

Expanding Agroforestry Project (EAP)

Frequently Asked Questions

Updated November 2023

In 2022, the USDA announced more than \$3.1 billion in funding for 141 projects, with the requirement that each project include meaningful involvement of small and underserved producers. Among those awards was a \$60 million grant to The Nature Conservancy (TNC) and multiple partners to fund *Expanding Agroforestry Production & Markets for Producer Profitability and Climate Stabilization ("EAP")*, a 5-year project to increase agroforestry plantings in 30 states in the Eastern and Midwestern United States, and Hawai'i.

This program has generated broad interest from producers, conservationists, and policymakers interested in the potential of agroforestry to provide climate benefit and economic opportunities. Below we address common questions we have received related to this project and its incentive payment program.

ABOUT THE EXPANDING AGROFORESTRY INCENTIVE PAYMENT PROGRAM

1. What is the purpose of the Expanding Agroforestry Incentive Payment Program?

The costs associated with planting new agroforestry systems are often a barrier to adoption for producers. To help alleviate this issue, the Expanding Agroforestry Incentive Payment Program is designed to increase the adoption of agroforestry by providing technical assistance coupled with incentive payments that support a producer through establishing new acres of agroforestry systems. Our program is focused on adding new fruit, nut, timber, and biodiversity trees and shrubs through alley cropping, silvopasture, and windbreak practices.

2. What is the structure of the incentive payments and what do they pay for?

USDA's Partnership for Climate-Smart Commodities program is piloting new incentive payments to encourage producers to adopt climate-smart agriculture practices, such as agroforestry. The EAP Incentive Payment Program is piloting two different structures of incentive payments.

Category 1

- **Per-Tree Installation Costs Incentive:** Enrolled producers receive a Per-Tree Installation Costs Incentive Payment (average \$30/tree).
- Transition Incentive: PLUS, a Per-Acre Transition Incentive of \$450/acre paid out in three installments.

Category 2

- Installation Costs: Are paid by third-party financing or other funding source options.
- **Transition Incentive:** Enrolled producers for Category 2 receive the Per-Acre Transition Incentive of \$450/acre paid out in three installments.

Producers must follow NRCS Conservation Practice Standards for installing alley cropping, silvopasture, and windbreaks. The incentive payments may be used to cover the best management practices recommended to ensure survivorship for the newly planted trees and shrubs.

3. When can producers expect to receive payments?

After applying, producers who are selected into the program will be paired with a Technical Assistance staff member from our Regional Lead organizations. After completing required eligibility paperwork and an agroforestry project design and budget for their operation, producers will enter into an agreement with The Nature Conservancy to enroll in the Incentive Payment Program. Each enrolled producer will be eligible to receive their full incentive payment paid out through three payments with the following anticipated timelines. Please note that timeline is subject to change due to variables outside of TNC's control.

Category 1

- 1st Payment 70% of the Per-Tree Installation Cost Incentive + first Transition Incentive payment of \$150/acre
 - o Paid within approximately 60 days of signing agreement with The Nature Conservancy
- 2nd Payment 25% of the Per-Tree Installation Cost Incentive + second Transition Incentive payment of \$150/acre
 - o Paid within approximately 60 days of verification of planting (e.g. site visit or photographs)
- 3rd Payment 5% of the Per-Tree Installation Cost Incentive + final third Transition Incentive payment of \$150/acre
 - o In the final year of the program (2028), producer is paid the final remaining incentive payment within approximately 60 days of TNC staff receiving final data submission from the enrolled producer.

Category 2

- 1st Payment First Transition Incentive payment of \$150/acre
 - Paid within approximately 60 days of signing agreement with The Nature Conservancy with required proof of secured financial support for installation costs
- 2nd Payment Second Transition Incentive payment of \$150/acre
 - o Paid within approximately 60 days of verification of planting (e.g. site visit or photographs of the plantings)
- 3rd Payment Final third Transition Incentive payment of \$150/acre
 - o In the final year of the program (2028), producer is paid the final remaining incentive payment within approximately 60 days of TNC staff receiving final data submission from the enrolled producer.

