

# Wine Australia for Australian Wine

Grant opportunities

**\$50 million Export and Regional  
Wine Support Package (\$50m Package)**

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# Today's presentation

- Overview of the \$50m Package
- What is international wine tourism?
- \$50m Package grants
  - Wine Export Grants
  - International Wine Tourism State Grants
  - International Wine Tourism Competitive Grants
- Wine Tourism and Cellar Door Grants
- Questions?

**NB:** All information included in this presentation is based on the *draft* grant guidelines and may be subject to change.





# Overview of the \$50m Package

- \$50 million commitment from the Australian Government
- Aims to grow wine exports, showcase our nation's wine tourism and bring international visitors to our regions
- Administered by Wine Australia
- Targets China and the USA – Australia's two largest export markets by value
- Four programs, including three grants
- Designed to complement and contribute to Tourism 2020 strategy
- Australia's food and wine tourism are important planks in this strategy



# International wine tourism

Tourism undertaken by international tourists in Australia for the purposes of, or relating to, consuming or purchasing wine.

## International wine tourism activities

International wine tourism, as well as services, products and experiences, that complement international wine tourism.





# Overview: the four programs within the \$50m Package

## **China and USA marketing (\$32.5m)**

Targeted multi-year marketing campaigns that improve the perception and awareness of Australian wines in China and USA markets, as well as the premium paid.

## **Capability development (\$2m)**

Improving the capability of grape, wine, and cider businesses to capture export opportunities and develop wine tourism products and services.

Includes export-readiness workshops and access to detailed market analysis.

## **Grants (\$11m)**

Wine Export Grants that build the capacity of small and medium wine businesses to capture export opportunities in China and the USA.

State-based and competitive grants for initiatives that increase international wine tourist numbers and expenditure across the states and regions.

## **Transforming cider businesses (\$0.5m)**

Development of a brand proposition and go-to-market strategy for the Australian cider industry based on detailed market analysis.

# Grants within the \$50m Package

## **Wine Export Grants (\$1 million)**

- opportunity for small and medium wine exporters
- expected to open in early January 2018

## **State based grants (\$5 million)**

- opportunity for state wine associations to collaborate with wine tourism stakeholders to identify and plan exciting wine tourism initiatives
- expected to open in early December 2017

## **Competitive grants (\$5 million)**

- opportunity for a range of stakeholders to apply for funding on a competitive basis and collaborate on initiatives that will grow the number of and/or spend by international wine tourists in a particular region
- expected to open in early December 2017

# Wine Export Grants

## Summary of draft grant guidelines - <http://www.agriculture.gov.au>

- Small and medium wine exporters can claim a reimbursement grant of up to \$50,000 for 50 per cent of eligible export promotion expenses incurred on or after 1 January 2018
- Must have had aggregated turnover of less than AUD \$20 million in the financial year immediately preceding the application
- Can only receive the grant once within the duration of the grant program
- Capped \$1 million allocated to the program – accessed on a first come, first served basis
- Anticipated grants will open in January 2018
- Applicants should not plan or make financial commitments that assume they'll receive a grant

## Eligible expenses

- Cost of travel for single promotional visit to China, Hong Kong, Macau and/or USA for Australian wine product
- Free samples of the product you are promoting for export, up to AUD\$2,500, including freight or transport costs
- Trade fairs, seminars and in-store promotions
- Marketing and advertising collateral

# Wine Export Grants

## Assessment process

- Wine Australia will review applications against eligibility criteria
- If additional information is required to assess eligibility, Wine Australia will request this from applicant
  - applicant will have five business days to produce information
- Recommended grant amount approved by Wine Australia CEO
- Anticipated grant payments will be made within four weeks of being approved

**NB:** Wine Australia will maintain real time information on its website, including:

- value of grant monies committed, and
- remaining balance available.



# International Wine Tourism State Grants

## **Summary of draft grant guidelines** - <http://www.agriculture.gov.au>

- State based grants providing state wine associations with the opportunity to apply for to pre-determined funding allocations for collaborative wine tourism initiatives
  - NSW, SA, Victoria and WA (\$1,000,000)
  - Queensland and Tasmania (\$ 500,000)
- Allocations determined following consultation with sector
  - broadly reflect the value of production and number of international visitors in each state
- Applications anticipated to open in early December 2017 and close (11 weeks later) mid February 2018
- Applicants able to submit an application for a single grant, up to the amount of their allocation that meets eligibility requirements
- Cash co-contributions apply

# International Wine Tourism State Grants

## **Eligible activities** – (based on *draft* grant guidelines)

- **Research** to inform the development of wine tourism strategies within the state directed at growing international wine tourism.
- **Facilitation** of collaborative planning processes to develop wine tourism strategies within the state directed at growing international wine tourism.
- **Implementation** of international wine tourism activities identified in a strategy developed by a State Wine Association or a State Government

## **Ineligible activities**

Preparation of application materials, activities of distinctly commercial or proprietary nature, creation of new legal entities, core business expenses not directly related to carrying out the project costs – i.e. admin, overhead, infrastructure, staff salaries, living allowances and travel.

