



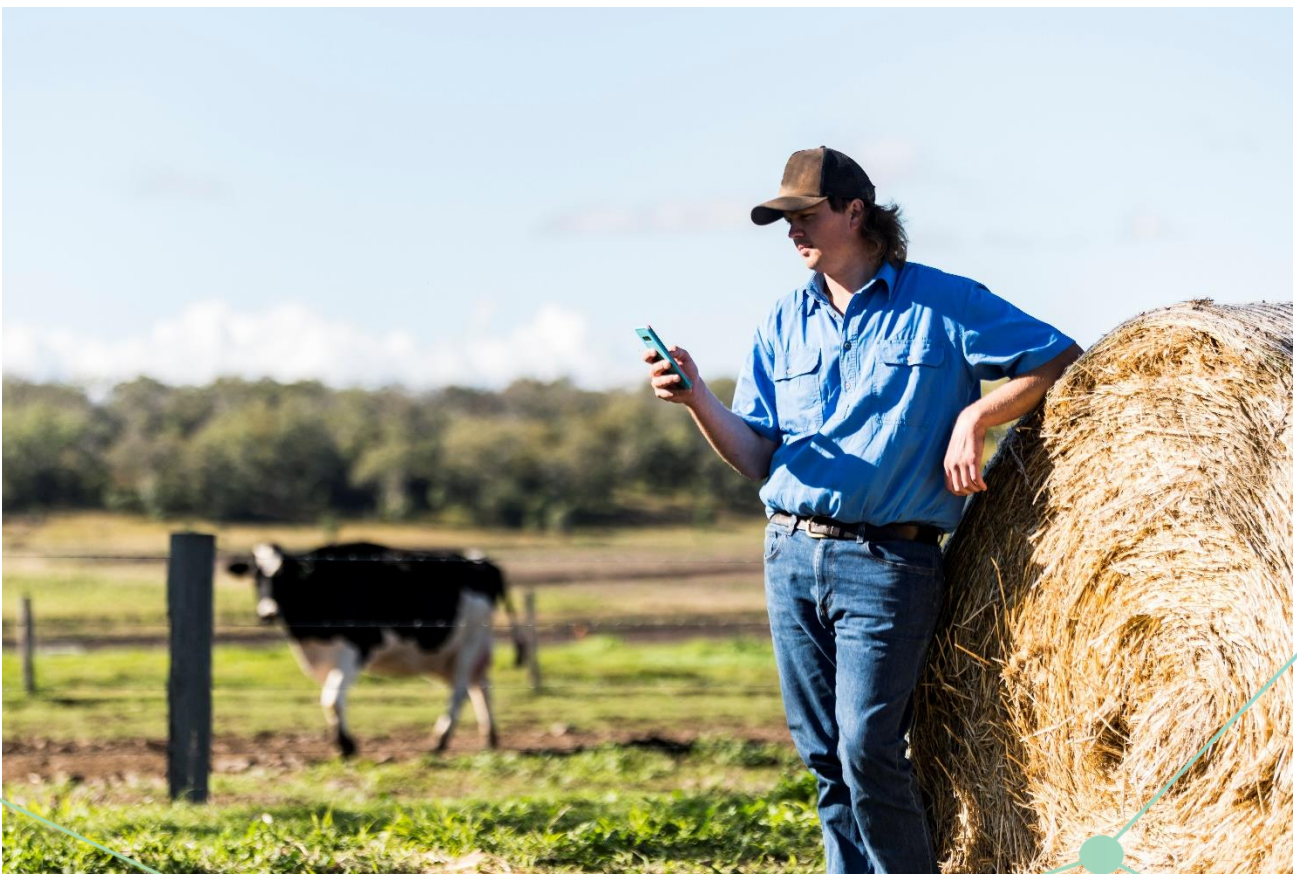
Australian Government

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

# ON FARM CONNECTIVITY PROGRAM ROUND 2

**Guide for businesses interested in applying  
through the Expression of Interest to supply  
eligible equipment**

August 2024



## Table of Contents

<b>1.</b>	<b><u>Background</u></b>	<b>3</b>
<b>2.</b>	<b><u>On Farm Connectivity Program Round 2</u></b>	<b>3</b>
2.1	How the rebate will operate	4
2.2	Eligible equipment	5
2.3	Ineligible equipment and costs	5
<b>3.</b>	<b><u>Equipment Suppliers</u></b>	<b>5</b>
3.1	Eligibility Criteria	5
3.2	Applying to be an Approved Supplier	6
<b>4.</b>	<b><u>Evaluation of Expressions of Interest</u></b>	<b>6</b>
<b>5.</b>	<b><u>Conflict of Interest</u></b>	<b>7</b>
<b>6.</b>	<b><u>Obligation to comply with applicable laws</u></b>	<b>7</b>
<b>7.</b>	<b><u>Key terms</u></b>	<b>8</b>
	<b><u>Indicative List of Eligible Equipment</u></b>	<b>9</b>
	<b><u>Sample letter templates</u></b>	<b>10</b>



The Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the department) is seeking Expressions of Interest (EOI) from businesses which supply connectivity solutions to the agricultural sector and are willing to be part of Round 2 of the On Farm Connectivity Program.

Businesses that submit an EOI and meet the eligibility criteria will be included on the List of Approved Suppliers. Primary Producers must purchase eligible equipment from businesses listed as an Approved Supplier to benefit from a rebate of up to 50 per cent of the cost of eligible equipment. The value of the rebate is between \$1,000 and \$30,000 (GST exclusive).

