In October 2006, the Exporter Services Division was formed, integrating the Exporter Development and Client Services teams. The key functions of the two groups—recruitment of new clients, servicing of new and existing exporters, and ally engagement and representation—remain the foundations of the new division.

Working closely with Austrade’s overseas network, the Exporter Services Division comprises six teams, as shown in Figure 4.

**Figure 4: Exporter Services structure**

- **New Exporters**: Works with new and irregular exporters who require intensive coaching and assistance to begin exporting.
- **Industry**: Works with established exporters who require assistance to expand in their current export markets or to enter new markets.
- **State Managers**: Works closely with state-based allies, including state and territory governments and provides support to large established exporters.
- **Partnerships**: Coordinates the Corporate Partnerships Program, the TradeStart program, and the TradeStart ally network.
- **Client Services**: Responsible for client service initiatives and the management of the Research and Information Centre and Austrade Direct.
- **Events, Promotions & Visits**: Coordinates events and international exhibitions, operational promotions, and visits.
Highlights from Exporter Services

In 2006–07, Austrade and TradeStart export advisers located throughout Australia provided advice and assistance to more than 5600 new and established exporters, of which 3969 were on the New Exporter Development Program.

In addition, the Austrade Direct team took 31,721 calls to Austrade’s 13 28 78 number (an increase from 30,868 calls in 2005-06) and handled 8791 web inquiries (a decline from 10,621 in 2005-06). They also made 17,974 outbound calls to potential new clients.

International buyers from a diverse range of industry sectors visited Australia to assess and source Australian products. Exporter Services organised more than 1000 appointments with businesses throughout Australia for these international buyers.

The popularity of Austrade seminars and business briefings on international markets and associated industry opportunities continues, with more than 13,000 attendees at seminars and workshops during the year, an 8 per cent increase in attendees over the previous year.

The New Exporter Group developed a series of 11 coaching modules for new exporters across a broad range of topics, including Getting Your Export Pricing Right, Freight and Logistics, and Risk Management. The modules have been produced to improve exporter skills and provide consistency in Austrade’s exporter education programs. The modules allow for individual one-on-one coaching, or for broader use in workshops. New exporter coaching workshops using the materials have subsequently been rolled out across Australia.

The Queensland New Exporter Team managed Austrade’s involvement with the Magic Millions national auction sales for thoroughbred horses—held on the Gold Coast, Queensland, between 30 May and 14 June. Export sales for the auction reached a record-breaking $17 million.

Austrade played an integral role in accompanying over 96 international buyers to the sale, with delegations visiting from the United States, South Korea, the Philippines and Iran. Austrade’s Agribusiness Industry Team and New Exporter Advisers from Western Australia also assisted with the international buyer delegations.

Janelle Casey—Team Leader, Health, Biotechnology and Wellbeing Industry Group

In 2006, Janelle Casey was awarded a Client Services Director’s award, reflecting her commitment to delivering quality services to both her clients and colleagues across the network.

Janelle’s recent noteworthy achievements include overseeing the development and introduction of online business matching and scheduling tools to improve efficiencies for clients.

Janelle and her team have also played a major role in the success of key offshore events for her portfolio of industries, including BIO2007 in Washington, Medica in Germany and the Natural Health Fair, run in conjunction with Cosmoprof Asia in Hong Kong.

The Industry Group formed 19 global industry networks across key areas of Australian industry. The industry networks have helped to provide more efficient and effective services for Australian exporters. They also share knowledge on Australian capability throughout Austrade’s overseas offices as well as share best practice and improve market selection.

Austrade’s Arts network provided assistance to 283 clients who achieved 524 export sales valued at $792.7 million. In both Australia and more than 50 posts, Austrade provided support to a broad range of companies in publishing, creative arts, music and film.

The funding for TradeStart was extended to 2009–10 following the allocation of $23.3 million in the budget. The TradeStart Network was reviewed and subject to a competitive tender which resulted in the reallocation of resources including opening 7 new
locations. The total number of offices as at 30 June 2007 was 51. In addition Austrade’s network was expanded through the addition of 12 TradeStart Extension offices, where Austrade provides training, the TradeStart operating system and access to its overseas network but Partners provide the funding. The total number of TradeStart Extension offices at 30 June 2007 was 19.

Austrade’s Corporate Partnerships Program currently has 15 formal alliance partner agreements with accounting firms, professional bodies, banks, lawyers and logistics firms.

The program promotes awareness of international business opportunities and export assistance programs via the private sector. Through Austrade’s professional development program, Going International, cooperating with Austrade in marketing and media activities and making connections through Austrade’s global network, corporate partners are more readily able to advise and help their clients win business overseas.

The flagship event for the building and construction industry, Designbuild Australasia, took place in Sydney from 3–6 June. This year’s event included over 80 international customers looking to procure Australian architectural hardware, building products and services and to develop relationships with successful Australian companies.

International buyers to this event were supported by 16 Business Development Managers and three Trade Commissioners from our international network.

Cheryl Scott—Senior Export Adviser, Franchising, Tourism and Business Services

Sydney-based Cheryl Scott manages a national portfolio of clients, providing support and assistance to a number of leading Australian franchises that include Gloria Jean’s Coffees, Boost Juice Bars, Oporto Chicken, Cartridge World, PoolWerx, Howard’s Storage World and Kip McGrath Education Centres.

Cheryl has led Austrade’s involvement in both the franchising and tourism sectors. She has worked closely with the Franchise Council of Australia to promote exporting to this growing sector and to develop promotional events and opportunities for the industry abroad. Cheryl has also worked closely with Tourism Australia to open up new tourism markets for Australia, such as South America and Spain.

In 2007 Cheryl was recognised for her service to the organisation, her clients and to the export community by winning an Austrade Excellence in Client Service Award.
Austrade’s export program at Designbuild included a ‘Meet the Buyer’ networking function for 160 Australian businesses. Austrade assisted its clients to pre-book one-on-one appointments in the International Buyer Lounge using an online business matching website. A number of clients have secured new deals and distribution agreements from this year’s event, with more in prospect.

Sydney-based sisters Prue Trollope and Sarah Novati are making a huge impact in Australia and overseas with their company’s signature product—the FLATOUTbear, made from 100 per cent Australian sheepskin wool.

Since Ms Trollope attended an Austrade organised seminar on exporting, the sisters have not looked back. FLATOUTAustralia have participated in the New Exporter Development Program and Export Adviser, Ben Giles has coordinated support for the company in markets across the Austrade network, including the Americas, Europe, and Asia. The FLATOUTbear is fast becoming the must-have item for babies—and it is now stocked in a number of international markets including Hong Kong, Canada, Scandinavia, Japan, the United States and the United Kingdom.

Initially, Prue and Sarah sent FLATOUTbears to A-list and celebrity mums as a gesture and smart marketing tool to boost awareness of the bears and their company.

HRH The Crown Princess Mary of Denmark sent a thank-you for her FLATOUTbear as did Australian fashion designer Collette Dinnigan. Sex and the City star Sarah Jessica Parker stayed true to her character’s form as a great writer and penned a thank-you via email.

‘We regularly receive enquiries from people overseas who have heard about the bears through word of mouth,’ Ms Trollope said. ‘We used to meet demand by popping a bear in the post. Now we are working with Austrade to find new markets and increase orders, which will lead to a more sophisticated approach to exporting.’

At the Women in Export Trade Day (left to right): Pacita Juan (CEO Figaro Coffee, Philippines), Tim Harcourt (Chief Economist, Austrade), Mary Nenke (Director, Cambinata Yabbies, Australia), Andrina Lever (Chief Executive, Lever Enterprises, Canada), Hon Lianne Dalziel (Minister of Commerce, Minister for Small Business, Minister for Women’s Affairs, New Zealand)
In June 2007, Austrade held a Women in Export Trade Day as the lead-in event to the 12th APEC Women Leaders Network (WLN) meeting. The event, run in partnership with the Australian Government Office for Women, attracted 170 delegates. It provided an unparalleled occasion for businesswomen from the APEC region to network with experienced Australian exporters, local businesswomen and international delegates.

The Trade Day, opened by the Hon De-Anne Kelly MP, Parliamentary Secretary to the Deputy Prime Minister and Minister for Transport and Regional Services, consisted of a series of presentations, panels and workshops that focused on the practical challenges women face when doing business in APEC countries. The day featured Australian and international experts, and included case studies from successful Australian exporters.

The day culminated in a mini trade show of Australian exporters, with excellent commercial outcomes achieved—of the 16 businesses exhibiting, 14 made sales to Australian and APEC participants.

The success of the event led to a recommendation that future meetings of the APEC WLN include a Women in Export Trade Day as part of their program. The Trade Day is the latest in a series of initiatives undertaken as part of Austrade’s Women in Export program.
The Americas region has three sub-regions as shown in Figure 5.

Figure 5: Americas region

Austrade’s priorities for the Americas region included:
- identifying and promoting opportunities arising from the Australia–United States Free Trade Agreement (AUSFTA)
- expanding specialist industry/sector teams to align with the highly competitive and segmented business environment of the United States
- capitalising on the global resources boom by focusing in Latin America on mining technologies and services and on agribusiness
- continuing to promote Canada as a distinct market and take advantage of the Canadian energy sector boom by establishing a presence in Calgary, Alberta.

Highlights from the Americas

Australian businesses looking to break into the important United States market continued to benefit from the Government funded, Austrade-managed export facilitators program. The program was established to help businesses take advantage of export opportunities arising from increased market access under the AUSFTA. The program has developed export opportunities and directly assisted more than 450 businesses achieve over $280 million in exports to the United States since being introduced in 2005. Located around Australia and throughout the United States, 30 export facilitators have helped achieve an...
80 per cent increase in export outcomes and boost the dollar value of those deals by around 50 per cent since 2005.

Maximising opportunities from the AUSFTA, Austrade initiated a program to assist Australian companies participate in the reconstruction of the Gulf Coast region of the United States after Hurricane Katrina. In August 2006, Austrade hosted the first trade mission of steel-framed housing companies to Louisiana and Mississippi. Since then, Austrade has partnered with the Industry Capability Network in NSW to introduce Australian capability to the region in the form of urban planning, architecture services and environmental engineering services. The companies that participated in the mission are now actively engaged in the US market, with two companies having already partnered with local US companies as a result of the mission. In 2007 Austrade expanded into the Southeast of the USA, opening a District Manager location in New Orleans to assist Australian companies secure business in the Gulf Region and build sustainable customer relationships.

