



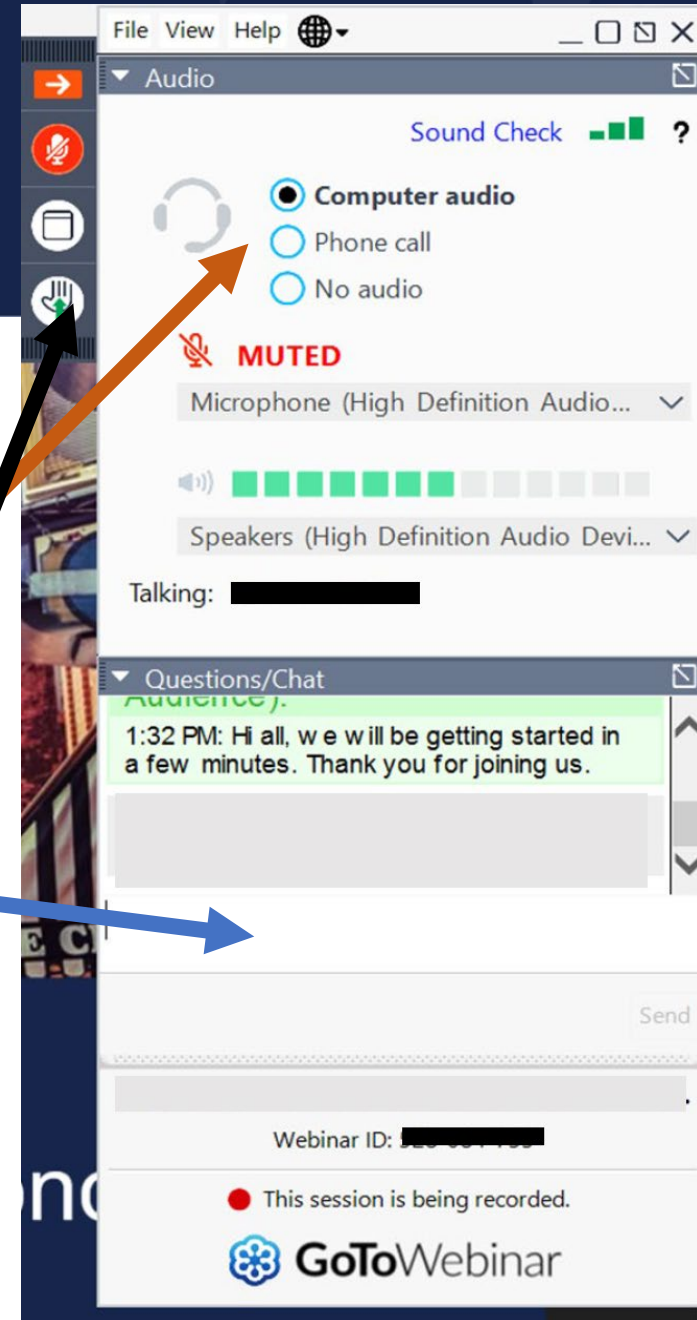
Fertilizer Production Expansion Program (FPEP) Grant *Program Overview*

October 4, 2022

Welcome

Attendees:

- You are joined with computer Audio by default
- **You can change to Phone if needed: Check this button**
- **You can submit comments via the Questions/Chat section**
- **If you prefer to provide comments verbally, you can be unmuted by the moderator, please raise your hand and then wait to speak when prompted by name.**





Jimmy Dahman
Acting Chief of Staff

Welcome and opening remarks

Fertilizer Production Expansion Program

On Tuesday, 9/27, Secretary Tom Vilsack announced the upcoming availability of up to \$500 million in grants to increase American-made fertilizer and nutrient alternatives production.

USDA's **Fertilizer Production Expansion Program** is part of the Biden-Harris Administration's whole-of-government effort to promote competition in agricultural markets.

Grants will be used to expand the manufacturing and processing of fertilizer and nutrient alternatives in the U.S. and its territories in the support of independent, innovative and sustainable American fertilizer production to supply American farmers.

Agenda

- Program Overview
- How to Apply
- Questions
- Wrap up

FPEP Overview

What does this program do?

