

DIGITAL AGRICULTURE INVESTMENT SCHEME GUIDELINES

1. ABOUT THE SCHEME

The Victorian Government (through Agriculture Victoria, an agency of the Department of Jobs, Precincts and Regions) (**Agriculture Victoria**) has established the Digital Agriculture Investment Scheme (**the Scheme**) to assist farm businesses invest in eligible on-farm digital technology projects (**Eligible Projects**) to improve productivity, resilience and long-term viability of Victorian farms.

Grants of up to \$50,000 (excluding GST) are available to eligible farm businesses for Eligible Projects. The Scheme is to be delivered under the existing agreement with Bendigo and Adelaide Bank under the trademark Rural Finance Brand.

The Victorian Government is working to ensure that Victoria's farmers are at the forefront of agriculture's digital revolution. In October 2018, the Government launched the **Digital Agriculture Strategy** (the Strategy). The Strategy outlines a plan to support Victorian farmers harness digital technologies to build a more efficient, sustainable, resilient and productive agriculture sector.

The Strategy outlines a \$27 million commitment to support adoption of digital technologies on-farm. This includes \$12 million to fund Victoria's **On Farm Internet of Things (IoT) Trial** and a further \$15 million dedicated to the Enabling the Digital Agriculture Revolution program. From this program, \$10 million is committed to the Scheme to help farmers overcome the financial barrier associated with investing in digital agriculture technologies.

Digital agriculture is further supported by the state's **SmartFarms** and the **Smarter, Safer Farms** initiative, and the recently released **Agriculture Strategy** to create a Victorian agriculture sector that is strong, innovative and sustainable.

2. SCHEME OBJECTIVES

The scheme aims to assist Victorian farmers adopt existing and emerging digital technologies. Economic modelling has shown that digital agriculture presents a \$20.3 billion opportunity for Australian primary production. Digital agriculture refers to the use of agriculture technology to integrate agricultural production from the paddock to the consumer. These technologies can provide the agricultural industry with the tools and information needed to make more informed decisions and improve productivity.

The Scheme will:

- assist farmers overcome the financial barrier associated with investing in digital agriculture technologies by providing access to capital
- increase adoption rates of digital agriculture technologies, and, in turn stimulate the state's AgTech ecosystem
- assist farmers undertake projects to enhance the productivity, resilience and long-term viability of their farm
- empower farmers to fund business solutions through a flexible grants program.

3. ASSISTANCE AVAILABLE

The grants will be available from the date the Scheme opens until the Scheme's funds are fully allocated or the closing date of 31 October 2021, whichever is sooner.

Grants from \$5,000 to \$50,000 (ex GST) are available for eligible projects. There is no maximum limit to overall project cost, noting the grant cap.

The scheme operates under a co-contribution requirement. Recipients must contribute a minimum of 50 per cent to the total cost of the project. Recipients are required to make a co-contribution in cash. In-kind contributions such as labour are not included. Any additional or ineligible costs associated with the overall project must be met by the recipient.

A combination of projects is permitted under one application for a combined total of no more than \$50,000 in matched grant funding.

Example project contributions

Total Project Cost (ex GST)	Grant (ex GST)	Farm co-contribution (ex GST)
\$10,000	\$5,000 (min)	\$5,000
\$60,000	\$30,000	\$30,000
\$100,000	\$50,000 (max)	\$50,000
\$400,000	\$50,000 (max)	\$350,000

4. ELIGIBILITY CRITERIA

In order to apply, applicants must meet all of the following criteria:

- a. Be a commercial farm business (as defined below) carried out on land in Victoria
- b. Be a farm business focused on 'Primary Production' (as defined below)
- c. Hold an Australian Business Number (ABN)
- d. Be a legal entity (as defined below)
- e. Be registered for GST
- f. Install projects on land located in Victoria only
- g. If requested by Agriculture Victoria and/or Rural Finance, provide further evidence in relation to any of the eligibility requirements above.

Note:

- Applicants must ensure that their ABN registration information is up-to-date and current as at the time of application.
- Only one grant will be offered per farm business (ABN).

Commercial farm business definition:

To be considered a commercial farm business, farm turnover from primary production activities must exceed \$50,000 per annum under normal business conditions (a year in which average yields/productivity is achieved and with no adverse climatic conditions such as drought). Turnover from excluded primary production activities (see below) or non-primary production activities (e.g. off-farm income) will not be considered.