4. What does "Category 2 third-party financing or other funding source options" mean?

The Expanding Agroforestry Project support the long-term success of expanding agroforestry in the US. An important component of that is expanding the options for long-term financing that suit the needs of producers looking to adopt agroforestry practices on their operation. Currently, there are a wide variety of financing options on the market for annual row crop producers, but fewer options are currently well-suited for the unique needs of agroforestry systems. For Category 2, applicants will bring their own financing and can work with existing agricultural loan options such as FSA or their local banks to secure loans that fit their financial and operational needs. Agroforestry Partners is another option available for Category 2 incentives – they offer an equity-based financing model for producers.

5. Who is eligible to enroll in the program?

Please see the next section of this FAQ page (Frequent Eligibility Questions) for more information on eligibility requirements for producers.

6. Who does the funding go to?

The Nature Conservancy will enter into incentive payment agreements with the entity that is registered with FSA for the acreage where the project will take place.

7. What agroforestry practices can apply for the Expanding Agroforestry Incentive Payment Program? Which trees and shrubs are eligible?

The Expanding Agroforestry Incentive Payment Program only supports: alley cropping, silvopasture, and windbreak projects. If your project is any other kind of agroforestry practice or reforestation project, please consider other programs and funding opportunities.

Trees and shrubs planted through this program must be ecologically appropriate and approved by The Nature Conservancy. Please email ExpandingAgroforestry@tnc.org if you are interested in determining if a certain variety of tree and/or shrub would be eligible in your location.

8. What is the minimum and maximum sized project?

- Minimum: There is a per-project acreage minimum of 5 acres in all regions (except Hawai'i that has a minimum of 1 acre). There is no minimum or floor on funding for projects.
- Maximum: The total cumulative amount of incentive payments that any entity or individual (including through his or her equitable ownership of entities) can receive during the award period (through 2028) is \$450,000. This maximum was set to mirror the maximum payment allowable through NRCS's EQIP program. It is important to note that under current NRCS rules, producers are eligible to receive up to \$450k from EQIP in addition to the \$450k maximum from EAP. There is no acreage maximum.

9. Are there other complementary grants and funding streams that can augment the Expanding Agroforestry Incentive Payment Program?

There are multiple funding programs that can complement the incentive payments provided by the Expanding Agroforestry Incentive Payment Program. An example is the <u>Catalyzing Agroforestry Grant Program</u> supported by the Edwards Mother Earth Foundation. Producers selected into the program will receive technical assistance, that may include identifying additional funding sources that their project may be eligible for to augment the incentive payments from the Expanding Agroforestry Project. Please remember that NRCS funding from programs like EQIP, CSP, and CRP cannot be used to fund the same practices on the same acreage as Expanding Agroforestry Incentive Payments.

10. What are the criteria for Underserved Status producers for this program?

For the Partnership for Climate-Smart Commodities Program, USDA has defined Underserved Status for any producer who has one or more of the following attributes.

These include the five categories of Historically Undeserved Producers (please see this webpage for full definitions):

- Beginning farmers less than 10 years of farming experience.
- **Socially disadvantaged farmers** American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, and/or Hispanics.
- Veteran farmers
- Limited resource farmers please use this USDA determination tool to determine if you qualify for this designation.
- Women farmers

Additionally, for this program USDA considers the following two groups as having Underserved Status:

- Producers growing specialty crops please see this <u>list of specialty crops</u>.
- Small farms those with less than \$350,000 in annual gross cash farm income.

11. When can producers apply to the program?

The first enrollment cycle opens November 15th, 2023 for producers in the Upper Midwest, Lower Midwest, Mid-Atlantic/Central Appalachia, Northeast and Hawai'i regions. The Southeast region will open applications in early summer 2024. Application deadlines for future application cycles will be shared on nature.org/ExpandingAgroforestry.

12. If a producer submits the form to join the e-mail list interest form and/or submits the online application form, are they enrolled in the program for incentive payments?

No. However, filling out the e-mail list interest form and/or online application form will sign the producer up to receive more information from their Regional Lead and updates on program education events and upcoming incentive payment program application deadlines.