## 1. Background

The agriculture industry is a core part of Australia's economy, employing around 257,000<sup>1</sup> people and exporting nearly \$80 billion in 2022–23<sup>2</sup>. The value of agricultural production is expected to reach \$94.3 billion in 2022–23<sup>3</sup>. The sector aims to grow productivity to \$100 billion per year by 2030<sup>4</sup>, 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)<sup>5</sup>. 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.<sup>6</sup>

## 2. On Farm Connectivity Program Round 2

Round 2 of the Australian Government's On Farm Connectivity Program (the Program) is providing \$18 million in 2024–25 to enable Primary Producers in agriculture, forestry and/or fisheries<sup>7</sup> 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.

<sup>1</sup> On average over the 4 quarters to November 2023. Snapshot of Australian Agriculture March 2024. ABARES Insights.

<sup>2</sup> Exports include agricultural, fisheries and forestry. Snapshot of Australian Agriculture March 2024. ABARES Insights.

<sup>3</sup> Snapshot of Australian Agriculture March 2024. ABARES.

<sup>4</sup> National Farmers' Federation Ltd.

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

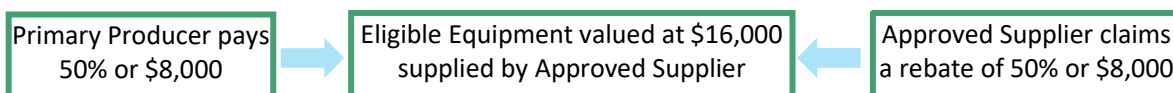
<sup>6</sup> *2021 Regional Telecommunications Review: A Step Change in Demand*.

