## **ON FARM CONNECTIVITY PROGRAM ROUND 2**

## **Equipment Suppliers Frequently Asked Questions**

As at 8 November 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.

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## 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.

## **Approved Suppliers**

#### Q5: 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.

# Q6: My business sells equipment that is not included on the List of Eligible Equipment but I think it may meet the criteria, does this mean I cannot sell it under the program?

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.

# Q7: 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.

# Q8: My business provides data and network services relevant to on farm connectivity solutions. Can I claim a rebate for these 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.

# Q9: The equipment sold by my business requires installation by a technician. Are these costs eligible for the Program?

Applicants can claim costs including: delivery, installation, and accommodation with evidence such as receipts. The assessment team may contact you if there are any unusually high claims for this budget item.

# Q10: I sell direct to customers, can I also use a retailer/dealer network for my product sales?

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.

#### Q11: Can changes be made to products on my price list?

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.

#### Q12: 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.