Producers must submit the online application and have it selected to enter the program. Once a producer is selected into the program, they will be paired with a Technical Assistance staff at the Regional Lead organization who will work with them to develop an agroforestry plan and ensure the producer has completed all required eligibility paperwork. Once all required documents are completed, the producer will start the enrollment process with The Nature Conservancy to enter into an agreement for the incentive payments.

13. Who can producers talk to if they want to learn more about the program?

Producers can fill out this form to join the Expanding Agroforestry Project's e-mail list. If they are in an eligible state, the Regional Lead for their location will reach out to share more information about the project.

14. How do producers apply to the program?

Producers should visit Nature.org/ExpandingAgroforestry to learn more about the program. Producers must submit an electronic application (<u>view the application here</u>). It is recommended that producers build their application in a separate document, and copy/paste the final answers into the online application form. The online form does not allow saving progress.

15. What does "required data collection" mean for Measurement, Monitoring, Reporting, and Verification (MMRV)?

This project is required to conduct Measurement, Monitoring, Reporting, and Verification (MMRV) activities to ensure that award spending is creating the intended program impact. Producers will be required to measure trees (diameter at breast height, DBH measurements) on their project twice during the program: once within 6 months of planting, and again in the final year of the program in 2028. Producers will be paid up to \$1/tree as part of their incentive payment for support data collection for MMRV. Separately, Yard Stick is our project partner who will conduct soil sampling at all enrolled project sites. Enrolled producers must allow Yard Stick staff to take soil samples twice during the project period: once within 6 months of planting, and again in the final year of the program in 2028. Soil samples are paid for by the Project and producers will have access to their soil sample data.

16. What's the minimum number of trees producers can plant per acre?

For the majority of agroforestry installation projects, the minimum number of trees per acre is 30 trees. Producers selected into the program will work with technical assistance staff to determine the appropriate number of trees per acre given the operation's context and goals. All projects must follow NRCS Conservation Practice Standards for alley cropping, silvopasture, and windbreaks.

17. When will applications be reviewed? When can producers expect to hear something back?

Each region has 2-3 enrollment cycles annually. Typically, a determination about the status of applications will be communicated back to producer applicants within 3-4 months from submission deadlines for that enrollment cycle. Producers that are not selected into the program are given feedback on their application and may re-apply for future enrollment cycles.

18. What should producers have prepared for their application? What makes for a successful application?

Interested producers are welcome to review the online application at any time (<u>available to view here</u>). Successful applications are thorough, and successful applicants complete as many of the optional questions they can.

19. Who is reviewing and selecting the applications? What are the scoring criteria?

The Expanding Agroforestry Project's has a Steering Committee comprised of representatives from the Regional Lead organizations. The Steering Committee reviews applications on a quarterly basis to select which projects enter the program. Scoring criteria includes, but is not limited to: size of the project, willingness to serve as a demonstration farm or science research site, thoroughness of the submitted application, cost-effectiveness, and carbon sequestration potential. Reviewers are

selecting projects that are most likely to be successful examples of agroforestry for the long-term, and considering the project's likelihood of encouraging the expansion of agroforestry to new producers in the future.

20. What if a producer's application is not selected?

Producers who are not selected are given feedback on their application along with additional educational resources on agroforestry. This set of resources will also include other funding sources for agroforestry that may be a better fit for the producer. If the producer is otherwise eligible for the program, they are encouraged to apply in future enrollment cycles with an improved application with additional detail or changes to their project plans.

21. What kind of technical support and resources will be made available to selected producers?

Anyone who is interested in learning more about agroforestry is encouraged to visit the Resources page at nature.org/ExpandingAgroforestry for a curated selection of online educational materials developed and/or recommended by EAP project partners. Producers selected into the program will be paired with technical assistance staff who will guide the producer through developing an agroforestry plan for their operation. This technical support is free to producers selected into the program and will typically be staff from the Regional Lead organization.

22. I'm already working with a technical assistance organization that is not the Regional Lead for my state. Can I work with them on my agroforestry plan?

