



Australian Government

Department of Infrastructure, Transport,
Regional Development, Communications and the Arts

ON FARM CONNECTIVITY PROGRAM

Expressions of Interest from Businesses to Supply Equipment

June 2023



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The Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) is seeking Expressions of Interest from businesses which supply connectivity equipment to the agricultural sector and are willing to be part of the new On Farm Connectivity Program.

Businesses that submit an Expression of Interest and meet the eligibility criteria will be included on the List of Eligible Suppliers of Equipment. Primary Producers must purchase Eligible Equipment from businesses on the List of Eligible Suppliers of Equipment to benefit from a rebate of up to 50 per cent of the cost of Eligible Equipment. The value of the rebate is between \$3,000 and \$30,000 (GST exclusive).

1. Background

The agriculture industry is a core part of Australia's economy, employing around 300,000¹ people and exporting nearly \$76 billion in 2021-22². The value of agricultural production is expected to reach \$90 billion in 2022-23³. The sector aims to grow productivity to \$100 billion per year by 2030⁴, which will further contribute to rural and regional communities, employment, Gross Domestic Product, and skilled jobs.

According to the *2021 Regional Telecommunications Review: A Step Change in Demand* (the Review), good digital connectivity is essential for the economic growth and sustainability of many industries in Australia, including agribusiness. The Review noted that connectivity shortfalls need to be addressed in rural, regional and remote Australia. It confirmed that disparities exist for these areas, and that localised connectivity gaps impact the rate of uptake of new and advanced agricultural technologies.

Research estimates that investment in, and unconstrained adoption of, digital agriculture could deliver gains of around \$20 billion in the gross value of agricultural production (including forestry and fisheries)⁵. Data collected through digital farming devices is helping to inform decisions by primary producers in areas such as nutrient management, animal health, water efficiency, logistics and in marketing products to consumers. However, the demand for this data may not always be met due to availability of connectivity solutions for primary producers.⁶

¹ On average over the 4 quarters to November 2022. Snapshot of Australian Agriculture 2023. ABARES Insights.

² Exports include agricultural, fisheries and forestry. Snapshot of Australian Agriculture 2023. ABARES Insights.

³ Agricultural Overview. ABARES.

⁴ National Farmers Federation.

⁵ Technical Report, Accelerating Precision Agriculture to Decision Agriculture; Enabling digital agriculture in Australia. The Australian Farm Institute.

⁶ 2021 Regional Telecommunications Review: A Step Change in Demand

2. The On Farm Connectivity Program

The Australian Government's On Farm Connectivity Program (the Program) is providing \$30 million to enable Primary Producers in agriculture, forestry and/or fisheries⁷ to extend connectivity in their fields to take advantage of connected machinery and sensor technology.

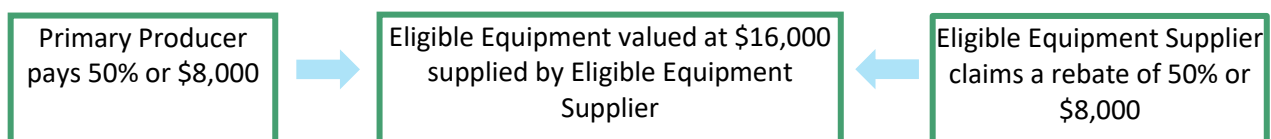
Objectives of the Program are to:

- ✓ Extend digital connectivity and enable Primary Producers to take advantage of advanced farming technology
- ✓ Enhance a Primary Producer's ability to implement digital agribusiness solutions through improved connectivity
- ✓ Capitalise on the agricultural sector's productivity, growth and exports
- ✓ Support access to new communications equipment and services by offsetting some of the cost.

The Program is part of the Government's *Better Connectivity Plan for Regional and Rural Australia*, which is providing \$656 million to improve mobile and broadband connectivity and resilience in rural and regional Australia.