The Fertilizer Product Expansion Program (FPEP) provides grants to help eligible applicants increase or otherwise expand the manufacturing and processing of fertilizer and nutrient alternatives and their availability in the United States.





Available funding

Up to \$500 million in cost share grants is available to fund projects under this RFA.

What is the
maximum
grant
amount?

The maximum award
amount is \$100 million.



The minimum award
amount is \$1 million.

Who may apply for this program?

Entities are eligible regardless of legal structure and may include, but are not limited to:

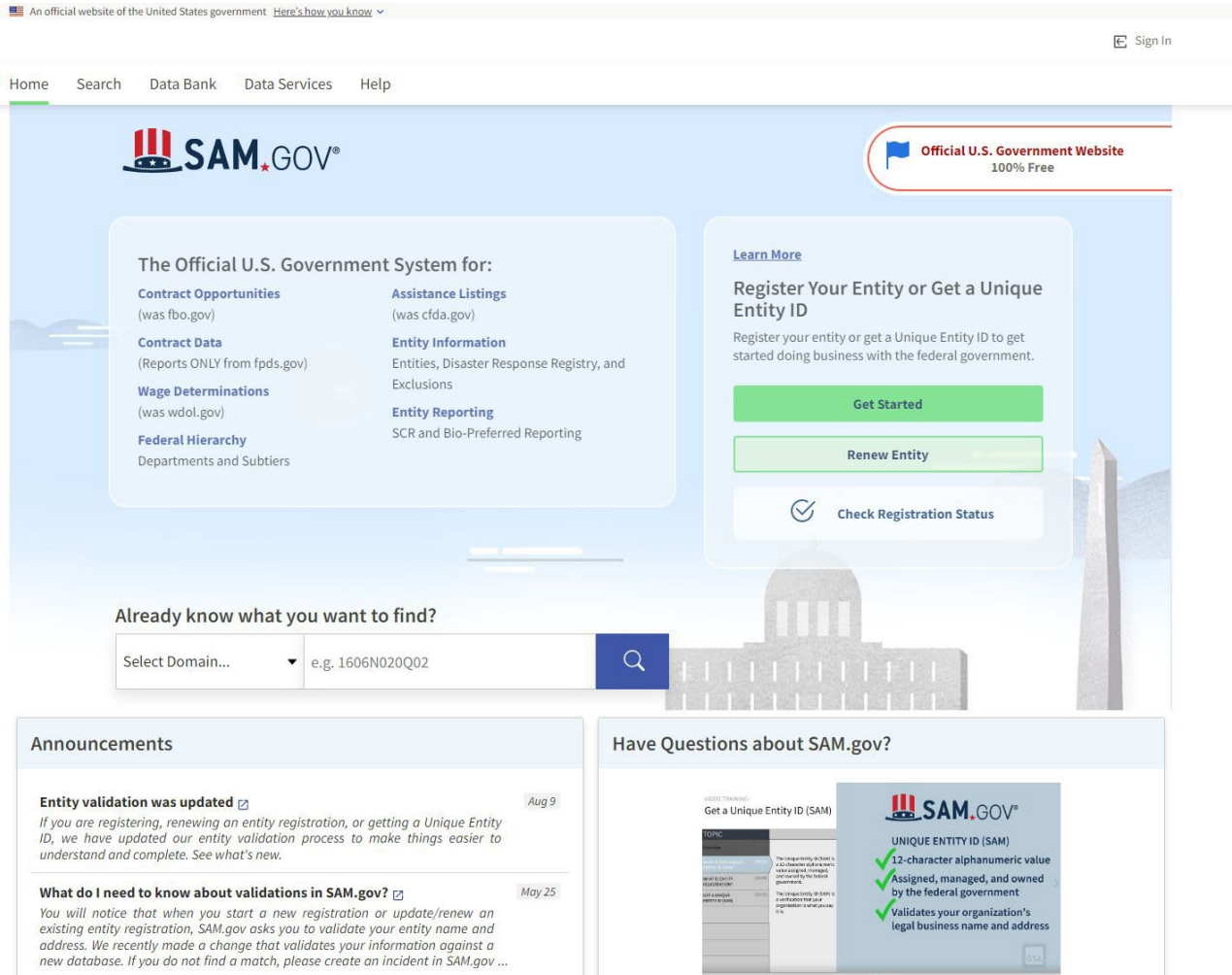
- Tribes and Tribal entities;
- For-profit entities and corporations;
- Non-profit entities, producer-owned cooperatives and corporations;
- Certified benefit corporations; and
- State or local government entities.