The Liberty Swing

For most children a city’s parks and playgrounds are a favourite place to visit, but children with special needs often cannot participate in the same activities as other children. The Liberty Swing changes that and allows children in wheelchairs to join in the fun. Holding most types and sizes of wheelchairs and meeting global safety standards for playground equipment, the Liberty Swing is unique in that it can be locked to prevent accidents and vandalism and has an internal seat where a wheelchair is not necessary. The Liberty Swing company has installed six swings in the past 12 months in the United States and is receiving new inquiries daily from across America. Austrade is helping Liberty Swing negotiate a distribution deal with one of America’s largest playground equipment manufacturers, with the hope that this will rapidly accelerate the company’s entry into the market.

The Hawaii Wine Society’s recent ‘From the Vineyards to the Sea Down Under’ charity gala, along with the annual Hawaii Lupus Foundation event with 950 guests, were great opportunities for Austrade to introduce a range of Australian food and wine products to prominent decision-makers from the food and beverage industry in Hawaii. Fifteen Australian food producers were featured. Some of these, seizing opportunities from the improved tariffs from the AUSFTA, are now directly involved with major retail promotions in food chains such as Times Supermarkets and R. Field Wine Stores, the top specialty retailer in Hawaii.

Stick Protection Technology (SPT) is one of the seven Australian companies that participated in Austrade’s Australia Pavilion at the Outdoor Retailer Summer Market Show in Salt Lake City. The company secured a distributor, which has resulted in sales into two of the most influential speciality outdoor retailers in the United States: Recreational Equipment Inc. (REI) and Eastern Mountain Sports (EMS). SPT develops travel and security products for board sport and outdoor
enthusiasts and lockable tie downs to lock and secure sporting and recreational equipment to vehicle roof racks. The company was founded in 2005 and has confirmed sales in the United States, Canada, Japan, the United Kingdom and the Netherlands.

As part of Australia Week 2007 in New York, Austrade joined forces with the Ford Models Inc. to deliver the 2007 Ford Models Supermodel of the World™ event, exclusively featuring Australian designer collections. The show resulted in strong exposure for seven Australian designers, with several clients securing key outcomes and new business in the first few months following the show. Four designers have made sales, and all have received media coverage and exposure in the fashion press and TV channels.

Vigil Systems develops, sells and supports technologies for training professional vehicle drivers, including transportation (bus, rail), mining, fire and emergency response, airports and municipal fleets. Vigil Systems’ training solutions increase safety and have proven to reduce vehicle accidents by as much as 76 per cent. With Austrade’s assistance, Vigil Systems has landed several deals in the US market, including Los Angeles County Metropolitan Transit Authority (LA Metro), the second-largest operator of bus and rail service in the United States. Other large US customers include Washington Metro (DC), AC Transit (San Francisco), Miami Dade Transit (Miami) as well as Toronto Transit Commission in Canada. Ian Haynes, CEO, has acknowledged assistance provided by Austrade since they began their export journey four years ago. Vigil Systems has grown at a rate of 450–500 per cent this past year—with 80 per cent of their sales being exports.

GO-EXPO 2007 in Calgary is Canada’s largest annual oil and gas show, attracting over 20,000 delegates from 54 countries and over 600 exhibitors. Austrade’s new District Manager Alberta, Alireza Rafiee, recruited four companies—Nupress, Xtralis, Aconex and SORD—to participate in the show. He organised one-on-one meetings with senior executives of Calgary-based oil companies, a briefing on Canada’s energy industry and its opportunities, and a networking event with key oil industry officials. The successful participation at this year’s show lays the groundwork for an even larger Australian presence at next year’s Global Petroleum Show 2008.

Gloria Jean’s Coffees, a wholly Australian-owned and operated business, turned to Austrade when it sought to expand into the Latin America market. Assistance included finding a suitable representative for the franchise, two visit programs to Mexico, publications in local newspapers to promote the Gloria Jean’s franchise, and translations at interviews with potential franchise customers.

Austrade has assisted Caterpillar and their local partner Ferreyros by highlighting Caterpillar’s Australian connections at the annual Australia Business Week organised by Austrade in Peru. Caterpillar Underground Mining in Australia has just received a $12 million export sale for Lima. There are many opportunities for Australian equipment, software and services in Peru as the mining boom continues to spur economic growth and foreign investment.

Austrade attended the launch of Caterpillar’s newest machine in Lima, Peru, March 2007 (left to right) Carlos Ferreyros, Chairman Ferreyros; Andrew Ransley, Director Caterpillar; Oscar Espinoza, General Manager Ferreyros.
Kelly Engineering

Kelly Engineering is a family-owned engineering business based in Booleroo Centre, South Australia, that specialises in agricultural equipment. Several years ago the company decided to target international markets with their range of prickle chains. Shane Kelly first visited the United States as part of the Austrade USA Agribusiness Team’s exhibit at the World Ag Expo in 2006. From the lessons learnt at the Expo, the leads generated and the assistance of the USA Agribusiness Team, Shane was able to identify a manufacturer’s representative in Kansas to represent his machines. With advice from Austrade, Kelly Engineering sent over a demonstration machine to the United States. This decision has paid dividends with several dealers in the Mid-West placing orders. The company has now sent several shipments to the United States and is planning the establishment of a US entity to enable them to better service the US market.

An example of Kelly Engineering’s agriculture equipment.

Darren Yesser—Business Development Manager, USA

A member of the US Consumer Team, Darren Yasser helped over 100 clients consider the US market, with more than 30 of them going on to make sales. He is frequently involved in exporter ‘bootcamp’ video conferences and assists other business development managers and export advisers to ensure their clients are well prepared for the US market.

Darren’s work as manager of the Americas Rapid Response Centre and coordinator of the Americas Knowledge Development team has greatly assisted the broader Americas team with their work allocations and training needs. His consistently high performance in client service is illustrated not only by the number of his client successes but also by the constant client compliments he receives. His timely, reliable and thorough follow-up is very much appreciated by both staff and clients.
Europe, Middle East and Africa
The Europe, Middle East and Africa (EMEA) region has five subregions as shown in Figure 6.

**Figure 6: EMEA region**

![EMEA region diagram](image)

Austrade’s priorities for the EMEA region included:

- Promoting new opportunities for Australian businesses in key growth sectors across EMEA’s subregions, including technology and business services, education, consumer goods, and food and wine.
- Identifying new opportunities in sectors potentially advantaged by the proposed FTA with the Gulf Cooperation Council.
- Identifying opportunities for Australian companies in key growth sectors of the Commonwealth of Independent States (CIS) and Russia including oil and gas, mining, services, infrastructure and consumer goods.
- Increasing the number of sales achieved by Australian companies using Austrade in the Middle East, helping them to win business in new markets.
- Developing underlying strategies to assist Australian companies win contracts in major infrastructure and sporting projects across the region, such as the London Olympics in 2012.

**Highlights from Europe, the Middle East and Africa**

Austrade and the Department of Foreign Affairs and Trade (DFAT) unearthed new investment opportunities for Australian mining companies at Africa’s largest mining conference, *Mining Indaba 2007*, held in South Africa in February. The event attracted 470 Australians (among more than 4000 delegates), reflecting Australia’s high level of mining and resource investment and interest in Africa. Austrade’s assistance at the conference helped Gekko Systems, who see the conference as a crucial part of their marketing activities in Africa, generate numerous inquiries and a large number of significant sales.

As part of a broader initiative across the United Kingdom and United States, Austrade hosted eight companies for a financial services information technology (IT) mission. The mission provided participants with excellent opportunities to network with and introduce their Australian technologies to systems integrators and other players involved in selling technology to the financial sector, as well as major finance companies (banking, insurance and asset management). Austrade continues to support the companies as they participate in ongoing discussions about opportunities arising from the mission.

Building on successful years of the ongoing Middle Eastern roadshows in Australia, Austrade launched its *Winning business with innovation* Western European roadshow across 11 Australian locations. Over 400 companies participated in briefings and discussion sessions led by Peter Rasmussen, Austrade’s Senior Trade Commissioner based in Frankfurt, ANZ Bank and company representatives doing business in Western Europe. As a result of the roadshow there has been strong business interest and the commencement of a number of direct projects and service proposals.

Australian cosmetics company **Aesop** is wowing the European beauty market with the opening of a boutique in central Paris. Sales of Aesop’s botanical-based skin care products have soared since their first Parisian store opened in St Germain last December. Austrade supported the opening and launch of Aesop’s first French boutique, assisted with gaining media exposure, and introduced their products to key customers and influencers.
Russia is a growing market for Australian business and investment, with the subregion experiencing a fourteen-fold increase in Australian beef sales and a three-fold rise in lamb and mutton sales. Seven Australian exporters participated in Moscow’s Prodexpo 2007, an annual food industry event held in March, to help showcase Australia’s high-quality produce served in Russian hotel restaurants. The produce also enjoys a strong position in Russian supermarkets. Austrade continues to assist major clients such as Santos record tens of millions of dollars in investment success.

Cara & Co, a high-end fashion retailer that achieved well over half a million dollars in sales in the Russian market, opened its flagship store in Moscow in 2007. The opening, attended by HE Bob Tyson, Australian Ambassador, featured Natalie Imbruglia and local stars. The store features brands such as Akira Isogawa, Ksubi Jeans and other Australian couture labels. Austrade Moscow worked with the store throughout the year, introducing Cara & Co to a number of prominent Russian buyers, helping resolve logistical issues and assisting with the promotions campaign.

Growth in the Middle East and North Africa region continues to be significant with an overall value of trade of A$12 billion. The new offices of the Consulate-General in Dubai were officially opened by The Hon Warren Truss MP, Minister for Trade, in the presence of His Highness Sheikh Ahmed Bin Saeed Al Maktoum, Chairman and CEO, Emirates Airlines and President, Dubai Department of Civil Aviation. The consulate now comprises seven Australian Government agencies (up from two in 2002) and more than 50 staff. As part of a broader program, Minister Truss visited Riyadh in Saudi Arabia leading a business delegation of Australian companies for Joint Ministerial Conference discussions. The visit established commitment from both sides to commence dialogue around an Australia/Gulf Cooperative Council free trade agreement.
In April 2007, The Kingdom of Saudi Arabia signed a contract valued at $1 billion with a consortium led by Australian firm Laing O’Rourke to build a section of a north–south railroad project for the transport of minerals and passengers. The 818 km of railroad includes the construction of tunnels, flyovers and bridges. Austrade’s assistance to Laing O’Rourke began in 2004 with briefings on the proposed railway programs across the Kingdom, issues such as local labour laws, cultural communication, salary scales, medical facilities, working conditions of service and tax exemption advice.