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

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

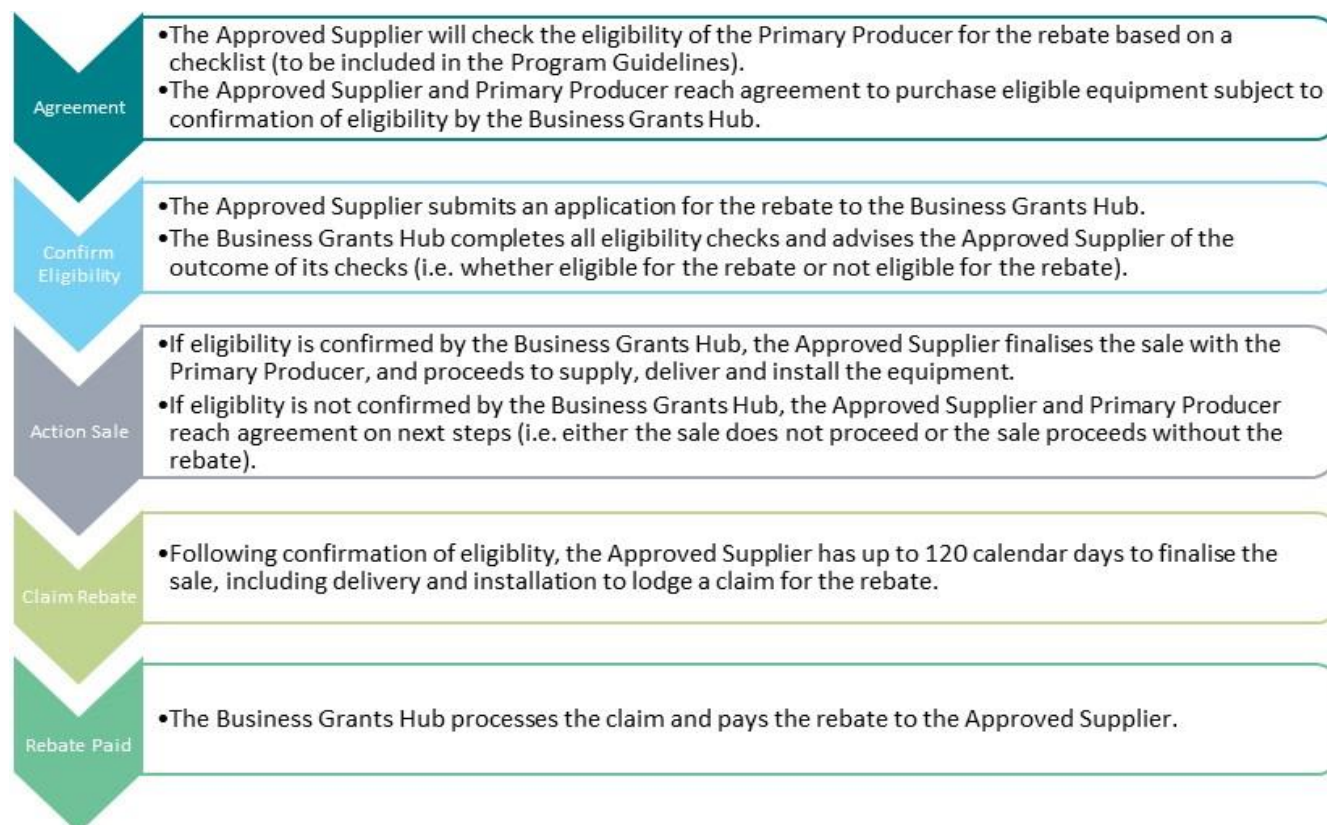
The Program will provide a rebate of 50 per cent of the cost of eligible equipment, including delivery, installation and training, of between \$1,000 and \$30,000 (GST exclusive). The rebate will be paid to the Approved Supplier, with the Primary Producer purchasing the equipment and paying the balance of the cost to the Approved Supplier. 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 that has been registered for 12 months or more, one rebate for each farm may be paid.

The Program will be administered by the Australian Government's Business Grants Hub. The Approved Supplier must check that 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. Note that a checklist will be included in the Program Guidelines when released to assist Approved 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 Approved Supplier. Where eligibility is confirmed, the Approved 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.





## 2.2 Eligible equipment

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

- Low Power Wide Area Networks (LPWAN)
- Connectivity equipment
- Environmental monitoring
- Farm management
- Remote automation and control.

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 equipment cost) and one-off subscription costs for data aggregation platforms and software, including farm management software (for a single year, to a maximum of 10 per cent of the total equipment cost), and delivery and installation can also be claimed.

An indicative List of Eligible Equipment is at [Attachment A](#). The final List of Eligible Equipment will be included in the Program Guidelines and may be subject to change. Approved Suppliers may only supply the equipment listed in the price list submitted with their EOI. It must not include equipment that is no longer compatible with current connectivity technologies, such as equipment that relies on the 3G network to work (either in part or in full).

The Australian Government seeks to ensure that Approved Suppliers do not use the rebate offered under the Program to increase prices. Organisations are expected to sell equipment to Primary Producers at the prices in place when the letter of confirmation to participate in the Program is signed. The Australian Government acknowledges unexpected price increases may occur, and a contingency of up to 20 per cent above the listed eligible equipment price to account for changes in price may be claimed if required.

## 2.3 Ineligible equipment and costs

'Last mile'<sup>8</sup> 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.

