

Part I—General Information

A. Legislative Authority

This program is authorized under section 522(d) of the Federal Crop Insurance Act (Act).

B. Background

RMA is committed to meeting the risk management needs and improving or developing risk management tools for the nation's farmers and ranchers. It does this by offering Federal crop insurance and other risk management products and tools through a network of private-sector entities and by overseeing the creation of new products, seeking enhancements in existing products and by expanding the use of a variety of risk management tools. Risk management tools are not limited to insurance products. Risk management tools include a variety of risk management options and strategies developed to assist producers in mitigating the risks inherent in agricultural production. Risk management tools may include: Financial management tools to mitigate price and production risks; tools to enhance measurement and prediction of risks in order to facilitate risk diversification; tools to improve production management, harvesting, record keeping or marketing. For the purposes of this announcement, risk management tools do not include insurance products, plans of insurance, policies, modifications thereof or any related material.

Section 552(b) of the Act authorizes RMA to enter into partnerships with public and private organizations for the purpose of increasing the availability of loss mitigation, financial, and other risk management tools for producers with a priority given to risk management tools for producers of Priority Commodities as defined in part I.E.

C. Project Objectives

RMA is only seeking applications that meet the following objectives:

1. To develop risk management tools to assist livestock producers in improving techniques for one or more of the following: Planning and managing the production of livestock, including disease management and control; improving techniques for breeding of livestock; managing price, revenue, or production and market risks.
2. To develop risk management tools to assist forage and rangeland producers in improving techniques for one or more of the following: Managing production, e.g., optimization of grazing patterns; establishing and maintaining forage production records; drought mitigation; harvesting or marketing production.

3. To develop risk management tools to assist organic producers in improving techniques for one or more of the following: Assessing market risks, including price; marketing of production; and comparing organic and conventional production risks.

4. To clarify labor requirements and assist producers in complying with requirements to better meet the physically intense and time-compressed planting, tending, and harvesting requirements associated with the production of specialty crops and underserved agricultural commodities.

5. To develop risk management tools to assist producers in reducing the impact of multiple-year losses.

6. To develop risk management tools to further increase the economic and production stability of wild salmon fishermen.

D. Purpose

The purpose of this program is to fund partnership agreements that assist producers, minimize their production risks, and improve and/or develop risk management tools for the nation's producers. The agreements are for the development of risk management tools for use directly by agricultural producers. To aid in meeting these goals each partnership agreement awarded through this program will provide the recipient with funds, guidance, and the substantial involvement of RMA to carry out these risk management initiatives. Applications requesting funding for the development of insurance products, plans of insurance, policies, modifications thereof or related materials are excluded from consideration under this announcement.

E. Definition of Priority Commodities

For purposes of this program, Priority Commodities are defined as:

- *Agricultural commodities covered by (7 U.S.C. 7333).* Commodities in this group are commercial crops that are not covered by catastrophic risk protection crop insurance, are used for food or fiber (except livestock), and specifically include, but are not limited to, floricultural, ornamental nursery, Christmas trees, turf grass sod, aquaculture (including ornamental fish), and industrial crops.

- *Specialty crops.* Commodities in this group may or may not be covered under a Federal crop insurance plan and include, but are not limited to, fruits, vegetables, tree nuts, syrups, honey, roots, herbs, and highly specialized varieties of traditional crops.

- *Underserved commodities.* This group includes: (a) commodities, including livestock, that are covered by

a Federal crop insurance plan but for which participation in an area is below the national average; and (b) commodities, including livestock, with inadequate crop insurance coverage.

Part II—Eligibility/Funding

A. Eligible Applicants

Proposals are invited from qualified public and private entities. Eligible applicants include all colleges and universities, Federal, State, and local agencies, nonprofit and for-profit private organizations or corporations, and other entities. Individuals are not eligible applicants. Although an applicant may be eligible to compete for an award based on its status as an eligible entity, other factors may exclude an applicant from receiving Federal assistance under this program (e.g., debarment and suspension; a determination of non-performance on a prior contract, cooperative agreement, grant or partnership; a determination of a violation of applicable ethical standards).

B. Non-Financial Benefits

Applicants must be able to demonstrate they will receive non-financial benefits as a result of the partnership agreement. Non-financial benefits must accrue to the applicant and must include more than the ability to provide employment income to the applicant or for the applicant's employees or the community. The applicant must demonstrate that performance under the partnership agreement will further the specific mission of the applicant (such as providing research or activities necessary for graduate or other students to complete educational programs).

C. Project Period

Each project will be funded for a period of up to three years for the activities described in this announcement. Projects can also be in two parts with the first part including the research and feasibility studies and the second part including the development, implementation, delivery and maintenance of the risk management tool. If the development of the tool is determined not to be feasible, the partnership may be terminated by RMA after completion of the first part with funding reduced accordingly.

D. Availability of Funds

Approximately \$4,000,000 is available in FY2003 to fund partnership agreements. There is no commitment by USDA/RMA to fund any particular project or to make a specific number of awards. Applicants awarded a