

The U.S. Department of Agriculture (USDA) has announced details on the US\$2.1 billion it will provide in direct payments to specialty crops producers due to losses related to the Covid-19 pandemic.

It says the payments will be based on losses where prices and market supply chains have been impacted and will help producers facing additional adjustment and marketing costs resulting from lost demand and short-term oversupply for the 2020 marketing year.

Producers that fall into one of the following categories may be eligible to receive a direct payment:

- **Sales with a price loss of 5% or more between January 15 and April 15, 2020.** Almonds, artichokes, beans, broccoli, cabbage, carrots, cauliflower, sweet corn, cucumbers, eggplant, lemons, iceberg and Romaine lettuce, dry onions, peaches, pears, pecans, bell and other types of peppers, rhubarb, spinach, squash, strawberries and tomatoes are eligible.
- **Shipments that left the farm by April 15 and spoiled due to no market or for which no payment was received.** All specialty crops are eligible.
- **Shipments that have not left farm or mature crops that remained unharvested by April 15.** All specialty crops are eligible.

Beginning on May 26, 2020, producers of all eligible commodities may apply for assistance through their local USDA Farm Service Agency Service Center. Producers can locate their service center and find application forms and additional information at [farmers.gov/cfap](https://farmers.gov/cfap).

## Specialty crop industry reaction

The leaders of a national coalition of organizations representing specialty crop producers reacted to the details of the USDA's direct payment program for farmers and ranchers impacted by Covid-19.

Tom Stenzel, president & CEO of United Fresh Produce Association, said: "We applaud the announcement of a direct payment program for fruit and vegetable growers.

"That being said, we understand the resource and policy constraints that have been placed on USDA and the Administration and will work closely with Congress on implementing a stronger and more effective program in the next round of discussion with Capitol Hill.

"It is essential that USDA and Congress focus on programs that target resources for

growers, grower-shippers, and others in the produce distribution supply chain that had direct job losses and immediate financial impact from government mandated closures.”

Kam Quarles, CEO of the National Potato Council said: "Given the scope of this crisis, we knew the initial funding would be insufficient to meet the need of family farms.

"Based upon the limited resources announced today under this direct payment program, the potato industry is strongly urging Congress to act rapidly to provide more resources and flexibility to fill this huge gap and maintain producers' livelihoods."

Dave Puglia, president & CEO of Western Growers, said: "The Administration is doing what it can to help as many farmers as possible from a limited source of relief funds. The tough part of this is that even with the increased cap on relief payments to individual farmers, the actual losses are far greater for many.

"By way of example, the average sized lettuce farm in the West is 250 acres and requires about \$5,000 per acre to grow the crop. The relief payment cap means the farmer who lost the entire crop when the food service industry was closed will have no relief for all but 50 acres of that loss.

"We appreciate all the Administration has already done, especially on regulatory and administrative challenges, to keep our industry operating through the crisis. I urge the President and Secretary Perdue to closely monitor the full scope of economic damage done to fresh produce growers and other farmers and ranchers, and to work with Congress to close the gap in future COVID-19 relief efforts."