2.1 How the rebate will operate

The Program will provide a rebate of 50 per cent of the cost of Eligible Equipment, including installation and training, of between \$3,000 and \$30,000 (GST exclusive). The rebate will be paid to the Eligible Equipment Supplier, with the Primary Producer purchasing the equipment and paying the balance of the cost to the Eligible Equipment Supplier. This is demonstrated in the following example:



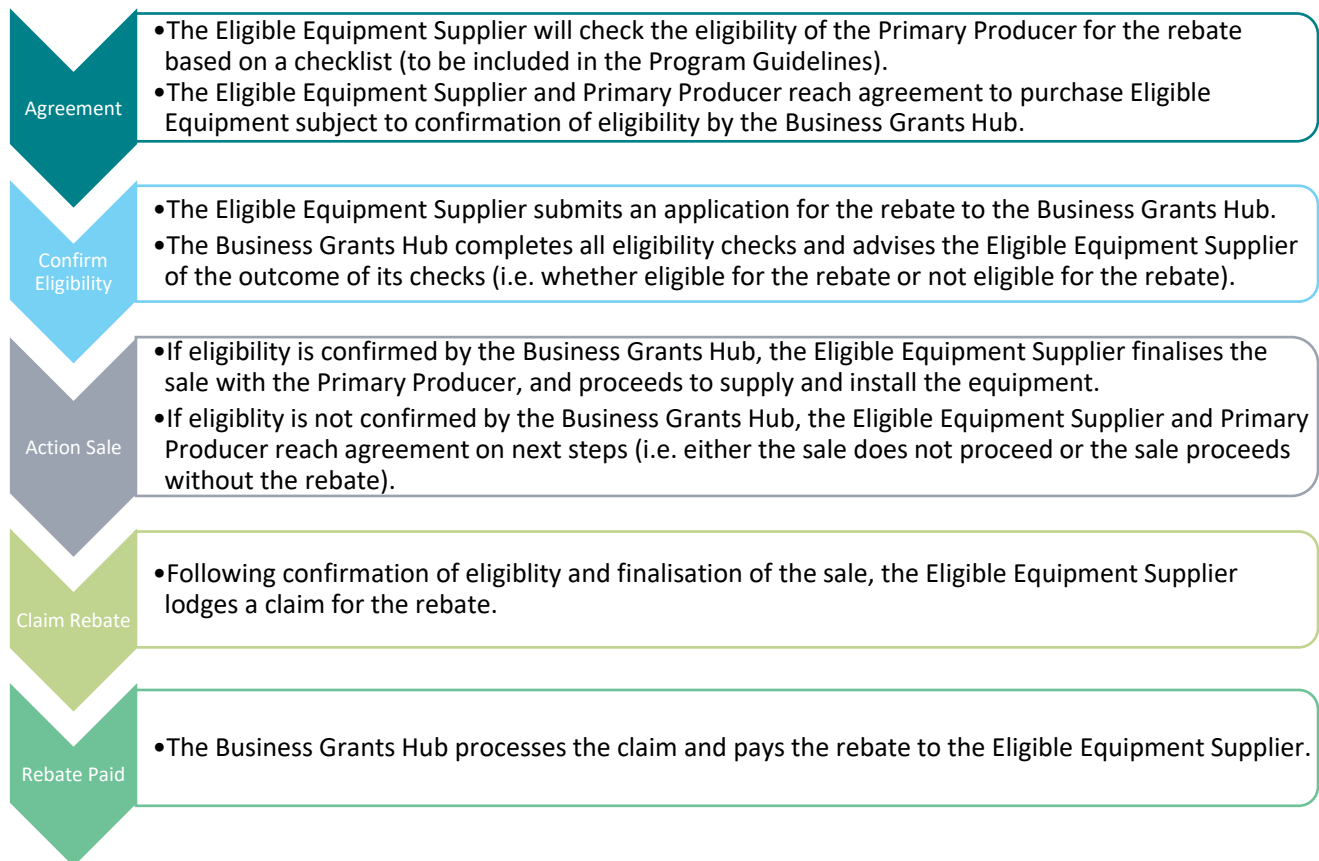
A Primary Producer can benefit from one rebate per farm under the Program. If a Primary Producer operates more than one farm that carries out eligible primary production activities, with each operating as a separate and independent business entity and has its own ABN, one rebate for each farm may be paid.

The Program will be administered by the Australian Government's Business Grants Hub. The Eligible Equipment Supplier will check the Primary Producer, type of farm and equipment are eligible for the rebate prior to the sale, then submit an application to the Business Grants Hub for eligibility to be confirmed.

- ✓ A checklist will be included in the Program Guidelines to assist Eligible Equipment Suppliers with understanding eligibility.

