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Meat and Poultry Processing Expansion Program (MPPEP)



Rural Development
U.S. DEPARTMENT OF AGRICULTURE

February 28, 2022



Welcome and Opening Remarks

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RBCS Administrator



Rural Development
U.S. DEPARTMENT OF AGRICULTURE

Agenda

- Industry Context
- The Biden-Harris Action Plan
- Program Overview
- How to Apply
- Wrap-Up & Questions



Industry Context

Four large meat-packing companies control 85 percent of the beef market. In poultry, the top four processing firms control 54 percent of the market. And in pork, the top four processing firms control about 70 percent of the market.

Fifty years ago, ranchers got over 60 cents of every dollar a consumer spent on beef, compared to about 39 cents today. Similarly, hog farmers got 40 to 60 cents on each dollar spent 50 years ago, down to about 19 cents today.

Even as farmers' share of profits have dwindled, American consumers are paying more—with meat and poultry prices now the [single largest contributor](#) to the rising cost of food people consume at home.

The Biden-Harris Administration Action Plan

The Biden-Harris Administration recognizes the consolidation taking place in the meat and poultry industry and the ramifications it is having on the livestock industry, and ultimately consumers and the price points they're paying for these goods.

The Biden-Harris Administration will dedicate \$1 billion in American Rescue Plan funds for expansion of independent processing capacity. This investment will be comprised of:

- \$375M to jump-start independent processing projects to increase competition and enhance the resiliency of the supply chain
 - Included within this bucket is the \$150M in Meat and Poultry Expansion Program grants we are announcing this week.
 - USDA will deploy an additional \$225M to support additional projects in phase II.

Meat and Poultry Processing Expansion Grant (MPPEP)

MPPEP is authorized under Section 1001(b)(4) of the American Rescue Plan Act, which provides funding for *“loans and grants and ... other assistance to maintain and improve food and agricultural supply chain resiliency.”*

Pursuant to this authority, USDA has made grant funding available to promote competition and give more and better options to producers by increasing meat and poultry processing capacity.



MPPEP Overview

MPPEP Implementation

- \$150 million appropriated under this request for applications
- February 24, 2022 – Posted to [grants.gov](https://www.grants.gov) | “Request for Applications, Phase 1”
- April 11, 2022 – Applications Due

MPPEP RFA Rollout & Listening Sessions

February 28, 2022, Stakeholder Listening Session Part I

March 7, 2022, Stakeholder Listening Session Part II

- Purposes, goals, metrics, and standards;
- Eligible applicants, participants, and partners;
- Application and Submission Information

MPPEP

Interagency Effort

RBCS will administer MPPEP with support from an internal group of Inter-agency subject matter experts with representatives from:

- Food Safety & Inspection Service (FSIS)
- Agricultural Marketing Service (AMS)
- National Institute of Food & Agriculture (NIFA)





What projects will MPPEP support?

RBCS is particularly interested in supporting projects that are:

- in the later stages of development,
- technically feasible,
- financially viable, and
- have already identified other sources of funding.



Eligible Applicants

Who may apply for the program?

- Sole proprietor businesses or business entities that engage or propose to engage in meat and poultry processing and may include but are not limited to:
- State and local entities;
- Tribal entities; and/or
- For-profit entities, corporations, non-profit entities, producer-owned cooperatives and corporations.

MPPEP Eligible Applicants (1/2)

Eligible applicants must:

- Process or plan to process one or more species subject to the [Federal Meat Inspection Act \(FMIA\)](#) or the [Poultry Product Inspection Act \(PPIA\)](#)
- Possess or plan to obtain:
 - a [Federal Grant of Inspection](#)
 - a grant of inspection under a Cooperative Interstate Shipment Program, or a tribal or state meat and poultry inspection program with standards at least equal to Federal inspection at the time of application

- All applicants must list and certify their market share for beef, pork, chicken, and turkey processing at the time of the application and indicate whether or not they are in the top four processors in those species.
- Comply with the [National Environmental Policy Act \(NEPA\)](#) and related applicable agency regulations and instructions, Section 106 of the National Historic Preservation Act, other laws and regulations as outlined in, and any applicable state, local, or tribal laws.

MPPEP Eligible Applicants (2/2)