After six years of activity, Tyco Traffic and Transportation (TT&T) were successful in winning a tender in March 2007 to supply intelligent traffic management systems to several municipal authorities in Poland (the Australian content is estimated at $7.3 million). Austrade has assisted TT&T since 2001 with a range of services, from identifying local opportunities, preparing tender bids and translation work to high-level negotiations with local road and traffic authorities. TT&T supply and support traffic and transportation products worldwide and implement traffic management based on systems such as the Australian traffic signal system SCATS (Sydney Coordinated Adaptive Traffic System) and real-time passenger information systems.

A 25-year contract worth more than $5 billion over the full term was awarded to Global Renewables (GRL), in partnership with Bovis Lend Lease, by the United Kingdom’s Lancashire County Council and Blackpool Council. Supported by ministers, DFAT and Austrade, this is one of the largest and most significant public–private partnerships for waste management services ever awarded in the United Kingdom.

Wendy Haydon-Wallace, Business Development Manager, Dubai

Wendy Haydon-Wallace is responsible for developing business throughout the Middle East for Australian companies in the fast-growing education and training sector. In 2006–07 Wendy helped more than 40 clients achieve international business success worth around $29 million. Wendy also undertook considerable work on building Austrade’s capabilities, representing the EMEA team in a number of team reviews and projects with senior management. Through joint activities with other regional teams, notably the South East Asia, South Asia and Pacific team, she has helped clients build market intelligence and expand into new markets. With just one year in Dubai so far, this is a very strong contribution to both clients and Austrade.
The North East Asia (NEA) region has five subregions as shown in Figure 7.

Figure 7: NEA region
Austrade’s priorities for the North East Asia region included:

- consolidating Austrade’s expanded network of 13 offices (excluding Hong Kong and Macau) across the China market to support exporters’ strong interest in opportunities created by China’s rapid growth and the possibility of a free trade agreement between Australia and China
- continuing to develop opportunities in second-tier cities in China to help companies develop export opportunities in newly emerging and less competitive regional markets within China
- raising awareness of opportunities in a resurgent and affluent Japan
- capitalising on growing levels of consumerism in South Korea and Taiwan and demand for aspirational products and services embodying the Australian lifestyle
- increasing engagement with other Australian government agencies to help deliver better industry and trade policy outcomes.

**Highlights from North East Asia**

Seventy-eight Australian health and beauty companies, including 25 new exporters, exhibited in the Australian pavilions at Cosmoprof Asia/The Natural Health Fair in Hong Kong in November 2006.

Eighty-seven Australian food and beverage companies exhibited at the 12th Asian International Exhibition of Food & Drink, Hotel, Restaurant & Foodservice Equipment, Supplies & Services (HOFEX for short), also in Hong Kong, in May 2007.

Austrade industry specialists from across Asia brought focused buyer missions to both trade shows. The result was outstanding, with export sales of $35 million for 52 exporters in 14 different markets generated in the months after the events.

2006–07 was a year of consolidation for Austrade’s network in China, which now numbers 13 offices, from Dalian in the northeast to Kunming in the southwest.

Austrade assisted over 790 companies gain export success in the China market. While much of the work is done one-on-one, a program of larger events also helped lift Australia’s profile in the crowded China market. Examples include:

- Australian Lifestyle Expo (November 2006) in Guangzhou, bringing together 37 Australian suppliers with buyers from 10 cities across China
- Experience Australia Week (May 2007) in Shenzhen, which attracted 23 Australian companies and organisations from a range of industry sectors
- Celebrate Australia (October 2006) in Shanghai, encompassing more than 20 separate activities, 37 participating companies, seven major sponsors, 22 supporters, and federal and state government agencies.

To date, Austrade has assisted more than 30 Australian businesses win commercial opportunities stemming from the **Beijing 2008 Olympics**. One of the major successes so far has been PTW’s design of the aquatic centre (commonly known as the ‘Water Cube’).
In partnership with IP Australia and with support of other industry experts and practitioners, Peter Osborne, Austrade’s China Country Manager, Beijing conducted a series of China IP seminars in major Australian capitals in May 2007. The series followed the China IP 2006 roadshow and attracted 1100 registrants, a 10 per cent increase on the previous year.

All Austrade’s offices in North East Asia now have videoconferencing facilities to facilitate direct contacts between buyers and potential Australian suppliers. The reduction in transaction costs permitted by this initiative is a direct benefit to exporters from Austrade’s continued investment in technology to support its international network.

Japan is best known as Australia’s largest market for minerals and energy, but more than 50 Austrade staff across six locations work with clients in a wide diversity of sectors, from fast ferries to nanotech and from mangoes to maternity fashion.

In total, Austrade assisted 740 companies to gain export success in the Japan market.

In August 2006, Austrade’s Sapporo office in northern Japan secured a starring role for two popular Australian jazz groups—Misinterprotato and the Australian Arts Orchestra—at the 17th Kutchan-Niseko Jazz Festival. This was the first-ever appearance by Australian musicians at the festival and has led to further invitations for Australian jazz groups to return to Kutchan.

Cosmetics to South Korea

Disposable income in South Korea is rising and consumer spending on personal care is booming. Australian beauty products concept store, Koala Story, was launched in early 2007 with a range of 20 Australian cosmetic brands and over 1000 Australian products. Koala Story already operates four stores, with a further 16 planned for opening before the end of 2007.

Young-Mi Cho, Austrade’s Business Development Manager, has been managing the project from the outset. Koala Story’s success in South Korea coincides with the increasing power of brand shops. Ms Cho noted that Koala Story’s success was also good news for other Australian suppliers of beauty products. The market is constantly on the lookout for stable supplies of Australian products to keep up with demand.

A Koala Story concept store in Seoul

The Australian Arts Orchestra playing at the Kutchan-Niseko Jazz Festival, August 2006
Chris Wood, Trade Commissioner in Osaka

During a visit to Japan in May 2007, Peter O’Byrne, Austrade CEO, presented Chris Wood with his 2006 Global Austrader award. The award recognised Mr Wood’s outstanding contribution to both the Osaka post and the wider Japan network. His leadership, initiative and creativity delivered outstanding results to a wide range of food and agribusiness clients. In particular, Mr Wood worked closely with two significant client groups in South Australia: Balco and the Kangaroo Island canola growers.

Taiwan Working Holiday Visa

Taiwan is another market where affluence is creating new demand for Australian goods and services.

The recently introduced Working Holiday Maker (WHM) visa for young Taiwanese provided the stimulus for an innovative promotion of English language training opportunities in one of Taipei’s leading bookstores in May 2007.

The event—a joint promotion by Austrade and other Commonwealth agencies—featured 16 Australian exhibitors, including language training providers and work placement agencies. The results on the one day far exceeded expectations, with over 5000 visitors attending to learn more about the opportunity to combine a holiday experience with work and the opportunity to polish their English language skills.
south east asia, south asia and pacific
The South East Asia, South Asia and Pacific (SEASAP) region has six subregions as shown in Figure 8:

- South Asia
- ASEAN North (Thailand and Greater Mekong
- ASEAN Central (Singapore, Malaysia and Brunei
- ASEAN South (Indonesia
- ASEAN East (Philippines and Vietnam
- Pacific

Austrade’s priorities for the South East Asia, South Asia and Pacific region included:

- managing a proactive customer strategy in all major markets in this region, which includes taking high-value buyers to Australia to grow export business
- promoting opportunities from the Singapore–Australia and Thailand–Australia Free Trade Agreements
- servicing growing exporter demand in India
- growing Australia’s trade and investment interests in the growth markets of Indonesia and Vietnam
- leveraging the SME-friendliness of the Pacific to encourage more SMEs to move into international business
- working with AusAID to build Australia’s trade and investment relationship with the Pacific.

**Highlights from South East Asia, South Asia and Pacific**

In March 2007 Austrade launched a sustained and comprehensive three-year promotion of Australian capabilities and business opportunities for Australian companies in India called *Utsav Australia* (Celebrate Australia). The aim is to raise awareness and expand commercial engagement for Australian companies in India which had a GDP growth of more than 9 per cent in 2006–07. *Utsav Australia* is being delivered with a number of Australian Government allies, including Tourism Australia and Australian Education International.

To further deepen bilateral commercial ties, Austrade managed a visit to India of a multi-industry delegation of 52 senior business people with the Hon. Warren Truss MP, Minister for Trade, from 26 February to 2 March 2007. Austrade manages 10 offices in India, including Chennai, which was opened by the Minister in February 2007.
Soothing business in India

For thousands of years Indigenous Australians have used oil from the leaves of native tea tree Melaleuca alternifolia to treat their burns. Now, a range of products with melaleuca oil is being sold in India as a small but integral part of a proprietary formulation called BurnAid, under a licensing arrangement between NSW’s Rye Pharmaceuticals and India’s Elder Pharma. Under the tie-up signed last October, Elder Pharma is manufacturing and marketing Rye Pharma’s wound care products—including BurnAid—in India. John Price, Rye Pharma’s MD said, ‘When placed on a burn, the gel in the BurnAid formulation traps water, drawing out the heat, while the melaleuca oil offers pain-relief and infection control.’

Rye Pharma is a pioneer in self-researched wound care, first aid and skin care products, selling to 28 countries around the world. ‘Austrade’s Mumbai office was of great assistance in helping shape the deal and helping Rye better understand the Indian market,’ Mr Price said.

Underlining Indonesia’s importance to Australia was the Minister’s visit to Jakarta on 25 June 2007 for the 7th Australia–Indonesia Trade Ministers’ Meeting. Austrade recruited and managed a business delegation of 35 CEOs and senior executives to accompany the Minister, providing them with the opportunity to discuss business issues with Australian and Indonesian ministers and officials. Austrade has an office at the Australian Embassy in Jakarta and representative offices in Bali and Surabaya. More than 400 Australian companies are active in Indonesia in such sectors as building and construction, consumer goods, education and franchising services, food and beverages, information and communication technology (ICT), infrastructure and mining supplies.