The Business Grants Hub will assess the eligibility of the Primary Producer, type of farm and equipment and provide the outcome of its assessment to the Eligible Equipment Supplier. Where eligibility is confirmed, the Eligible Equipment Supplier can proceed with the sale of the equipment, and, once the sale is finalised, lodge a claim for the rebate to the Business Grants Hub.

⁷ Primary producer, farm, farmer or farming should be taken to encompass the agriculture, forestry and/or fisheries sectors.



2.2 Eligible Equipment

The rebate may be claimed in relation to the following types of equipment:

- ✓ external antennas, repeaters and boosters
- ✓ LPWAN, Cellular, Satellite and Wi-Fi solutions
- ✓ sensors, beacons, probes and monitors
- ✓ automated tank systems, pump controllers, water level monitors and water flow meters
- ✓ animal movement tags
- ✓ Wide Area Network costs, and
- ✓ subscription to data visualisation dashboards.

In addition to the cost of purchasing equipment, the costs of initial training on the use of equipment (to a maximum of 10 per cent of the total cost) and one-off subscription costs for data visualisation and dashboard services (for a single year, to a maximum of 10 per cent of the total cost) can also be claimed.

An indicative List of Eligible Equipment is at [Attachment A](#). The List of Eligible Equipment will be included in the Program Guidelines and reviewed every six months. An updated List of Eligible Equipment will be sent to all businesses on the List of Eligible Suppliers of Equipment.

The Australian Government seeks to ensure that Eligible Suppliers of Equipment do not use the rebate offered under the Program to increase prices. Organisations are, therefore, expected to sell equipment to Primary Producers at the prices in place when the letter of confirmation to participate in the Program is signed, with a buffer of up to 20 per cent of the cost of equipment and training to accommodate reasonable additional costs, such as for transport to remote areas or travel for technicians to install equipment or provide training.

Ineligible Equipment and Costs

'Last mile'⁸ connectivity solutions which connect a customer's premises to a communications network are excluded from the Program. The Program is also not intended to fund drones or autonomous vehicles, robotic technology or equipment. Operation and maintenance costs are also not eligible for the rebate under the Program.

3. Eligible Equipment Suppliers

3.1 Eligibility Criteria

Businesses which sell an agri-business connectivity product can apply to participate in the Program by responding to this Expression of Interest, where they can supply the appropriate equipment, install the equipment (if required) and provide some initial training on its use.

Businesses seeking to participate in the Program must:

- ✓ Have an ABN, ACN or be in the process of obtaining an ABN (which must be in place before the submission of the first application for the rebate);
- ✓ Be an established operator in the market, demonstrated by:
 - having been in business for at least two years
 - supplying Eligible Equipment, farming or other related equipment to the agricultural sector for at least two years, and
 - a presence in rural, regional or remote Australia or demonstrated capacity to service and support eligible agricultural businesses in rural, regional or remote Australia; and
- ✓ Have the capacity to deliver to, and install on, farms at least one type of connectivity solution or at least 25 per cent of equipment on the indicative List of Eligible Equipment (Attachment A), and have demonstrated arrangements⁹ with:
 - manufacturers and/or suppliers of the equipment
 - transport operators to deliver the equipment, including to remote locations
 - technicians to install the equipment, and
 - experts to provide training to support the use of the equipment.

The Program preferences established businesses to provide certainty to Primary Producers that an appropriate range of equipment can be supplied and installed.

Where a business may fall marginally short of meeting the requirements listed above (such as time in the market to supply Eligible Equipment to the agricultural sector), the Department reserves the right to use its discretion in determining eligibility, based on the case presented in the Expression of Interest and its own research. The Department may also contact the business to follow-up on questions or clarify information.

Telecommunications services or internet service providers are not eligible unless they have products and installation services tailored to the agricultural sector to improve connectivity for Primary Producers.

⁸ The 'last mile' is a figurative term that refers to the final leg of the telecommunications network that delivers telecommunications services to customers. It is the part of the telecommunications network chain that physically reaches the customer's premises. It is the part of the telecommunications network chain that physically reaches the customer's premises. Note that 'last mile' solutions may be eligible for funding under the Regional Connectivity Program whereas the On Farm Connectivity Program aims to support equipment which extend connectivity and enable agricultural productivity.

⁹ These arrangements can include sub-contract arrangements.

3.2 Applying to be an Eligible Equipment Supplier

Businesses seeking to be included on the List of Eligible Suppliers of Equipment must submit the Expression of Interest form at [Attachment B](#).