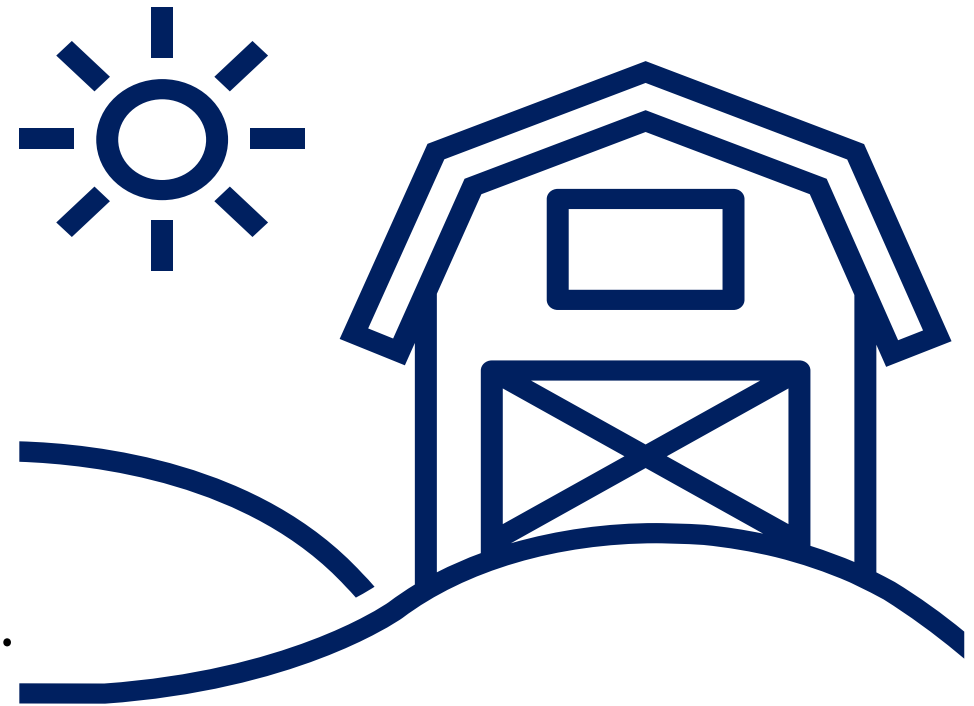
Who is NOT eligible to apply?

Meat and poultry processing entities (existing or planned) that:

- Are for exclusive non-commercial use.
- Are custom-exempt or otherwise uninspected with no plans to operate under Federal inspection or tribal or state equivalent.
- That hold a market share greater than or equal to the entity that holds the fourth largest share of that market for any of the following species: beef, pork, chicken, or turkey processing.
- Eligible applicants, including affiliates of the eligible applicant, must not hold a market share greater than or equal to the entity that holds the fourth largest share of that market for any of the following species: beef, pork, chicken, or turkey.

MPPEP Grant Awards

- The maximum award amount is **\$25 million or 20% of the total project costs, whichever is less.**
- **Matching funds are not required under this funding opportunity.** However, the applicant must have other funding secured to complete the project as described in the application before an award can be made.
- **The maximum period of performance for this grant is 48 months.** The period of performance should be based upon the complexity of the project.



Eligible Use of Funds (1/2)

- Construction of a new facility.
- Modernizing or expanding an existing facility.
- Modernizing processing and manufacturing equipment.
- Developing and installing equipment, devices, and technology that automates processing functions and improves worker conditions.
- Developing and installing climate-smart equipment that reduces greenhouse gas emissions, increases efficiency in water use, improves air and/or water quality, and/or meets one or more of USDA's climate action goals.
- Ensuring compliance with packaging and labeling requirements under applicable law.



Eligible Use of Funds (2/2)

- Ensuring compliance with occupational and other safety requirements under applicable law.
- Modernizing equipment or facilities to ensure food safety.
- Paying for voluntary grading services to offer value-added processed products.
- Costs associated with becoming an inspected facility.
- Workforce recruitment, training, apprenticeships, and retention.



Ineligible Use of Funds

Grant funds may **NOT** be used for the following:

- Pay costs incurred prior to the date the Financial Assistance Agreement is executed.
- Pay costs that have been or will be reimbursed by a third party.
- Pay for indirect project costs.
- Pay costs that support or oppose union organizing.
- Pay for costs associated with conducting research and development.

MPPEP Selection Criteria

MPPEP Project Criteria

- A. Financial Viability, Technical Feasibility, and Readiness (Up to 40 points)**
- B. Market Impact & Opportunities (Up to 20 points)**
- C. Community Impact and Support (Up to 15 points)**
- D. Labor, Workforce, Personnel (up to 25 points)**



Project Evaluation Criteria

Categories	Points Non-Construction Projects	Points Construction Projects
Financial Viability	Up to 40	Up to 40
Market Impact	Up to 20	Up to 20
Community Impact	Up to 15	Up to 15
Labor & Workforce	Up to 15	Up to 25
TOTAL	90 max	100 max
Administrative Points	Up to 15	Up to 15

Total points scored will be divided by the number of points available for the project type to derive a percentage.

- Non-Construction Projects –90 Max
- Construction Projects -100 Max

The percentage will be multiplied by 100 to determine a total score for the four core categories.

Administrator points may then be added to the total score.

How to Apply

Electronic Application and Submission

Applications must be submitted electronically through <https://www.grants.gov/>.