New farm businesses may be considered if they are able to demonstrate what their predicted turnover for the 2020-21 and/or 2021-22 financial year will be.

Primary production definition:

For the purposes of eligibility under the Scheme, 'Primary Production' means:

- a. an enterprise carried out by a legal entity who predominantly trades in a primary production industry, including cultivating or propagating plants, fungi or their products or parts (including seeds, spores, bulbs and similar things) in any physical environment, or maintaining animals for the purpose of selling them or their bodily produce (including natural increase), or manufacturing dairy produce from raw material that they produce, and

- b. excludes aquaculture, forestry and marine-based primary production; and
- c. undertakes all primary production aspects of the business wholly in Australia.

Legal entity definition:

A legal entity is an association, corporation, trustee of a trust, partnership or individual that has legal standing in the eyes of the law. A legal entity has legal capacity to enter into agreements or contracts, assume obligations, incur and pay debts, sue and be sued in its own right, and to be held responsible for its actions.

Other eligibility conditions:

- Applicants must receive notification from Rural Finance that their application has been approved prior to any expenses being incurred.
- Participants in the Victorian On-Farm Internet of Things Trial are eligible to participate.
- The following entities are not eligible to participate in the scheme:
 - Off-farm food processors, packing or cold storage facilities
 - Commonwealth, State or Local Government agencies or bodies
 - Publicly funded research institutions
 - Industry associations
 - Not-for-profit organisations
 - Community-based organisations
 - A public company under the meaning of the Corporations Act 2001 (Commonwealth).

If you are unsure about your eligibility or have a question about the application process, please contact Rural Finance (see 12. Further information).

5. ELIGIBLE PROJECTS

5.1 Categories of supported technology solution types

Applications will be considered for digital agriculture technologies that support on-farm productivity and decision making. Eligible Projects are to be one, or a combination, of the following solution types:

- hardware; and/or
- cloud-based application(s); and/or
- software; and/or
- network connectivity; plus
- installation costs for the above.

And fits within one (or more) of the following categories:

- animal health and performance
- asset monitoring and tracking
- business model technologies (e.g. blockchain, customer journey analytics)
- on-farm connectivity and networks (e.g. LoRaWAN / LPWAN / wireless mesh)
- crop forecasting and prediction
- data visualisation / dashboards
- digital technology that helps manage genomics and plant/animal selection
- drones (excluding drone licence fees)
- farm management platforms (including subscription costs if paid upfront)
- feed solutions
- GPS guidance systems for tractors, sprayers, harvesters (can be retrofitted)
- satellite imagery and mapping
- pest, weed and disease management
- robotics and smart machinery / automation
- sensors (e.g. water troughs, fuel tanks)

- smart collars and tags
- smart irrigation and water management
- soil, pasture and plant monitoring
- traceability and provenance
- weather monitoring and forecasting.
- Note: this is not an exhaustive list. Agriculture Victoria welcomes creative and innovative digital applications that best serve the interests of individual farm businesses and addresses their on-farm challenges.

All funded projects must comply with Australian Standards (including installation) where required by regulation.

Installations must comply with the manufacturer's instructions and use licensed tradespeople when required by legislation, council regulation or the manufacturer's instructions. This is the responsibility of the farm business and Agriculture Victoria is not liable in any way in relation to or in connection with the Eligible Project, other than as expressed in these Guidelines.

5.2 Useful Resources

These are some recommended resources to assist applicants identify eligible digital agriculture solutions or learn more about digital agriculture technologies.¹

1. AgTech Finder platform – agtechfinder.com
2. Agriculture Victoria – [Victoria's On-Farm Internet of Things Trial: catalogue of apps and devices](#)
3. AgThentic – [Getting AgTech ready: 5 lessons from 5 innovative Australian farmers](#)
4. KPMG – [Agri 4.0 connectivity at our fingertips](#)

¹ These publications may be of assistance to you but Rural Finance and the Victorian Government and its employees do not guarantee that the publications and products discussed are without flaw of any kind or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence which may arise from you relying on any information in these publications.

