



Application Guide



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Export Market Access is an initiative of the *Ontario Chamber of Commerce*, with support and funding from the *Government of Ontario*.

Export Market Access: A Global Expansion Program (EMA)

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Preamble

Ontario's economy is facing a number of challenges amidst a slowing US economy and unprecedented industrial and economic restructuring around the world. A strong Canadian dollar, high oil and energy prices, a weakening US trading partner and intensifying global competition are but some of the competitive pressures Ontario faces now and into the long-term. Apparent in this economic climate is that a strategy of diversification and export can no longer be a voluntary exercise for Ontario's small and medium-sized enterprises (SME), but rather, a necessary priority to be built into annual business and operational plans. Indeed, research has demonstrated the importance of SMEs to job creation, innovation and growth in an economy, and SMEs who export have often been found to out-perform their non-exporting counterparts across a variety of success indicators.

The value of SMEs to Ontario's economy thus underscores the importance of fostering an environment to support their growth and export potential. Increased partnership between government and Ontario's business community in creating this export culture is pivotal to helping Ontario's SMEs to continue to succeed.

Export Market Access: A Global Expansion Program (EMA) Fund Objectives

Through a partnership-like relationship between the Ontario Chamber of Commerce (OCC), the Government of Ontario, and business, the EMA program is specifically intended to:

- Assist SME's access and expand their growth in new international markets that are beyond the US;
- Encourage SME exporters to the US to seek other global markets (based on the application, there may be circumstances for those who are currently exporting to the US to develop another US market); and
- Increase export sales of Ontario goods and services by sharing the cost of initiatives that companies normally could not or would not undertake alone, thereby reducing risks involved in entering a foreign market.

Eligible Applicants

- Applicants do not need to be a member of the OCC to qualify;
- Small to medium-sized companies and manufacturers with an export mandate, whose goods and services currently exists and are produced in Ontario;
- A SME with a minimum of 5 employees to a maximum of 500 employees or an SME partnership/consortium meeting the criteria;
- Have a minimum annual sales of \$500,000;
- Currently established and operating in Ontario;
- A registered company (federally or provincially) for a minimum of two years;

- Be in full compliance with all government laws and regulations; and
- Not receiving any other contributions from public funds towards the activities contained in the funding application other than support provided through the export development programs offered by the International Trade Branch of the Ontario Ministry of Economic Development and Trade (MEDT).

Considerations will also be made to ensure a broad number of sectors and regions across Ontario can benefit from the program. Consideration will also be placed on a broad representation of target markets, which are not necessarily in the US.

Eligible Activities and Costs

There are four categories of activities that are funded by the EMA program:

- Direct Contacts;
- Marketing Tools;
- Market Research; and
- Foreign Bidding Projects.

The costs of these activities are shared (50/50) between the applicant and the Ontario Chamber of Commerce. Non-repayable contributions generally range from a minimum of \$5,000 to a maximum of \$30,000 (with the exception of capital bidding projects which generally would not exceed \$35,000). Companies are limited to two approved projects per year.

1. Direct Contacts

International trade shows, fairs and exhibits as well as incoming and outgoing missions, which are verifiable and supported by a recognized third party such as government (municipal, provincial and federal) and trade related organizations.

1.1 Exhibiting Goods/Services

Showcasing goods and/or services to potential international buyers or partners such as:

- Exhibiting at trade shows/events and technical seminars

Eligible Costs:

Preference will be given to companies who have developed an international marketing/market entry plan which demonstrates the product or service can be accepted into the target market. *Companies may apply to develop a marketing/market entry plan under the Market Research category of eligible activities.* Up to 50% of eligible costs may be contributed towards the following:

- Booth rental and related exhibition costs;
- On-site, local translation services;
- Marketing activities — show guide, pre-show mail-out (not to include product

- documentation);
- Return economy international airfare, or equivalent transportation for no more than two company representatives;
- Maximum EMA per diem allowance of only \$125 per day for company officials while on travel status outside Canada for reasonable accommodation and living expenses (business, personal and incidental expenses will not be covered)Registration fees;
- Matchmaking — could include pre-arranged and on-site meetings, in addition to preparation of company profiles, etc.;
- Product testing for foreign standards agencies for market certification; and
- Follow-up activities.