- Must submit and validate by 11:59 P.M. Eastern Time on **April 11, 2022**
- Late applications are **not** eligible for funding under this notice and will not be evaluated

SAM Registration

The screenshot shows the SAM website interface. At the top left is the SAM logo with the text 'SYSTEM FOR AWARD MANAGEMENT'. To the right are input fields for 'USER NAME' and 'PASSWORD', a 'LOG IN' button, and links for 'Forgot Username?' and 'Forgot Password?'. Below these is a 'Create an Account' link. A navigation bar contains links for 'HOME', 'SEARCH RECORDS', 'DATA ACCESS', 'GENERAL INFO', and 'HELP'. The main content area has three columns: 'CREATE USER ACCOUNT' (explaining that CCR usernames won't work and a new SAM account is needed), 'REGISTER/UPDATE ENTITY' (explaining that entities must first create a user account), and 'SEARCH RECORDS' (explaining that entity records from CCR/FedReg and ORCA are moved to SAM). Each column has a corresponding button: 'Create User Account', 'Register/Update Entity', and 'Search Records'. At the bottom, there is a 'WHAT IS SAM?' section with a brief description of the system and a 'Need Help?' button.

- Each applicant applying for MPPEP grant funds must also:
- (i) Register in the System for Award Management (SAM) before submitting its application;
 - (ii) Complete the Financial Assistance General Certifications and Representations in SAM;
 - (iii) Provide a valid unique entity identifier in its application; and
 - (iv) Continue to maintain an active SAM registration with current information at all times while the Agency is considering an application or while a Federal grant award or loan is active.

Applications must be submitted electronically through <https://www.grants.gov/> .
Must submit and validate by 11:59 p.m. eastern time on April 11, 2022

HOW TO REGISTER TO APPLY THROUGH GRANTS.GOV

The registration process can take up to four weeks to complete. Therefore, complete your registration allowing sufficient time to ensure it does not impact your ability to meet required application submission deadlines.

- Register with SAM and obtain a UEI number
- Create a Grants.gov account
- Authorize Grants.gov Roles; track role status
- Electronic Signature

Instructions for organizations interested in applying for this grant funding opportunity can be found here: <https://www.grants.gov/web/grants/applicants/organization-registration.html>

Submission Application Qualification

Your application **will not be considered for funding** if it is:

- Received by Grants.gov after the submission deadline.
- Submitted via any method other than through [Grants.gov](https://www.grants.gov).
- Submitted to the wrong grant program.
- Not responsive to the requirements of this RFA (eligibility, incomplete application, not providing all required documents, etc. as required in Sec. 3.2).

MPPEP Wrap-Up

MPPEP Website and Information

MPPEP Website | <https://www.rd.usda.gov/mppep>

Information will include:

- Frequently asked questions
- MPPEP Request for Applications
- Application template (filed only via grants.gov)
- Program question in-take system
- Program resources
- Non-USDA contacts for technical information
- Notice and registration for upcoming stakeholder webinar events

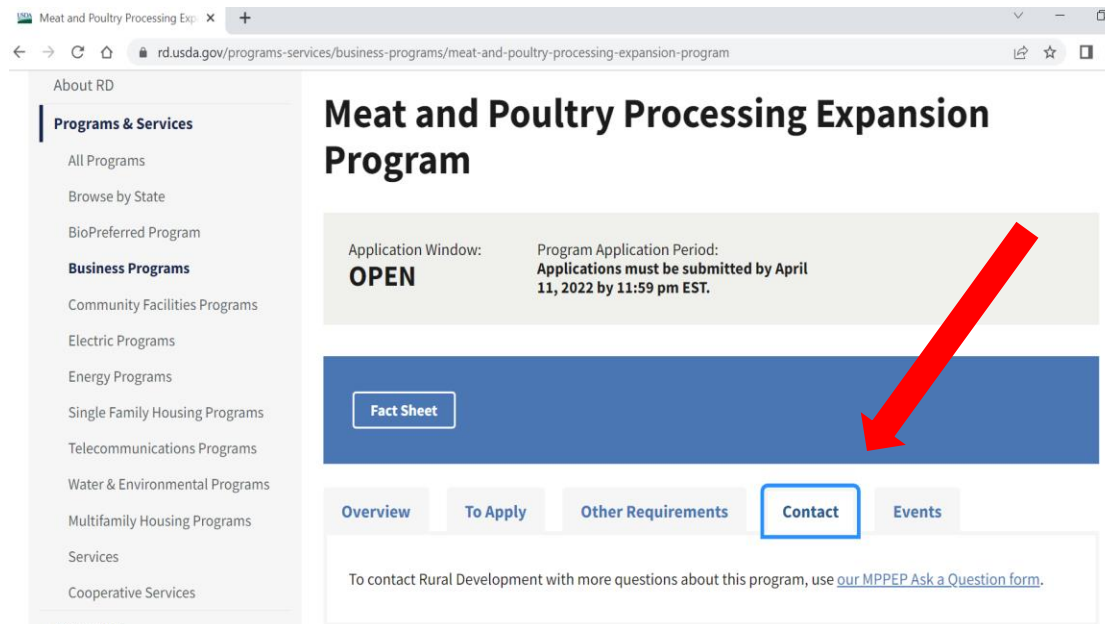
Next Steps

Training Webinars – See RBCS Website, Events tab:

- **February 28, 2022:** Stakeholder Listening Session Part I
- **March 7, 2022:** Stakeholder Listening Session Part II

MPPEP Contacts

Questions are encouraged through submission to the MPPEP in-take system available on the MPPEP Website!



Questions?

Thank you!



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