Private entities must be independently owned and operated.

Eligible applicants must:

- Operate within the U.S. or its territories;
- Manufacture or process or plan to manufacture or process in accordance with all Federal, State, Tribal and local regulations governing fertilizer and nutrient manufacturing, processing, storage, distribution, and waste management;
- Be registered in the System for Award Management (SAM) and maintain annual SAM registration while an application is active and through the term of an award.

SAM Registration



- Each applicant applying for FPEP grant funds must:
- (i) Register in the System for Award Management (SAM) before submitting an application;
 - (ii) Provide a valid unique entity identifier in the application;
 - (iii) Continue to maintain an active SAM registration with current information at all times while the Agency is considering an application or while a Federal grant award or loan is active; and
 - (iv) Complete the Financial Assistance General Certifications and Representations in SAM.

Eligible applicants must (continued):

Certify that they do not hold a market share greater than or equal to the top four manufacturers or processors or distributors as applicable in Nitrogen, or Phosphate, or Potash, or any combination of the three.

If manufacturing or processing or planning to manufacture or process other eligible nutrients (not listed above), no certification is required.



Market Share.

A company's **market share** is its production or distribution capacity measured as a percentage of an industry's total production or distribution capacity.

$$\text{Company Capacity} / \text{Market Capacity} * 100 = \text{Market Share.}$$

For purposes of the certification, both a global and domestic market share should be calculated and certified.

Proposals producing fertilizer alternatives should include the traditional capacity along with the alternative capacity in this calculation.

As an example, a proposal creating a nitrogen substitute would be compared with the entire capacity to produce nitrogen fertilizer and not just the subset of producers of substitutes.



How may funds be used?

Grant funds must be used for the purpose of increasing or otherwise expanding the manufacturing and processing of fertilizer and nutrient alternatives and their availability for the production of agricultural commodities in the United States.

Eligible use of grant funds

Grant funds may be used to expand processing capacity by supporting activities such as:

- Construction of a new facility or purchase of an existing facility;
- Pre-development costs -- engineering and other professional fees;
- Working capital to support expanded capacity or increased output;
- Modernizing or expanding an existing facility;



Eligible use of grant funds (continued)

- Purchasing or modernizing existing processing and manufacturing equipment;
- Installing equipment that improves processing, worker conditions, or safety;
- Modernizing or installing climate-smart equipment;
- Ensuring compliance -- packaging and labeling or occupational safety requirements;
- Work force recruitment, training, apprenticeships, etc. to ensure adequate staffing;
- Improving fertilizer and nutrient alternatives logistics (cannot be primary use of funds).

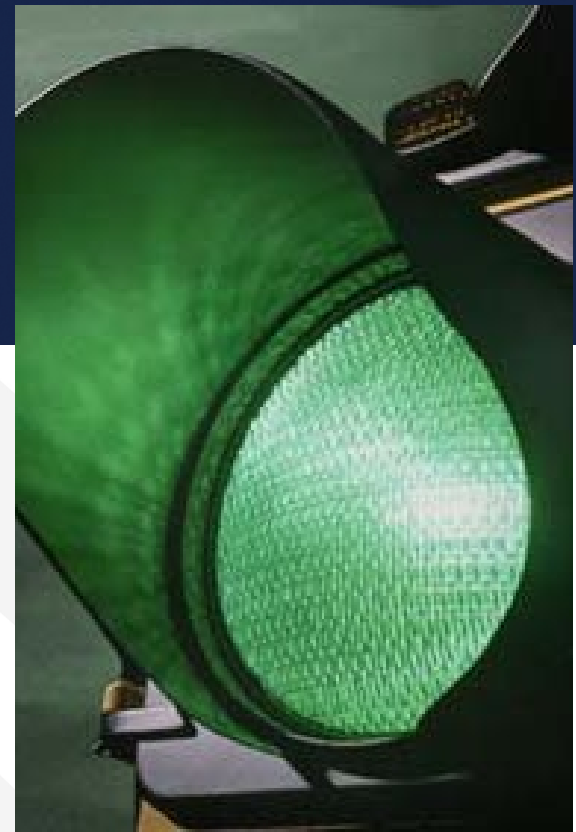


Eligible use of grant funds (continued)