Our project provides free technical assistance to producers selected for participation in the EAP Incentive Payment Program. If a producer wishes to utilize technical assistance from other external entities, producers may do so at their own expense. Ultimately, producers must have an agroforestry plan approved by their Regional Lead organization before they can enter an agreement with The Nature Conservancy for the incentive payments.

23. Can I apply for NRCS programs and this program?

Producers are not allowed to be paid for the same practice on the same acreage by multiple NRCS funding sources such as EQIP, CSP, and CRP and also funded for those practices on that same acreage from the Partnerships for Climate-Smart Commodities program (e.g., EAP Incentive Payment Program). While producers can apply to other NRCS programs and the EAP Incentive Payment Program, producers must only use one of the programs for each practice on the same land. "Double dipping" by using multiple programs is strictly not allowed.

24. What kind of paperwork can producers expect for this program?

To be in this program, producers must be willing to complete required paperwork for USDA and to enter into an agreement with The Nature Conservancy. The project has program staff who will help producers navigate the required paperwork. Examples of required forms include, but may not be limited to:

- FSA number (and assigned Farm, Tract, & Field IDs)
- Approved CPA-52
- Form AD-2047
- Form CCC-902
- Form AD-1026
- Certification that applicant is not a foreign person or entity
- Subsidiary print form
- Farmers.gov registration
- Producer Enrollment Survey
- Certificate of Insurance Form
- Conflict of Interest form (with The Nature Conservancy)
- W-9
- ACH Form (required only if opting for preferred electronic payment processing)

25. How will producer data be shared during this project?

Project partners and The Nature Conservancy are required to follow 1619 Compliance for this program. Producers can opt-in if they are willing to have media (photography, filmography, social media etc.) taken of their operation.

26. How often should producers expect project staff will have to visit their operation?

No project staff will visit operations until after producers are selected into the program. If producers are selected into the program, project staff will visit the operation during the technical assistance phase. There will be two times (once within 6 months of tree planting and again in the final year of the program in 2028) when project staff from our soil carbon measurement project partners at Yard Stick will visit each enrolled operation to conduct soil samples. In all instances, project staff will coordinate with the producer to ensure it is a mutually convenient time to visit the operation. If producers elect to be a Demonstration Farm or Science Research Site, there could be additional opportunities when project staff would visit the operation.

27. What does it mean to be a Demonstration Farm or Science Research Site?

In the application, producers are asked if they are willing to be demonstration farms or research sites. It is helpful for program goals to have as many Demonstration Farms and Science Research Sites as possible.

• Expanding Agroforestry - Demonstration Farm

- o Producers who are willing to open their operation for site visits, field days, and education events are encouraged to select accordingly on their application. They will be listed in the Agroforestry Coalition Demonstration Farm Directory. Producers should anticipate approximately one field day per year with up to 50 attendees. Producers will be expected to be willing to have media taken of our operation (including but not limited to photography, filmography, and social media posts). Project staff will coordinate with the enrolled producer to ensure a mutually convenient time to schedule field days or media events, and project partner organizations will compensate producers for their involvement for hosting such events.
- **Expanding Agroforestry Science Research Site** Please note all enrolled producers will be required to complete data collection following the Measurement, Monitoring, Reporting, & Verification Guidelines. Being a Science Research Site is **optional and in addition to** the required MMRV activities.
 - O Agroforestry has been practiced for millennia by communities around the world, importantly by indigenous communities. The application of agroforestry in modern, industrialized U.S. contexts is in a nascent stage. Through this project, there is an opportunity to collect important baseline data before planting, and conduct long-term/longitudinal research for many years past the award period of this grant funding. We seek to identify producers who are willing to have multi-disciplinary science conducted on their operation to improve our shared understanding of the impact and opportunities of agroforestry. Producer contact information with a limited amount of information about their operation will be put on the 'Expanding Agroforestry Science Research Site' List. Producers may be contacted by their preferred method by researchers interested in collecting data at their operation. Science research could include a variety of projects such as soil science, anthropology, and economics. Producers will have the opportunity to opt in or opt out of any individual research project. Producers will also be able to remove their operation from the Expanding Agroforestry Science Research Site List.

28. Can I use the Expanding Agroforestry Project Incentive Payment Program funding with other funding sources to support my project?