The third annual round of Thailand’s tariff cuts implemented on 1 January 2007 under TAFTA delivers gains to even more Australian companies. To help firms capitalise on these gains, Austrade has undertaken industry-specific events in Thailand to highlight the cost savings to Thai buyers of using Australian suppliers. The major opportunities for Australian companies under TAFTA are in food and beverage and agribusiness, automotive, building and construction, consumer goods and manufactured goods. Austrade has an office at the Australian Embassy in Bangkok and a representative office on the resort island of Phuket.
The Pacific is a natural nursery for small and medium-size Australian enterprises because of the small product volumes sought by Pacific markets. The region is also becoming more popular as an investment destination, assisted by the work of the Australian Government’s Pacific Investment Commissioner. In December 2006, Austrade ran an investment-attraction skills course for Pacific Investment Promotion Agencies, funded by AusAID, which helped to build even stronger trade relationships with our Pacific neighbours. Export opportunities to Pacific islands include agribusiness, building and construction, education and training, ICT and telecommunications, and mining.

More and more Australian companies are benefiting from the appointment in August 2006 of Bob Carmichael as the Australian Government’s first Pacific Investment Commissioner. This role—a joint initiative of Austrade and AusAID—complements the broader framework of the Australian Government’s White Paper on Aid. Mr Carmichael assists Australian companies to identify and secure joint ventures and commercial partnerships in Pacific markets. Industry sectors with investment opportunities include aquaculture, banking, healthcare, livestock, mining, manufacturing and tourism.

Patrick Stringer, Senior Trade Commissioner Vietnam,

Patrick Stringer was appointed Australia’s Senior Trade Commissioner to Vietnam in 2005, bringing more than 25 years’ private sector experience to the role. Mr Stringer has helped hundreds of Australian companies create and build commercial relationships in this vibrant economy. Under his stewardship, Austrade Vietnam has recorded an increase in assisted export deals of 23 per cent in 2006–07 over the previous year. Vietnam became a member of the World Trade Organization in January 2007 and posted GDP growth in 2006 of 8 per cent. Australian business opportunities in Vietnam are strengthening in sectors such as agribusiness; consumer durables; education, financial and training services; food and beverages; and mining and mining services.

Pacific Investment Commissioner, Bob Carmichael (far left)
The Australian Government applies an outcomes and outputs framework for budgeting and reporting for all its agencies and departments. The framework has a focus on results rather than inputs.

Austrade contributes to the achievement of the Government’s key objectives of the economic well-being of the Australian community and job creation through the following outcomes.

Outcome 1—Australians succeeding in international business with widespread community support

Outcome 2—Australians informed about and provided access to consular, passport and immigration services in specific locations overseas

Austrade’s services and activities that are directed towards these two outcomes are categorised into five output groups.

Austrade’s outcomes and outputs framework is shown in Figure 9 below.

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**Figure 9: Austrade’s outcomes and outputs framework**

<table>
<thead>
<tr>
<th>Output 1.1</th>
<th>Output 1.2</th>
<th>Output 1.3</th>
<th>Output 1.4</th>
<th>Output 2.1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness raising: Community commitment to trade and investment, understanding of the Australian Government’s export assistance programs and a positive business image of Australia overseas</td>
<td>Government advice and coordination: Advice to the Australian Government and coordination of Australia’s export activities</td>
<td>Services and opportunities: Export and investment services and opportunities for Australians through a national and global network</td>
<td>Austrade administered – Export Market Development Grants for small to medium-sized businesses</td>
<td>Consular, passport and immigration services</td>
</tr>
</tbody>
</table>
Output 1.1—Awareness Raising

Community commitment to trade and investment; understanding of the Australian Government’s export assistance programs and a positive business image of Australia overseas

Output measures

Table 2: Measures and results for Output 1.1

<table>
<thead>
<tr>
<th>Quality</th>
<th>Client satisfaction—Minister’s office</th>
<th>Target</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity</td>
<td>Proportion of Australians who believe exports make a contribution to the economy</td>
<td>80%*</td>
<td>81%</td>
</tr>
<tr>
<td>Quantity</td>
<td>Community awareness of Austrade</td>
<td>75%*</td>
<td>80%</td>
</tr>
<tr>
<td>Quantity</td>
<td>Community awareness of the importance of the Government’s trade and international business facilitation activities through Austrade</td>
<td>75%*</td>
<td>65%</td>
</tr>
</tbody>
</table>

Cost ($m) 19.29 19.77

* Estimate

Output performance

Promoting the benefits of export through marketing and communications

During 2006–07, Austrade delivered integrated marketing and communication strategies to raise awareness in the wider business community of the Australian Government’s export assistance programs and promote the benefits of exporting to all Australians.

In particular, these marketing and communications campaigns raised awareness of Austrade’s services for new and established exporters, and promoted an understanding of how to use these services to grow export business.

Campaigns centred around industry-specific events including, locally, Rosemount Australia Fashion Week, the Sanctuary Cove International Boat Show and Wine Australia International, as well as major overseas events such as World Ag Expo in the United States and the world’s largest ICT trade show, CeBIT in Germany.

Overseas, Austrade launched the three-year Utsav Australia (Celebrate Australia) program to market Australian export capabilities to the Indian business community. Since March, the program has resulted in more than 500 mentions of Australian business in India’s media.

The annual G’Day USA campaign extended its reach from Los Angeles to New York, combining a showcase of Australian export capability with support for individual businesses from Australian and US-based export advisers. In turn this enabled Australian businesses to take advantage of export opportunities arising from the Australia–United States Free Trade Agreement. Marketing and communications campaigns continued raising business awareness of the opportunities arising from all free trade agreements, including maintenance of the whole of government website, fta.gov.au.

An integral part of Austrade’s marketing and communications campaigns remains promoting core programs—the Export Market Development Grants scheme, the New Exporter Development Program, the...
TradeStart Network, Women in Export, the Australian Export Awards, Business Club Australia and the Exporting For the Future program.

Austrade relaunched its own web presence (www.austrade.gov.au and www.austrade.com) in February, including an updated look and feel, improved site structure and streamlined exporter information. Website traffic remains consistent with over 2 million user visits for the year.

Austrade continued to roll out Brand Australia at all overseas events, further leveraging Tourism Australia’s significant investment in our country brand. Austrade has continued to work with others on coordinating Australia’s branding overseas through consultations with Invest Australia, the National Food Industry Strategy, Australian Education International, the Australian Wine and Brandy Corporation and state and territory trade and investment agencies.

The Austrade-developed Business Club Australia (BCA) program leveraged the opportunities offered by major sporting events to raise awareness of Australia as a place to do business. The program included events around the 2006 Melbourne Cup and the 12th FINA World Swimming Championships in March 2007, as well as launching programs for Rugby World Cup 2007 and the Beijing 2008 Olympic Games.

Overall, Austrade’s awareness-raising activities generated 4662 mentions in metropolitan, regional and specialty media across Australia, consistent with the five-year average of 4729. The quality of media impact, as measured by editorial rating points, was 1,614,045 points—again consistent with the five-year average of 1,590,234 points.

The annual community awareness survey conducted by Newspoll revealed that the proportion of Australians who believe exports make a major contribution to the economy remains high, at 81 per cent. When prompted, awareness of Austrade is at an all-time high at 80 per cent. Community awareness of the importance of the Australian Government’s trade and international business facilitation activities through Austrade was 65 per cent. This result was consistent with last year’s result of 67 per cent.

Exporting for the Future

Austrade’s Exporting for the Future Program provides secondary school and tertiary educators with practical classroom teaching resources and professional training to help them teach courses relating to international business and globalisation.

Video and audio clips streamed from the Austrade Student Centre website, (www.austrade.gov.au/studentcentre), provide information about international business issues and opportunities in overseas markets for students and business people.

Series two of the multimedia teaching resources for higher education, Next Step the World, was mailed in May 2007 to 700 university and TAFE educators.

In August 2006, a multimedia teaching resource was launched for senior secondary school business courses. Titled Innovative Australian Businesses Go Global, the DVD featured eight SMEs including a hairstyler using innovative e-business practices. It was mailed to 5000 teachers.

The annual Export Plan Competition attracted new interest from TAFE educators, who incorporated the competition into their assessment programs. The competition requires students to prepare export plans for local SMEs that have not yet exported.

The Hon Warren Truss MP, Minister for Trade, presented RMIT Business TAFE students, the 2006 competition winners, with their prizes in November.

A total of 735 educators participated in 25 ‘Train-the-Trainer’ seminars during 2006–07.
Export Snapshots

The world has been used to meeting Australian travellers around the world—with their Lonely Planet guide book in their backpack and plenty of adventurous spirit.

The same is happening in the world of international business, as many Australian businesses—large and small—take advantage of the opportunities in all sorts of markets in our increasingly integrated world.

To promote the opportunities available in world markets, Austrade developed the Export Snapshot or ‘Postcard’ series.

The Export Snapshot is a quick economic guide to the world, especially designed with the busy business person in mind.

Each postcard in the series features a short article by Tim Harcourt, Austrade’s Chief Economist, with his impressions of a country’s economic prospects and potential as an export market, plus a summary of key economic and trade statistics.

The articles are based on recent missions and include interviews with local business representatives, country officials, international economists (from agencies such as the World Bank), Senior Trade Commissioners and successful Australian exporters in each market.

The first snapshots were trialled for Business Club Australia at the Commonwealth Games in Melbourne in 2006 (pictured) and eventually became a set of 20 postcards, including:

- A sound wicket
- The Thais that bind
- Red Hot Chile
- Russian Bears Turn Bullish
- The Great (Trade) Wall is coming down

Following the popularity of the first set, a second 20 were produced, including:

- Good Morning Vietnam
- Don’t buy from me…Argentina
- Post-Apartheid Revival
- Sheikh, Model and Mall
- Berets, Baguettes and Boardshorts

Export Snapshot will profile new and exciting market opportunities regularly. Special Postcards are being prepared for Rugby World Cup 2007 in France and for the Beijing 2008 Olympic Games. In addition, a special APEC postcard will be prepared as part of Austrade’s activities towards APEC 2007.

Export Snapshots are available on www.austrade.gov.au/economistscorner and are also available in hard copy form.
Business Club Australia

Business Club Australia (BCA) is an Australian Government business initiative created and administered by Austrade, utilising major international sporting events to provide business opportunities for Australian companies.

After the completion of the BCA program for the Melbourne 2006 Commonwealth Games, Austrade transformed BCA into a continuous promotional program.

In November 2006, BCA, in partnership with the Victoria Racing Club, implemented a smaller-scale program around the 2006 Melbourne Cup.

In partnership with the Victorian Government, another BCA program embraced the 12th FINA World Swimming Championships in March 2007.

A formal agreement with the Victoria Racing Club for the international business program for the 2007 Melbourne Cup Carnival has been signed. Networking events have already been held in Los Angeles and Tokyo.