## 3. Equipment Suppliers

### 3.1 Eligibility Criteria

Businesses which sell an agri-business connectivity product can apply to participate in the Program by submitting an EOI online, where they can supply the appropriate equipment, install the equipment (if required), repair and service the equipment (if required) and provide some initial training on its use.

Eligible equipment suppliers may only supply the equipment listed in the price list submitted with their EOI. However, the delegate reserves the right to permit modifications to the list in cases where the originally listed products have become obsolete.

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<sup>8</sup> 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. Note that 'last mile' solutions may be eligible for funding under the Regional Connectivity Program whereas the On Farm Connectivity Program Round 2 aims to support equipment which extend connectivity and enable agricultural productivity.

Businesses seeking to participate in the Program must:

- Have an ABN, ACN
- Be an established operator in the market, demonstrated by:
  - having been in business for at least 2 years
  - supplying eligible equipment, farming or other related equipment to the agricultural sector for at least 2 years
  - having a presence in rural, regional or remote Australia or demonstrated capacity to service and support eligible agricultural businesses in rural, regional or remote Australia.
- 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 arrangements<sup>9</sup> with:
  - manufacturers and/or suppliers of the equipment
  - transport operators to deliver the equipment, including to remote locations
  - technicians to install the equipment
  - 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, the department reserves the right to use its discretion in determining eligibility based on the case presented in the EOI 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.

### 3.2 Applying to be an Approved Supplier

Businesses seeking to be included on the List of Approved Suppliers must submit the EOI application with all requested documentation attached on Swift Digital. A link to the EOI is available on the [department's website](#).

**The EOI must be submitted via Swift Digital and received by  
11.59pm AEST on Sunday 29 September 2024.  
Supporting documents to demonstrate compliance with the criteria listed in  
Section 3.1 above must be provided.  
A current price list for eligible equipment must be provided.**

## 4. Evaluation of Expressions of Interest

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

Businesses who applied through, or were an Eligible Equipment Supplier in Round 1 of the Program will need to reapply to participate in Round 2. The department will assess all Expressions of Interests on their eligibility with no additional consideration given to suppliers from Round 1.

The department will write to all businesses that submit an EOI to advise of the outcome.

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<sup>9</sup> These arrangements can include sub-contract arrangements.

Successful businesses will be asked to confirm, in writing, their:

- willingness to be on the List of Approved Suppliers
- agreement to charge the prices for eligible equipment in place at the time of signing the confirmation letter for 6 months (noting that a contingency of up to 20 per cent above the listed eligible equipment price to account for changes in price may be claimed if required), and
- agreement to comply with all applicable laws and regulations.

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

Unsuccessful businesses may apply for feedback from the department at the conclusion of the EOI process.

The department will not accept or respond to requests for information on the status and progress of evaluations of Expressions of Interest. All applicants will be notified of the outcome following the EOI evaluation process. Decisions about inclusion in or exclusion from the List of Approved Suppliers will be final.

## 5. Conflict of Interest

A conflict of interest arises when a business submitting an EOI, or a person or organisation associated with the EOI, is in a position to benefit directly or indirectly from actions of a business on the List of Approved Suppliers 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 EOI 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 EOI 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
- 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.business.gov.au](http://www.business.gov.au).

**Approved Supplier:** Businesses on the List of Approved Suppliers prepared by the department; included in the Program Guidelines; and, on the department's website.

**Eligible Equipment:** Equipment identified in 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 Approved Suppliers:** The List of Approved Suppliers for the purposes of the On Farm Connectivity Program Round 2. This list will be prepared by the department; 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 gross income of between \$40,000 and \$4 million, 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 Round 2 that is currently under development and will be published on the department's website and GrantConnect when the round opens for rebate applications.



## 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 EOI in considering equipment that will assist Primary Producers to deliver bespoke, flexible and holistic connectivity solutions tailored to the needs of their businesses.

Approved Suppliers must ensure they do not sell equipment that is no longer compatible with current connectivity technologies, such as equipment that relies on the 3G network to work (either in part or in full).

