Guidelines

Trade Alliance Program





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Background

The Tasmanian Government is looking to support collaborative projects that have the potential to generate immediate and ongoing trade outcomes for a number of Tasmanian businesses.

The Trade Alliance Program (the **Program**) provides up to a 75 per cent contribution to **Project Costs** for Tasmanian **Industry Associations** and **Regional Organisations**, with the remaining funds to be contributed by the applicant in cash.

Minimum grant assistance is \$10 000 per Project. Maximum grant assistance is \$25 000 per Project.

Program objective

The objective of the **Program** is to support Tasmanian **Industry Associations** and **Regional Organisations** to facilitate collaborative projects whereby multiple Tasmanian businesses build on their competitive advantage and/or develop solutions to trade and export challenges. Projects could include for example:

- collective freight opportunities
- collective e-commerce opportunities
- development of traceability across a supply chain
- collaboration to tender.

Definitions

Grant Agreement means an agreement entered into between an approved applicant and the Crown in Right of Tasmania as represented by the Department of State Growth.

Industry Association, also known as an industry group, business association, sector association or industry body, means an organisation funded by businesses that operate in a specific industry.

Project (or Activity) means a project which is the subject of a funding application under the Program.

Project Costs includes costs agreed by the Department that are incurred by an applicant directly attributable to the **Project**, but excludes ongoing running costs associated with a **Project**.

Program means this Trade Alliance Program.

Regional Organisation means an organisation that, as part of their task aims to accelerate trade and export growth in a specific Tasmanian region.

Applicant and program eligibility

- Applicants must not be a current claimant of the Austrade Export Market Development Grants (EMDG) or any other government funding scheme for the **Project** that is the subject of an application;
- Applicants must not be a consultant or intermediary;
- Applicants must not be subject to any legal disability, including bankruptcy or liquidation.

Selection criteria

Applications will be subject to a merit assessment by the Department, where the following criteria will be considered:

- The degree to which an application supports a specific collaborative trade opportunity, that is clearly identified, well-researched and substantiated
- The degree to which the applicant demonstrates its suitable project management, business development and trade experience and success
- The degree to which the **Project** demonstrates net economic benefit to Tasmania
- The number of Tasmanian businesses the **Project** supports; with projects supporting a higher number of Tasmanian businesses more favoured
- The value for money presented in the application, where applications demonstrate an opportunity for increased trade outside of Tasmania
- The degree to which the **Project**, as detailed in the application, aligns with the objectives of the **Program** and the Tasmanian Trade Strategy.

Eligible expenditure

The **Program** provides a reimbursement of 75 per cent of the agreed expenses to approved **Industry** Associations or **Regional Organisations**. The minimum grant amount available is \$10 000 per **Project**, up to a maximum of \$25 000 per **Project**.

Eligible expenditure cannot be retrospective (applicants must receive grant approval prior to the **Project** for which funding is sought takes place).

The Department will make decisions on eligibility of expense items presented in applications.

Eligible expenditure under the **Program** may include costs to:

- Procure expert assistance for multiple Tasmanian businesses to access market opportunities
- Undertake supply chain efficiency improvements for multiple Tasmanian businesses
- Develop collective freight and logistics opportunities
- Develop collective e-commerce opportunities; or
- Introduce traceability for multiple Tasmanian businesses across a supply chain.

Ineligible expenditure

- Pending the nature of the **Project**, operating expenses, such as employee or related-party wages and salaries, utilities, rent, insurance and vehicle expenditure will generally be considered ineligible.
- Retrospective expenditure. Applicants must receive grant approval prior to the **Activity** for which funding is sought taking place.
- Fees paid or payable directly to the Tasmanian Government for attendance/involvement in trade activities or initiatives are ineligible.
- Expenditure on similar trade **Projects** or activities that have been, or will be, supported through the Australian Government's Export Market Development Grants Scheme, or any other government assistance schemes, is ineligible.

Application process

Applications must be submitted and assessed prior to the **Activity** taking place. Steps in the application process are as follows:

- 1. Applicants are encouraged to call Business Tasmania on 1800 440 026 and ask to be forwarded to the Trade unit at the Department of State Growth, prior to submitting their application.
- 2. The application is completed and lodged online through the online SmartyGrants application.
- 3. The application is reviewed by Department and considered against the Selection Criteria.
- 4. The applicant is advised of the outcome in writing.
- 5. Successful applicants receive a Grant Agreement for acceptance, signature and return to the Department.

Successful applicants

Successful applicants will receive a Grant Agreement for acceptance, signature and return to the Department.

- I. Recipients will need to submit the following in order for the reimbursement to be processed:
 - a) Evidence of eligible expenditure, to the Department's satisfaction;
 - b) A detailed written report on the activities undertaken and outcomes achieved (a template will be provided); and
 - c) A tax Invoice.
- 2. Additional reports on the outcomes of the Activity may be requested up to 18 months after reimbursement.
- 3. If a significant outcome occurs as a result of the funded **Activity**, the recipient agrees unconditionally to the Tasmanian Government publicising the outcome and the enterprise will cooperate in any joint media opportunity involving Ministers that the Department of State Growth may require.

N.B. No assistance is available to organisations failing to comply with the application process.

Taxation and financial implications of grant funding

Grants under the **Program** attract GST. Grant payments to grantees are increased to compensate for the amount of GST payable.

The receipt of funding from this **Program** may be treated as income by the Australian Taxation Office (ATO). While grants are typically treated as assessable income for taxation purposes, how they are treated will depend on the grantee's particular circumstances.

It is strongly recommended that the potential applicants consider seeking independent advice about the possible tax implications for receiving a Grant under the **Program** from a tax advisor, financial advisor and/or the ATO, prior to submitting an application.

Administration

The **Program** will be administered by the Department of State Growth on behalf of the Crown in Right of Tasmania.

Any person requiring further advice or information of the **Program**, or submitting an application, is asked to direct enquiries to <u>ask@business.tas.gov.au</u> or call Business Tasmania on 1800 440 026.

Confidentiality

The relevant parties will use and disclose the information provided by applicants for the purposes of discharging their respective functions under the Program Guidelines and otherwise for the purposes of the **Program** and related uses. The Department may also:

- I. use information received in applications in any other Departmental business; and
- 2. use information received in applications and during the performance of the **Project** for reporting.

Publicity of grant assistance

The Department of State Growth disburses public funds and is therefore accountable for the distribution of those funds. As part of the accountability process, the Department may publicise the level of financial assistance, the identity of the recipient, the purpose of the financial assistance, and any other details considered by the Department to be appropriate.

Right to Information

Information provided to the Department of State Growth may be subject to disclosure in accordance with the *Right to Information Act 2009.*

Personal Information Protection

Personal Information will be managed in accordance with the *Personal Information Protection Act 2004*. This information may be accessed by the individual to whom it related, on request to the Department of State Growth. A fee may be charged for this service.

Disclaimer

Although care has been taken in the preparation of this document, no warranty, express or implied, is given by the Crown in Right of Tasmania, as to the accuracy or completeness of the information it contains.

The Crown in Right of Tasmania accepts no responsibility for any loss or damage that may arise from anything contained in or omitted from or that may arise from the use of this document, and any person relying on this document and the information it contains does so as their own risk absolutely.

The Crown in Right of Tasmania does not accept liability or responsibility for any loss incurred by any applicant that are in any way related to the **Program**.



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