FPEP grant funds may only support costs incurred during the period of award performance (Grant Period).

The period of performance starts when the Financial Assistance Agreement is executed.

The maximum period of performance is 60 months.



Ineligible uses of grant funds



- Research and development; or
- Manufacturing or processing of fertilizer and nutrient alternatives that are not commercially available and in use; or
- Logistics activities for which funding is available under other authorities,
 - such as, <https://www.usda.gov/climate-solutions/climate-smart-commodities>, and <https://www.epa.gov/innovation/next-gen-fertilizer-challenges>; or
- Site-specific (precision agriculture) applications of fertilizers, pesticides, irrigation, and herbicides, remote sensing, geographic information systems, and the Global Positioning System (GPS) <https://www.usda.gov/media/press-releases/2022/08/15/usda-announces-new-opportunities-improve-nutrient-management>.

What are some other requirements?

FPEP will support the production of agricultural commodities through the manufacturing and processing of fertilizer and nutrient alternatives that are:

- **Independent** and outside the dominant fertilizer suppliers;
- **Made in America** - produced within Tribal Lands or in the U.S. and its territories by entities operating within Tribal Lands or in the U.S. and its territories;
- **Innovative** – to improve upon fertilizer production methods and efficient-use technologies;
- **Sustainable** -- to reduce the greenhouse gas impacts of transportation, production, and use; and
- **Farmer-focused** - to make sure that additional capacity supported by USDA is dedicated to U.S. agricultural commodity production.

Cost sharing and matching fund requirements

Matching funds as a portion of total eligible project costs are required under FPEP.

Grant requests of less than \$5 million have a matching fund requirement of 40 percent of the total eligible project costs.

TEPC of \$5 M ==> \$3 M grant funds + \$ 2 M matching funds

Grant requests of \$5 million or greater (up to the maximum grant request of \$100 million) have a matching fund requirement of 75 percent of the total eligible project costs.

TEPC of \$100 M ==> \$25 M grant funds + \$ 75 M matching funds



Two application windows

USDA is particularly interested in supporting projects that are in the later stages of development, technically feasible, financially viable, and have already identified other sources of funding.

FPEP provides two application submission windows and two subsequent competitions. Electronic applications must be submitted to Grants.gov by 11:59 p.m. ET on:

- ❑ **November 14, 2022**, for applicants requesting financial assistance for eligible projects under the program. **Priority will be given to projects that increase the availability of fertilizer (nitrogen, or phosphate, or potash) and nutrient alternatives to agricultural producers for use in Crop Years 2023 or 2024**; and
- ❑ **December 29, 2022**, for applicants requesting financial assistance for eligible projects under the program, including those with a longer timeline for making additional capacity available.

Eligible applicants that are not selected for an award in the first competition following the **November 14, 2022**, window, will automatically be entered into the second competition.



How to Apply

What governs this program?

- FPEP is authorized by the CCC Charter Act, to assist agricultural producers through grants, loans, purchases, payments, and other operations, and makes available materials and facilities required in the production and marketing of agricultural commodities.
- FPEP will support the production of agricultural commodities by providing financial assistance to expand the manufacturing and processing of fertilizer and nutrient alternatives.



How do I apply?

Check the Request for Applications (RFA) posted **September 30, 2022**, at <https://www.grants.gov/>.