Expressions of Interest must be received by 11.59pm AEST on Wednesday, 5 July 2023 via email to OFCP@communications.gov.au. Supporting documents to demonstrate compliance with the criteria listed in Section 3.1 above should be provided. A current price list for Eligible Equipment must be provided.

Expressions of Interest submitted electronically may be made corrupt or incomplete, for example by computer viruses. Businesses submitting an Expression of Interest should ensure that documents are free from viruses by checking the files with an up to date anti-virus program before submission. The Department may not accept an Expression of Interest which cannot be evaluated because it is incomplete or corrupt. Supporting documents must be compatible with Microsoft Excel or Microsoft Word.

4. Evaluation of Expressions of Interest

The Department will complete a due diligence process on each Expression of Interest to verify information provided and ensure each meets the criteria set out in Section 3.1 above. Information included in the Expression of Interest form and any supporting documents will be considered. The Department may seek further information from businesses that submit an Expression of Interest. The Department may also conduct, and consider the outcomes of, its own research and requests for clarification of information.

The Department will write to all businesses that submit an Expression of Interest to advise of the outcome. Successful businesses will be asked to confirm, in writing, their:

- ✓ willingness to be on the List of Eligible Suppliers of Equipment
- ✓ agreement to charge the prices for Eligible Equipment in place at the time of signing the confirmation letter for six months (noting that a buffer of up to 20 per cent of the cost of equipment and training to accommodate reasonable additional costs, such as for transport to remote areas or travel for technicians to install equipment or provide training), and
- ✓ agreement to comply with all applicable laws and regulations.

Template letters of advice and confirmation are at [Attachment C](#). Businesses that receive the letter of advice and return the signed letter of confirmation within required timeframe will be included on the List of Eligible Suppliers of Equipment.

Unsuccessful businesses may apply for feedback from the Department at the conclusion of the Expression of Interest process.

The Department will not accept or respond to requests for information on the status and progress of evaluations of Expressions of Interest. The Department's decisions about inclusion in or exclusion from the List of Eligible Suppliers of Equipment will be final.

5. Conflict of Interest

A conflict of interest arises when a business submitting an Expression of Interest, or a person or organisation associated with the Expression of Interest, is in a position to benefit directly or indirectly from actions of a business on the List of Eligible Suppliers of Equipment through an unfair or unintended imposition or loss on the Department or other party. A conflict of interest can also arise when a business' integrity, objectivity or fairness in its conduct is at risk due to a personal interest or conflicting business arrangements.

Businesses submitting an Expression of Interest should disclose any potential or actual conflicts of interest that they may have, or may be perceived to have, in connection with the Program. Disclosures will be assessed by the Department from a risk management perspective and will not automatically exclude a business from further participation in the Program.

6. Obligation to comply with applicable laws

Businesses submitting an Expression of Interest are reminded to comply with all applicable laws. These may include but are not limited to federal, state/territory or local laws and regulations in relation to:

- fraudulent, misleading or deceptive conduct
- collusive conduct, to the effect that companies and their officers, employees, agents, advisors and proposed subcontractors must not engage in collusive, anti-competitive or other similar conduct with any other company, person or entity, or offer any unlawful inducements;
- Eligible Equipment, for example boosters and other amplifying equipment must be legally purchased and installed in accordance with the [Telecommunications \(Prohibition of Mobile Phone Boosters\) Declaration 2021](#) (or as updated from time to time)
- privacy
- product safety
- work health and safety
- registration as business entities, and
- relevant consumer protections.

7. Key Terms

Business Grants Hub: The Business Grants Hub in the Department of Industry, Science and Resources. Information on the Business Grants Hub is at www.industry.gov.au.

Eligible Equipment Supplier: Businesses on the List of Eligible Suppliers of Equipment prepared by the Department, and included in the Program Guidelines and on the Department's website.

Eligible Equipment: Equipment on the List of Eligible Equipment prepared by the Department. Eligible Equipment may include connectivity solutions and supporting equipment, sensors, beacons and probes, systems and infrastructure to monitor water supply, animals and agriculture. An indicative List of Eligible Equipment is at [Attachment A](#). The List will be included in the Program Guidelines and on the Department's website.