Producers cannot be paid for the same conservation practice on the same acreage through this program and other NRCS programs (e.g., EQIP, CSP, CRP). Producers are welcome to leverage any other non-USDA funding to support their project's success. Producers are also encouraged to apply for funding for other conservation practices beyond agroforestry for their operation and should consider other Partnership for Climate-Smart Practices projects for funding those other practices.

29. If I receive funds, will it be taxable? What are the tax implications of the incentive payments? Will it come to me as an individual or to my farm business, can I decide?

The Nature Conservancy does not give accounting or tax advice. Producers can ask their tax professionals for advice. The Nature Conservancy will enter into an agreement for the incentive payments to the entity that is registered with the FSA and named in their subsidiary print form (this could be a business or an individual).

30. Will my project plan need to be approved by a certified NRCS Technical Service Provider (TSP)?

Project plans will be approved by Regional Leads. That organization's staff may or may not include certified NRCS Technical Service Providers.

31. How long do I have to participate in the project?

In order to receive incentive payment funding, each producer will enter an agreement with The Nature Conservancy through the end of the award period (2028). Producers will be required to participate in the project for the final collection of tree growth data in the last year of the award period (2028). The aim of our project is for these new acres of agroforestry plantings to be economically viable in such a way that producers are motivated to support their maintenance for many decades to come.

FREQUENT ELIGIBILITY QUESTIONS

32. What are the eligibility requirements?

Note: Producers who do not yet meet all of these requirements, but are willing to become fully eligible are encouraged to apply to the program (e.g. acquire FSA number, acquire a longer-term lease).

Below are the current eligibility requirements for producers to receive incentive payments through the Expanding Agroforestry Project. These eligibility requirements are subject to change during the course of the award period.

Geography:

• The project must be in: Alabama, Arkansas, Connecticut, Delaware, Georgia, Hawai'i, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, and Wisconsin.

Practices:

 The project must follow NRCS Conservation Practice Standards for Alley Cropping, Silvopasture, and/or Windbreaks (either the state Conservation Practice Standards or the national Conservation Practice standards may be used).

Land Control:

Producers either need to own the land or be in control of the acreage via lease through 2028.

Required Paperwork: Project Staff will support producers in acquiring these documents.

- Already have, or willing to establish Farm Records with the Farm Service Agency (have farm, tract, and fields numbers in place);
- Complete an AD-2047 (Customer Data Worksheet to facilitate the collection of customer data for Business Partner Record);

- CCC-902 (Farm Operating Plan for Payment Eligibility 2009 and Subsequent Program Years);
- Approved CPA-52;
- Certify and maintain HELC and WC compliance via Form AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification;
- Certify that they are not a foreign person or entity;
- Project staff must review each fiscal year the producer's Subsidiary Print form they must obtain from their local FSA field office each fiscal year. The Subsidiary Print form must read "compliant" for all conservation compliance portions, and "certified" for AD-1026;
- Farmers.gov registration;
- Certificate of Insurance Form;
- Conflict of Interest form (with The Nature Conservancy);
- W-9; and,
- ACH Form (required only if opting for preferred electronic payment processing)

Producers are not bound by the payment limitations and the adjusted gross income (AGI) limitations that are in place for other USDA programs.

33. I lease land. Can I still apply to the program?

Producers who lease farmland where they intend to develop agroforestry are welcome to apply to the program. In order to enter an agreement and become enrolled in the incentive payment program, producers will have to certify that they have control of the land through 2028 with a lease from the landowner.

34. My project is 3 acres. Should I still apply to the program?

Each region sets their own minimum acreage amount. Currently, all regions have a minimum of 5 acres per project (except for the Hawaiian Islands, which has a minimum of 1 acre). Projects that are less than the region's minimum acreage are discouraged from applying for this program.

35. What species and varieties of trees and shrubs are eligible for this program?

TNC is currently developing an 'eligible species' list for the Expanding Agroforestry Program. For the first couple of application cycles, applications will be reviewed on a case-by-case to determine if that species is appropriate in the intended project location. If there are any questions, producers and/or project partners are welcome to email ExpandingAgroforestry@tnc.org if there are specific locations and species they would like pre-reviewed.