Assistance Listing Number: 10.383

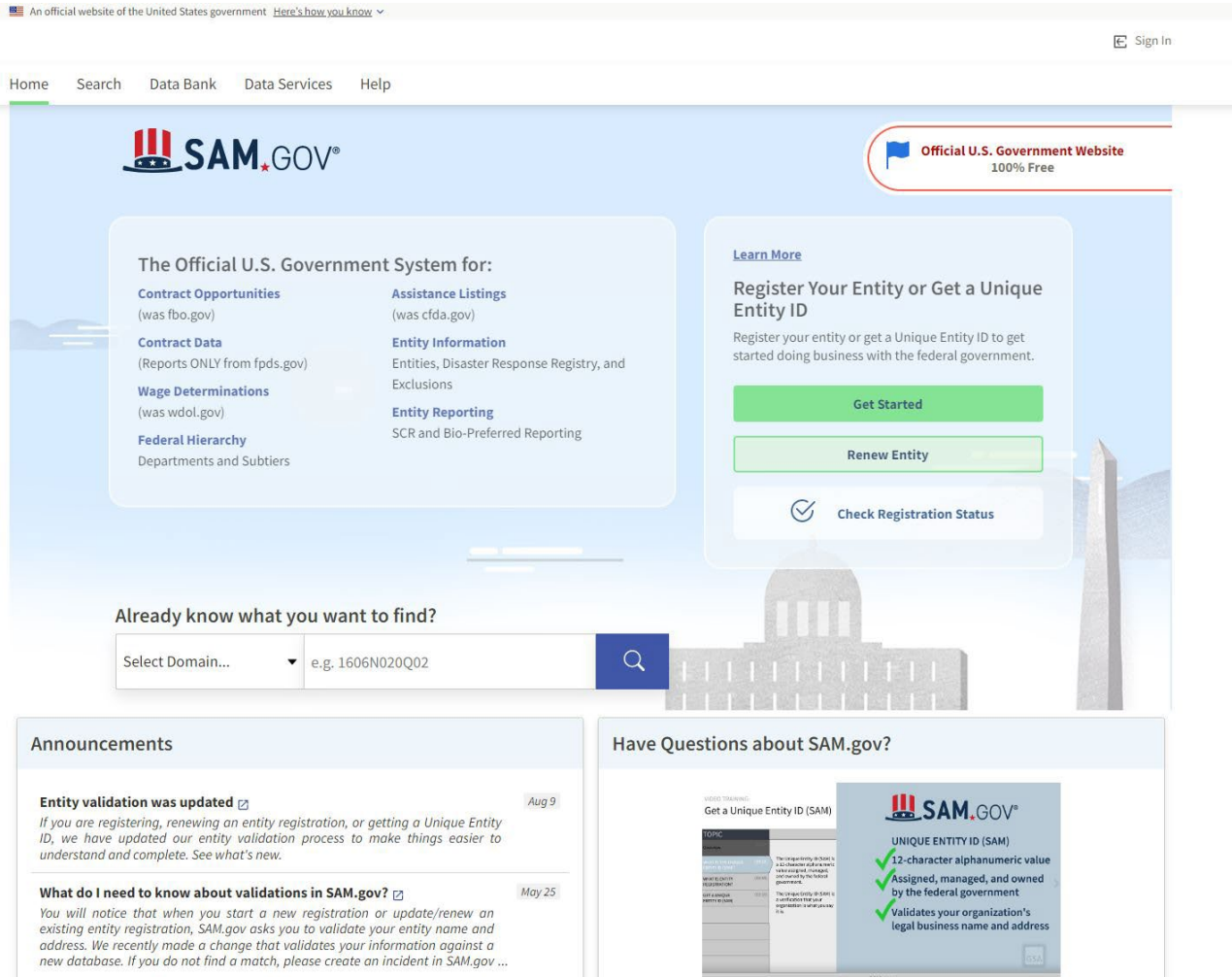
Funding Opportunity Number: RD-RBS-22-01-FPEP

Go to the FPEP Website, for application materials and additional information

<https://www.rd.usda.gov/programs-services/business-programs/fertilizer-production-expansion-program>

Click on the **To Apply** tab.

SAM Registration



- Each applicant applying for FPEP grant funds must:
- (i) Register in the System for Award Management (SAM) before submitting its application;
 - (ii) Provide a valid unique entity identifier in its application;
 - (iii) Continue to maintain an active SAM registration with current information at all times while the Agency is considering an application or while a Federal grant award or loan is active; and
 - (iv) Complete the Financial Assistance General Certifications and Representations in SAM.

