

STAKEHOLDER ANNOUNCEMENT

USDA Seeks Applications to Help Farmers and Ranchers Access New and Better Markets

WASHINGTON, March 1, 2022 – U.S. Department of Agriculture (USDA) Under Secretary for Rural Development Xochitl Torres Small today announced that USDA is accepting applications for grants to help farmers and ranchers create economic prosperity by maximizing the value of the items they produce.

USDA is making the grants available under the <u>Value-Added Producer Grants</u> program. The grants help agricultural producers generate new products, create marketing opportunities, and increase their incomes through value-added activities.

USDA is offering <u>priority points</u> to projects that advance key priorities under the Biden-Harris Administration to help communities recover from the COVID-19 pandemic, advance equity, and combat climate change. These extra points will increase the likelihood of funding for projects seeking to address these critical challenges in rural America.

Eligible applicants include independent producers, agricultural producer groups, farmer or rancher cooperatives, and majority-controlled producer-based business ventures.

Funding priority will be given to farmers or ranchers who are beginning, military veterans or socially disadvantaged; small and mid-sized family farms or ranches; and farmer or rancher cooperatives. Priority also will be given to projects that propose a mid-tier value chain by development of a supply network that moves agricultural products from production through consumption in a local or regional market.

Funding may be used for planning activities or working capital expenses related to producing and marketing a value-added agricultural product.

Planning activities may include conducting feasibility studies and developing business plans. Working capital expenses may include costs associated with processing, marketing, advertising, inventory and salaries.

A total of \$19.75 million is available in fiscal year 2022, including \$2.75 million in COVID-19 relief funds carried over from 2021.

The maximum award for a planning grant is \$75,000. The maximum award for a working capital grant is \$250,000.

Awardees must contribute matching funds equal to the amount of the grant unless they are applying for COVID-19 relief funds, which allows for a reduced matching requirement of 10% of the grant amount.

Electronic applications will be accepted via **Grants.gov** until 11:59 p.m. Eastern Time on April 25, 2022.

Paper applications must be sent to the **State Office** where the project is proposed.

Paper applications must be postmarked and mailed or sent overnight by May 2, 2022. Applications also may be delivered in person or emailed to an RD field office by close of business May 2, 2022.

Additional information is available on page 11396 of the March 1 <u>Federal Register</u> or by contacting your <u>local USDA Rural Development office</u>.

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