6. INELIGIBLE PROJECTS

Project expenses not eligible under the Scheme include (but are not limited to):

- Computers / laptops / servers / smartphones
- Projects, activities, or purchases already undertaken prior to written approval-in-principle of the grant application
- On-going operating expenses or other 'business as usual' expenses (including salaries; council rates; utility costs – water, electricity, gas; advertising and social media marketing; operational wage-related costs; online costs – such as ongoing internet connectivity costs, website domain names and hosting, e-commerce platforms).
- Fees associated with permits for planning or annual certification
- Buildings and/or support structures required for the technology
- Ongoing or routine maintenance costs
- Costs associated with applying for government grants and funding programs
- The purchase, lease or acquisition of land
- Purchase of livestock, trucks, tractors, or utes
- Construction of new dams or purchase of water tanks and troughs
- Travel, flight and accommodation costs
- Administration, accounting, legal or insurance costs
- Events and associated promotion costs
- Costs associated with scholarships
- Educational programs/courses for digital technology
- Technology associated with activities not directly associated with the farming business (e.g. monitoring energy use of a rental property on the farm site).

Note: this is not an exhaustive list.

7. APPLICATION AND ASSESSMENT PROCESS

Applications open in May 2021 and will continue until all funds are expended, or 31 October 2021, whichever comes first.

7.1 How to apply?

1. Applicants should carefully consider their eligibility against the criteria set out in these Guidelines before applying.
2. Complete the Digital Agriculture Investment Scheme – Application Form outlining details of the proposed Project. The application form is available at ruralfinance.com.au.

7.2 What documentation do I need to apply?

1. Evidence of the location in which you own, operate, share or lease your farm business. Evidence might include:
 - i. Lease documentation
 - ii. Rates notices
 - iii. Share-farming contract.
2. Quotes from a registered business (including all costs, such as transport and installation) are to be submitted and must clearly show GST exclusive amounts. Email and handwritten quotes and second hand items are not permitted.

7.3 How will my application be assessed?

Rural Finance and/or Agriculture Victoria reserves the right to request further information from you or from any business or individual you have engaged to carry out the Eligible Project, to assist in assessing the Application and to verify any information provided in your Application.

1. Applications will be assessed in order of submission. A submitted application does not guarantee funding.
2. Applications will be assessed by Rural Finance on behalf of Agriculture Victoria against the Eligibility Criteria (section 4) and Eligible Project solution types and categories (section 5) using information provided at the time of submission. Rural Finance will consult technology specialists from Agriculture Victoria as necessary if your proposed project is not listed under section 5 as an eligible project.
3. Tax returns for the business/trust/partnership applying (eg. tax returns or BAS statements) must demonstrate an average annual primary production turnover of \$50,000 or more for the 2019/20 or 2020/21 financial year. If you are a new business, please attach a copy of your Business Plan demonstrating how your business will reach commercial scale within the next financial year.

4. Rural Finance will contact applicants to advise eligibility and if program funds remain available.

5. Approved applicants may proceed with procuring and installing their proposed solution once notified of their success by Rural Finance.

Applicants are accountable for implementing the entire phase of project delivery including obtaining, where relevant, all planning permits, licenses and approvals and appointing suppliers and/or contractors to complete works.

7.4 Conditions for receiving your grant funding

1. Applicants must pay for the approved product(s) and or service(s) in full, since the commencement of the Scheme, in order to receive their approved grant funding.
2. Projects must be completed, and a claim submitted within 6 months from receiving approval for funding. Consideration will be given if an applicant can demonstrate delays have occurred due to force majeure events.
3. Expenditure incurred prior to receiving notification of success from Rural Finance will not be eligible for reimbursement.
4. On completion of their Eligible Project, grant applicants are required to forward the following supporting documentation to Rural Finance to receive reimbursement:
 - Paid tax invoices and/or receipts incurred
 - Copy of bank statement confirming payment
 - Photos showing completed installation
 - Evidence of any certificates (e.g. electrical certificates), planning and license approvals sufficient for the full utilisation of the technology, where applicable.
5. Grant funding from other state or federal programs is not an eligible 50% co-contribution.
6. Rural Finance will forward payment of the approved amount (50% of the GST exclusive costs incurred by the applicant in completing the Eligible Project up to a maximum of \$50,000). This will be arranged and processed as soon as possible via electronic funds transfer to the applicant's nominated account.
7. Milestone payments may be available upon request if the cost of the project's investment is spread across stages.

