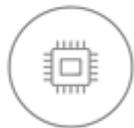# SME Export Hubs Initiative

August 2018

SME Export Hubs Initiative Outline

- The Initiative is funded for $20 million over four years.

- Successful SME Export Hub applicants will be eligible for up to $1.5 million over four years.

- Applicants will need to provide at least matched funding.

- SME Export Hubs are collaborative business-to-business networks that help small businesses harness opportunities in global marketplaces.

- The Initiative will help Australian SMEs to grow, export and increase local and regional jobs.

SME Export Hubs Initiative Outline

- This competitive program will fund SME Export Hubs in the Growth Centre sectors:

Advanced Manufacturing

Cyber Security

Food and Agribusiness

Medical Technologies and Pharmaceuticals

Mining Equipment, Technology and Services

Oil, Gas and Energy Resources

- The Initiative will build upon the FIAL Cluster Programme and other similar programs.

Alignment with other initiatives

Industry Growth Centres Initiative
Leadership and vision

Support and alignment

Export Hubs

Export Hubs

Export Hubs

Align with local and regional strategies

Entrepreneurs' Programme
Support for individual firms

Austrade
International network and market information

Supportive resources

State and territory initiatives

Infrastructure, CRC's and CSIRO

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What will the Export Hubs do?

Possible activities

Embryonic cluster

- Establish and develop the business network

- Identify competitive strengths and innovation potential

- Develop export strategies that reflect local strengths and align with Growth Centre priorities

Mature cluster

- Develop export strategies that reflect local strengths and align with Growth Centre priorities

- Provide market intelligence about export opportunities

Possible activities in partnership (including Growth Centres, the Entrepreneurs' Programme and with state programs)

- Deliver improved local export capability

- Enhance workforce skills and management capability through training and seminars

- Increase information and resource sharing between participating businesses

- Help to address barriers to participation by member firms in global supply chains

Process to date

- The department has carried out targeted consultation with:
  - Growth Centre Boards and CEOs
  - Regional Development Agencies – thank you for your feedback!
  - Austrade
  - State Government
  - Other relevant parties
- A concern raised is that some business networks can't write good applications

Responses:
  - Ensuring genuine engagement with Growth Centres in the application process
  - Asking that RDAs support application writing where needed
  - Sought constitutional advice to provide funding for not-for-profits including cooperatives and RDAs
  - Looking for practical measures to drive alignment and stop duplication

Who Is Eligible to Apply?

To be eligible, applicants must:

- have an **Australian Business Number**

And be:

- a **not for profit entity incorporated in Australia** and
- an entity that is or will be **supporting trading corporations to export**

Note:

- RDAs, state, territory or local government organisations may apply, as long as they meet the above eligibility criteria.
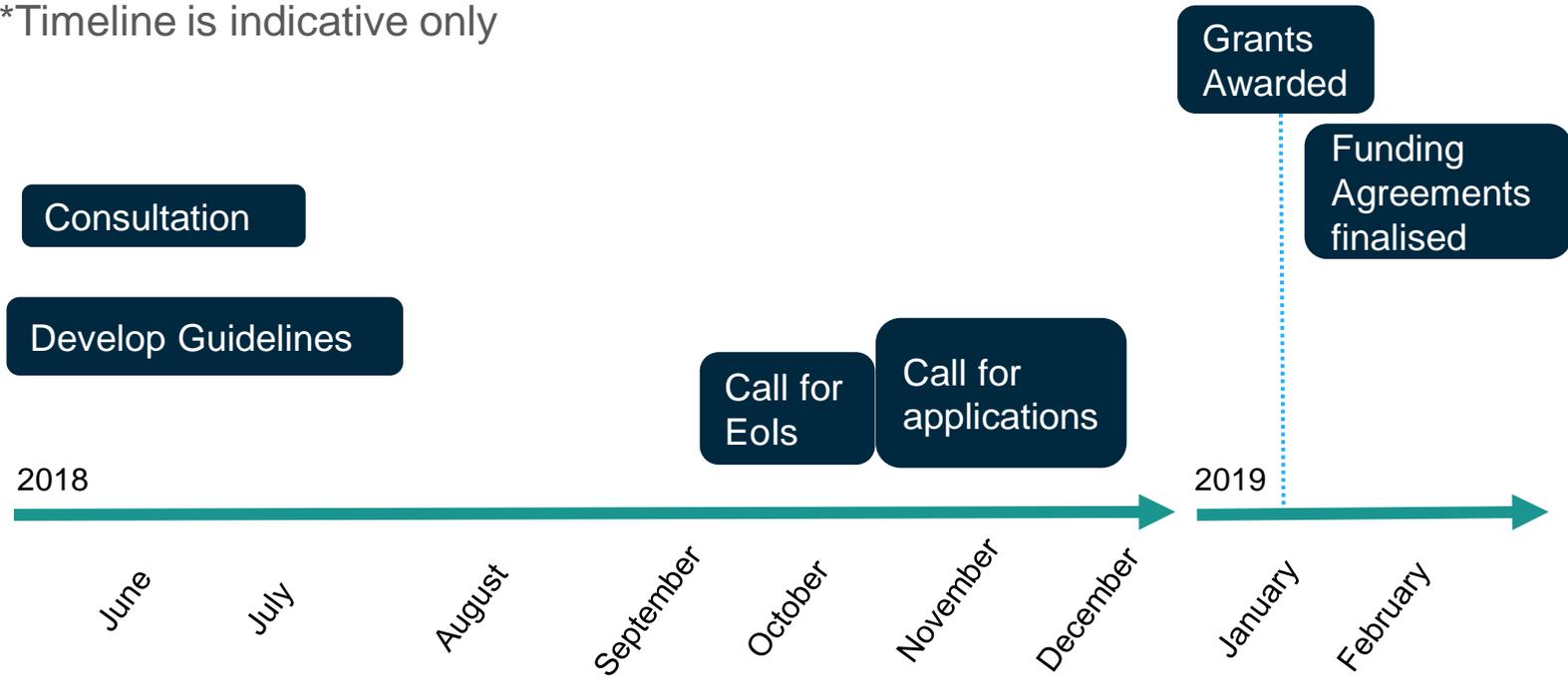- Joint applications must be led by an eligible lead applicant.

Growth Centre Engagement
Two Stage Process and Rationale

- Two stage process for applicants:

    - Expressions of Interest (EoI)

    - Then invitations to applicants to submit a formal application.

- Growth Centres will provide advice to DIIS on eligible EoIs, and then provide advice to those that are invited to develop a full application.

    - Growth Centre expertise will ensure applications align with national sector priorities and that all relevant stakeholders are involved and engaged.

- The Minister for Industry, Innovation and Science will be the decision maker. An expert panel will assist DIIS in providing advice to the Minister.

Indicative Timeline

*Timeline is indicative only

Grants Awarded

Funding Agreements finalised

Consultation

Develop Guidelines

Call for EoIs

Call for applications

2018

2019

June July August September October November December January February

It is anticipated that there will one or two funding rounds. If the SME Export Hubs Initiative is undersubscribed following these rounds, further rounds may be announced.

Questions and Answers

We look forward to working with you.

Mark Weaver

Industry Growth Division

**Department of Industry,
Innovation and Science**

Email: ExportHubs@industry.gov.au

Example Hubs

- NSW: Hunternet, i3net

- VIC: East Gippsland Food Cluster, Geelong Manufacturing Council

- SA: Spencer Gulf Cities

- WA: Southern Forests Food Council, Subsea Cluster

- TAS: Ferment Tasmania

- QLD: Toowoomba & Surat Basin Enterprise, Sunshine Coast Food & Agribusiness Network

The guidelines allow for cooperatives, RDAs and similar organisations to apply.

Example Australian business to business networks

The East Gippsland Food Cluster (VIC)

- Draws together a vibrant food production and processing sector to enhance the region's economy and the resilience of its communities.

- Helps develop workforce capability, improve productivity and supply chain efficiency to grow the sector.

- Almost 50 firms participate in the Cluster, which has been in operation since 2011.

Example Australian business to business networks

The Southern Forests Food Council (WA)

- Draws together local food and beverage producers to establish their region as an internationally recognised food producing region.

- Acts as a single point of contact for over 200 growers, producing over 50 different types of produce.

- Supports its members to access domestic supply chains and facilitates export and investment opportunities.

Example Australian business to business networks

The Toowoomba and Surat Basin Enterprise (QLD)

- Works to link businesses with investment and export opportunities to grow and diversify the regional economy.

- Holds events to promote investment attraction.

- Works to improve supply chain access through advocating for priority infrastructure.

- Has over 500 members, with over 213,000 employees.