1.2 Outgoing and Incoming Missions

Official international visits to potential clients/buyers aimed at: encouraging relationship building; gathering market intelligence; promoting applicant's activities, goods and/or services; and participating in trade missions, field visits or institutional visits.

In-Canada visits to applicant's Ontario operations by potential international clients/buyers aimed at: encouraging relationship building; sharing market intelligence; and promoting applicant's activities, goods and/or services.

Companies are limited to two applications in a twelve-month period. Preference will be given to first-time applicants.

Eligible Costs:

Preference will be given to companies who have developed an international marketing/market entry plan which demonstrates the product or service can be accepted into the target market. *Companies may apply to develop a marketing/market entry plan under the Market Research category of eligible activities.* Up to 50% of eligible costs may be contributed towards the following:

Outgoing Missions:

- Return economy international airfare, or equivalent transportation, for a maximum of two outgoing company representatives, to visit foreign markets only;
- Maximum EMA per diem allowance of only \$125 per day for company officials while on travel status outside Canada for reasonable accommodation and living expenses (business, personal and incidental expenses will not be covered); and
- Follow-up activities.

Incoming Missions:

- Return economy international airfare, or equivalent transportation, for a maximum of two incoming buyers, to visit the applicant operation in Ontario only;
- Maximum EMA per diem allowance of only \$125 per day for company officials while on travel status in Canada for reasonable accommodation and living expenses (business, personal and incidental expenses will not be covered); and

- Follow-up activities.

2. **Marketing Tools**

Development of Promotional Materials

Developing promotional material to be used for increasing awareness of applicant's activities, and goods and services for potential buyers such as:

- Developing marketing materials and other promotional collaterals – not to include product documentation. This could include translating documents into local language for target market to be used in promotional material.

Development of Generic Branding Material

Developing promotional material for foreign audiences to broadly market the applicant's products and services such as:

- Developing display panels, pavilions or information booths (not to be used for retail activities).

Eligible Costs:

Up to 50% of eligible costs may be contributed towards the following:

- The actual cost paid by the applicant in the production and development of marketing tools listed above. Applicants must provide proof of anticipated expenditures such as quotations from third party suppliers for the purchase of marketing goods and or services.

3. **Market Research (Maximum EMA contribution \$5000)**

3.1 Custom Market Research / Market Intelligence

Conducting market research for more precise market targeting such as:

- Developing market intelligence or contracting market research on areas such as market size and segmentation, growth rates, trends, buying attitudes, regulatory requirements, product requirements, distribution channels, and competitor activity strategy and performance; and
- Developing an international marketing/market entry plan.

Eligible Costs:

Up to 50% of eligible costs may be contributed towards the following:

- Consulting fees (a copy of the quotation containing scope of work and fees from consultant must be included with the application);
- Maximum EMA contribution for Custom Market Research/ Market Intelligence \$5000; and
- Maximum EMA per diem allowance of only \$125 per day for company officials while on

travel status outside Canada for reasonable accommodation and living expenses (business, personal and incidental expenses will not be covered).

4. Foreign Bidding Projects

This element of the EMA program is intended for providers of professional services (engineering, management consulting, environmental, construction, etc.) bidding on foreign projects against foreign competition.

EMA support for foreign bidding projects includes:

- Pre-feasibility studies; and
- Proposal preparation at the pre-contractual stage and proposal preparation for projects in countries with centrally planned economies where there may not be a formal tendering process but there is still foreign competition for the project.

The bid proposal would be for the supply of Ontario goods and services such as engineering, construction, architecture and management consulting.

This activity is not intended for the establishment of foreign joint ventures, nor is it intended for unsolicited proposals or bids where there are no competing foreign companies either bidding on a project or being considered for a project.

Eligible Costs:

Up to 50% of eligible costs may be contributed towards the following:

- Maximum EMA per diem allowance of only \$125 per day for company officials while on travel status outside Canada for reasonable accommodation and living expenses (business, personal and incidental expenses will not be covered);
- Maximum EMA per diem allowance of \$125 per day for in market consultant travel, reasonable accommodations and living expenses while on travel status; per diem of \$250 for in-market consultant travel, reasonable accommodations and living expenses while on travel status (EMA share is \$125 per day)
- Purchase of bid/tender documents;
- Cost of obtaining bid or performance bonds;
- Product testing for foreign standards agencies for market certification;