8. PROCESS FLOW CHART

Applicants apply ruralfinance.com.au and applications will be assessed in order of receipt.

Eligibility of applicant and project is confirmed, and the applicant is notified to proceed with project (or not, if for example funds are fully allocated or the project does not meet criteria)

Applicants have 6 months from notification to purchase, complete the project and submit necessary proof to receive grant

Evidence of project completion is reviewed – grant payment made based on eligibility

Digital Agriculture Investment Scheme closes on 31 October 2021 or when all funds are committed

9. TERMS AND CONDITIONS

These Guidelines and any discussions you may have with Agriculture Victoria or Rural Finance representatives are for information only, and do not constitute advice. Applicants should seek independent advice before making an application.

This publication may be of assistance to you but Rural Finance and the Victorian Government and its employees do not guarantee that the publication is without flaw of any kind or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence which may arise from you relying on any information in this publication.

Applications are at the cost of the applicant.

Rural Finance and/or Agriculture Victoria make no representation that a grant will be made to any applicant and reserves the right to make no funds available under the Scheme.

The grant may constitute farm income depending on an applicant's financial situation. For advice relevant to your specific situation, please contact the ATO, your accountant or local tax professional.

Telephone: 13 28 66 (ATO Business customers)

Web: ato.gov.au and ato.gov.au/Business/Income-and-deductions-for-business

10. REVIEW AND AMENDMENT

The Scheme Guidelines are correct at the time of publishing.

Agriculture Victoria reserves the right in their absolute discretion to amend the Guidelines without notice.

Agriculture Victoria may review and amend the Scheme at any time.

11. EVALUATION OF THE SCHEME

The Victorian Government may conduct an evaluation to determine the extent to which the Scheme has contributed to Victorian Government policy objectives. Grant recipients may be requested to provide information to assist in auditing during the Scheme and/or evaluation after the Scheme's completion. Non-compliance could affect future applications to the Department's programs. Evaluation may be required for up to two (2) years following the end date of the Scheme.

12. FURTHER INFORMATION

Rural Finance

Telephone: 1800 260 425

Email: governmentservices@ruralfinance.com.au

Web: ruralfinance.com.au

Postal Address:
GPO Box 1313,
Bendigo Central,
Victoria 3552

Agriculture Victoria

Email: ag.iot@agriculture.vic.gov.au

Web: agriculture.vic.gov.au/digitalag

13. PUBLICITY

Grant recipients may be asked to assist Agriculture Victoria in promoting the Scheme and its outcomes. This may include involvement in media releases, case studies, promotional events and demonstrations.

Agriculture Victoria may request grant recipients to fact check text and seek all relevant approvals in order for Agriculture Victoria to use any imagery provided by the recipient associated with the Scheme prior to the publication of any such promotional materials.

Recipients must not make any public announcement or issue any press release regarding the receipt of a grant without the prior written approval of Agriculture Victoria.

Agriculture Victoria may publicise the benefits accruing to the recipient (including the grant amount) and/or the State of Victoria associated with the provision of a grant under the Scheme.

If requested by Agriculture Victoria, the recipient must ensure that the State's support for the grant is acknowledged on all promotional materials and appropriate signage, consistent with the Guidelines for Victorian Government Advertising and Communications (available at dpc.vic.gov.au).

14. CONFIDENTIALITY

Any personal information provided by the Applicant or a third party in an application will be collected by Agriculture Victoria or Rural Finance for the purpose of administration of the Scheme. This information may be provided to other Victorian Government bodies for the purposes of assessing Scheme applications.

If confidential personal information about third parties is included in an application, applicants are required to ensure that these third parties are aware of the contents of this confidentiality statement.

Data gathered through assessments may be compiled, aggregated and made anonymous by Agriculture Victoria for Scheme reporting, evaluation and research purposes.

Any personal information collected, held, managed, used, disclosed or transferred will be held in accordance with the provisions of the Privacy and Data Protection Act 2014 (Vic) and other applicable laws.

Agriculture Victoria and Rural Finance are committed to protecting the privacy of personal information. Agriculture Victoria's privacy policy can be found online at djpr.vic.gov.au/privacy and Rural Finance's privacy policy can be found online at ruralfinance.com.au/discloseddocuments

Enquiries about the privacy policy should be directed to the Department's Privacy Officer by email privacy@ecodev.vic.gov.au