For the first time, BCA has expanded to encompass offshore sporting events. A BCA program endorsed by the Australian Rugby Union was launched in March for Rugby World Cup 2007 in France, taking place from September to October 2007.

And a major BCA program was launched in Sydney on 8 June 2007 by the Hon Warren Truss MP, Minister for Trade, for the Beijing 2008 Olympic Games to be held in August that year.

The launch was attended by a high-profile audience from the business and diplomatic community, including Mr John Coates AC, President, Australian Olympic Committee and Mr Shaofang Qiu, Consul-General of the People’s Republic of China.

To 30 June 2007, Business Club Australia, with about 8500 member delivered $1.7 billion in business deals since its first program in 2000.

At the Business Club Australia: Beijing 2008 Olympic Games official launch event on Friday 8 June 2007 (left to right) Mr John Coates AC, President, Australian Olympic Committee; Johanna Griggs, Channel 7 TV Presenter; The Hon Warren Truss MP, Minister for Trade; His Excellency Shaofang Qiu, Consul-General, Consulate-General of the People’s Republic of China; Peter O’Byrne, CEO, Austrade
Australian Export Awards

The Hon Warren Truss MP, Minister for Trade, presented 12 of Australia’s leading export businesses with their export awards at the 43rd Australian Export Awards in Melbourne on 30 November 2006.

The Awards were co-presented by Austrade and the Australian Chamber of Commerce and Industry (ACCI) and the event was attended by more than 600 business people.

NSW-based medical technology company ResMed, a leading manufacturer of products for the diagnosis and treatment of sleep disorders, won the Large Advanced Manufacturer Award and the DHL Australian Exporter of the Year for a second time since 2002.

On 2 May 2007, Mr Truss officially launched the 2007 Australian Export Awards at ResMed’s headquarters in Western Sydney.

The 2007 Australian Export Awards comprises a series of eight state and territory export awards recognising excellence and innovation in exporting across 12 categories.

Winners from each state and territory are announced at presentation ceremonies held from October through to November with the winners automatically progressing as national finalists to the Australian Export Awards.

The Australian Export Awards culminates on 22 November 2007 with the announcement of the National Category Winners and the overall 2007 DHL Australian Exporter of the Year at a Gala Dinner and Awards Presentation in Brisbane, Queensland.

The category winners in 2006 were:
- DHL Australian Exporter of the Year Award – ResMed (NSW)
- ACCI Agribusiness Award – Botanical Food Company Pty Ltd (Qld)
- Austrade Arts, Entertainment and Design Award – Rising Sun Pictures (SA)
- Microsoft Education Award – Box Hill Institute (Vic)
- AusIndustry Emerging Exporter Award – Aconex (Vic)
- Ernst and Young Information and Communication Technology Award—Mincom Limited (Qld)
- Caterpillar/Australian Made Large Advanced Manufacturer Award—ResMed (NSW)
- Minerals Council of Australia Minerals and Energy Award—Rio Tinto Iron Ore (WA)
- Australian Business Limited Regional Exporter Award—Barrier Reef Pools (Qld)
- Export Finance and Insurance Corporation Services Award—Ausenco (Qld)
- Commonwealth Bank Small to Medium Manufacturer Award—aussieBum (NSW)
- CPA Australia Small to Micro Business Award—Wild Child (WA)
- Accor Sports, Events and Tourism Award—Victoria Racing Club (Vic)

The Hon Warren Truss MP with participants at the Finalists’ Breakfast, 2006 Australian Export Awards
output 1.2—government advice and coordination

Advice to the Australian Government and coordination of Australia’s export activities

Output measures

Table 3: Measures and results for Output 1.2

<table>
<thead>
<tr>
<th>Measure</th>
<th>Target</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality Client satisfaction—Minister’s office</td>
<td></td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Quantity Number of briefs (including submissions and ministerial correspondence) provided to ministers, Parliament, public sector agencies</td>
<td>500</td>
<td>373</td>
</tr>
<tr>
<td></td>
<td>Percentage of material prepared within agreed timeframes</td>
<td>100%</td>
</tr>
<tr>
<td>Cost ($m)</td>
<td>11.45</td>
<td>11.41</td>
</tr>
</tbody>
</table>

Output performance

Parliamentary awareness-raising

In September 2006 Austrade hosted a Parliamentary Showcase of companies from north and west Victoria. This fifth regional showcase increased awareness among parliamentarians of the role exporting plays in creating jobs in regional Australia and of the work undertaken by Austrade on the ground.

The reception, which took place in the Mural Hall of Parliament House in Canberra, featured 12 regional companies involved in export. The guest speaker was Mrs Robyn Lougoon of Connor Park Winery located on the banks of Bullock Creek, Bendigo. Close to 140 parliamentarians and senior staff attended the reception, hosted by the Hon De-Anne Kelly MP, then Parliamentary Secretary (Trade).

In October 2006, Austrade supported the visit to China by the Hon Senator Ian Campbell, the then Minister for the Environment and Heritage, who was accompanied by more than 30 Australian businesses interested in exploring renewable energy opportunities in China. Led by the Minister, the large delegation worked closely with the Austrade post in Beijing on a business matching program with Chinese businesses. The program has resulted in a broad range of commercial opportunities for Australia in the renewable energy sector.

During the year, Austrade facilitated the involvement of the Hon Warren Truss MP, Minister for Trade, in a number of Austrade functions. They included events related to the annual Australian Export Awards and Exporting for the Future program. In addition, Austrade provided advice and support in connection with a number of APEC 2007 meetings, including the Ministers Responsible for Mining Meeting in Perth, the Small and Medium Enterprises Ministerial Meeting and Working Group in Hobart, the Transportation Ministers Meeting in Adelaide, the Working Group on Trade Promotion in Sydney, the Automotive Dialogue in Melbourne and the Women Leaders Network in Port Douglas.

Austrade supported portfolio ministers in connection with their official visits overseas and worked with Commonwealth and state parliamentarians to raise community awareness in their electorates.
Parliamentary inquiries and briefings

Austrade made a number of submissions and responses to, and appearances before, various parliamentary committees, including:

- the Senate Foreign Affairs, Defence and Trade Legislation Committee’s consideration of 2006–07 additional estimates and 2007–08 budget estimates
- the Senate Environment, Communications, Information Technology and the Arts Committee Inquiry into Australia’s Indigenous visual arts and craft sector
- the Joint Standing Committee on Foreign Affairs, Defence and Trade Inquiry into Australia’s trade with Mexico and the region
- the Joint Standing Committee on Foreign Affairs, Defence and Trade Inquiry into Australia’s relationship with India as an emerging world power
- the Joint Standing Committee on Foreign Affairs, Defence and Trade Inquiry into Australia’s relationship with Malaysia
- the Joint Standing Committee on Foreign Affairs, Defence and Trade review of the Australia–New Zealand (CER) trade agreement
- the Joint Standing Committee on Foreign Affairs, Defence and Trade Foreign Affairs Sub-Committee Inquiry into Australia’s trade and commercial relations in various markets in Europe, North Africa, the Middle East, North East Asia, South East Asia and the United States
- the House of Representatives Standing Committee on Science and Innovation Inquiry into Pathways to Technical Innovation.
- briefings presented by Austrade Trade Commissioners and Austrade Regional Directors to the Trade Sub-Committee of the Joint Standing Committee on Foreign Affairs, Defence and Trade on Australia’s trade and commercial relations in various markets
- briefings presented by Austrade Trade Commissioners and Austrade Regional Directors to the Trade Sub-Committee of the Joint Standing Committee on Foreign Affairs, Defence and Trade on Australia’s trade and commercial relations in various markets in Europe, North Africa, the Middle East, North East Asia, South East Asia and the United States
- the House of Representatives Standing Committee on Economics, Finance and Public Administration Inquiry into the current and future directions of Australia’s services export sector
- the House of Representatives Standing Committee on Economics, Finance and Public Administration Inquiry into the state of Australia’s manufactured export and import competing base

Contribution to trade and industry policy

Austrade contributed to trade policy through a number of mechanisms. Overseas, Austrade’s offices contributed to trade policy by providing timely market information and directing the attention of the Department of Foreign Affairs and Trade to the impact of trade policies, market access barriers and investment restrictions encountered by Australian businesses, and by providing valuable feedback on the impact of both multilateral and bilateral trade agreements.

In Australia, Austrade’s participation in the National Trade Consultations held on 15 June 2007 provided a platform for sharing and coordinating information on export activities across all jurisdictions. Austrade also contributed to the Government’s annual trade statement, Trade 2007, by providing material on the availability and effectiveness of the Government’s assistance for Australian exporters and the impact of trade on the Australian way of life.

Austrade continued to promote the opportunities and benefits to Australian exporters of free trade agreements with New Zealand, Singapore, Thailand and the United States. As part of this role, Austrade continued to support and maintain the whole of government website fta.gov.au. The website is designed to provide information and assistance to Australian businesses seeking to make the most of Australia’s FTAs.

Austrade also provided support for the FTA Export Advisory Panel, which includes senior representatives from a range of industry groups and key government agencies. On 8 June 2007, the Minister for Trade announced that the FTA Export Advisory Panel, along with the Trade Policy Advisory Council and the WTO Advisory Group, would be replaced by a new Trade Advisory Council. The work of the Council will be informed by a new Trade Development subcommittee that will be supported by Austrade.

Austrade has partnered with the Department of Industry Tourism and Resources (DITR) to provide a global assessment of international supply chain and
major project opportunities for Australian industry as part of the Australian Government’s Industry Statement, Global Opportunities Program. This work will result in DIISR and Austrade partnering with industry to enhance the links between Australian business and international opportunities.

Austrade continued its work with the Government’s Industry Action Agenda process assisting in the development of market access strategies for a diverse range of sectors, including the science, advanced manufacturing and medical devices industries.

Asian Trade Promotion Forum and final meeting of the APEC Working Group on Trade Promotion

Austrade hosted the 20th Asian Trade Promotion Forum and final meeting of the APEC Working Group on Trade Promotion, both of which gathered in Sydney in April 2007.

Staff from the Ministerial and Portfolio Coordination Unit in the Government, International and Policy Group (GIPG) worked with other Austrade units preparing and coordinating arrangements for these two major international trade promotion conferences.

