ON FARM CONNECTIVITY PROGRAM ROUND 2

Equipment Suppliers Frequently Asked Questions

As at 23 August 2024

This document will be updated as required to include new questions asked about the administration of Round 2 of the On Farm Connectivity Program.

The questions and answers contained in this document are related to the Expression of Interest process.

Contents

About the Program	3
Q1: What is the On Farm Connectivity Program?	3
Q2: What has changed in Round 2?	3
Q3: What connectivity equipment or solutions are covered under the Program?	3
Q4: Will there be future opportunities under the Program?	3
Expression of Interest - Equipment Suppliers	3
Q5: Can I submit an Expression of Interest (EOI) if I am a Primary Producer?	3
Q6: I was an Eligible Equipment Supplier in Round 1, do I need to apply in Round 2?	4
Q7: Will my price list be made public?	4
Q8: My business sells equipment that is not included on the List of Eligible Equipment, does this mean I am not eligible to participate?	4
Q9: The cost of supplying equipment may vary, for example due to supply chain issues or transport to very remote regions. Will the Program accommodate changes to the sale price?	4
Q10: My business provides data and network services relevant to on farm connectivity solutions. Can I claim rebate for my services?	a 4
Q11: The equipment sold by my business requires installation by a technician. Are these costs eligible for the Program?	e 4
Q12: I use a retailer/dealer network for my products. Can I apply to be an Approved Supplier?	5
Q13: I sell direct to customers but also use a retailer/dealer network for my products. Can I apply to be an Approved Supplier?	5
Q14: Can changes be made to products on my price list after submission?	5
Q15: What is the expected timing of the EOI application process?	5
Q16: What if I discover I have made a mistake in my EOI application after I have submitted it?	5
Q17: How can I check on the status of my EOI application?	5
Q18: Will I be subject to an audit?	5

About the Program

Q1: What is the On Farm Connectivity Program?

The On Farm Connectivity Program (the Program) forms part of the *Better Connectivity Plan for Regional and Rural Australia* (Better Connectivity Plan) and assists Primary Producers to take advantage of digital agribusiness solutions to boost productivity and improve safety.

The objectives of the Program are to:

- extend digital connectivity and take advantage of advanced farming technology
- enhance a Primary Producers' capacity to implement digital agribusiness solutions through improved connectivity
- capitalise on the agricultural sector's potential for increased productivity and growth
- support access to new communications equipment by offsetting some of the cost.

Round 2 of the Program will run over one year in 2024-25.

Q2: What has changed in Round 2?

A number of changes have been made to Round 2 based on feedback from participants during Round one including:

- the Primary Producer revenue cap has been increased from \$2 million to \$4 million, averaged over the past 3 full financial years' income
- the minimum rebate amount has been reduced from \$3,000 (GST exclusive) to \$1,000 (GST exclusive)
- the timeframe to complete the sale, delivery and installation of equipment is now 'up to 120 calendar days'.

Q3: What connectivity equipment or solutions are covered under the Program?

Eligible connectivity equipment solutions can be found on the <u>List of Eligible of Equipment</u> on the department's website.

Equipment that relies on the 3G network to work (either in part or in full) is not eligible for the rebate.

Q4: Will there be future opportunities under the Program?

Round 2 is the final round of the On Farm Connectivity Program.

Expression of Interest - Equipment Suppliers

Q5: Can I submit an Expression of Interest (EOI) if I am a Primary Producer?

No, the EOI process is for businesses who sell connectivity equipment.

Q6: I was an Eligible Equipment Supplier in Round 1, do I need to apply in Round 2?

Yes, all suppliers from Round one will need to reapply to participate in Round 2 of the Program. The department will assess all EOI's against the eligibility criteria and no additional weighting will be placed on an EOI received from a Round 1 supplier.

Q7: Will my price list be made public?

We may consider publishing business' price lists on our website, however the prices for the individual equipment items will be removed to remain commercial-in-confidence.

