

# **FQPA/Strategic Agricultural Initiative Program Grants EPA Region 5/American Farmland Trust 2002 Request for Proposals**

## **Summary**

U.S. Environmental Protection Agency (EPA) Region 5 is initiating a small-grant program in 2002 to help implement the Food Quality Protection Act (FQPA) and support “transition” efforts by growers. The program supports innovative efforts that enable growers to reduce their reliance on pesticides targeted for removal under FQPA while maintaining or enhancing their present income. The program will be administered by the American Farmland Trust’s Center for Agriculture in the Environment (AFT/CAE) through a cooperative agreement with EPA. Successful projects will demonstrate and/or apply reduced-risk alternatives and ecologically based integrated approaches to pest management of minor crops. Projects should focus on results or actual on-the-ground changes, rather than activities. Each award will be up to \$50,000. A total of \$212,000 is available for funding this year. Proposals are due November 30, 2002. Decisions will be made in January 2002. The award will be available March 2003 and funding can be used for up to two years after the award date.

## **Introduction and Purpose**

The FQPA, passed by Congress in 1996, establishes health-based standards for pesticide residues in raw and processed food. It is intended to protect public health and encourage the development and adoption of lower risk, effective crop protection tools for U.S. agriculture. The EPA, along with the U.S. Department of Agriculture (USDA), is working on efforts to help implement FQPA.

To help accomplish these goals, EPA has established regional programs for FQPA implementation and “transition.” “Transition” is interpreted as a positive opportunity to reduce the health and environmental risk posed by some pesticides and move toward the widespread implementation of Integrated Pest Management (IPM). The goal of EPA’s Strategic Agricultural Initiative is to facilitate transition by increasing the supply and dissemination of IPM knowledge and by enhancing collaborations among stakeholders. Transition strategies for minor crops are the main focus of the Initiative, as minor crops are likely to be most impacted by changes in pesticide availability due to the FQPA.

The grant program encourages “systems” approaches that integrate pest, soil, water, and crop management practices. Projects must focus on actual results, getting information and practices into the hands of growers who apply them to shift away from FQPA-targeted pesticides to other methods of pest control. For example, instead of holding a workshop and reporting on how many people attended, grantees should focus instead on what happened as a result of the workshop - - how many people in attendance applied what they learned, and did the practices learned work for them. Although some research and development activities may be justified, we are looking for projects that result in successful implementation.

## **Eligibility**

This grant opportunity will be open to non-profit organizations, including commodity groups/associations and farmers' groups, extension and university programs, state and federal government agencies, and tribes.

Preference will be given to those projects that involve cooperation among diverse organizations and involve farmers as active participants and decision-makers. Projects with leveraged funding sources (in-kind contributions, commodity-based matching, other sources) will be considered favorably. The projects must be located within EPA Region 5, which includes the states of Illinois, Indiana, Michigan, Minnesota, Ohio and/or Wisconsin.

## **Criteria for Selection**

Successful applicants will most likely use innovative and collaborative means for education, demonstration or technology transfer in order to change the behavior of their grower customers. The following considerations should be included in each proposal:

Risk management: Reducing the risk of economic infestations of pests: the Strategic Agricultural Initiative will support projects that promote effective alternative solutions to pest problems and/or protect and enhance environmental quality.

Importance and Value: Projects should identify potential benefits to the customer being served. Potential issues to be considered include a lack of pest management alternatives; pest severity; the potential for beneficial impacts of the project; and the area or units that will increase IPM use as a result of the project.

Feasibility and Cost/Benefit: It is important to focus on projects that have a high probability for implementation in the customers targeted by the proposal. Proposals with interdisciplinary application across crop, geographic, or other boundaries are encouraged. Important considerations include economic situation, including value, size and importance of the market; key barriers to implementation of IPM; and cost/benefit analysis of implementing potential outcomes.