The 20th Asian Trade Promotion Forum was held from 11 to 13 April and attended by 49 delegates from 16 Trade Promotion Organisations (TPOs). This meeting also celebrated the 20th anniversary of the first gathering of Forum members. Austrade worked closely with the Japanese External Trade Organisation office in Japan and Sydney, who hosted the first meeting in 1987, to ensure this milestone was suitably celebrated.

Since inception of the Forum there has been significant trade growth throughout the region, which has also resulted in the doubling of Forum membership. The Australian chosen theme for the 20th Forum meeting, which was chaired by Mr Peter O’Byrne, CEO Austrade, was Journey to Export—Enhancing the Role of TPOs. The meeting focused on a number of important topics, including the importance of creative industries; internationalisation; services generating revenue; expanding cooperation between Forum members; the role of financial assistance; models for e-business and branding.

Other highlights of the meeting included a climb of the Sydney Harbour Bridge for CEOs and the 20th Anniversary Forum Dinner at the Sydney Opera House, which featured key note speaker Mr Saul Eslake, Chief Economist, ANZ Banking Group and the Hon Bruce Baird MP. The Forum was opened with a traditional Indigenous welcome by well known and respected dance troupe Descendance.

The 19th APEC Working Group on Trade Promotion was held from 16 to 17 April and attended by delegates from 17 economies. This meeting was chaired by Helen Monro, Manager of GIPG, and featured presentations on e-trade, capacity building, professional services and Austrade’s own APEC-funded project on multimedia case studies of entrepreneurial SME businesses. There was also constructive discussion on the merger between the APEC Working Group on Trade Promotion and the APEC Small to Medium Enterprises Working Group, which will be finalised in 2007.

Both meetings were a significant achievement for Austrade. The success of both conferences was acknowledged by Peter O’Byrne, Mr Yasuo Hayashi chairman and CEO, Japan External Trade Organisation, and the APEC secretariat.
output 1.3—services and opportunities

Export and investment services and opportunities for Australians through a national and global network

Table 4 and Figures 10–17 show the performance of Austrade in delivering services and opportunities and helping Australian businesses to achieve export sales

Table 4: Measures and results for Output 1.3

<table>
<thead>
<tr>
<th>Measure</th>
<th>Target/estimate</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality &gt; Client satisfaction with Austrade’s services</td>
<td>85%</td>
<td>89%</td>
</tr>
<tr>
<td>Quantity &gt; Number of clients achieving export success with Austrade’s assistance (Total EI Clients)</td>
<td>5500</td>
<td>5417</td>
</tr>
<tr>
<td>&gt; Number of new and irregular exporter clients achieving export success with Austrade’s assistance (New/Irregular EI Clients)</td>
<td>1900</td>
<td>1996</td>
</tr>
<tr>
<td>&gt; Number of established exporter clients achieving export success with Austrade’s assistance (Established EI Clients)</td>
<td>3600</td>
<td>3421</td>
</tr>
<tr>
<td>&gt; Dollar value of those export successes achieved by clients with acknowledged assistance by Austrade (Total EI Dollars)</td>
<td>$18.0 bn</td>
<td>$22.4 bn</td>
</tr>
<tr>
<td>&gt; Total number of clients achieving outward investment success with Austrade’s assistance (OII Clients)</td>
<td>140</td>
<td>183</td>
</tr>
<tr>
<td>&gt; Dollar value of those outward investment successes achieved with Austrade’s assistance (OII Dollars)</td>
<td>$1.80 bn</td>
<td>$3.33 bn</td>
</tr>
<tr>
<td>&gt; Number of businesses achieving export success through Austrade’s services delivered via corporate alliances</td>
<td>600</td>
<td>668</td>
</tr>
<tr>
<td>&gt; Number of clients receiving services from Austrade</td>
<td>16,000</td>
<td>12,827</td>
</tr>
<tr>
<td>Cost ($m)</td>
<td>163.73</td>
<td>164.06</td>
</tr>
</tbody>
</table>
Output performance

Figure 10: Number of clients achieving export success with Austrade’s assistance

Since 2002–03, Austrade has consistently increased the number of Australian businesses it has helped to achieve export success, reaching 5417 clients in 2006–07. This represents an increase of 6 per cent over the 5098 clients assisted in 2005–06. These clients achieved a total of 10,789 export deals with acknowledged assistance by Austrade.

Figure 11: Number of new and irregular exporter clients achieving export success with Austrade’s assistance

The number of new and irregular exporters achieving success with Austrade’s assistance has grown from 374 in 2002–03 to 1996 in 2006–07, largely as a result of the New Exporter Development Program, introduced in 2002.

Figure 12: Number of established exporter clients achieving export success with Austrade’s assistance

The number of established exporters achieving export success with Austrade’s assistance has doubled in the last five years, increasing from 1641 clients in 2002–03 to 3421 in 2006–07.

Figure 13: Dollar value of those export successes achieved by clients with acknowledged assistance by Austrade ($m)

The dollar value of the 5417 export successes achieved by clients with acknowledged assistance by Austrade rose above $22 billion, and included almost $5 billion in exports achieved by Australian industry representative bodies with Austrade’s assistance.
Figure 14: Number of clients achieving outward investment success with Austrade’s assistance

The number of clients achieving an outward investment success with Austrade’s assistance has more than doubled since 2002–03 to 183 in 2006–07.

Figure 15: Dollar value of those outward investment successes achieved with Austrade’s assistance ($m)

The dollar value of Austrade’s clients’ outward investment success in 2006–07 was $3.3 billion, which is more than double the $1.6 billion achieved in 2004–05.

Figure 16: Number of businesses achieving export success through Austrade’s services delivered via corporate alliances

The number of Australian businesses achieving export success through Austrade’s services delivered via corporate alliances has more than doubled since 2004–05. This reflects Austrade’s focus on continuing to develop and extend the Corporate Partnerships Program.

Figure 17: Client Satisfaction with Austrade’s Services

Client satisfaction with Austrade’s services remained consistently high in 2006–07*.

*Results for 2002–03 and 2003–04 reflect satisfaction ratings for established exporters and other Austrade clients not on the NEDP. Results for 2004–05 to 2006–07 are the combined satisfaction ratings for all Austrade clients, including those on the NEDP.
Client satisfaction

Austrade continually seeks feedback from clients and commissioned two bodies of research throughout 2006–07 to measure client satisfaction with services delivered.

Wallis Consulting conducted four quarterly online surveys to obtain qualitative feedback from clients who had received an export service in the previous three months. Using an online survey allows clients to participate in the survey at a time that suits them, and gives more detailed feedback about specific Austrade services and offices. The increased frequency means that Austrade offices can react more quickly to client feedback. During 2006–07, 1812 Austrade clients took part in the four online surveys.

The second research was the annual client satisfaction telephone survey—the Client Service Improvement Study (CSIS)—which combines the Export Market Development Grant (EMDG) satisfaction research with the export services research described above. Austrade's client satisfaction rating is based on the feedback received from companies that participate in this survey.

The 2006–07 CSIS was conducted by Wallis Consulting in June and July 2007. A total of 1197 companies were interviewed, 222 of which had received services as part of the New Exporter Development Program (NEDP).

Eighty-nine per cent of all clients rated Austrade overall as good, very good or extremely good. This result compares favourably with Austrade’s satisfaction ratings in 2005–06 (88 per cent) and in 2004–05 (89 per cent).

The percentage of NEDP clients rating Austrade overall as good, very good or extremely good was 90 per cent. This is a good result, consistent with the 2005–06 rating in which 88 per cent of NEDP clients rated Austrade as good or higher.

Client Service Charter

The Client Service Charter reflects Austrade's commitment to high-quality and consistent service delivery. It sets out the service standards that clients can expect from Austrade and outlines how to give feedback (see Appendix B).

Austrade clients have the opportunity to provide feedback to the organisation through a number of mechanisms. Feedback on service delivery can be made via the telephone, post, email or through the website. Clients can comment on their satisfaction with Austrade services through the annual client satisfaction survey and other research.

This year 338 compliments and 94 complaints were received. This represents a 30 per cent decrease in the number of compliments received in 2005–06 (439), and a 34 per cent reduction in complaints (126). For further detail on how Austrade handles client feedback see Appendix B.

Improving client services

A number of client service initiatives were implemented or ideas generated in 2006–07.

Journey to Export and International Business Project

In 2006, research titled the Journey to Export and International Business was conducted to identify those services that would create the greatest value for clients from a trade facilitation partner such as Austrade. This research highlighted how clients’ needs and wants changed according to where they fit along the export and international business life cycle. The findings will help shape the development of proactive, tailored services that will drive enhanced international business outcomes for clients across all business segments.

Working with Customers

Austrade commenced its Working with Customers project in 2005 to identify processes, tools and systems to support the work the organisation does with overseas buyers. In 2006–07, the project team developed a handbook that detailed best practice tools, methodologies and templates for working with customers. A Customer Relationship Management system is being rolled out across the organisation that will enable staff to manage customer information and marketing activities more efficiently and effectively, ultimately driving enhanced international business outcomes for clients.
Client service training for export adviser network.
Export advisers attended workshops on improving client service at the March 2007 export adviser conference. These workshop sessions focused on the nature of good client service tools and techniques that can be used to deliver training at a high standard. Other conference sessions included working with clients in creative industries and a seminar run by more experienced export advisers on client service skills.

New tools and resources to assist with the delivery of the New Exporter Development Program.
Refinements to the New Exporter Development Program were introduced from July 2006. They included new or revised tools to improve client service delivery. Marketing materials for clients highlight the 10 steps to exporting. Coaching modules are used by export advisers to coach clients on topics such as ‘Export planning and searching for information’ and ‘Responding to an opportunity’.

Ethical business conduct
Austrade has a key role in advising Australian businesses on doing business internationally, including the ethical and legal obligations and risks that that entails.

Austrade’s values require the highest standards of ethical behaviour of its staff and this is reinforced in Codes of Conduct and in management policies. In particular Austrade has embedded a Code of Ethical Business Conduct within its values framework and this provides guidance for Austrade staff on dealing with ethical questions and when providing information to Australian businesses.