# International Wine Tourism State Grants

## Assessment process

- Applications examined initially by Wine Australia to ensure applications are complete
- Expert Assessment Panel reviews applications on a rolling basis from mid February to late October 2018
- All plans and activities supported through the program need to align with broader strategic objectives of the Package – hence why applications are required
- Panel makes recommendations to Minister on applications which meet all eligibility criteria
- Successful applicants sign grant agreement with Wine Australia

# International Wine Tourism Competitive Grants

## **Summary of draft grant guidelines** - <http://www.agriculture.gov.au>

- Small grants (up to \$50k) and medium grants (\$50k to \$250k) offered to eligible entities for initiatives that will grow the number of and/or spend by tourists visiting a region of Australia for the purpose of international wine tourism
- Anticipated that grants will open early December 2017
- Small grants have co-contribution requirement of \$1 for \$1
- Medium grants have co-contribution requirement of \$2 for \$1

## **Eligibility**

- Applicants may include registered state or national wine associations, local government bodies, incorporated regional or local tourism organisations, not-for-profit organisations and universities – as well as eligible consortia.



# International Wine Tourism Competitive Grants

## **Eligible consortia** – (based on *draft* grant guidelines)

Each eligible consortium must:

- have a nominated lead entity who will enter into the grant agreement with Wine Australia on behalf of the consortium - **cannot** be a for-profit organisation, partnership or individual
- be comprised exclusively of members who meet the eligibility criteria, and
- commit cash co-contributions to the project from each consortium member.

***NB:*** *There is no minimum amount required from each member, but failing to demonstrate this commitment renders the application ineligible.*

# International Wine Tourism Competitive Grants

## **Eligible activities** – (based on *draft* grant guidelines)

- Wine tourism marketing targeted at attracting international tourists
- Wine marketing campaigns targeted at attracting international tourists to a particular region
- Wine events that aim to increase international wine tourism and visitor spend
- Infrastructure or innovative products or services to complement or directly support international wine tourism and benefit multiple businesses in a particular region

## **Funding for events and marketing will only be approved under the following circumstances:**

- It is intended as seed-funding to support inaugural events, trial new approaches or fund a one-off expansion of an existing event or activity.
- Applicants will need to clearly outline their strategy to fund future and expanded events or activities without Australian Government funding in their applications.
- Wine marketing campaigns will need to demonstrate how it will increase *international wine tourism* and sales.
- Core funding for business-as-usual will **not** be eligible.

# International Wine Tourism Competitive Grants

## Assessment process:

- Applications examined initially by Wine Australia to ensure applications are complete
- Applications assessed by Expert Assessment Panel members against assessment criteria, including:
  - level of cash co-contribution (20% weighting)
  - contribution to program objectives (30% weighting)
  - sustainability/benefits of the project beyond life of the grant (20% weighting)
  - innovation (10% weighting), and
  - risk – delivering project outputs on time and in budget (20% weighting).
- Panel makes recommendations to Wine Australia CEO
- Successful applicants sign a grant agreement with Wine Australia

# Wine Tourism and Cellar Door Grant

## **Summary of draft grant guidelines** - <http://www.agriculture.gov.au>

- Applications anticipated to open 1 July 2019
- Wine producers who meet the eligibility criteria in the preceding financial year (2018-19) will be able to access an annual grant of up to \$100,000 (plus GST) for eligible cellar door sales
- Application, assessment and payment of first grants available in 2019-20
- Wine Australia will administer this grant on behalf of the Australian Government



# Wine Tourism and Cellar Door Grant

## To be eligible for the grant, wine producers must:

- have made at least \$1,207,000 in sales of *rebtable wine* in the *relevant financial year*
- accrue domestic cellar door sales in excess of any such sales used to meet the \$1,207,000 threshold in the relevant financial year
- have paid the WET on all eligible sales used as part of the application
- have owned or leased a physical cellar door in Australia in the relevant financial year, and/or their related entity/entities have owned or leased a physical cellar door in Australia in the relevant financial year, and
- at least 50 per cent of rebatable domestic cellar door sales used by a claimant in their grant application must be physical cellar door sales.

## Assessment process

- All applications will be assessed for eligibility by Wine Australia.
- Once the total value of all eligible applications is known, the value of individual grants will be calculated and advised to the CEO of Wine Australia for approval.
- If the total value of all eligible applications exceeds \$10 million in any one year, the value of individual grants to applicants will be reduced proportionally and be applied at a consistent rate for all approved applicants.

***Consultation on the draft application guidelines closed 18 October 2017.***

# More information – [www.wineaustralia.com](http://www.wineaustralia.com)

## What is the \$50m Package?

The Australian Government's \$50 million Export and Regional Wine Support Package (the \$50m Package) is an exciting, one-off allocation of \$50 million, which aims to grow the Australian wine sector by showcasing the nation's wine tourism offering and driving demand for Australian wine exports.

Wine Australia is responsible for delivering the Package in consultation with the Australian wine sector.

The Package comprises four programs which are focused on international marketing campaigns, Wine Export Grants, capability development workshops, state-based and competitive grants, and development of a brand strategy for the cider industry.

## \$50m Package highlights

### What's happened?



- Launch of the \$50m Package - 28 August 2017
- Consultation on draft grant guidelines closed - 18 October 2017

### What's next?



- [State-based and competitive grants open for applications](#)  
- 4 December 2017

### Getting involved

China and USA marketing opportunities

Capability development

Grants and how to apply

Transforming cider businesses

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- Market bulletin (weekly market insights)
- Events and activities
- Export and Regional Wine Support Package
- China news (English)
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- Research, development and extension news
- Stories of Australian wine (our blog)
- Wine Australia news
- Exporter News



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