36. I'm really interested in applying with a project that's forest farming/micro urban food forests/riparian buffers/reforestation. Should I apply to your program?

Our program is not the right fit for projects that are not explicitly focused on alley cropping, silvopasture, and windbreaks – strategically incorporating trees into crop and grazing operations. At this time, we cannot support individuals that are pursuing other forms of agroforestry or reforestation/afforestation given the limitations of our grant with USDA. Please see our Resources page at nature.org/ExpandingAgroforestry that includes some resources that may help support your project.

37. I am interested in silvopasture – specifically transitioning my woodlot into a grazing area. Should I apply to your program?

The Expanding Agroforestry Incentive Payment Program is not the right fit for "silvopasture by subtraction" or converting woodlots into grazing areas. The program is solely focused on supporting "additive" silvopasture – new trees into existing pasture or cropland.

38. I am not in an eligible state for your program. How can I learn more about agroforestry?

Please see our Resources page at nature.org/ExpandingAgroforestry that includes some resources that may help support your

project. The USDA National Agroforestry Center has many useful resources, and they support producers throughout the US that are interested in adopting agroforestry.

39. Can Expanding Agroforestry Incentive Payment Program funding be used to pay for a new land/truck/mower/well/livestock/marketing supplies, etc.?

Funding to producers from the Expanding Agroforestry Incentive Payment Program can only be used to support the supplies and activities necessary for the successful establishment of new plantings of agroforestry systems following NRCS Practice Standards. It is not permissible to use this funding to purchase supplies, equipment, or capital improvements that are not directly related to the success of establishing new plantings of agroforestry systems.

40. I'm already doing agroforestry and/or perennial agriculture on my operation. Can I apply for this funding to expand my operation?

Yes, you are eligible to apply for this funding if you are interested in expanding your existing agroforestry or perennial agriculture operation by planting trees on acres not currently in an agroforestry practice. Our incentive payment does not pay producers for orchards or agroforestry systems that are already established.

For existing operations, you should apply for establishing agroforestry on new acreage as opposed to augmenting existing acreage that already is in agroforestry. It is important to ensure you are eligible for this funding if you have previously or are currently under contract with NRCS for agroforestry practices on your operation.

ABOUT THE EXPANDING AGROFORESTRY PROJECT

41. What's the Expanding Agroforestry Project?

The 'Expanding Agroforestry Production & Markets for Producer Profitability and Climate Stabilization' ("Expanding Agroforestry Project") is a \$60M Partnerships for Climate-Smart Commodities project funded by the USDA that aims to help producers incorporate agroforestry practices into their operations. The project will be distributing \$36M in direct-to-producer incentive payments over the next five years to directly incentivize the planting of trees and shrubs on crop and pastureland in 30 U.S. states. The project is advancing the adoption of three agroforestry practices: windbreaks, alley cropping, and silvopasture. The project award period initiated in April 2023 and is expected to conclude in 2028 (5 years).

42. What are the major goals of the Expanding Agroforestry Project?

Over the next five years, the Expanding Agroforestry Project has a goal to create 30,000 acres of new agroforestry plantings. The project aims to engage a minimum of 200 producers, and to enroll a minimum of 50 underserved producers into the program.

The project partners intend to do this by:

- Offering free, regionalized technical assistance and outreach to farmers;
- Actively participate in underserved producer engagement and recruitment activities;
- Providing \$36M in direct incentive payments to farmers for significantly subsidizing tree plantings;
- Creating a national network of demonstration farms for education and outreach activities;
- Working with companies and retailers to expand markets, both in demand and supporting infrastructure, for climatesmart agroforestry commodities.