Integration: The goal is to support development of comprehensive pest management systems that can be delivered to customers. Development of an integrated approach in addressing pest problems is essential for reducing the current reliance on high-risk control methods. Attention should be given to the involvement of relevant disciplines, including social science and agricultural economics, as appropriate. Project leaders of successful proposals will be required to report the results of their projects to AFT and EPA, who in turn will share the findings with a broader audience.

Since successful projects will be those focused on outcomes, we recommend that you use an Outcome Funding framework developed by The Innovation Group of The Rensselaerville Institute. We've developed a workbook to help you do this (see attached document). This framework will help you think about who your customers are, what

kinds of changes you seek in their behavior, what you can offer to these customers to persuade them to change their behavior and how you can track their progress to make sure they are indeed changing their behavior. The changes in customer behavior we seek should include either one or both of the following general objectives:

- Significantly reducing or eliminating the use of organophosphate, carbamate and carcinogenic pesticides identified in the Food Quality Protection Act (FQPA)
- Successful adoption of reduced-risk alternatives and/or ecologically based IPM on a significant number of acres under commercial production.

To achieve these goals, grant recipients may:

- Introduce new pest management tactics and systems, delivering these systems to appropriate clientele/users through IPM education and training programs;
- Enhance outreach efforts that support the wide-scale implementation of IPM methods, including but not limited to the creation of internet sites and/or publication of bulletins, newsletters, or field guides;
- Maximize opportunities to build strategic alliances with industry and user groups to expand their active participation in increasing the adoption of IPM methods;
- And/or utilize other appropriate, creative methods to influence and change the behavior of minor crop growers.

Proposals should clearly demonstrate interdisciplinary and multi-functional involvement.

### **Funding and Project Duration**

Each award will be up to \$50,000. Five or more awards will be made, depending on size of grant. The award will be available March 2003 and funding can be used for up to two years after the award date.

Provide an annual budget for each year of the proposed budget, and a summary budget for the total project. American Farmland Trust allows only direct costs.

### **Application Process and Format**

The proposal should be limited to eight pages, single-spaced 12-point font. It should follow the format outlined in the outcome funding workbook and include:

1. A brief description of your market and customers.
2. Your performance targets (one or two performance targets will suffice).
3. Your product (what you are offering customers to help them to change their behavior).
4. Milestones (the interim behaviors of your customers that define their progress).
5. Key individuals and organizations.
6. Verifications (showing that your performance targets have been achieved).
7. Budget (only direct expenses are allowed).
8. Customer evidence (names and contact information of two growers who have expressed a strong interest in participating in your program).

**Reporting**

The selected grant recipients will be asked to complete a concise progress report halfway through the grant period, and a final report upon completion. We will provide a short form at the beginning of your project that will make reporting easier.

**Submission of Grant Proposals**

The proposals must be postmarked by November 30, 2002. The proposals should be sent to:

Ann Sorensen  
FQPA Program Grants  
AFT Center for Agriculture in the Environment  
P. O. Box 987  
DeKalb, Illinois 60115

Applications must include a hard copy and also an electronic version on a floppy disk, in Word Perfect or MS Word.

Proposals will be reviewed and ranked by a panel of experts and decisions will be made by February 1, 2003. Applicants will be notified immediately and be asked to fill out additional forms in order to finalize the grant procedure.

For further information, please contact either:

Bryan Petrucci  
815-753-9351 (*bpetrucci@niu.edu*)

or

Ann Sorensen  
815-753-9349 (*asorensen@niu.edu*).



# *American Farmland Trust*

## **Small Grants to support FQPA Implementation and Transition Application/Program Plan Workbook**

### **Introduction**

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Through a grant program made possible by a cooperative agreement from the U.S. Environmental Protection Agency, American Farmland Trust’s Center for Agriculture in the Environment is shifting to an outcome funding framework. This takes us from being a “funder” to being investors, which means that we are looking for results as a return on our investment in your projects.

