



Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE

USDA to Invest \$1 Billion in Climate Smart Commodities, Expanding Markets, Strengthening Rural America

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Funding Opportunity Opens to Pilot New Revenue Streams for America's Climate-Smart Farmers, Ranchers and Forest Landowners

JEFFERSON CITY, Mo., Feb. 7, 2022 – Agriculture Secretary Tom Vilsack announced today at Lincoln University that the U.S. Department of Agriculture is delivering on its promise to expand markets by investing \$1 billion in partnerships to support America's climate-smart farmers, ranchers and forest landowners. The new [Partnerships for Climate-Smart Commodities](#) opportunity will finance pilot projects that create market opportunities for U.S. agricultural and forestry products that use climate-smart practices and include innovative, cost-effective ways to measure and verify greenhouse gas benefits. USDA is now accepting project applications for fiscal year 2022.

"America's farmers, ranchers, and forest owners are leading the way in implementing climate-smart solutions across their operations," said Vilsack. "Through Partnerships for Climate-Smart Commodities, USDA will provide targeted funding to meet national and global demand and expand market opportunities for climate-smart commodities to increase the competitive advantage of American producers. We want a broad array of agriculture and forestry to see themselves in this effort, including small and historically underserved producers as well as early adopters."

For the purposes of this funding opportunity, a climate-smart commodity is defined as an agricultural commodity that is produced using agricultural (farming, ranching or forestry) practices that reduce greenhouse gas emissions or sequester carbon.

Funding will be provided to partners through the USDA's [Commodity Credit Corporation](#) for pilot projects to provide incentives to producers and landowners to:

- implement climate-smart production practices, activities, and systems on working lands,
- measure/quantify, monitor and verify the carbon and greenhouse gas (GHG) benefits associated with those practices, and
- develop markets and promote the resulting climate-smart commodities.

How to Apply

A range of public and private entities may apply, including:

- County, city or township governments
- Special district governments
- State governments
- Small businesses
- For profit organizations other than small businesses
- Native American tribal governments (Federally recognized)
- Native American tribal organizations (other than Federally recognized tribal governments)
- Nonprofits having a 501(c)(3) (other than institutions of higher education)
- Nonprofits that do not have a 501(c)(3) (other than institutions of higher education)
- Private institutions of higher education, or
- Public and State-controlled institutions of higher education.

The primary applicant must be an entity, not an individual.

Funding will be provided in two funding pools, and applicants must submit their applications via [Grants.gov](https://www.Grants.gov) by 11:59 p.m. Eastern Time on:

- April 8, 2022, for the first funding pool (proposals from \$5 million to \$100 million), and
- May 27, 2022, for the second funding pool (proposals from \$250,000 to \$4,999,999).

Proposals must provide plans to:

- Pilot implementation of climate-smart agriculture and/or forestry practices on a large-scale, including meaningful involvement of small and/or historically underserved producers;

- Quantify, monitor, report and verify climate results; and
- Develop markets and promote climate-smart commodities generated as a result of project activities

USDA is committed to equity in program delivery and is specifically seeking proposals from entities serving all types of producers, including small or historically underserved producers. Providing sufficient incentives to encourage producer participation and generating both verifiable greenhouse gas reduction and carbon sequestration benefits are critical to project success and will be considered in the evaluation criteria.

More Information

USDA published a [Request for Information](#) in September 2021 seeking public comment and input on design of this new initiative and used the nearly 400 comments received to inform this funding opportunity.

Visit [usda.gov](https://www.usda.gov) for additional information, including details on Partnerships for Climate-Smart Commodities and resources to support your application.

Under the Biden-Harris Administration, USDA is engaged in a whole-of-government effort to combat the climate crisis and conserve and protect our nation's lands, biodiversity and natural resources including our soil, air and water. Through conservation practices and partnerships, USDA aims to enhance economic growth and create new streams of income for farmers, ranchers, producers and private foresters. Successfully meeting these challenges will require USDA and our agencies to pursue a coordinated approach alongside USDA stakeholders, including State, local and Tribal governments.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit www.usda.gov.

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