Australian Government



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

## **ON FARM CONNECTIVITY PROGRAM ROUND 2** Primary Producers 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.

The questions and answers contained in this document are related to the Primary Producer's application process.

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## About the Program

#### Q1: What is the On Farm Connectivity Program?

The On Farm Connectivity Program Round 2 (the Program) will run over 1 year in 2024-25. 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 intended outcomes of the Program are:

- increase investment in equipment to support operations of the agricultural sector
- increase efficiency, competitiveness, and productivity of the agricultural sector
- improve safety on farm
- increase use of advanced farming technology
- improve knowledge of advanced farming technology and digital literacy.

Eligible Primary Producers can only access the Program through an Approved Supplier.

#### Q2: What has changed in Round 2?

A number of changes have been made to Round 2 based on feedback from Round 1 participants including:

- the revenue cap has been increased for Primary Producers 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 has been increased to up to 120 calendar days, allowing more time for equipment to be delivered and installed to remote locations.

#### Q3: How much is the rebate?

The rebate amount will be up to 50% of the cost of eligible equipment item/s.

- the minimum rebate amount is \$1,000 (GST exclusive).
- the maximum rebate amount is \$30,000 (GST exclusive).

Please note, there is no limit to the amount an eligible Primary Producer may spend, however the rebate will not exceed \$30,000 (GST exclusive).

#### Q4: How long are the rebates available for?

Round 2 has \$18 million allocated and available until 31 May 2025 or until funding is exhausted, whichever occurs first.

Applications can only be lodged between the published rebate application opening and closing dates for Round 2. Claims for products purchased prior to the Round opening are not eligible and late applications will not be accepted.

The closing date may be announced after Approved Suppliers are notified they are eligible for a rebate. If this occurs, the supplier will still have up to 120 calendar days after notification to complete the sale and claim the rebate.

As all claims for rebate must be submitted by 31 May 2025 to be eligible under the Program, any application submitted after 1 February 2025 will have less than 120 calendar days for project finalisation and submission of the claim for rebate. Timeframes should be taken into consideration when submitting your application, as these cannot be extended.

#### Q5: Is the grant (rebate) for the full purchase price of eligible equipment?

The On Farm Connectivity Program will provide a rebate of 50% of the cost of eligible equipment, including some training costs. The minimum rebate amount is \$1,000 and the maximum is \$30,000 (GST excl). The rebate will be paid to the Approved Supplier, with the Primary Producer purchasing the equipment and paying the balance of the cost to the Approved Supplier. The below demonstrates a hypothetical purchase to the value of \$16,000:

Primary Producer pays 50% or \$8,000 Eligible equipment valued at \$16,000 supplied by Approved Supplier Approved Supplier claims a rebate of 50% or \$8,000

# Q6: I would like to participate, but I'm not sure how to improve connectivity in my business. Can someone help with this?

The Regional Tech Hub, an independent service to help regional, rural and remote Australians get connected, stay connected and make the most of new technologies, may be able to assist you to determine which connectivity solutions would deliver improved productivity and safety to your business operations.

The Regional Tech Hub is delivered by the National Farmers' Federation and includes a website, online helpdesk, phone support line and social media access through Facebook and X (formerly Twitter). You can visit the Hub's website at http://www.regionaltechhub.org.au or contact the hotline on 1300 081 029.

#### Q7: 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.

As outlined in the Program guidelines, 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 Approved Supplier up to 2 years after you finish your project for more information to assist with this evaluation.

#### Q8: Will there be future opportunities under the Program?

Round 2 is the final round of the On Farm Connectivity Program. For information about future opportunities available we encourage you to regularly visit <u>business.gov.au</u>, <u>GrantConnect</u> and the department's website.

### **Primary Producers Eligibility**

# Q9: I received a rebate in Round 1, am I eligible to apply for a rebate in Round 2?

Yes, Primary Producers who received a rebate in Round 1 can apply in Round 2.

#### Q10: I'm a Primary Producer, is my business eligible for a grant (rebate)?

To participate in the Program, primary production businesses must:

- be a registered business and have held an Australian Business Number (ABN) for at least 12 months at the time of applying
- have an annual average pre-tax income from primary production of between \$40,000 and \$4 million. Annual average income is calculated as the average of the previous 3 full financial years' income for each ABN
- not be a hobby farmer
- operate an eligible primary production activity that is defined as those listed in the Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006 (revision 2.0) codes under Division A, Agricultural Forestry and Fishing, Subdivisions 01, 02 and 03. A full list can be found at Appendix D of the On Farm Connectivity Program Round 2 – <u>Grant Opportunity Guidelines</u>.
- agree to the department contacting you for a case study about your connectivity solution for the On Farm Connectivity Program up to 2 years after the Program has closed.

As part of the application process you will be asked to complete a declaration confirming the above.

# Q11: I have already claimed once under Round 2, am I eligible to claim again for a different purchase?

Primary Producers can make multiple claims with various Approved Suppliers for rebates under the program. We will monitor the total amount of eligible equipment purchased against your ABN up to the maximum rebate of \$30,000 (GST exclusive). Once this threshold has been reached you will no longer be eligible to apply for further rebates.