Our desired return on investment for FQPA implementation and transition projects is to either 1) have growers significantly reduce or eliminate the use of organophosphate, carbamate and carcinogenic pesticides identified in the Food Quality Protection Act (FQPA) or 2) have reduced-risk alternatives and/or ecologically based IPM successfully adopted on a significant number of acres under commercial production.

Outcome funding focuses on results — the actual on-the-ground changes — rather than on activities. For example, from an outcome perspective, it does not necessarily matter how many workshops (activities) were held or how many people attended. More important is what happened as a result of holding a workshop — how many people used what they learned and did it work for them.

The following sections will guide you through the process of developing a program plan. This program plan helps us better understand your project, allowing us to make a wise investment rather than simply “grade” your proposal.

A glossary of terms is provided at the end for your reference.

## The Program Plan

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### 1. MARKET & CUSTOMERS

In a traditional funding approach, the applicant is asked to detail “need.” As investors, we are not funding need, but rather the response to that need. Most effective programs believe their approach is better suited to some potential customers than others. How well you understand your “customers” is far more helpful to you, and to us, than whether you can provide statistics about overall need.

Your **market** describes all potential customers for your program (for example, all potato grower in Idaho or all peppermint growers in Oregon). Your **customers** are the people who will be directly interacting with your services (for example, 15 growers representing 40 percent of the acreage). The importance of regarding people who interact with your services as customers is its implication of choice. Outcome thinking stresses that program success depends on people consciously deciding to seek and use your services. All people have a choice as to whether they use a program to achieve some gain.

*In your program plan under Section 1: Market & Customers, please write a description of your market, including the number of potential customers, the amount of acreage involved, geographic location, importance of the commodity (economic and social, if appropriate), key players and institutions. Also, provide a brief description of a typical customer — what commodities they grow, how much acreage they have in production, typical production behaviors/practices, etc. Knowing exactly who your customers are increases your ability to achieve success in changing behavior.*

### 2. PERFORMANCE TARGETS

Performance targets are those changes in customer behavior that define success. They are commitments (as opposed to goals, which are usually intentions), and they refer to what will be achieved (as opposed to objectives, which usually refer to what will be done). They must be tangible, verifiable and within the realm of possibility for you to influence.

Focusing on results allows you greater flexibility in the implementation of your program. Traditional project proposals lock you into a specific work plan or activities, leaving results to fall where they may. In an outcome framework, you have the ability to change and adapt your program to achieve the stated targets.

A strong performance target integrates four elements:

1. The behavior(s) you seek to change (*e.g., using organophosphates to control a particular pest; using a calendar spray schedule instead of monitoring; not following recommended application rates; etc.*);
2. The current level of this behavior (*e.g., 85 percent of the growers use chemical X; 92 percent do not monitor, etc. If exact figures are not available, use your best estimate*);
3. The degree of change being sought (*e.g., 10 percent reduction in toxic loading; 50 percent increase in time spent monitoring, reduction in number of applications from eight to three, etc.*);
4. The number of customers projected to achieve the desired outcome (*this can also be expressed in terms of acreage*).

Putting these four elements together presents the performance target in a succinct form: “Of the 75 growers who presently do not monitor their fields for pests or beneficials, 15 percent will

consistently monitor their fields throughout the entire growing season.” or: “Of the 220 growers using organophosphate X, 20 percent will eliminate or reduce their use of this chemical.”

***In your program plan under Section 2: Performance Targets please use the four elements above to develop your performance target(s). We strongly recommend that you keep these targets to a minimum — one or two targets.***

### 3. THE PRODUCT

The product is a program, or service(s), with specific core features offered to your customers. Use of the term “product” is deliberate because you should be describing your program in terms of benefit or value to a customer rather than in inputs or activities that you will do. Traditionally, people who provide programs focus on service delivery. Thinking of these services as a “product” with core features and benefits should help you be clearer on what you’re really offering and how and why customers will choose to use it. For example, in selecting whether to buy a truck or a car, it should be the right vehicle for your customers. In the same way, it is important to know whether field days or newsletters are the best way to get to your targets.