Electronic Application and Submission

- Application materials and submission information are available at www.Grants.gov;

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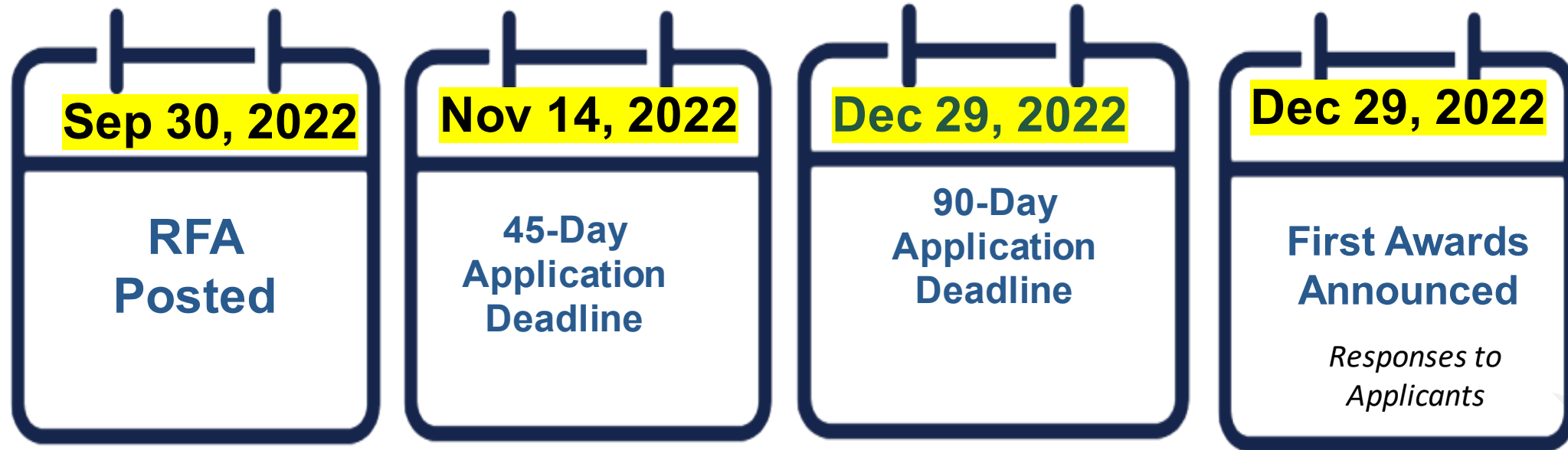
<https://www.rd.usda.gov/programs-services/business-programs/fertilizer-production-expansion-program>