#### Q12: I am a Primary Producer; how do I apply for a rebate?

Applications for rebates can only be made by the Approved Supplier. A <u>List of Approved Suppliers</u> can be found on the department's website.

Once you have contacted the Approved Supplier and received a quote for the supply of equipment including additional eligible costs such as delivery and installation, you will be asked by the Approved Supplier to complete an application and declaration confirming your business' eligibility under the Program.

You should not purchase eligible equipment until you have been notified by the Approved Supplier that the Business Grants Hub has confirmed the eligibility of the sale.

If the application meets all the eligibility requirements under the Program guidelines, the Approved Supplier will have 120 calendar days to progress the sale of the eligible connectivity solutions with you including delivery and installation.

The Approved Supplier will finalise the claim with the Business Grants Hub and once approved will receive 50% of the cost from the Hub (up to \$30,000) and you (the Primary Producer) are responsible for paying the remaining amount.

#### Q13: Is the revenue cap based on the farming enterprise only?

The revenue cap is based on primary production under the Australian Tax Code.

### **Approved Suppliers**

#### Q14: Who is an Approved Supplier?

To be able to pass on the rebate an Approved Supplier must:

- be included on the List of Approved Suppliers
- supply an eligible connectivity solution and the associated eligible equipment to an eligible Primary Producer
- be able to progress the sale of the connectivity solution and associated equipment to the Primary Producer within 120 calendar days of being notified of eligibility by the Business Grants Hub.

#### Q15: Where can I find a list of Approved Suppliers?

The <u>List of Approved Suppliers</u> is available on the department's website and is included in the On Farm Connectivity Program Round 2 Grant Opportunity Guidelines.

#### Q16: What service should I expect from Approved Suppliers?

Approved Suppliers should provide you with accurate information about your connectivity equipment/solution options. They should also ensure that the proposed product/s meet your needs and offer good value for money. If you have concerns about the information being provided by an Approved Supplier or their behaviour, please contact the Business Grants Hub on 13 28 46.

#### Q17: Can you use 2 suppliers for the one grant?

Each application must meet the minimum spend of \$2,000 (GST exclusive) to receive the minimum \$1,000 (GST exclusive) rebate. A Primary Producer may purchase from multiple suppliers, however the maximum rebate will not exceed \$30,000 (GST exclusive) per Primary Producer.

#### Q18: Can I choose the Approved Supplier?

You are free to purchase eligible connectivity equipment and solutions from any business on the <u>List of</u> <u>Approved Suppliers</u>.

#### Q19: What if I cannot find someone to service my local area?

The <u>List of Approved Suppliers</u> comprises multiple businesses servicing one or more Australian states or territories with over a third of all suppliers on the list servicing Australia nation-wide.

#### Q20: Can I get multiple quotes?

We encourage you to get at least 3 quotes per product/solution to ensure you are getting the best value for money from an Approved Supplier.

#### Q21: When I receive a quote am I obliged to accept?

No. The quotes provided by Approved Suppliers are obligation-free. There is no pressure to accept a quote.

### **Eligible Equipment**

## Q22: What connectivity equipment or solutions are covered under the Program?

Eligible connectivity equipment or solutions can be found on the <u>List of Eligible 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.

#### Q23: What is not covered under the Program?

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

#### Q24: Are insurance and maintenance costs eligible for the rebate?

Insurance, operation and maintenance costs are not eligible for the rebate.

## Q25: Does the rebate cover any ongoing costs involved with new tech e.g. hosting and monitoring fees?

The rebate covers subscription fees for 12 months and training, to a maximum of 10% of the total eligible equipment cost. Ongoing operation and maintenance costs are ineligible.

# Q26: Is the department planning on providing more than just the approved supplier list e.g. the products they supply?

The <u>List of Approved Suppliers</u> is available in Word, PDF and Excel formats, and includes the Approved Supplier's suburb, state, the categories of Products and Services an Approved Supplier selected that they could provide and the states and territories it can supply or service.

While we are unable to provide a comprehensive product list, the Excel list may assist in finding an Approved Supplier to approach.

#### Q27: Can you apply for rebates on already purchased tech?

No. Any products purchased before the Round began or the application has been approved are not eligible for a rebate.

#### Q28: How can I be assured I'm not being over-charged for equipment?

Approved Suppliers submitted a price list as part of their application to participate in the Program and must use their submitted prices when quoting for connectivity equipment or solutions. There is an allowance to adjust prices within the guidelines to accommodate changes in costs, including price of equipment, installation and transportation. This allowance is capped at 20% of the total expense of the connectivity equipment/solution.

We encourage you to seek quotes from multiple Approved Suppliers if you can, to ensure you are receiving the best value.

# Q29: Can I get a rebate for connectivity solutions that have already been completed?

No. The purchase of eligible connectivity solutions and associated equipment from Approved Suppliers before the Program commenced are not eligible for the rebate.