**Core features** are those design aspects of your program central to its working. These features often cover:

- **Intensity/duration** — How often does the customer interact with your product and for how long? Is there a limit to how long a customer can be engaged? Is there a minimum time of engagement for your product to be effective?
- **Essential elements** — What is it about your product that must always be present or is most critical to its success with customers? What is your “core technology?”
- **Comparative advantages** — What sets your product apart from others trying to accomplish the same thing?
- **Delivery strategy** — How do you get your customers, and once you have them, how do you keep them long enough to succeed with them?

An example of a monitoring program:

- **Intensity/duration**—The monitoring program runs an entire growing season, from pre-planting to harvesting. Field days are held twice during the season, and one-on-one training with growers and managers occurs monthly.
- **Essential elements**—The use of a contract to gain commitment from customers (program participants); field days held at a respected grower’s farm; establishing a helping and friendly relationship; monthly newsletters, pest identification guide, and web site for information.
- **Comparative advantage**—One-on-one training in the field with pest identification guide and building a trusting relationship are critical.
- **Delivery strategy**—Actively engaging customers in field days, involving crop consultants and industry representatives will help solidify support for monitoring practices.

***In Section 3: The Product, please describe the core features of your program using the above outline as a guide. Do not hesitate to be creative here. Your ability to design a program that will help your customers achieve success is dependent on your ability to be creative.***

### 4. MILESTONES

Milestones are the interim behaviors that define customer progress. Effective programs and their investors need a way to “track” progress to ensure that the program is on course to reach the performance target. They also need a way to make course corrections if they find they are off-

track. The milestones focus on the number of customers completing critical incremental behavior changes.

In thinking about your product, it's logical to do so in a step-wise fashion, outlining what you must do to reach, engage, serve and help customers. But this is only half the story. Each product step is intended to lead to a customer behavior. This might range from reading a newsletter to calling to make an appointment with a project coordinator for one-on-one training. By lining up your product steps with the anticipated customer behaviors, a clear picture of the project emerges.

These "customer behaviors" are the basis for customer milestones, and will be highly important since they give an early indication of whether a project is on course to reach its performance target. They will form a chronological progression of behaviors critical to the eventual achievement of the performance target.

An example:

<i>Product Steps (what you do)</i>	<i>Customer Behaviors (what your customers do in response)</i>
1. Mail newsletter	1. Call for more information
2. Field days to demonstrate monitoring, record keeping and using thresholds for spraying.	2. Try it on their own fields, keep records and spray according to thresholds.
3. Develop pocket-guide to pest identification	3. Use the guide to record pest levels.
4. One-on-one training in the field.	4. Refine/improve monitoring procedures.
	<b>Performance target:</b> use monitoring to reduce number of applications.

The above example is very rough, but should give you a good idea. While we recommend only having one or two performance targets, the number of milestones should be high. This gives you more opportunities to verify you are on the right track and to make adjustments as necessary.

The next step in developing your milestones is to estimate the number of customers who will make it through each step and provide a reasonable timeline for this to happen.

<i>Milestone</i>	<i>Number of Customers</i>	<i>Timeline</i>
1. Call for more information	30	September-November 2000
2. Try it on their own fields, keep records and spray according to thresholds.	15	December 2000-March 2001
3. Use the guide to record pest levels.	13	December 2000-May 2001
4. Refine/improve monitoring procedures.	12	April-July 2001
<b>Use monitoring to reduce number of applications.</b>	<b>10</b>	<b>August 2001</b>

*In Section 4: Milestones of your program plan please outline the milestones you will use to track your progress. Use the table format that includes number of customers and timeline.*



**5. KEY INDIVIDUALS AND ORGANIZATIONS**

In any program, success is directly related to the energy, capability, stamina and skill of those who implement it. The outcome funding perspective emphasizes this understanding — it is the people who make projects work, not plans or even money.

