

USDA Partnerships for Climate-Smart Commodities: Minnesota Working Group

On Oct. 24, 2023, MN Farmers Union, EDGE Dairy, MN Milk and The Nature Conservancy convened an information-packed workshop and heard presentations from five projects to learn about how they are managing farmer recruitment efforts, data gathering, and navigating USDA requirements. This was the second workshop convened with the overarching objective of understanding how grant funds from USDA's Partnerships for Climate-Smart Commodities (PCSC) will be deployed within Minnesota, and for coordination across grant partners to ensure these programs support farmers and our natural resources. The workshop was held at Minnesota Farmers Union in St. Paul, MN.

Under Secretary of Agriculture Robert Bonnie welcomed the group and shared that at the core of these investments is finding value for producers to adopt climate-smart agriculture (CSA). Bonnie emphasized the importance of fostering partnerships and streamlining programs to facilitate the adoption of CSA practices while demonstrating the effectiveness of voluntary incentive approaches for all producers. Bonnie also remarked on how the strong leadership and engagement that is happening in Minnesota is being recognized in Washington D.C.

Background information regarding the organization of these workshops

Minnesota is listed on over 25 of the USDA's PCSC, a grant program that supports the development of climate-smart commodities, monitoring and verification processes, and partnerships with emphasis on historically underserved farmers and ranchers.

Grants range in size from \$5m to \$90m. The grant period is five years though projects may choose to complete their work in less time. Recruiting farmers into these programs is a primary goal of these projects, and many of these projects offer different payment rates, contract durations, and reporting requirements. Coordination among project stakeholders is critical for the success of Climate-Smart Commodities grant programs and ensuring benefits to farmers across the state. Agenda items included discussion of projects, approaches and scope, geographies, and other details. This event aimed to convene project stakeholders around concerns, areas of future discussions, shared learning opportunities, and resource building.

Overview of Oct. 24th

1. Meridian's Climate-Smart Commodity Network Map Meridian is an interactive tool that provides a comprehensive understanding of ecosystem relationships and PCSC project overlaps. To access the Network Map and instructional videos: <https://climatesmart.merid.org/>
2. Leaders from Truterra, The Delong Co., Inc., Gevo Inc., EDGE Dairy Farmer Cooperative, and Farm & Forest Growers Cooperative provided project updates, sharing successes and ongoing challenges. Topics included farmer recruitment goals and strategies, difficulties of data management and reporting, and plans for establishing market relationships.
3. Discussion of carbon accounting principles for supply chain companies, addressing complexities in corporate GHG accounting, challenges of long-term carbon intensity score measurement and differentiating scope emissions across the supply chain.

4. Participants learned about other drivers of landscape change including low carbon fuel initiatives and carbon markets, from Gevo Inc. and Cargill, in addition to programs on the federal level through NRCS, and the state level through MDA's Soil Health Financial Assistance Program.

Takeaways

A key takeaway was the importance of leveraging the pre-competitive nature of this network to drive collaborative efforts in this era of innovation and learning. The following themes and topics were identified as areas in need of further investigation and will be in future agendas for the working group's meetings:

- Capacity building
 - Who is delivering the message of conservation to farmers?
 - Utilizing local cooperatives, ag retailers, and NRCS/SWCD partners
 - Efforts to promote CSA through farmer-retailer relationships
 - Hands-on is key
- Role of the Producer
 - Ease of enrollment, contract lengths/obligations (Balancing requirements with practical considerations for farmers, dynamic)
 - Data collection
 - Need to input/upload data
 - Who takes the lead?
- How to work with the full value chain
 - Are buyers actually interested in this?
 - The work to build a marketplace to pay for practices
 - Once the grants run out, what is the appetite for price premiums?
- Permanence Problem
 - Long term systematic changes - how to reckon that with an aging farm population
 - Outcome-based incentives
 - Focus on market incentives first
- Minnesota is uniquely positioned to capitalize on opportunities (IRA, PCSC, other federal programs)
 - MN culture of conservation across different working lands
 - How to secure more flexible funds for the state

Next Steps

The Minnesota Working Group will next convene in the summer of 2024, and may have opportunities for virtual learning calls in the spring. Thank you to all those who participated in this working group. More information about this working group can be found on MFU's [Climate and Working Lands website](#). For all questions and comments please contact Ariel Kagan, Climate and Working Lands Program Director, at ariel@mfu.org.