Type of connectivity solution	Type of Product	Description
<b>Low Power Wide Area Networks (LPWAN)</b>	<ul style="list-style-type: none"> <li>✓ LoRaWAN</li> <li>✓ NarrowBand-IoT (NB-IoT)</li> <li>✓ SigFox</li> <li>✓ CAT-M1</li> <li>✓ LTE-M technology</li> </ul>	Connectivity technologies which enable and extend connectivity across a primary production enterprise and contribute to the objectives of the Program.
<b>Connectivity Equipment</b>	<ul style="list-style-type: none"> <li>✓ Antennas, beacons, and radio transmitters</li> <li>✓ Repeaters and Boosters</li> <li>✓ Gateways and Routers</li> <li>✓ Portable Hotspots</li> </ul>	Products that provide connectivity to sensors and controllers to a local area network or wide area network.
<b>Environmental Monitoring</b>	<ul style="list-style-type: none"> <li>✓ Soil Moisture Probes</li> <li>✓ Microclimate Monitors</li> <li>✓ Weather Monitors</li> <li>✓ Plant Growth Monitors</li> <li>✓ Water Quality Monitors</li> <li>✓ Water Flow and Pressure Monitors</li> </ul>	Devices that monitor environmental activity and provide real-time data to Primary Producers.
<b>Farm Management</b>	<ul style="list-style-type: none"> <li>✓ Camera systems</li> <li>✓ Asset trackers</li> <li>✓ Battery Monitors</li> <li>✓ Staff Safety Monitors</li> <li>✓ Silo and storage monitors</li> <li>✓ Liquid Level Monitors</li> <li>✓ Livestock Monitoring Systems</li> <li>✓ Fence Monitors</li> </ul>	Farm management systems that assist with monitoring on-farm conditions, infrastructure, livestock, assets and safety.
<b>Remote Automation and Control</b>	<ul style="list-style-type: none"> <li>✓ Aeration Controllers</li> <li>✓ Pump Controllers</li> <li>✓ Valve and Irrigation Controllers</li> </ul>	Devices that provide Primary Producers with tools to enable remote automation and control of connected assets.
<b>Information Dashboards and Network Software</b>	<ul style="list-style-type: none"> <li>✓ One-off subscription costs for data visualisation and dashboard services (up to one year)</li> </ul>	Information systems that accompany installation and use of IoT hardware to support decision-making and improve productivity.
<b>Other</b>	<ul style="list-style-type: none"> <li>✓ Delivery costs</li> <li>✓ Training costs</li> <li>✓ Installation costs</li> </ul>	Support services to assist Primary Producers in enabling connectivity solutions.

**SAMPLE ONLY****Sample letter templates*****Letter of advice to Approved Suppliers***

Dear [Name]

Thank you for your Expression of Interest (EOI) to participate in Round 2 of the On Farm Connectivity Program.

I am pleased to advise that your EOI for [Legal Entity Name] has been assessed by the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the department) as meeting the eligibility criteria set out in Section 3.1 of the *Guide for businesses interested in applying through the Expression of Interest to supply eligible equipment* document.

The attached confirmation letter details your agreement to the conditions as outlined in the EOI guidance, including but not limited to charging the prices for eligible equipment stated in the price list you provided at the time of your submission of the EOI.

For [Legal Entity Name] to be included on the List of Approved Suppliers, we must receive your signed confirmation letter by 5:00PM AEST [Day, date month 2024].

Please read and sign the attached letter of confirmation and return it to the department at [OFCP@communications.gov.au](mailto:OFCP@communications.gov.au).

The department, along with the Business Grants Hub, are finalising the Program Guidelines for Round 2 of the On Farm Connectivity Program. I will write to inform you when the Program Guidelines are released and the Program is open to claims for rebates.

Yours sincerely

<SIGN OFF>

**SAMPLE ONLY**

## SAMPLE ONLY

### 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 Approved Suppliers for Round 2 of the On Farm Connectivity Program.

I understand that, in order for it to be included on the List of Approved Suppliers, <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 per cent 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
  - technicians to install the equipment
  - experts to provide training to support the use of the equipment
- ☐ charge the prices for eligible equipment stated in the **attached** price list for 6 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 and accommodation for technicians to install equipment or provide training)
- ☐ comply with all applicable laws and regulations.

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.

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NAME

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POSITION

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SIGNATURE

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DATE

Attachment: Price list for eligible equipment – <BUSINESS NAME TO BE INSERTED BY DEPARTMENT>

SAMPLE ONLY