INDIGENOUS FOOD AND AGRICULTURE INITIATIVE

UNIVERSITY OF ARKANSAS

LOCAL AGRICULTURAL MARKETING PROGRAM (LAMP)

The **Local Agricultural Marketing Program (LAMP)** was created in the 2018 Farm Bill to support:

- Local Producers
- Beginning Farmers and Ranchers
- Value-Added Food Businesses
- Aggregation/Distribution Enterprises

The program aims to advance the local and regional food system food system value chains by supplying grants to help with business and market development (i.e. supporting ventures from “farm to fork”).

Local Agricultural Marketing Program (LAMP)

LAMP combines two competitive grant programs: the Farmers Market and Local Food Production Program (FMLFPP) and the Value-Added Producers Grant Program (VAPG).

The FMLFPP and VAPG allows beginning farmers and ranchers to address food safety certification and practice upgrades, which are included as new “eligible activity” for grant projects.

LAMP also started the Regional Food Systems Partnership Program (RFSP), which provides grants to support partnerships between many various stakeholders. The RFSP also facilitates foodshed-level approaches to planning and developing regional food economies (the term “foodshed” describes the geographic location, such as the local land and water resources, that produces food for a particular population).

FMLFPP

Farmers Market and Local Food Production Program

RFSP

Regional Food Systems Partnership

VAPG

Value Added Producer Grant

Funding

In 2020, The United States Department of Agriculture had **$37 million** available for the LAMP, which included $27 million for the FDMLFPP and $10 million for the RFSP.

These programs offer Tribal producers and food businesses opportunities for enterprise and market development. There are funding set-asides for beginning, veteran, and socially disadvantaged farmers; mid-tier value chain enterprises (local or regional supply networks that link independent producers with businesses and cooperatives that market value-added agricultural products); and farmers who adopt or modernize food safety protocols. There are also funding set-asides for local and regional public-private partnerships and multi-stakeholder ventures.

How Does Lamp Work?

LAMP maintains the underlying activities for the Value-Added Producers Grant Program (VAPG) and Farmers Market and Local Food Production Program (FMLFPP). These programs can't be used to purchase general purpose equipment (e.g. trucks) or to construct buildings or structures. An exception is food safety equipment and related upgrades, for which the grant recipient may use up to $6,500 of their grant.

As part of LAMP, FMLFPP and VAPG will continue to prioritize projects that benefit small and mid-sized farm operations, as well as beginning, socially disadvantaged, and veteran farmers and ranchers.

FMLFPP

Farmers Market and Local Food Production Program

The Farmers Market and Local Food Production Program is made up of the Farmers Market Promotion Program (FMPP) Local Food Promotion Program (LFPP).

- These two programs provide grants to projects that increase consumer access to fresh local food and develop new market opportunities.
- FMLFPP project proposals must demonstrate a benefit to the local and regional food system rather than benefiting a single agricultural producer, vendor, or individual.
- Both the FMPP and LFPP require a 25% match (a cost share of 25% of the total federal portion of the grant).
- FMLFPP funds can be used to cover local processing, storage, distribution, and aggregation activities.

For example, grants can fund a kitchen processing facility to can fruits and vegetables and produce other value-added foods. If Tribal producers and food businesses in an area want to come together to form an agricultural co-op and gain market power, FMLFPP grants can also support intertribal cooperatives (e.g. funding a place to store and their foods).

FMLFPP
Farmers Market and Local Food Production Program

FMPP
Farmers Market Promotion Program

The Farmers Market Promotion Program (FMPP) helps direct-to-consumer outlets to promote and expand operations. FMPP offers two direct marketing project types: capacity building projects and community development and technical assistance training.

Additional Resources:

- How do I Apply for the FMPP Grant? | Agricultural Marketing Service
- Examples of awarded grants

Contact information:
USDA, Agricultural Marketing Service

E-mail: USDAFMPPQuestions@ams.usda.gov
Phone: 202-720-0933
Fax: 202-690-4152

LFPP
Local Food Promotion Program

The LFPP offers grants intermediaries (entities that connect producers and consumers) in the food supply chain, such as food hubs, distributors, community supported agriculture (CSAs). LFPP offers 2 project types to help applicants aggregate, process, distribute, or store local or regional food products, project planning grant, implementation project grant. For example, the grant can be used to start a food hub or commercial kitchen).