Non-Eligible Costs for All EMA Activities

- Individual shipping of product samples other than for trade show purposes;
- Travel to Canada for consultants hired by applicants;
- Applicant officials' travel within Canada;
- Web site hosting fees;
- Salaries and commissions with the exception of consulting fees subject to prior approval;
- All recoverable taxes;
- Capital costs such as office equipment, computers, office space;
- Entertainment and hospitality;
- Postage and courier fees;
- Building web applications targeting foreign customers;

- Creating content for web site(s) promoting export capabilities;
- Creating online tools promoting trade potential;
- Developing e-newsletters, online journals, e-commerce portal;
- Cost to modify existing products to meet foreign standards, consumer preferences, etc.;
- Cost to modify or design packaging to meet foreign regulations and local customs; and
- Purchase of generic and/or existing software applications.

Conditions of Participation for All Eligible Applicants

- Application forms must include all required information and be signed by a senior executive of the applicant company certifying that the information is accurate and verifiable;
- Applicants are required to sign a “declaration of good corporate citizenship” or a “personal declaration” and be in compliance with government laws and regulations;
- Application forms will become the property of the Ontario Chamber of Commerce. Information provided by the nominees will be made available to a review committee for the purposes of determining eligibility for funding;
- Contact information (mailing address, telephone and fax numbers, as well as e-mail and web site addresses) will be included in the Ontario Chamber of Commerce’s client management system for correspondence purposes. Applicants agree that the Ontario Chamber of Commerce shall have the right to make available and/or to publish in print or electronically, certain analyses, reports or studies which are based upon aggregate data which is derived from information contained in the application forms and results achieved (performance indicators) for those applications which are funded. At the OCC discretion, these studies and aggregated data may be released to selected groups including other government entities or to the public at large;
- Applicants agree that the OCC may publish the names and level of funding for all grant recipients;
- Once received by the OCC, all applications will be at all times the property of the OCC and none will be returned. The OCC will not be responsible for applications which are lost, misdirected or delayed;
- All decisions of the review committee are final; and
- Applicants approved for funding are required to enter into and abide by the conditions outlined in the funding agreement and be signed by an authorized officer of the applicant company.

Evaluation Criteria for All Eligible Applicants

Applications will be initially evaluated by the OCC to determine eligibility. Applications that meet the eligibility criteria will be forwarded to the EMA review committee for consideration. Applications will be reviewed on a continuous basis. Funding decisions will be subject to a 30 business day turnaround time providing the application for funding is complete and all requirements have been met.

The review committee will consist of representatives from the OCC, select members of the OCC Board of Directors and external representatives. The review committee will assess applications using the following criteria:

- Eligibility of activities and expenditures for funding and linking of proposed activities to EMA's objectives;
- Financial and management capability of the applicant to complete the proposed activities as described in a timely basis;
- Level of funding requested in relation to the performance measurement;
- Validation of expected results and outcomes - what are the measurements, how will these be measured and what performance indicators will be used; and
- Completeness of the application.

Funding decisions will be made on an application by application basis. Factors that will be considered by the EMA review committee may include:

- Ensuring a broad number of sectors and regions across Ontario benefit from the program.

Payment Terms

The payment clause in the EMA legal agreement stipulates that payment of 25% of eligible costs will be made upon contract signing. The balance will be reimbursed upon submission by the applicant, following completion of the activities/project, a detailed report on project progress to include details on performance achievements upon project completion, and a financial report detailing costs incurred and revenues along with supporting documentation such as receipts and invoices. Upon approval and acceptance of the final report, the OCC will reimburse the applicant for the balance of 25% of eligible costs not to exceed the amount stipulated in the contract document.

How to Submit an Application

The application form consists of two sections. Section 1 provides us with basic information about you and your company and determines eligibility under the program criteria. Section 2 collects information specific to the activities for which you are applying for funding.

All of the forms required to submit an application can be accessed, completed and submitted online.

Steps:

1. Go to our web site at: <http://exportaccess.ca>.
2. Read the eligibility criteria and conditions for participation
3. Check your eligibility online, and if you are eligible you will be taken to the Application Form
4. Complete the form and click on the "submit" button.
5. Complete, sign the corporate citizenship declaration form and fax to: (416) 482-5879.

FOR MORE INFORMATION

Visit our Web site at: <http://exportaccess.ca> or call us at 416-482-5222.