

Update on the DIT Internationalisation Fund

What is the Internationalisation Fund?

The Internationalisation Fund is a grant scheme operated by the Department for International Trade (DIT) and is available to SME's in England (excluding Cornwall, where a separate scheme applies). The funding comes from regional Local Enterprise Partnerships (LEPs) and the European Regional Development Fund (ERDF). Similar schemes may exist in the devolved nations.

Grants are available on a one-time only basis to qualifying companies, up to a maximum of £9,000 on a broad range of **export and internationalisation activities** which must be agreed with a DIT International Trade Adviser (ITA).

Each region has its own pot of funding. Some regions, including London, are already close to being used up. The scheme is based on 50/50 "matched funding", meaning that to qualify for the maximum grant of £9,000 a company would be expected to commit to and demonstrate proven expenditure of £18,000. To apply for a grant of £5,000 a company would be expected to commit to and demonstrate proven expenditure of £10,000. The application must be made and approved in writing before any activity can be planned or undertaken. **Grants will not be made for activity which was booked or committed to before the application approval.** Companies will be expected to evidence this, with copies of invoices and contracts.

Who can receive funding?

SMEs in England (excluding Cornwall) with the following characteristics:

- International High Growth Potential with prospects of employment growth or productivity improvement (as assessed by DIT).
- A product or service suitable for international trade, or which could be developed for international trade and see international trade as a path for growth.
- The grants are targeted at companies with a minimum sales/turnover threshold of £500,000 but those with lower sales/turnover may still be eligible as long as their ITA can make a strong "business case" for them to be funded. Other limitations and rules apply.

While the scheme is not intended for Start Up businesses, some regions will consider them if they have available or unused funding or if their local targets and rules will allow.

How can the funding be used?

Applicants agree with their DIT ITA as part of the grant application process a package of activities which they then have to deliver and demonstrate. The ITA will sign off on the agreed activity and check that it been successfully completed in accordance with the terms of the scheme. Activities can be in one or more market and across marketing channels.

Tradeshaw activity can be approved as part of the grant with more than one event covered (as long as no other grants have been approved under the new UK Tradeshaw Programme being relaunched in 2022 or any other scheme.

It is possible to use the grant towards a mixture of tradeshow and non-tradeshow activity. All activity must be "new" at the time of the application so that it is clear that the grant has been used for activity which would not otherwise have been possible.

Eligible expenditure:

Subject to agreement from the ITA, the grant can be used for: advice from third party private sector experts (which can include trade associations or appropriate consultancies) to help SMEs prepare for international trade, which may include:- market research, market selection and entry advice, advice on Intellectual Property Rights, cross cultural negotiation support and standards, translation, international trade legal advice, PR support, international social media and search engine optimisation, international marketing, routes to market/ agency advice, overseas business environment, and due diligence.

Participation in Trade Fairs, Missions and market development visits is also allowed but it must be remembered that this is a one-time only grant. Participation in physical or virtual showrooms such as Joor or NuOrder may potentially be included under certain conditions although there may be other schemes to cover these kinds of activities. Members can ask UKFT for more information on this.

How to apply:

Each region has its own rules and targets and there is an element of discretion in the awarding of the grants. Applications must be made through a DIT International Trade Adviser (ITA).

In most cases, information on the scheme and details on how to reach a DIT ITA can be found at <https://www.great.gov.uk/campaigns/internationalisation-fund-for-english-businesses/>

UKFT has been informed that all available IF grants from London have been used up. This will apply to companies based within the M25.

If you need further information, email paul.alger@ukft.org

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