43. Who is leading this project? What organizations are involved?

The Nature Conservancy is the project lead and responsible for grant administration; processing incentive payments to producers; and leading the measuring, monitoring, reporting and verification (MMRV) effort. TNC is working with six regional leads— Hawai'i 'Ulu Cooperative, Propagate, Savanna Institute, Tuskegee University, University of Missouri—The Center for Agroforestry, and Virginia Tech University—that will provide regionalized support to the program and participating farmers, including expanding project financing and developing markets for agroforestry commodities. Additional project partner organizations include Appalachian Sustainable Development, FarmRaise, Handsome Brook Farm, University of



Vermont, Trees for Graziers, Yard Stick, New York Tree Crops Alliance, Epic Institute, and Working Trees. This project brings together leading businesses, academic institutions and non-profit organizations working on agroforestry. See nature.org/ExpandingAgroforestry for a full list of project partners and supporting organizations

44. What is included in the \$60M budget of the grant?

Of the \$60 million grant, \$36 million (60% of the budget) will be paid out via direct-to-producer incentive payments through the Expanding Agroforestry Incentive Payment Program. The remaining portion of the budget supports expanded staff capacity at project partner organizations and supporting other enabling conditions for the expansion of agroforestry, including Measurement, Monitoring, Reporting, & Verification (MMRV) activities and developing market opportunities for agroforestry commodities.

45. How is the project helping to expand markets for agroforestry products?

A significant component of this project is to expand the markets and producer access to markets for climate-smart agroforestry commodities, like nuts, fruits, and timber, as well as livestock products produced in silvopasture settings, to further incentivize the planting of trees on millions of acres of working lands. Project partners will work with companies and retailers to identify barriers and solutions to market growth, assess demand for agroforestry products, and develop business models to enable farmers to get their products to market. The enabling business activities created through this project have the potential to unleash market forces that could achieve significant expansion of agroforestry and associated climate benefits.

46. What is the Expanding Agroforestry Project doing with carbon credits?

All carbon rights developed through this program will remain with the enrolled producer or landowner. Project partners may support enrolled producers in identifying opportunities to engage with carbon offset/inset programs that may be the right fit for their operation. Additionally, there may be other opportunities to support enrolled producers with connecting to other payments for ecosystem services programs.

ABOUT AGROFORESTRY

47. What is Agroforestry?

Agroforestry is the intentional integration of ecologically appropriate trees and shrubs into crop and animal farming systems to create environmental, economic, and social benefits.

48. How is Agroforestry a climate-smart practice?

Agroforestry practices can sequester 2 to 4 tons of carbon per acre per year in plant biomass. There may also be increased soil carbon storage and reduced need for fertilizer, with additional benefits for climate, soil health, and water quality. Agroforestry has the potential to be applied to tens of millions of acres across the United States, potentially sequestering hundreds of millions of tons of CO2 per year.

Agroforestry provides greater permanence than other agricultural practice changes, such as no-till and cover crops, which require annual implementation to retain sequestered carbon. Once established, trees can live for 50 to 300 years, building and retaining carbon in both biomass and soils for decades to centuries.

49. What are other environmental benefits of agroforestry?

Other major environmental benefits of agroforestry include climate change mitigation through carbon sequestration, biodiversity conservation, soil health enrichment, and air and water quality improvement.

50. What are the economic benefits of agroforestry?

Additional revenue streams for producers through the production of agroforestry commodities such as fruits, nuts, timber, and livestock products grown in silvopasture settings.

51. How common are agroforestry practices?

In a 2017 survey conducted by USDA, 30,853 farm operations had at least one agroforestry practice, representing 1.5% of all farm operations in the United States.

ABOUT THE USDA'S PARTNERSHIP FOR CLIMATE-SMART COMMODITIES PROGRAM

52. What is the USDA's Partnerships for Climate-Smart Commodities initiative?

The USDA's Partnerships for Climate-Smart Commodities is a funding initiative to drive natural climate solutions in agriculture and forestry by funding partnerships and projects that support the production and marketing of climate-smart commodities. This program supports the Department's strategy to accelerate adoption of climate-smart agriculture and forestry practices and diversify income streams for agricultural producers. In 2022, the USDA announced more than \$3.1 billion in funding for 141 projects, with the requirement that each project include meaningful involvement of small and underserved producers. Learn more about the program here.

Still have Questions? Please email ExpandingAgroforestry@tnc.org and Expanding Agroforestry Project staff will get back to you as soon as possible. The Nature Conservancy may make changes to the program structure and producer eligibility requirements throughout the award period.

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