

# Value Added Producer Grant

## What does this program do?

**The Value Added Producer Grant program helps agricultural producers enter into value-added activities related to the processing and/or marketing of bio-based, value-added products. Generating new products, creating and expanding marketing opportunities, and increasing producer income are the goals of this program.**

## Who may apply for this program?

**Independent producers, agricultural producer groups, farmer- or rancher-cooperatives, and majority-controlled producer-based business ventures are eligible to apply for this program.**

### How may funds be used?

Grant and matching funds can be used for planning activities or for working capital expenses related to producing and marketing a value-added agricultural product. Examples of planning activities include conducting feasibility studies and developing business plans for processing and marketing the proposed value-added product. Examples of working capital expenses include:

- Processing costs
- Marketing and advertising expenses
- Some inventory and salary expenses

### How do I get started?

You need to read the [Federal Register notice](#) for the details on what is needed for an application. Make sure you start putting together the required information at least a month before the application deadline because you may need to provide letters of commitment or support from other organizations, a work plan and budget, and other information that will take you some time to look up or write. You may also need to fill out required forms. You can get copies of those forms from your nearest Rural Development Office.

### Who can answer questions?

If you have questions, you can contact your nearest [RD Office](#).

### Will I need to send any reports if I receive a grant?

If you receive a grant, you will need to send regular financial and performance reports. Your grant agreement will tell you how often you need to send the reports, what forms you need to use, and what information you need to put in the reports.

### Where can I get more information?

In addition to many Federal regulations, the VAPG program has a regulation that is just for this program. It contains details about the program's purpose, what you can and can't do with grant money, application requirements, and information about how applications will be selected for funding. Remember that you need to read the Federal Register notice to get all the details about how to apply, but the program regulation also has useful information that you will need before applying for a grant.

### What governs this program?

The VAPG program is authorized under section 231 of the Agriculture Risk Protection Act of 2000 (Pub. L. 106-224), as amended by section 6203 of the Agricultural Act of 2014 (Pub. L. 113-79) (see 7 U.S.C. 1632a).

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**NOTE: Because citations and other information may be subject to change, please always consult the program instructions listed in the section above titled "What Governs This Program?" You may also contact your local office for assistance. You will find additional forms, resources, and program information at [rd.usda.gov](http://rd.usda.gov). USDA is an equal opportunity provider, employer, and lender.**