USDA Offers Assistance to Help Organic Dairy Producers Cover Increased Costs

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WASHINGTON, May 19, 2023 - The U.S. Department of Agriculture (USDA) announces assistance for dairy producers with the new Organic Dairy Marketing Assistance Program (ODMAP). ODMAP is established to help mitigate market volatility, higher input and transportation costs, and unstable feed supply and prices that have created unique hardships in the organic dairy industry. Specifically, under the ODMAP, USDA's Farm Service Agency (FSA) is making $104 million available to organic dairy operations to assist with projected marketing costs in 2023, calculated using their marketing costs in 2022.

"Organic dairy producers have faced significant and unique increases in their marketing costs, compounded by increases in feed and transportation costs and the limited availability of organic grain and forage commodities," said FSA Administrator Zach Ducheneaux. "Without assistance, many organic dairies, particularly small organic dairies, will cease production, which not only impacts the domestic supply and consumption of organic milk but also the well-being of many rural communities across the country. This program will keep our small organic dairies in operation as they continue to weather a combination of challenges outside of their control."

FSA will begin accepting applications for ODMAP on May 24, 2023. Eligible producers include certified organic dairy operations that produce milk from cows, goats and sheep.

Adam Warthesen, co-chair of the Organic Trade Association's Organic Feedstuffs Relief Task Force, and Senior Director of Government and Industry Affairs for Organic Valley said: "With unprecedented organic feed costs and inflationary pressures over the last couple of years, resources like ODMAP are really going to matter as farmers plan for the rest of this year."

Britt Lundgren, Senior Director of Sustainability and Government Affairs at Stonyfield, said: "The costs facing organic dairy today are uncommon and putting serious strain on operations. USDA is right to step in and offer support, and this is a good first step. The alternative is we lose family farmers. We look forward to working with USDA to cover more of the actual costs organic dairies are facing."

Lia Sieler, Executive Director of Western Organic Dairy Producers Alliance, said: "We welcome the monetary resources allocated to dairy farmers through ODMAP with much anticipation. Input costs have been at an unprecedented high with no foreseeable changes and farmers are struggling to keep

up with these high costs at their current pay price for the specialty products they produce. Farmers are struggling to continue producing a quality, safe and nutritious product with the current costs of doing business. We thank USDA with the help of many members of Congress for stepping in, hearing our voices and working diligently to get money pushed out as quick as possible to help alleviate some of this pain. Our work is not done, but this is a major win for our industry in a time of such uncertainty."

Chris Adamo, Vice President of Public Affairs and Regenerative Agriculture Policy with Danone North America, said: "Recent increases to cost of feed and overall inputs have significantly impacted organic dairy farms, and on behalf of Horizon Organic, we are grateful for USDA's thoughtful work and strong support for the farms that supply our customers' milk."

How ODMAP Works

FSA is providing financial assistance for a producer's projected marketing costs in 2023 based on their 2022 costs. ODMAP provides a one-time cost-share payment based on marketing costs on pounds of organic milk marketed in the 2022 calendar year.

ODMAP provides financial assistance that will immediately support certified organic dairy operations during 2023 keeping organic dairy operations sustainable until markets return to more normal conditions.

How to Apply

FSA is accepting applications from May 24 to July 26, 2023. To apply, producers should contact FSA at their local USDA Service Center. To complete the ODMAP application, producers must certify to pounds of 2022 milk production, show documentation of their organic certification, and submit a completed application form.

Organic dairy operations are required to provide their USDA certification of organic status confirming operation as an organic dairy in 2023 and 2022 along with the certification of 2022 milk production in hundredweight.

ODMAP complements other assistance available to dairy producers, including Dairy Margin Coverage (DMC) and Supplemental DMC, with more than $300 million in benefits paid for the 2023 program year to date. Learn more on the FSA Dairy Programs webpage

More Information

To learn more about USDA programs, producers can contact their local USDA Service Center. Producers can also prepare maps for acreage reporting as well as manage farm loans and other programs by logging into their farmers.gov account. If you don't have an account, sign up today.

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 usda.gov.

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