Click -- To Apply tab

Applications must be submitted electronically to www.Grants.gov

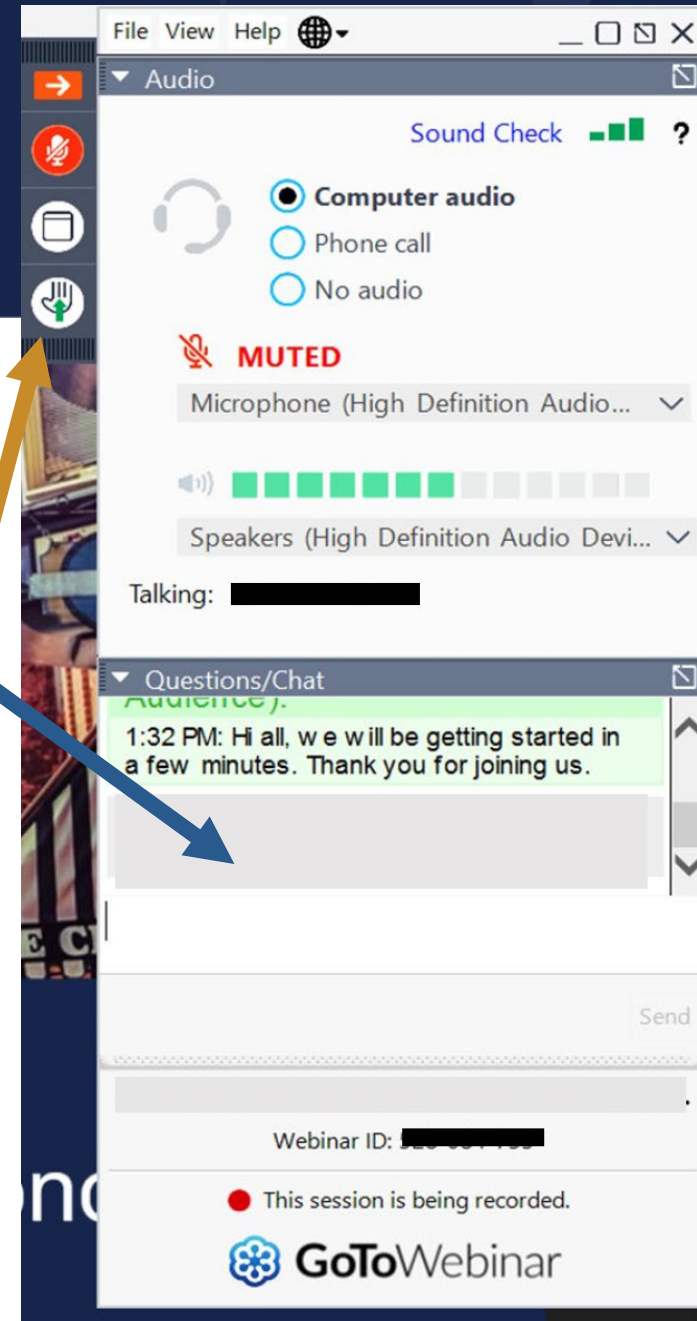
No other form of application submission will be accepted.

FPEP Application Timeline



Q&A

- You can submit comments via the Questions/Chat section
- If you prefer to provide comments verbally, you can be unmuted by the moderator, please raise your hand and then wait to speak when prompted by name.



Questions

Wrap-Up

What's next?

- **Training Webinar – See FPEP Website - Events tab for registration link;**
FPEP Application Requirements, Thursday, October 6, 2022, 4pm ET
- First Application Deadline, 11:59 pm ET, November 14, 2022;
- Second Application Deadline, 11:59 pm ET, December 29, 2022.
- **FPEP Application Window Closes, 11:59 pm ET, December 29, 2022.**

Applications must be submitted electronically to www.Grants.gov.

No other form of application submission will be accepted.

What's next?

Application Processing -- First Window Applicants

First Application Window: November/December 2022

- Agency Review for Completeness and Eligibility
- Merit Review Panel Evaluation and Competition
- Selection; Written Communication to First Window Participants
- Public Announcement of Awards/Obligation
- Financial Assistance Agreements Execution
- Project Executions

What's next?

Application Processing -- Second Window Applicants

Second Application Window: March/April 2023

- Agency Review for Completeness and Eligibility
- Merit Review Panel Evaluation and Competition
- Selection; Written Communication to All Second Window Participants
- Public Announcement of Awards/Obligation
- Financial Assistance Agreements Execution
- Project Executions

FPEP Posting and Website

Application materials, the FPEP Request for Applications and additional program information is available:

www.grants.gov;

Assistance Listing Number: 10.383

Funding Opportunity Number: RD-RBS-22-01-FPEP

<https://www.rd.usda.gov/programs-services/business-programs/fertilizer-production-expansion-program>

FPEP Contacts

- FPEP Contact:
Anthony Crooks, fpep@usda.gov
- State Energy Coordinators:
 - https://www.rd.usda.gov/sites/default/files/RBS_StateEnergyCoordinators.pdf.

Thank you!



USDA is an equal opportunity provider, employer, and lender.

Eligible applicants must (continued):

Additionally, eligible applicants, including affiliates of the eligible applicant,

must not hold a market share (in either manufacturing, processing, or distribution) greater than or equal to the entity that holds the fourth largest share of that market for any of the following nutrients or components:

Nitrogen, or Phosphate, or Potash, or any combination of the three.