



Biden-Harris Administration Announces Historic Investment in Partnerships for 70 Climate-Smart Commodities and Rural Projects

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On September 14, 2022, Agriculture Secretary Tom Vilsack announced that the Biden-Harris Administration through the U.S. Department of Agriculture is investing up to \$2.8 billion in 70 selected projects under the first pool of the [Partnerships for Climate-Smart Commodities](#) funding opportunity, with projects from the second funding pool to be announced later this year. Ultimately, USDA's anticipated investment will triple to more than \$3 billion in pilots that will create market opportunities for American commodities produced using climate-smart production practices. These initial projects will expand markets for climate-smart commodities, leverage the greenhouse gas benefits of climate-smart commodity production and provide direct, meaningful benefits to production agriculture, including for small and underserved producers. Applicants submitted more than 450 project proposals in this first funding pool, and the strength of the projects identified led USDA to increase its investment in this opportunity from the initial \$1 billion Vilsack announced earlier this year.

"There is strong and growing interest in the private sector and among consumers for food that is grown in a climate-friendly way," said Vilsack. "Through today's announcement of initial selections for the Partnerships for Climate-Smart Commodities, USDA is delivering on our promise to build and expand these market opportunities for American agriculture and be global leaders in climate-smart agricultural production. This effort will increase the competitive advantage of U.S. agriculture both domestically and internationally, build wealth that stays in rural communities and support a diverse range of producers and operation types."

Earlier this year, Vilsack announced that USDA had allocated \$1 billion for the program, divided into two funding pools. Because of the unprecedented demand and interest in the program, and potential for meaningful opportunities to benefit producers through the proposals, the Biden-Harris administration increased the total funding allocation to more than \$3 billion, with projects from the second funding pool to be announced later this year. Vilsack made the announcement from the campus of Penn State University, which is the lead partner on one of the selected pilot projects to implement climate-smart practices, quantify and track the greenhouse gas benefits and develop markets for the resulting climate-smart commodities.

Funding for Partnerships for Climate-Smart Commodities will be delivered through USDA's [Commodity Credit Corporation](#) in two pools. Projects announced today are from the first funding pool, which included proposals seeking funds ranging from \$5 million to \$100 million. USDA received over 450

proposals from more than 350 entities for this funding pool, including nonprofit organizations; for-profits and government entities; farmer cooperatives; conservation, energy and environmental groups; state, tribal and local governments; universities (including minority serving institutions); small businesses; and large corporations. Applications covered every state in the nation as well as tribal lands, D.C. and Puerto Rico. The tentative selections announced today reflect this broad set of applicants and geographic scope, and the proposals include plans to match on average over 50% of the federal investment with nonfederal funds.

USDA will work with the applicants for the 70 identified projects to finalize the scope and funding levels in the coming months. A complete list of projects identified for this first round of funding is available at usda.gov/climate-smart-commodities.

Spanning up to five years, these 70 projects will:

- Provide technical and financial assistance to producers to implement climate-smart production practices on a voluntary basis on working lands;
- Pilot innovative and cost-effective methods for quantification, monitoring, reporting and verification of greenhouse gas benefits; and
- Develop markets and promote the resulting climate-smart commodities.

The projects announced today will deliver significant impacts for producers and communities nationwide. USDA anticipates that these projects will result in:

- **Hundreds of expanded markets and revenue streams** for producers and commodities across agriculture ranging from traditional corn to specialty crops.
- **More than 50,000 farms reached, encompassing more than 20-25 million acres of working land** engaged in climate-smart production practices such as cover crops, no-till and nutrient management.
- **More than 50 million metric tons of carbon dioxide equivalent sequestered over the lives of the projects.** This is equivalent to removing more than 10 million gasoline-powered passenger vehicles from the road for one year.
- **More than 50 universities, including multiple minority-serving institutions,** engaged and helping advance projects, especially with outreach and monitoring, measurement, reporting and verification.
- Proposals for the 70 selected projects include plans to **match on average over 50% of the federal investment with nonfederal funds.**

Projects were selected based on a range of criteria, with emphasis placed on greenhouse gas and/or carbon sequestration benefits and equity. The [Notice of Funding Opportunity](#) included a complete set of project proposal requirements and evaluation criteria.

USDA is currently evaluating project proposals from the second Partnerships for Climate-Smart Commodities funding pool, which includes funding requests from \$250,000 to \$4,999,999. Projects from this second funding pool will emphasize the enrollment of small and/or underserved producers, and/or monitoring, reporting and verification activities developed at minority-serving institutions. USDA expects to announce these selections later this Fall.

More Information

Partnerships for Climate-Smart Commodities is part of USDA's broader strategy to position agriculture and forestry as leaders in climate change mitigation through voluntary, incentive-based, market-driven approaches. Visit usda.gov/climate-smart-commodities to learn more about this effort, and usda.gov/climate-solutions for climate-related updates, resources and tools across the Department.

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