Working Landscapes Initiative: Conservation and Crop Insurance

Background & Strategy

Since 2013, AGree Advisors and Partners have been investigating a range of strategies for driving broader adoption of conservation practices through the intersection of conservation and crop insurance. In pursuit of this goal, the AGree Conservation and Crop Insurance (CCI) Task Force – comprised of researchers and academics, former USDA leadership, producers, and representatives from farmer-based, environmental, and conservation NGOs – is advancing multiple strategies to improve environmental conditions through expanded use of conservation practices and support a durable crop insurance program for producers:

1. **Supporting research and analysis** to assess the correlation between soil type and yield risk and ultimately the yield risk impacts of improvements in soil health through the use of conservation practices. If supported by data, the CCI Task Force will advocate for changes in the crop insurance program so that the yield risk impacts of soil type and conservation practices are accurately reflected in risk ratings. These changes would recognize and encourage producers’ efforts to improve environmental outcomes while simultaneously building a stronger, more durable crop insurance program.

   Research findings could help identify and promote other opportunities in both the public and private sectors to encourage the adoption of conservation practices, such as supply chain sustainability standards and markets for ecosystem services.

2. **Pursuing updates to the U.S. Department of Agriculture’s (USDA) data collection mechanisms and surveys** with respect to producers’ adoption and use of conservation practices to better inform public policy and private sector decision making. Updates would increase the efficiency of USDA’s data collection methods and usefulness of the resulting data, while reducing respondent burden.

3. **Advocating for near-term administrative changes to the federal crop insurance program** that support innovation and level the playing field for conservation-oriented producers.
Accomplishments to Date

Since its inception, the CCI Task Force has developed a robust strategy, actively engaged with USDA, established relationships and partnerships with national initiatives with similar interests, showcased its work at multiple conferences, and produced research. Examples include but are not limited to the following.

- Working to support a data integration and analysis effort with multiple USDA agencies to assess the risk profiles of soil types and the yield risk impacts of conservation practices on given soil types.
- Commissioned research and released a set of four Point of View and Background papers in March 2016 on complex and controversial aspects of the federal crop insurance program. The first of these papers, Soil, Conservation, and Federal Crop Insurance by Cornell University Professor Joshua Woodard, focuses in depth on research that explores the correlation between soil, yield risk, and crop insurance ratings. The other three papers include: Potential Conservation Implications of Federal Crop Insurance Actual Production History (APH) Procedures by Barry J. Barnett and Ryan Stockwell; Public and Private Roles in Agricultural Risk Transfer by Barry Barnett, Keith Coble, and Stephanie Mercier; and Private Sector Risk Management Tools by Mike Boehlje and Steve Hofing.
- Submitted recommendations in November 2015 to the National Agricultural Statistics Service (NASS) Advisory Committee on Agriculture Statistics on ways to improve conservation-related questions in the Census of Agriculture to more accurately capture information about producers’ utilization of these practices.
- Commissioned and released an AGree Point of View paper in February 2015, Quantifying Benefits from Adoption of Conserving Agricultural Practices, that argues for improved integration and analysis of federal data to better understand the extent to which conservation practices increase yields and reduce risk of crop loss.
- Published an accompanying AGree article on February 19, 2015, Crop Insurance that Conserves?, by Ferd Hoefner, Policy Director of the National Sustainable Agriculture Coalition, and Bruce Knight, former Chief of USDA’s NRCS, that highlights issues and opportunities presented in the February 2015 paper.
- Shared the CCI Task Force’s efforts at prominent symposia, including an October 2015 Farm Foundation Forum held at the National Press Club entitled “Crop Insurance and Conservation” and the Soil and Water Conservation Society Annual Conference in July 2015.
• Generated discussion on linkages between conservation and crop insurance among prominent researchers and USDA staff at the Agricultural and Applied Economics Association’s (AAEA) 2014 Symposium on Crop Insurance and the 2014 Farm Bill.

The CCI Task Force has pursued this work in partnership with leadership and key staff in several USDA agencies and offices, including but not limited to the Natural Resources Conservation Service (NRCS), Risk Management Agency (RMA), Farm Service Agency (FSA), Economic Research Service (ERS), and Office of the Chief Economist (OCE). The Task Force has also connected and coordinated with several complementary initiatives on an ongoing basis, including but not limited to Field to Market, Soil Renaissance, Soil Health Partnership, and National Working Group on Cover Crops and Soil Health.

**Action Agenda**

In 2016, the Task Force is undertaking multiple activities to advance its strategies to drive broader adoption of conservation practices. In 2016 and 2017, the Task Force will:

1. Support analysis of field- and farm-level information about conservation practices, yield, yield variability, crop resilience during extreme weather events, soil type, soil health, and other environmental indicators, while fully protecting producers’ privacy, to assess the correlation between soil type and yield risk and ultimately the yield risk impacts of improvements in soil health through the use of conservation practices.

2. Advocate, where appropriate and agreed to by the Task Force, for near-term administrative changes to the federal crop insurance program that would promote innovation and level the playing field for conservation-oriented producers. Some recommendations have already been agreed upon and sent to USDA for immediate consideration, including recommendations to eliminate cover crop termination rules and affirm conservation practices as Good Farming Practices. Other crop insurance topics under consideration include practice codes tracked by RMA.

3. Support a process to examine and recommend updates to USDA’s conservation data collection mechanisms and surveys, including but not limited to the Agricultural Resource Management Survey (ARMS), Census of Agriculture, Conservation Effects Assessment Project (CEAP), and National Resources Inventory (NRI).

4. Advocate for improved data integration and sharing across USDA agencies and with private and public researchers, potentially through a secure mechanism such as a data...
warehouse that could fully protect data confidentiality while granting users the ability to more easily and accurately analyze data.

The Task Force is also continuing to coordinate with other complementary groups and looks forward to collaborating as opportunities arise. For more information about partnering with AGree on these efforts, please contact Todd Barker (TBarker@merid.org).

**Conservation and Crop Insurance Task Force Participants**

The following individuals are members of the AGree Conservation and Crop Insurance Task Force:

- Nicole Ayache: K·COE Isom
- Larry Clemens: The Nature Conservancy
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- Kristin Weeks Duncanson: Duncanson Growers
- Callie Eideberg: Environmental Defense Fund
- Suzy Friedman: Environmental Defense Fund
- Dave Gagner: National Fish and Wildlife Foundation
- Ferd Hoefner: National Sustainable Agriculture Coalition
- Wayne Honeycutt: Soil Health Institute
- Bruce Knight: Strategic Conservation Solutions, and Former Chief of USDA’s Natural Resources Conservation Service
- John Larson: American Farmland Trust
- Douglas Lawrence: Blackwoods Group, and Soil Renaissance
- Scott Marlow: Rural Advancement Foundation International
- Carl Mattson: George Mattson Farms, Inc.
- Stephanie Mercier: Former Chief Economist for the Senate Agriculture Committee
- Jim Moseley: AGree Co-Chair, and Former Deputy Secretary of USDA
- Kellis Moss; Ducks Unlimited
- Rob Myers: USDA Sustainable Agriculture Research and Education
- William Salas: Applied GeoSolutions
- Ryan Stockwell: National Wildlife Federation
- Paul Wolfe: National Sustainable Agriculture Coalition
- Joshua Woodard: Cornell University
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The following individuals are technical consultants to the AGree Conservation and Crop Insurance Task Force:

- Barry Barnett: Mississippi State University
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