Additional Resources:

- How do I Apply for the LFPP Grant? | Agricultural Marketing Service
- Examples of awarded grants

Contact information:
USDA, Agricultural Marketing Service

E-mail: USDALFPPQuestions@ams.usda.gov
Phone: 202-720-0933
Fax: 202-690-4152

Eligible applicants must be domestic owned entities, operated and located in the 50 U.S. states, District of Columbia, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

Entities that are eligible to apply include: Agricultural businesses and cooperatives, community supported agriculture (CSA) networks and associations, food councils, economic development corporations, local governments, nonprofit and public benefit corporations, producer networks or associations, regional farmers' market authorities, Tribal governments. **Individual producers are not eligible for either the FMPP or the LFPP.**

RFSP

Regional Food Systems Partnership

The Regional Food Systems Partnership (RFSP) is intended to advance regional food system development and improve healthy food access through community collaboration and expansion of food hubs, mid-tier value chains, and other similar types of business ventures. It supports economic opportunities for producers and food businesses through:

- Job creation
- Development of business plans
- Feasibility studies and strategies for local and regional marketing opportunities
- Local and regional food systems infrastructure development.

All RFSP grants require a non-federal cash match equal to 25% of the total amount of federal funding provided.

RFSP grants can be used for two types of projects:

Planning and Design

Planning and design projects support partnerships in the early stages of convening and planning for the development of a robust local or regional food system. They should last no longer than 24 months and can receive between $100,000 and $250,000.

Implementation and Expansion

Implementation and expansion projects support partnerships building on prior or ongoing efforts within a local or regional food system. They are intended to support regions with burgeoning local or regional food economies that have the potential to scale up and expand with coordinated public-private investments and activities. They should last no longer than 36 months and can receive between $250,000 and $1 million.

Regional Food Systems Partnership Eligibility

Partnerships are eligible to apply if they are between eligible entities and partners.

Eligible Entities

- producers
- farmer or rancher cooperative
- producer network or association
- majority-controlled producer-based business venture
- food council
- community-supported agriculture (CSA) network or association
- Tribal and local governments
- non-profit corporations
- public benefit corporations
- economic development corporations
- regional farmers market authorities

Eligible Partners

- state agencies or regional authorities
- philanthropic corporations
- private corporations
- institutions of higher education
- commercial, federal, or farm credit system lending institutions

The following resources may help if you are interested in applying for a RFSP grant:

- How do I Apply for the RFSP Grant? | Agricultural Marketing Service
- Examples of awarded grants: Recipients Aleutian Pribilof Islands Association and First Nations Development Institute are examples of Native entities that have won the award

Contact Information:

USDA, Agricultural Marketing Service, Grants Division
E-mail: IPPGrants@usda.gov

VAPG

Value Added Producer Grant Program

What is it?

The Value Added Producer Grant (VAPG) program helps agricultural producers enter into value-added activities related to the processing and marketing of new products. In this context, “value-added” refers to any agricultural commodity or product that has changed physically or was produced, marketed, or segregated in a manner that enhances its value or expands its customer base. For instance, the VAPG program generates new products by helping producers turn raw agricultural products like fruits or grains into lightly processed items like pickles, jam, bread, and cheese. Additionally, the VAPG program aims to create and expand marketing opportunities and increase producer income.

How does it work?

The VAPG program awards nationally competitive grants each fiscal year. Producers who apply for funding may receive up to $75,000 for planning grants, which can be used to pay for economic planning activities like the development of business and marketing plans. Typically, these plans are drafted with the assistance of entities such as private consulting firms or law firms. Planning grants can also be used to fund feasibility studies, which help producers identify marketing opportunities that will improve their ability to sell value-added products. Alternatively, producers can apply to receive up to $250,000 for working capital grants, which fund the operation of value-added business ventures. Eligible expenses related to the processing and marketing of a value-added product can be paid with working capital. Examples of eligible working capital expenses include, but are not limited to, designing or purchasing a financial accounting system for a proposed project; paying salaries of employees to process, market, and deliver a value-added agricultural product to consumers; and paying for a marketing campaign for a value-added agricultural product.

All grants have a matching fund requirement of 50% of total project costs, which means that producers must cover half of the expenses associated with their project. Matching funds may be provided in the form of cash or eligible in-kind contributions. Up to 25% of total project costs—or 50% of matching funds—may come from producers’ own time and effort, which is sometimes referred to as “sweat equity” put into the project. The remaining portion of the matching funds must be provided in cash. All matching funds must be secured in full at the time an application is submitted. In summary, at least 25% of total project costs can be covered in cash while up to 25% of them can be covered by the value of producers’ labor.

VAPG
Value Added Producer Grant Program

Who can access it?

