

# RMA-AMS Harmonized GAP Assistance Q&A

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## **What is RMA-AMS Harmonized GAP Assistance?**

RMA-AMS Harmonized GAP Assistance is a joint effort by USDA Risk Management Agency (RMA) and USDA Agricultural Marketing Service (AMS) to increase market access for fruit and vegetable producers by helping them pay for buyer-required food safety certifications. Under the program, USDA will cover the costs of voluntary USDA Harmonized GAP and Harmonized GAP Plus+ audits. These audits verify that fruits and vegetables are produced, packed, handled and stored in the safest manner possible to minimize risks of food safety hazards. A food safety audit mitigates financial risk by diversifying the types of markets that are open to the farm.

## **What producers are eligible to receive assistance through this program?**

Under the Federal Crop Insurance Act, Congress authorized Agricultural Management Assistance funds to provide financial assistance for conservation and financial risk mitigation to producers in the following states: Connecticut, Delaware, Hawaii, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, **Vermont**, West Virginia and Wyoming.

This opportunity is limited to produce growers. It cannot be used by owners of storage/transportation facilities, cross dock facilities, wholesale distribution centers, or commercial packing/repacking operations. However, producer-owned ventures such as producer cooperatives and food hubs, where the producers are the owners of the entity, are exceptions and will be eligible to receive this assistance.

## **How do producers qualify?**

This funding opportunity is designed to provide assistance to producers who plan to use a Harmonized GAP audit as part of their marketing plan to diversify marketing options and reduce their financial risk. If you are seeking a Harmonized GAP or Harmonized GAP Plus+ audit as part of your marketing or market access plan, then this program is for you! AMS will not require a written marketing plan but will ask whether this audit is part of your marketing plan.

## **How will producers receive the funds?**

AMS will provide credits to producers in these states on their USDA Harmonized GAP and USDA Harmonized GAP Plus+ audit starting on Jan. 2, 2019. Producers in eligible states will request audits and obtain audits by contacting their state or federal Specialty Crops Inspection Service office. Once the audit is finalized, USDA will generate a bill to the auditee which summarizes the cost breakdown of the audit, and then showing a credit for that same amount. A note will be added to the bill stating, "Cost of your 2019 USDA Harmonized GAP Audit covered by a bill credit made possible through a grant from the USDA Risk Management Agency Agricultural Management Assistance Program." Auditees in states

where the state provides the audit would normally receive a bill from the state, but during the time this financial assistance is available, they will NOT receive a bill from the state, but only the one from USDA.

### **What will the funds cover?**

The GAP Assistance Program will provide credits to producers for up to 100 percent of their audit fees for the Harmonized GAP or Harmonized GAP Plus+ audits, including auditor travel time and state or federal administrative expenses. The GAP Assistance Program fees may NOT be used to cover farm investments in time or equipment to meet the standard, nor for training and outreach or other activities not directly associated with conducting and completing the audit.

### **When will the assistance begin?**

AMS will begin providing credits to producers in eligible states on their USDA Harmonized GAP and USDA Harmonized GAP Plus+ audit bills starting on Jan. 2, 2019.

### **How long will these funds be available?**

The \$3.7 million is a one-time commitment of funds, available until funds are expended. Based on past usage, AMS is confident that we can offer 100 percent credits for producers receiving audits in 2019. Financial assistance for future years will be determined based on funds remaining and may involve a lower percentage of bill credits or changes in eligibility. Once the funds are expended, the program will no longer be available.

### **What if I already get a GAP cost-share from my state?**

States eligible for AMA funding that use USDA Specialty Crop Block Grants to offer GAP cost share programs may submit a request to USDA Agricultural Marketing Service to use those funds for another eligible purpose. AMA-eligible states may not continue to offer a cost share option for Harmonized GAP and Harmonized GAP Plus+ during the period in which AMS and RMA are offering this financial assistance. For specific questions regarding GAP cost share from your state, contact your state department of agriculture contact.

### **How will the states that conduct the audits get paid?**

For the states covered by this program for which the state department of agriculture conducts USDA GAP audits, the state will NOT bill the producer for their Harmonized GAP or Harmonized GAP Plus+ audits. Instead, states will request reimbursement from USDA-AMS on a monthly basis using the AD-270 form. States that have not already done so will need to submit the “*AMS Domestic EFT Vendor Enrollment Form*” in order to set up an account allowing for electronic fund transfer reimbursement.

### **Why are RMA and AMS offering this program?**

RMA-AMS Harmonized GAP Assistance is a joint effort by USDA Risk Management Agency (RMA) and USDA Agricultural Marketing Service (AMS) to enhance market access for fruit and vegetable producers by defraying costs of undergoing voluntary USDA Harmonized Good Agricultural Practices (GAP) audits. A food safety audit is an important aspect of any farm marketing plan and will mitigate financial risk by expanding the number of market options available to the farm.

### **Why is the program focused on Harmonized GAP and Harmonized GAP Plus+ audits?**

These are the two most comprehensive audits USDA offers. Both audits are aligned with the technical provisions in FDA's Food Safety Modernization Act (FSMA) Produce Safety Rule, meet the requirements for the Produce GAP Harmonization Initiative and demonstrate adherence to industry and FDA best practices. The USDA Harmonized GAP Plus+ audit additionally meets buyer requirements for Global Food Safety Initiative (GFSI) audits. One audit can meet a number of marketing needs for producers.

### **Why is the program focused on these 16 states?**

Under the Agricultural Management Assistance Act (AMA), Congress authorized funds to provide financial assistance for conservation and financial risk mitigation to producers in the following states: Connecticut, Delaware, Hawaii, Maine, Maryland, Massachusetts, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia and Wyoming. The AMA funding may be provided only for farms located in these states.

### **Can this program assist producers using GroupGAP?**

These funds may be used in the eligible states for producers using the USDA GroupGAP Certification Program for Harmonized GAP and Harmonized GAP Plus+ audits to improve their marketing options. GroupGAP makes food safety certification accessible for small and middle-sized producers by allowing farmers, food hubs, and other marketing organizations to work together to undergo GAP certification as a group. This allows group members to pool resources to implement food safety training programs and share the costs associated with certification.

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