



SUSTAINABLE AGRICULTURE COALITION

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Farmers Market Promotion Program (FMPP) Notice of Funds Availability (NOFA) March 14, 2006

Summary

The US Department of Agriculture's Agricultural Marketing Service (AMS) has announced the availability of approximately \$1 million in competitive grant funds for Fiscal Year 2006 to increase domestic consumption of agricultural commodities by expanding direct producer-to-consumer marketing opportunities.

Examples of direct producer-to-consumer market opportunities include new farmers markets, roadside stands, community supported agriculture programs, internet and mail order sales, and other direct producer to consumer marketing ventures.

AMS is accepting applications from the following entities: 1) agricultural cooperatives, 2) corporations, 3) nonprofit corporations, 4) public benefit corporations, 5) economic development corporations, 6) regional farmer's market authorities, and 7) tribal governments. For FY 2006,

AMS is *not* accepting applications from *individual* agricultural producers, including individual farmers and farmers' market vendors, roadside stand operators, CSA participants and other individual direct marketers. Eligible entities must apply for funds for direct marketing ventures that include *two or more* farmers that sell through a common distribution channel.

Grants may be used to support innovative approaches to direct marketing operations and management, improving marketing and financial information, and consumer education and market access.

The maximum award grant is \$75,000.

Dates & Addresses

Applications are due by May 1, 2006 (must be postmarked 5/1/06). Proposals and other required materials should be submitted to:

Errol R. Bragg, Associate Deputy Administrator
Marketing Services Branch, Transportation and Marketing Programs
Agricultural Marketing Service (AMS), USDA
Room 2646-S; STOP 0269
1400 Independence Ave., SW
Washington, D.C. 20250
Voice: (202) 720-8317; Fax: (202) 690-0031; USDAFMPP@usda.gov

Guidelines for FMPP Grants

Information about the guidelines for the FMPP grants as well as a link to the Federal Register notice is available from AMS at www.ams.usda.gov/farmersmarkets/FMPP/FMPPInfo.htm. Information is also available by calling (202) 720-8317.

Background Information

Direct marketing activities have grown tremendously in recent years. AMS estimates that there are nearly 3,700 farmers markets currently operating in the US, more than double the number of markets that existed in 1994. CSA's have expanded from 60 operations nationwide in 1990 to more than 1,000 operations in 2005.

The Farm-To-Consumer Act of 1976 directs USDA to encourage direct marketing of agricultural commodities from farmers to consumers. The AMS has been involved for more than a decade in assisting and facilitating farmer and vendor participation in direct farm marketing via farmers markets, community-supported agriculture programs, roadside stands, and other direct marketing ventures.

The 1976 Act was amended by Section 10605 of the 2002 Farm Bill to authorize a Farmers Market Nutrition Program to establish, expand, improve, and promote farmers' markets, roadside stands, community-supported agriculture, and other direct producer-to-consumer market opportunities. Funds may be used for a wide variety of purposes ranging from feasibility studies to advertising to on-site improvements, but may not be used for the purchase, construction, or repair of buildings and structures.

The ideas behind the program were conceived by the Sustainable Agriculture Coalition (SAC) and the Henry A. Wallace Center for Agricultural and Environmental Policy and pushed in the 2002 farm bill debate by SAC. The new program was championed in the Farm Bill by Senator Tom Harkin (D-IA). The ideas behind the program were to address concerns related to increasing the profitability and viability of small and mid-sized farms, improving consumer access to quality food, and supporting local food systems. It emerged in part from conversations with AMS staff and with practitioners around the country which indicated a strong interest and need for adding a federal financial assistance to the limited funding AMS already has available for technical assistance for alternative markets.

In 2005, Congress for the first time appropriated funds for the new program. Representative Marcy Kaptur (D-OH) led the campaign within Congress to provide funding, backed by a large coalition of groups including SAC.

Congress is currently beginning consideration of the agricultural appropriations bill for Fiscal Year 2007. Later this spring, the House and Senate will develop their respective funding bills, with a goal of passing the final bill in the fall, prior to leaving town for the elections. SAC and other advocates are urging Congress to increase funding for the FMPP to \$4 million for 2007.