Q8: My business sells equipment that is not included on the List of Eligible Equipment, does this mean I am not eligible to participate?

The <u>List of Eligible Equipment</u> is intended to act as a guide and other ag-tech equipment which boosts productivity and supports safety may be able to be purchased under the program.

Equipment that relies on the 3G network to work (either in part or in full) is not eligible for the rebate. By uploading your price list, you certify that the equipment is not reliant on 3G connectivity.

Q9: The cost of supplying equipment may vary, for example due to supply chain issues or transport to very remote regions. Will the Program accommodate changes to the sale price?

The Australian Government seeks to ensure that Approved Suppliers of eligible equipment use the rebate to extend connectivity on farms, improving its productivity, safety and business operations. Organisations are expected to sell equipment at the price in place when they sign the letter of confirmation to participate in the Program.

A 20 per cent buffer (of the cost of equipment and training) has been built into the program to accommodate reasonable additional costs, such as for transport to remote areas, travel and accommodation for technicians to install equipment or provide training or unexpected changes to the exchange rate which impact the price of items manufactured overseas.

Q10: My business provides data and network services relevant to on farm connectivity solutions. Can I claim a rebate for my services?

The Program supports the cost of subscriptions for data aggregation platforms and software (including farm management software) that accompany the purchase of eligible connectivity solutions and associated equipment to a maximum of 10 per cent of the total equipment purchase price.

Q11: The equipment sold by my business requires installation by a technician. Are these costs eligible for the Program?

The Program provides for the cost of installation and training in the operation of connectivity solutions and associated equipment to a maximum of 10 per cent of the total equipment purchase price.

Q12: I use a retailer/dealer network for my products. Can I apply to be an Approved Supplier?

The Program provides a rebate of up to 50 per cent for eligible equipment purchases, including installation and training. The rebate will be paid to the Approved Supplier, with the Primary Producer paying the balance to the Approved Supplier.

Businesses included on the List of Approved Suppliers must sell the eligible equipment directly to Primary Producers, not via a third party.

Q13: I sell direct to customers but also use a retailer/dealer network for my products. Can I apply to be an Approved Supplier?

The transaction must occur between the Approved Supplier and the Primary Producer and not via a third party. If Primary Producers can purchase directly from you and you have a retailer network, you may be eligible to participate, on the condition the purchases of your products are through you directly and not your retailer network.

Q14: Can changes be made to products on my price list after submission?

The department recognises the rapid advancements in technology and some products supplied at the time of signing the letter of confirmation to participate in the Program may become obsolete. The department may consider allowing for obsolete products to be replaced with a new, like-for-like product.

There is an allowance for reasonable changes in price for equipment at the time of signing the letter of confirmation to participate in the Program.

Q15: What is the expected timing of the EOI application process?

The Expression of Interest assessment process is expected to take up to 4 weeks from the date of closing.

Q16: What if I discover I have made a mistake in my EOI application after I have submitted it?

After submitting your application, we may contact you for clarification if we find an unintentional error or any missing information, including evidence that supports your eligibility.

If you find you have made an error in your application after submitting it, you should email us immediately at <a href="https://orcho.org/nct/bases/ba

Q17: How can I check on the status of my EOI application?

The department will not accept or respond to requests for information on the status and progress of EOI applications. All applicants will be notified of the outcome following the EOI evaluation process.

Q18: Will I be subject to an audit?

We may visit you at the completion of the round to review your compliance with the Program. We may also inspect the records you are required to keep. We will provide you with reasonable notice of any compliance visit.

Your business is expected to comply with all relevant laws, regulations and Australian Government sanctions in undertaking your project/s.

Following the conclusion of Round 2 of the Program, the department will be evaluating the Program to measure how well the outcomes and objectives have been achieved.

We may use information from your application for this purpose. We may also request to interview you, or ask you for more information to help us understand how the grant impacted you and to evaluate how effective the Program was in achieving its outcomes.

We may contact you and/or the Primary Producer up to 2 years after you finish your project for more information to assist with this evaluation.