List of Eligible Suppliers of Equipment: The List of Eligible Suppliers of Equipment for the purposes of the On Farm Connectivity Program. The List of Eligible Suppliers of Equipment will be prepared by the Department and included in the Program Guidelines and on the Department's website.

Primary Producer: A farmer conducting primary production activities in agriculture, aquaculture or forestry with an annual income of \$40,000 or more, calculated at the average of the three previous years' income. Primary production activities are listed in the Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006 (Revision 2.0) codes under Division A, Agriculture, Forestry and Fishing (subdivisions 01-03).

Program Guidelines: Guidelines for the On Farm Connectivity Program that is currently under development and will be on the Department's website and Grants Connect.

Attachment A – Indicative List of Eligible Equipment

The following indicative List of Eligible Equipment is high-level and not prescriptive. It is intended to help guide respondents to this Expression of Interest in considering equipment that will assist Primary Producers to deliver bespoke, flexible and holistic connectivity solutions tailored to the needs of their businesses.

Type of connectivity solution	Type of Product	Description
Primary Connectivity Technology	<ul style="list-style-type: none"> ✓ Low Power Wide Area Networks (LPWAN) ✓ Cellular ✓ Satellite ✓ Wifi 	Connectivity technologies which enable and extend connectivity across a primary production enterprise and contribute to the objectives of the Program.
Connectivity Equipment	<ul style="list-style-type: none"> ✓ Antennas, beacons, and transmitters ✓ Repeaters and Boosters ✓ Gateways and Routers ✓ Base Station ✓ Portable Hotspots 	Products that provide connectivity to sensors and controllers to a local area network or wide area network.
Environmental Monitoring	<ul style="list-style-type: none"> ✓ Soil Moisture Probes ✓ Microclimate Monitors ✓ Weather Monitors ✓ Plant Growth Monitors ✓ Water Quality Monitors ✓ Water Flow and Pressure Monitors 	Devices that monitor environmental activity and provide real-time data to Primary Producers.
Farm Management	<ul style="list-style-type: none"> ✓ Camera systems ✓ Asset trackers ✓ Battery Monitors ✓ Staff Safety Monitors ✓ Silo and storage monitors ✓ Fuel Level Monitors ✓ Livestock Monitoring Systems ✓ Fence Monitors 	Farm management systems that assist with monitoring on-farm conditions, infrastructure, livestock, assets and safety.
Remote Automation and Control	<ul style="list-style-type: none"> ✓ Aeration Controllers ✓ Pump Controllers ✓ Valve and Irrigation Controllers 	Devices that provide primary producers with tools to enable remote automation and control of connected assets.
Information Dashboards and Network Software	<ul style="list-style-type: none"> ✓ One-year subscription costs for data visualisation and dashboard services 	Information systems that accompany installation and use of IoT hardware to support decision-making and improve productivity.
Other	<ul style="list-style-type: none"> ✓ Training costs ✓ Installation costs 	Support services to assist Primary Producers in enabling connectivity solutions.

Attachment B – Expression of Interest form

EXPRESSION OF INTEREST TO BE AN ELIGIBLE EQUIPMENT SUPPLIER FOR THE ON FARM CONNECTIVITY PROGRAM

LEGAL NAME

--

ABN or ACN

If no ABN, add date of application for an ABN and expected approval date

--

BUSINESS NAME

--

BUSINESS ADDRESS

--

CONTACT NAME AND POSITION

--

CONTACT EMAIL AND MOBILE NUMBER

--

DESCRIPTION OF BUSINESS AND OPERATIONS

Describe the type of business you operate, whether your business is focused on the sale of equipment or part of a larger integrated business offering a range of products and services, the equipment you supply, and size of the business (small, medium, large, multi-national). Do you operate in a single area or have branches or subsidiaries across the state or country? Is your focus on rural, regional or remote Australia? Do you only sell equipment or also have established installation, servicing and training support arrangements in place?

HAS YOUR BUSINESS BEEN OPERATING FOR TWO YEARS OR MORE?

YES

NO - if no, how long have you been operating?

..... MONTHS

HAS YOUR BUSINESS BEEN SUPPLYING ELIGIBLE EQUIPMENT TO THE AGRICULTURAL SECTOR FOR TWO YEARS OR MORE?

YES NO - if no, how long have you been supplying Eligible Equipment?

..... MONTHS

HAS YOUR BUSINESS OPERATED IN A SIMILAR OR RELATED SECTOR AND IS SEEKING TO EXPAND?