During 2006–07 Austrade raised awareness of the legal requirements for international trade on its website, at seminars and other events, through publications and in the course of normal services delivered by Austrade to Australian companies. Specific initiatives implemented in 2006–07 to ensure that Australians engaged in international business are aware of relevant laws and penalties included:

- Updating the provisions in Austrade’s Client Services Handbook relating to promoting ethical business practice and providing advice to clients
- Provision of information to Australian businesses in relation to the implementation of sanctions under Australian legislation including through the website, through links to websites of other relevant agencies and through written advice to all established clients known to be doing business in relevant markets
  - General guidance provided on other obligations on business such as Australian and foreign laws in relation to bribery and corruption
  - Each market profile as well as the ‘How to Export’ / ‘Risk Management’ section of the Austrade website includes relevant references and links
  - Pre-posting and induction training also includes relevant sessions and updated guidelines for staff which are circulated as appropriate
  - Relevant articles included in Austrade’s all staff ezine ‘Global News’
- An article was also included in Export Update, an export newsletter distributed to over 12,000 Australian business clients.
output 1.4—Austrade administered export market development grants for small to medium-sized businesses

The Export Market Development Grants (EMDG) scheme, administered by Austrade, is a key Australian Government financial assistance program for aspiring and current exporters. EMDG encourages small and medium-sized Australian businesses to develop export markets, reimburses up to 50 per cent of expenses incurred on eligible export promotion activities above a $15,000 threshold and provides up to seven grants to each eligible applicant.

Output measures

Note: EMDG grant payments are generally made the year after applicants’ export promotion expenditure has been incurred. Therefore EMDG references to 2006–07 in this report relate to the 2005–06 grant year, unless otherwise specified.

Table 5: Measures and results for Output 1.4

<table>
<thead>
<tr>
<th>Measure</th>
<th>Estimate</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of EMDG applicants</td>
<td>4000</td>
<td>3813</td>
</tr>
<tr>
<td>Number of EMDG recipients</td>
<td>3635</td>
<td>3548*</td>
</tr>
<tr>
<td>Number of first-time EMDG applicants</td>
<td>1590</td>
<td>1236</td>
</tr>
<tr>
<td>Number of first-time EMDG recipients</td>
<td>1360</td>
<td>1120*</td>
</tr>
<tr>
<td>Cost ($m)</td>
<td>151.52</td>
<td>154.48</td>
</tr>
</tbody>
</table>

*Includes 2005–06 grant year recipients and some recipients from previous grant years.

Output performance

The financial year 2006–07 saw continued strong demand for EMDG grants. A total of 3548 grants and $145.1 million were paid to EMDG recipients in 2006–07, an increase of 1.8 per cent in grant numbers and 5.8 per cent in grant payments compared with 2005–06.

Of these grants, 3441 relate to marketing expenditure by individual businesses in the 2005-06 grant year, 49 relate to applicants from previous years, and 58 relate to marketing expenditure made by businesses under the special approvals category.

The special approvals category enables businesses, such as industry associations, trading houses and firms cooperating in joint venture-style marketing arrangements, to access the scheme. In the 2005–06 grant year, $3.1 million was paid to organisations under this category.

The comments, tables and charts which follow give a snapshot of the profile of the 3499 2005–06 grant year recipients paid during 2006-07.

While a range of business types are supported by the EMDG scheme, incorporated bodies are the dominant category with 90 per cent of recipients in 2006–07.
Table 6: Export Market Development Grants 2006–07

For 2006–07:

<table>
<thead>
<tr>
<th>Business type</th>
<th>Number of recipients</th>
<th>%</th>
<th>Total grants paid ($m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total grant recipients</td>
<td>3548</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total value</td>
<td>$145.1m</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For the 2005–06 grant year:

| Grant applicants                   | 3813                 |     |                        |
| First-time grant applicants        | 1236                 |     |                        |
| Grant recipients                   | 3499                 |     |                        |
| Value of grants                    | $141.5m              |     |                        |
| First-time grant recipients        | 1094                 |     |                        |
| Average grant                      | $40,445              |     |                        |
| Median grant                       | $24,654              |     |                        |
| Total businesses assisted          | 3616                 |     |                        |
| Recipients from rural and regional areas | 862              |     |                        |
| Value of exports generated by grant recipients | $3.402m |     |                        |
| Employees of recipients            | 68,331               |     |                        |

Note: A range of business types are supported under the scheme, with the majority of recipients being companies or partnerships.

Table 7: EMDG recipients by business type, 2005–06 grant year

<table>
<thead>
<tr>
<th>Business type</th>
<th>Number of recipients</th>
<th>%</th>
<th>Total grants paid ($m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Companies</td>
<td>3143</td>
<td>89.8</td>
<td>131.3</td>
</tr>
<tr>
<td>Partnership</td>
<td>147</td>
<td>4.2</td>
<td>4.2</td>
</tr>
<tr>
<td>Individual</td>
<td>111</td>
<td>3.2</td>
<td>1.8</td>
</tr>
<tr>
<td>Approved body</td>
<td>39</td>
<td>1.1</td>
<td>2.4</td>
</tr>
<tr>
<td>Co-operative</td>
<td>35</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Approved joint venture</td>
<td>19</td>
<td>0.5</td>
<td>0.7</td>
</tr>
<tr>
<td>Body corporate for a public purpose</td>
<td>5</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Total</td>
<td>3499</td>
<td>100.0</td>
<td>141.5</td>
</tr>
</tbody>
</table>

Note: A range of business types are supported under the scheme, with the majority of recipients being companies or partnerships.
Figure 18: EMDG recipients by annual income, 2005–06 grant year

Source: EMDG database, June 2007

Figure 19: EMDG recipients by number of employees, 2005–06 grant year

Source: EMDG database, June 2007

Figure 20: EMDG recipients by annual export earnings, 2005–06 grant year

Source: EMDG database, June 2007
The scheme continues to predominantly assist small exporters, with 79 per cent of recipients reporting annual income of $5 million or less, 73 per cent of recipients reporting less than 20 employees and 77 per cent of recipients reporting export earnings of $1 million or less.

On average, the size of grants paid continued to increase. The average grant paid was $40,445 (up 3.9 per cent) and the median grant $24,654 (up 2.6 per cent). For the third consecutive year, all recipients received their full assessed grant entitlement following the determination of the second tranche payout factor at 100 cents in the dollar for grant year 2005–06.

The scheme continued to provide strong support to regional and rural Australia, with 862 grants (25 per cent) paid to rural and regional businesses (up 3.7 per cent).

A breakdown of EMDG recipients by state and territory is shown in Table 8. Tasmania had the strongest growth in grant recipients with an increase of 29 per cent over the previous year.

By broad industry classification, the majority of EMDG recipients (60 per cent) were in service industries with a further 36 per cent in manufacturing and 4 per cent in the primary sector. Tourism, education and culture, and ICT services dominate within services recipients. The principal market targeted by EMDG recipients continued to be the United States, with 55 per cent of all recipients paid grants for promotion activities which included the USA, followed by the United Kingdom, China (which moved to third ranking from fifth in the previous year), Singapore, Japan and Germany.

The marketing visits expenditure category continued to be the largest expenditure category as a proportion of total assessed expenditure, followed by overseas representation costs and advertising.

### Table 8: EMDG recipients by state and territory, 2005–06 grant year

<table>
<thead>
<tr>
<th>State</th>
<th>Number of recipients</th>
<th>Total grant payments ($m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
<td>1162</td>
<td>54.7</td>
</tr>
<tr>
<td>Vic</td>
<td>896</td>
<td>36.0</td>
</tr>
<tr>
<td>Qld</td>
<td>600</td>
<td>18.4</td>
</tr>
<tr>
<td>SA</td>
<td>375</td>
<td>14.6</td>
</tr>
<tr>
<td>WA</td>
<td>341</td>
<td>14.0</td>
</tr>
<tr>
<td>Tas</td>
<td>53</td>
<td>1.2</td>
</tr>
<tr>
<td>NT</td>
<td>35</td>
<td>0.8</td>
</tr>
<tr>
<td>ACT</td>
<td>37</td>
<td>1.8</td>
</tr>
<tr>
<td>National</td>
<td>3499</td>
<td>141.5</td>
</tr>
</tbody>
</table>

Source: EMDG database, June 2007
Figure 22: EMDG recipients by industry, 2005–06 grant year

![Bar chart showing EMDG recipients by industry.](chart1)

Source: EMDG database, June 2007

Figure 23: EMDG recipients by the top six countries promoted to, 2005–06 grant year

![Bar chart showing EMDG recipients by country.](chart2)

Source: EMDG database, June 2007

NB: recipients may promote to more than one country.
Delivering the continued scheme

In June 2006 the Government legislated to continue the scheme from grant year 2006-07 to grant year 2010-11, with the continued scheme and enhanced scheme rules applying to export marketing expenditure incurred from 1 July 2006 onwards.

During 2006-07 Austrade focused on further improving client service and on completing the first stage of implementing the continued scheme and new scheme rules.

Austrade stepped up its efforts to encourage EMDG applicants to lodge their applications earlier and to process applications faster. An upgraded set of application turnaround targets, coupled with a campaign to encourage earlier lodgement of applications, allowed Austrade to significantly reduce the time taken to process many applications, especially those submitted in the earlier months of the July to November 2006 lodgement period. This improved the positive cash flow impact of the scheme and generated positive client feedback.

Austrade continued its program for existing and potential EMDG applicants, in workshops, seminars and individual consultations to improve applicants’ understanding of the scheme and eligibility and substantiation requirements. During 2006-07, Austrade held:

- 151 coaching sessions with over 1430 clients Australia wide
- 295 individual consultations with potential and existing applicants
- 80 EMDG presentations at events with over 1860 clients.

Within privacy guidelines, EMDG client data was provided to a number of Austrade’s overseas posts, including those in the US, China and India, as part of a strategy to increase internal cross-referral of clients. There was also an increase in the number of referrals of potential EMDG applicants from Austrade client advisory units and allies to the EMDG division for advice and assistance.

Promotional activities aimed to further integrate EMDG’s client service offering with other Austrade units through input and participation in Austrade events and joint promotional activities with Austrade’s export advisers.

The EMDG division continued to promote the benefits of free trade agreements (FTAs) to its clients, and to educate other Austrade staff supporting FTA and growth markets about the value of including EMDG in their overall service offerings.

EMDG division staff participated in a number of events and activities involving six of Austrade’s industry teams.

These efforts continue to increase the overlap between clients using EMDG and those using other Austrade services. For example, of the 3813 applicants...
that applied for an EMDG grant in 2006–07, 817 or over 21 per cent are current or past participants in Austrade’s New Exporter Development Program, compared with 666 or around 18 per cent in the previous year.

Emphasis was also given to ensuring that rural and regional exporters had access to EMDG services.

- EMDG staff visited businesses in all major Australian regional areas and worked closely with regional Export Hubs and TradeStart officers.