Independent producers, agricultural producer groups, farmer or rancher cooperatives, and majority-controlled producer-based business ventures can access the VAPG program. Some applicants may receive priority, including beginning farmers and ranchers, socially-disadvantaged farmers and ranchers, small- and medium-sized farms or ranches structured as family farms, farmer or rancher cooperatives, and applicants proposing a mid-tier value chain. More specifically, mid-tier value chains are local and regional supply networks that link independent producers with businesses and cooperatives that market value-added agricultural products. These marketing strategies must target and strengthen the profitability and competitiveness of small and medium-sized farms and ranches that are structured as family farms. They must also obtain agreement from an eligible agricultural producer group, farmer or rancher cooperative, or majority-controlled producer-based business venture that is engaged in the value chain as part of a marketing strategy.

Tribal nuance

To be eligible for the VAPG program, tribal applicants must meet the definition of an "agricultural producer" and the requirements of one of the eligible applicant types: independent producers, agricultural producer groups, farmers or rancher cooperatives, or majority-controlled producer-based businesses. According to USDA, agricultural producers are "individuals or entities that produce an agricultural commodity through participation in day-to-day labor, management, and field operations." However, this definition has been revised to clarify that the eligibility of tribes and tribal entities, due to their unique structures, will be determined by the USDA without regard to day-to-day labor, management, and field operation and right to harvest status. This determination will be made based on answers to questions in application template Appendix A regarding composition, structure and relationship of the entity to the tribe, the beneficiaries of returns generated by the project, and related eligibility questions. Most tribal applicants to the VAPG program will be independent producers or farmer or rancher cooperatives. Additionally, tribal governments often have sub-department programs that may compete or be interested in the same pool of funding available through the VAPG program.

As stated previously, at least 25% of total project costs—or 50% of matching funds—can be provided by producers in cash. For the purposes of the VAPG program, tribal applicants may use grant funds from the Indian Self-Determination and Education Assistance Act, Public Law 93-638 (PL 93-638), as cash matching funds. Under PL 93-638, they may have access to funding via contracts, grants, or cooperative agreements with federal agencies.

VAPG
Value Added Producer Grant Program

How to apply

Before applying, organizations must request a Data Universal Number System (DUNS) number if they don't already have one. Individuals do not need DUNS numbers. A DUNS number is a unique nine-digit identifier that verifies the existence of a business entity globally. While an organization can use their DUNS number for multiple applications to the VAPG program, the same physical location may have more than one DUNS number if it has separate legal entities or companies that have the same legal business name but engage in different lines of business specific to the nature of operations. For instance, an organization's headquarters and warehouse may exist in the same physical location but handle different components of the organization's business, such as financial obligations versus packing and shipping responsibilities. Once organizations receive their numbers, they must register with the System for Award Management (SAM). Both of these steps must be done at least one month prior to the application deadline.

To complete an application for the VAPG program, producers will need a DUNS number, Commercial and Government Entity (CAGE) code, and CAGE expiration date. All required information should be compiled at least one month before the application deadline. Application toolkits can be found at Grants.gov by entering Opportunity Number: RDBCP-VAPG-2021 and selecting related documents. The following forms are required: SF-424 Application for Federal Assistance, SF-424A Budget Information, and SF-424A Instructions. Applicants can read the Federal Register notice for additional details.

All applications are initially reviewed by the Rural Development State Office for completeness and eligibility. They are then sent to grant review panels—small committees made up of members of the public with agriculture-related subject expertise— to be evaluated and ranked. Lastly, USDA staff conduct a final review to assign any additional administrative priority points. By law, three 10% funding set-aside categories exist: mid-tier value chain projects, projects that benefit beginning or socially disadvantaged farmers or ranchers, and projects in persistent poverty counties. These set-asides help ensure that these priorities are more likely to be supported by VAPG program grants.

USDA selects and ranks applications to the VAPG program based on responses to five criteria: nature of the proposed project (0–30 points), qualifications of project personnel (0–20 points), commitments and support (0–10 points), work plan and budget (0–20 points), and priority points (5 and/or additional 5 points). As required by law, USDA will award up to five additional points to projects that increase opportunities for small- and medium-sized family farms and ranches, beginning farmers or ranchers, socially disadvantaged farmers or ranchers, and veteran farmers or ranchers.

VAPG
Value Added Producer Grant Program

Who to contact for more information

Applicants to the VAPG program can contact their state's Rural Development office or the nearest USDA Service Center for more information. Tribes and tribal entities may be able to receive help with their application from IAC's Technical Assistance Program.

Examples of previous grant recipients

- VAPG Recipients: FY 2017/2018
  - White Mountain Apache Tribe (AZ)—$69,000
  - Dry Creek Rancheria Band of Pomo Indians (CA)—$14,000
  - Forest County Potawatomi Community (WI)—$153,377
- Case studies of previous VAPG recipients