YES NO

DOES YOUR BUSINESS HAVE A RURAL, REGIONAL OR REMOTE PRESENCE OR DEMONSTRATED CAPACITY TO SERVICE AND SUPPORT AGRICULTURAL BUSINESSES IN RURAL, REGIONAL OR REMOTE AUSTRALIA?

Please describe your presence in rural, regional and remote Australia, length of time working in the regions, experience in working with Primary Producers (agriculture, aquaculture and forestry) and established links or relationships with other regional businesses. Do you work with regional contractors or suppliers?

PLEASE RECORD THE EQUIPMENT ON THE INDICATIVE LIST OF ELIGIBLE EQUIPMENT YOU CAN SUPPLY.

A current price list for Eligible Equipment must be provided.

OUTLINE THE ARRANGEMENTS YOU HAVE IN PLACE TO SOURCE, TRANSPORT AND INSTALL ELIGIBLE EQUIPMENT, AND TO PROVIDE TRAINING TO SUPPORT THE USE OF ELIGIBLE EQUIPMENT. ARRANGEMENTS MUST FOCUS ON SUPPLY TO PRIMARY PRODUCERS IN RURAL, REGIONAL OR REMOTE AUSTRALIA.

Describe the suppliers you work with to source eligible equipment, including whether you manufacture the equipment or source it from a third party. Outline arrangements to transport the equipment to the farms, install the equipment, and conduct the training. Discuss logistical arrangements, particularly whether your business uses its own employees or engages local or interstate contractors and technicians. Describe arrangements in place to service and repair equipment that your firm has installed.

ADD ANY OTHER INFORMATION THAT MAY BE RELEVANT TO OR SUPPORT YOUR EXPRESSION OF INTEREST.

DECLARE ANY CONFLICTS OF INTEREST OR PERCEIVED CONFLICTS OF INTEREST.

I acknowledge that the giving of false or misleading information to the Commonwealth is a serious offence under section 137.1 of the schedule to the *Criminal Code Act 1995 (Cth)*. I certify the information provided in this expression of interest is true and accurate to the best of my knowledge and understanding as at the date of signature below.

NAME

POSITION

SIGNATURE

DATE

Attachment C – Letter Templates

Letter of advice to Eligible Equipment Suppliers

Dear <NAME>

Thank you for your Expression of Interest to participate in the On Farm Connectivity Program.

Your Expression of Interest has been assessed by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) against the Eligibility Criteria set out in Section 3.1 of the *Expressions of Interest from Businesses to Supply Eligible Equipment* document. I am writing to confirm that <NAME OF BUSINESS> has met the Eligibility Criteria.

Please read and sign the attached letter of confirmation and email the signed letter to the Department by <DATE> at OFCP@communications.gov.au.

The Department, with the Business Grants Hub, is finalising the Program Guidelines for the On Farm Connectivity Program. I will write again when the Program Guidelines are released and the Program is open to claims for rebates.

Yours sincerely

<SIGN OFF>

Letter of confirmation

I, <NAME>, <POSITION> of <BUSINESS NAME TO BE INSERTED BY DEPARTMENT>, confirm agreement for <BUSINESS NAME AND ABN TO BE INSERTED BY DEPARTMENT> to be included on the List of Eligible Suppliers of Equipment for the On Farm Connectivity Program.

I understand that, in order for it to be included on the List of Eligible Suppliers of Equipment for the On Farm Connectivity Program, <BUSINESS NAME TO BE INSERTED BY DEPARTMENT> **must:**

- maintain capacity to deliver to and install on farms at least one type of connectivity solution or at least 25% of equipment on the indicative List of Eligible Equipment;
- maintain arrangements with:
 - manufacturers and/or suppliers of the equipment;
 - transport operators to deliver the equipment, including to remote locations; and
 - technicians to install the equipment; and
 - experts to provide training to support the use of the equipment;
- charge the prices for Eligible Equipment stated in the **attached** price list for six months (noting a buffer of up to 20 per cent of the cost of equipment and training to accommodate reasonable additional costs, such as for transport to remote areas or travel for technicians to install equipment or provide training); and
- comply with all applicable laws and regulations.

 NAME

 POSITION

 SIGNATURE

 DATE

Attachment: Pricelist for Eligible Equipment – <BUSINESS NAME TO BE INSERTED BY DEPARTMENT>