Administrative performance, risk and fraud control

Austrade’s application processing performance in 2006–07 resulted in 3777 (99 per cent) of 2005–06 grant year applications processed within the year.

This result was assisted by the success of Austrade’s strategies to encourage earlier lodgement of applications and to ensure faster turnaround of those early-lodged applications. During the first quarter of 2006–07, 25 per cent more applications were lodged and 56 per cent more applications were finalised compared to the first quarter of 2005–06. By the end of December 2006, 600 more applications had been processed compared to the same period in the previous year, an increase of 36 per cent.

While striving for faster turnaround and better client service, Austrade maintained a strong focus on risk management and on fraud control.

- All applications were subject to appropriate levels of audit scrutiny, on a risk managed basis. Forty-five per cent of applications were determined following an on-site audit at the applicant’s premises and 55 per cent following an audit or a file check undertaken in the Austrade office.
- Claimed grant amounts were adjusted down by a total of $28.7 million (17 per cent) as a result of Austrade’s audit activities during the year.
- A new model for profiling the risk of over-claiming in EMDG applications was developed during the year using data mining software. The model will be implemented from 1 July 2007 onwards.
- One person was convicted during the year for attempted fraud against the EMDG scheme. At 30 June 2007, three persons were before the court for alleged fraud.

During 2006–07, 140 of the applications processed resulted in a request for an internal Austrade review of the initial grant assessment, slightly down from 142 in the previous year. This appeal rate is below 4 per cent of applications processed.

Ten appeals made by EMDG applicants to the Administrative Appeals Tribunal (AAT) were finalised during 2006-07, with six settled or finalised before hearing and four decided by the AAT, in each case in Austrade’s favour.

Client satisfaction with the EMDG scheme

In Austrade’s July 2007 client satisfaction survey, the EMDG scheme achieved its highest level of overall satisfaction on record, with 91 per cent of clients satisfied with the scheme. The rating of the Austrade staff members who undertook the grant assessments remained unchanged from 2006 at 90 per cent. The importance of the EMDG scheme for export activity or planning remained high, with 81 per cent saying it is ‘important’ or ‘very important.’

EMDG funding

An additional $10 million in funding was available for the scheme in 2006–07 as a result of the Government’s commitment in 2004–05 of an extra $30 million funding over three years. This resulted in an EMDG appropriation of $160.4 million in 2006–07.

Of this, a total of $153.1 million was expended, $145.1 million on grant payments and $7.95 million on administration of the scheme. Total EMDG expenses for 2006–07 were $154.48 million.

The EMDG appropriation for 2007–08 provided in the federal Budget in May 2007 is $159.28 million, including some funds moved from 2006–07.
Leading company in motion picture designs

Queensland-based John Cox’s Creature Workshop (JCCW) is internationally acclaimed as a leader in the design and manufacture of fantasy creatures, monsters and realistic animals for the visual effects industry.

JCCW has undertaken design projects worldwide as well as domestically and has worked on feature films including Peter Pan, Crocodile Dundee in LA, Babe, Pitch Black and Racing Stripes. Its director, John Cox, won an Oscar for visual effects for the movie Babe.

JCCW recently secured a lucrative contract with Chungeorahm Film, a Korean production company. The contract led to JCCW being part of the most successful Korean movie ever made, The Host.

The company has received four EMDG grants. Project Coordinator Julie Anderson comments, ‘Meeting with producers, directors and fellow visual effects leaders in the US and Asia enables our company to be part of the mainstream international film industry. With the assistance of EMDG, JCCW can continue to market itself on the world stage alongside major players in the visual effects industry.’

CommuniCorp showcases creativity on world stage

First-time EMDG recipient CommuniCorp Pty Ltd is a Sydney-based specialist psychology firm. The company provides specialist creativity and innovation programs, speaking and coaching services for media and knowledge industries, as well as psychological risk management consulting, support and training services for businesses operating in hostile and remote environments.

CommuniCorp has been able to secure work with clients such as BBC in London and now has a documentary series commencing production with one of the world’s leading media companies.

David Burroughs, Principal Psychologist and Chief Operating Officer, believes that Austrade and the EMDG scheme have been an integral part of CommuniCorp’s business success.

‘For a small business, the EMDG has been invaluable. EMDG has given us the confidence to seek out markets and opportunities most would not consider feasible to explore. It has assisted with cash flow and enabled us to engage the services of other professionals that support the marketing and ongoing growth of our business activities,’ Mr Burroughs said.
Dynamic Hearing supplies sound solutions

Research driven technology company, Dynamic Hearing, provides digital signal processing software to the hearing aid and personal communications industries. Based in Melbourne, Victoria, the company has achieved an international profile with major export markets that include Europe, the United States and Japan.

Dynamic Hearing’s main licensed product is DSP technology, including the flexible digital amplifier ADRO for hearing aids, entertainment and audio communication devices.

Dynamic Hearing has received four EMDG grants that have helped support representative costs in Japan and the United States and the promotion of its products at overseas trade fairs.

Michelle Lopez, Finance Manager says, ‘Access to the EMDG scheme has assisted Dynamic Hearing’s continued export drive into Germany, France, Japan, the UK, Canada and the US, as well as promoting its new products to China, Hong Kong, Singapore and Taiwan. EMDG enables Dynamic Hearing to stay in contact with customers on a regular basis, keeping them up to date with the company’s latest developments—which is of the utmost importance to Australian technology companies.’

Louis Nackovski, Assistant Manager Grants NSW/ACT (Hurstville), EMDG.

Louis has over 15 years experience in EMDG and is responsible for leading a professional and skilled team of auditors assessing EMDG grant applications from Austrade’s Hurstville office. Louis came to Austrade following several years of experience in the financial services industry with organisations such as Macquarie Bank Ltd and Westpac Banking Corporation Ltd.

Over the last six months, Louis has represented the EMDG division in Austrade’s Journey into Export and International Business research project. As part of this project team Louis was involved in surveying and interviewing Australian exporters regarding the various business challenges and opportunities they face, with a view to enhancing Austrade’s service offering to clients.

Hearing aid with Dynamic Hearing’s DSP technology.
output 2.1—consular, passport and immigration services

Output measures

Table 9: Measures and results for output 2.1

<table>
<thead>
<tr>
<th>Measure</th>
<th>Estimate</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Client satisfaction (DFAT and DIAC)</td>
<td></td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Quantity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of travel documents issued</td>
<td>2500</td>
<td>968</td>
</tr>
<tr>
<td>Number of notarial acts</td>
<td>5600</td>
<td>8145</td>
</tr>
<tr>
<td>Number of Australians assisted overseas (not receiving travel documents or notarial acts)</td>
<td>37,000</td>
<td>53,531*</td>
</tr>
<tr>
<td>Number of visa applications received</td>
<td>50,600</td>
<td>46,861</td>
</tr>
<tr>
<td>Cost ($m)</td>
<td>12.45</td>
<td>11.44</td>
</tr>
</tbody>
</table>

* This figure includes 637 consular cases and 52,894 consular enquiries

Output performance

Austrade operates 19 consulates and three honorary consulates on behalf of the Australian Government (see Table 10).

In August 2006 an Austrade-managed Consulate-General was opened in Chennai, India. This followed the Prime Minister’s announcement during his visit to India in March 2006.

Austrade-managed consulates provide a range of consular assistance including passport services, notarial acts, medical evacuations, prison visits and general advice and assistance to Australians overseas.

Austrade staff in these posts work closely with Australian embassies and high commissions in their region and the Department of Foreign Affairs and Trade consular operations unit in Canberra, particularly when dealing with complex cases.

In 2006–07, the number of Australians assisted overseas was 53,531, which was significantly more than the number assisted in 2005–06 (38,666). The number of notarial acts performed increased to 8145, compared with 6922 the previous year.

The number of passports issued in 2006–07 was 968, which was more than the previous year (919).

Enhancing consular assistance to Australians

As part of the 2006–07 Federal Budget, the Australian Government announced a cross-portfolio initiative that committed funding over four years to strengthen its capacity to assist Australians overseas and improve its capability to respond to overseas emergencies. The new consular package included additional funding for Austrade of $1.2 million in 2006–07 and $1.4 million a year ongoing.

During 2006–07 measures have been implemented to:

- enhance contingency planning and crisis response capabilities
- appointment of additional staff positions in existing consular posts in Dubai, Vancouver, Atlanta, San Francisco, Osaka, Nagoya, Mumbai and Prague
- appointments to staff positions in new Austrade-managed consulates in Chennai and Tripoli
- deliver additional training support for consular officials, and
- enhance training for Austrade’s consular staff, with over 30 per cent of Austrade consular staff receiving training in 2006–07.
Visa services

In addition to delivering consular and passport services, the Austrade-managed posts in Auckland and Dubai also support the delivery of immigration (visa) services in conjunction with the Department of Immigration and Citizenship (DIAC). In 2006–07 the Austrade-managed honorary consulate in Vladivostok also provided visa evidencing and accepted payment of visa application fees on behalf of DIAC. In 2006–07, the total number of visa applications received at Austrade posts was 46,861.

Table 10: Consulates and honorary consulates managed by Austrade as at 30 June 2007

<table>
<thead>
<tr>
<th>Consulates</th>
<th>Honorary consulates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlanta</td>
<td>Prague</td>
</tr>
<tr>
<td>Auckland</td>
<td>Vancouver</td>
</tr>
<tr>
<td>Bucharest</td>
<td>Vladivostok</td>
</tr>
<tr>
<td>Chennai</td>
<td></td>
</tr>
<tr>
<td>Dubai</td>
<td></td>
</tr>
<tr>
<td>Frankfurt</td>
<td></td>
</tr>
<tr>
<td>Fukuoka</td>
<td></td>
</tr>
<tr>
<td>Istanbul</td>
<td></td>
</tr>
<tr>
<td>Lima</td>
<td></td>
</tr>
<tr>
<td>Milan</td>
<td></td>
</tr>
<tr>
<td>Mumbai</td>
<td></td>
</tr>
<tr>
<td>Nagoya</td>
<td></td>
</tr>
<tr>
<td>Osaka</td>
<td></td>
</tr>
<tr>
<td>San Francisco</td>
<td></td>
</tr>
<tr>
<td>Sao Paulo</td>
<td></td>
</tr>
<tr>
<td>Sapporo</td>
<td></td>
</tr>
<tr>
<td>Sendai</td>
<td></td>
</tr>
<tr>
<td>Toronto</td>
<td></td>
</tr>
<tr>
<td>Tripoli</td>
<td></td>
</tr>
</tbody>
</table>