*In Section 5: Individuals and Organizations, please list by name and function, which will have primary responsibility for program implementation and achieving performance targets. Please specify how their strengths are complementary and not redundant. Also, list critical resources that key individuals (or groups) will contribute.*

**6. VERIFICATIONS**

In most cases, what makes a target verifiable is the ability to see that customers have changed their behavior. You need to be specific about the evidence you need to collect to show that the target has been achieved. This should be done for milestones as well. Once you’ve created your targets and milestones, you need to think through what evidence you’ll need to verify achievement (i.e., the documentation or testimony that illustrates you’ve been successful in changing customer behavior). While your targets and milestones may be very specific, the range of evidence you could collect to verify success may vary.

An example:

<i>Milestones and Target</i>	<i>Verifications</i>
1. Call for more information	Telephone log book
2. Try it on their own fields, keep records and spray according to thresholds.	Interviews, survey and/or field observations
3. Use the guide to record pest levels.	Interviews, survey and/or field observations
4. Refine/improve monitoring procedures.	Interviews, survey and/or field observations
<b>Use monitoring to reduce number of applications.</b>	Interviews/survey and pesticide use records.

*In Section 6: Verifications please outline the verifications you intend to use for your milestones and targets.*

**7. BUDGET**

In outcome funding, budgets are usually translated to financial projections, (i.e., how much it will cost per customer to achieve the performance target). At this time, however, we are limited with our ability to track expenditures in this way. Therefore, please provide a standard line item budget for your project. It will be most helpful if you can provide this in terms of milestones and targets, but this is not required.

**8. CUSTOMER EVIDENCE**

Please provide the names and contact information of two growers who have expressed a strong interest in participating in your program. We will be contacting these growers to get a better understanding of your project and performance targets from your customers’ perspective.

## Glossary of Outcome Funding Terms

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**Baseline:** The condition against which a program’s performance target is compared. The baseline is usually either a pre-existing condition or a projection of what would have happened without a given project or service intervention.

**Customer:** Customers are people who directly interact with an organization’s product and its implementors. This interaction is intended to result in a change in customer behavior or condition in line with organizational outcomes and mission.

**Investment criteria:** These are the guidelines used to make investments. They focus on understanding what is to be achieved, the probability it will happen and the degree to which an investment opportunity represents the best possible use of resources. Investment criteria are very different from the traditional “review process” which focuses on the adequacy of a proposal and its conformance with requirements.

**Investor:** The person or entity allocating resources to achieve a specific set of outcomes. Monies and other resources are invested in implementors who commit to achieve a performance target directly linked to the investor’s outcome. The investor’s responsibility includes defining the outcome statements and performance target areas that connect to those outcomes.

**Market:** That set of people who could benefit from an organization’s products, programs or services.

**Milestone:** A critical point that customers must reach to ensure that a project is on course to achieving its performance target.

**Outcome:** The result that the investor seeks (generally an end state) to which all performance targets must contribute. Outcomes are specific states or conditions that can be understood to be caused or at least influenced by the achievement of performance targets.

**Outcome Funding®:** The methodology developed by The Innovation Group of The Rensselaerville Institute to enable investors and those in whom they invest to define and achieve results.

**Performance Target:** The specific result that an implementor seeking investment will commit to achieve. It is tangible in the sense that it can be verified and narrow enough to be directly achieved by the implementor. It almost always represents a change in behavior for the customer of a program.

**Product:** A program or service with specific core features that is offered to a customer. In Target Planning, a product is described in terms of benefit or value to a customer.

**Product Step:** Those actions taken by the implementing organization to meet milestones and, in turn, performance targets. Taken together, the product steps (including the strategy to deliver them) make up the product.

**Performance Target Outline:** A plan prepared by an individual or entity seeking investment. The outline focuses on what is being bought (the *Performance Target*) and the chance that it will be delivered (the *Product* and the *People* who deliver it).

**Verification:** Establishing that something represented to happen does in fact take place. Verification in Outcome Funding replaces measuring. It is kept as simple as possible and looks more to answer the question yes or no than to measure small differences. Verification typically focuses on milestone and performance target accomplishments.