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FARMERS IN ALL 50 STATES ROUTINELY CLOSED OUT OF CLIMATE-FRIENDLY CONSERVATION PROGRAMS, NEW REPORT

Congress has rare opportunity to expand farmer access, support soil health, water quality and climate

MINNEAPOLIS—A new report from the Institute for Agriculture and Trade Policy (IATP) finds that 67% of farmers who applied to access critical government conservation programs from 2010-2020 were rejected, due in part to lack of funding. Report findings underscore that rising farmer demand to access programs that respond to the climate crisis, build soil health and protect water quality is not being met. Congress has a unique opportunity to expand farmer access to these programs through the \$3.5 trillion budget reconciliation process in debate.

The report, <u>Closed out: How U.S. farmers are denied access to conservation programs</u>, by IATP's Michael Happ, examines farmer application rate of approvals for two critical conservation programs: The Environmental Quality Incentives Program (EQIP) and the Conservation Stewardship Program (CSP). Each year, EQIP and CSP support farmers using farming practices that are critical to building climate resilience and reducing emissions, while protecting the soil, air, water and wildlife. EQIP supports individual practices, often a steppingstone toward CSP's whole farm conservation approach.

The report found that nationally, over the last decade, 69% EQIP applications and 58% of CSP applicants were rejected. The trend appears to be worsening. Over the last five years, the numbers are close to 70% and 63%, respectively.

"We are missing a huge opportunity to gain immediate, tangible climate and other environmental benefits by turning farmers away from these programs," said Happ. "In the next month, Congress has a unique opportunity to expand investments in these programs to help farmers, rural communities and long-term climate resilience."

The decline in approved CSP applications is connected partially to the 2018 Farm Bill, which put CSP funding on a downward trend, with nationwide funding for the program as high as \$2.3 billion in 2019 and projected to decrease to \$1.4 billion in 2023. When Congress cut CSP funding, it increased support for EQIP, with the yearly allocation rising by \$200 million between 2019–2023. Since CSP is a more comprehensive program than EQIP, offering higher potential conservation benefits and financial benefits to farmers, the funding trend bodes poorly for real climate action.

The report breaks down by state the percent of applications denied from 2010-2020. State Natural Resources Conservation Service offices play a role in administering EQIP and set state-wide environmental priorities. The percent of applications submitted and denied varied by state, with some of the lowest approval rates (but greatest interest in CSP and EQIP) in major agriculture states. For example, Minnesota has awarded more CSP contracts than any other state. Yet, in 2020 the state only awarded contracts to 14% of those who applied; and awarded EQIP contracts to only 17% of the total applicant pool in 2020.

The report calls on Congress to include an additional \$30 billion in spending for CSP and EQIP in the budget reconciliation process to expand the number of farmers who can access these programs, including carve-outs for farmers of color (so-called Socially Disadvantaged Farmers). It also recommends reforming the EQIP program to redirect funding that aids large-scale concentrated animal feeding operations' manure management, a major source of agriculture methane emissions, toward managed, pasture-based systems.

"Farmers are already feeling the climate crisis. Making these conservation programs more accessible, enrolling more acres, building resilience and reducing emissions, are an essential part of our climate response," says Happ.

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Based in Minneapolis with offices in Washington, D.C., and Berlin, Germany, the Institute for Agriculture and Trade Policy works locally and globally at the intersection of policy and practice to ensure fair and sustainable food, farm and trade systems. To learn more, visit: www.iatp.org.