 applications are expected to open in mid-November and will close at 5pm, Tuesday 17 December 2019.

14. What are the character limits for my application?

The online form includes character limits for each question. If you are drafting content in Microsoft Word please be aware that Word does not consider a return to be a character but the application form does. This may result in a slight difference in word counts across Word and the online form.

15. Need more information?

For more information, visit <u>business.gov.au</u> or call 13 28 46.

We may update this document from time to time to add further information, where required.