



Blue Diamond Growers Climate-Smart Grant Program

Rules and Regulations Manual

May 1st, 2024

The Blue Diamond Growers Climate-Smart Grant Program is funded by U.S. Department of Agriculture (USDA) Partnerships for Climate-Smart Commodities Program and supported by the USDA National Resources Conservation Service.

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Overview

In 2022, Blue Diamond Growers was awarded a five-year grant from the USDA for \$45 million as part of the USDA Partnerships for Climate-Smart Commodities Program. This aims to support growers implementing climate-smart farming activities. This voluntary program allows Blue Diamond member/growers to **receive an incentive payment and no cost plants or seeds** when implementing one or more climate-smart farming practices. The goal is to work to develop a market-based premium for products grown with climate-smart practices to support this program and Blue Diamond members after the life of this grant.

The purpose of this document is to provide information to interested or participating Blue Diamond Grower members on the procedures and structure of this program. The manual describes the requirements for general participation, practice specific requirements, and rules and additional information on the functioning of this program.

These rules and regulations are subject to change, as Blue Diamond continues to improve the structure of the Climate-Smart Grant program.

Delay in Launch of Whole Orchard Recycling

The launch of Whole Orchard Recycling in this program has been delayed until further notice. Any mentions of those practices in this document are purely for informational purposes and streamlining the program rules and regulations. Growers should not plan for or expect to implement these practices based on any information listed here. We will update Blue Diamond Grower members when this practice become available.

General Responsibilities

Blue Diamond

Blue Diamond will be responsible for the management of the grant award, application and review of grower applicants, grower agreements, payments, maintaining that growers follow all program requirements and USDA terms and conditions for this grant award, and for developing sales and marketing initiatives to provide a market-based premium to its growers implementing climate-smart practices.

Award Recipients/Growers

Grower recipients are responsible for practice implementation as outlined in their signed grower agreement. They must follow all stated rules and regulations listed in their grower agreement, implementing practices as stated, and ensuring reasonable management of their long-term success. Growers are also responsible for providing all necessary information to Blue Diamond around practice location, extent (acreage) of practice, success, and proof of implementation materials as requested. Refer to the practice specific sections in this manual for details around expectations for each practice. It is expected that growers will provide timely feedback, communication, and delivery of program materials and information to Blue Diamond within 14 days of when they were requested.

Project Apis m.

Project Apis m. (PAm) will be responsible for the technical implementation of cover crops and conservation cover (“bee pasture”). They will be responsible for assisting growers after they have completed a signed agreement with Blue Diamond. PAm will work with growers to develop a planting plan, coordinate delivery and/or pickup of seed, and ensure all necessary information and guidance has been provided to allow for successful implementations of practices.

Pollinator Partnership

Pollinator Partnership (P2) will be responsible for the technical implementation of hedgerows. They will be responsible for assisting growers after they have completed a signed agreement with Blue Diamond. P2 will work with growers to develop a planting plan, coordinate delivery and/or pickup of plants, and ensure all necessary information and guidance has been provided to allow for successful implementations of practices.

Eligibility Requirements

Eligibility and requirements are based on a year-by-year basis and applications are expected to be submitted annually for practice implementation. Growers can, and are encouraged, to apply for each year for practices where appropriate.

The following requirements must be followed by growers/managers in order to participate and maintain eligibility for practice reimbursement in this program:

- Practice must be implemented on an orchard with an active Blue Diamond Crop Agency Agreement (CAA) (also called a Blue Diamond Contract)
- Maintain BDG membership at all times during the term of the Agreement.
- Participate in Blue Diamond’s Orchard Stewardship Incentive Program (OSIP) at Double Diamond or above for the most recent crop year.
- Establish farm records with the Farm Service Agency, including having farm, tract, and field numbers in place, provide FSA maps of all fields enrolled, and provide an FSA 156EZ Form, subsidiary print which certifies all fields enrolled are highly erodible land conservation (HEL) and wetland conservation (WC) compliant
- Certifies that the participant enrolling is not a foreign person or entity
- Provide proof of implementation to show you have completed the activity
- Provide Blue Diamond a first right of refusal to any claims or credits of environmental benefits (offsets or other) accrued from practices implemented through this program

The requirements listed here are non-exhaustive and are fully provided in the grower agreement along with additional terms and conditions that will be provided and required to be signed by participating growers.

Program Workflow

Cover Crops, Conservation Cover, Hedgerows Workflow

The general steps a grower/applicant will follow to participate in the program are as follows:

1. Grower gathers relevant documents from their local USDA FSA office

2. Grower submits an application to Blue Diamond
3. Blue Diamond reviews application and reaches out for additional information if needed.
 - a. For Hedgerows, Pollinator Partnership will reach out to discuss further questions to determine eligibility.
4. Grower receives and signs a grower agreement for each enrolled practice
5. Grower begins work with technical providers to develop plan, obtain seeds or plants, and receive guidance for proof of practice implementation.
6. Grower implements practice
7. Grower submits proof of practice implementation
8. Grower is reimbursed for implementation costs rate described within their specific grower agreement once funds have been distributed to Blue Diamond from the USDA

Application Submission

Growers interested in participating in the CSG program are required to submit an online application at the following the link on the Blue Diamond Growers USDA CSG webpage (<https://bluediamondgrowers.com/usda-climate-smart-grant/>).

Paper submissions will not be accepted, and thus if you are unable to submit this form online, please reach out to your Blue Diamond Regional Manager or contact Jasdeep Bains (jbains@bdgrowers.com).

Review of Applications

Applications will be reviewed on a first-come, first-serve basis. Growers should expect to be notified within 2 to 3 weeks of application submission, but delays may occur. If approved, Blue Diamond will work with growers to collect additional information as needed including, but not limited to, further details on proposed practice locations and extent, confirmation of requirements and compliance needs, and any other details to ensure successful practice implementation. Once additional information is collected, growers will be provided with a grower contract agreement. Once the agreement is signed, grower information will be provided to technical implementation partners who will contact the grower to plan for practice implementation.

Acreage Review

Growers will be approved on a first-come, first-serve basis. Acreage is allocated by grower participant and contract number, not by orchard or subcontract number. No incentives will be given retroactively for practices implemented prior to signing a grower agreement for the listed practice with Blue Diamond through this program. Additionally, Hedgerow and conservation cover are perennial practices but incentives will not be paid out in subsequent years for ongoing management costs.

Practice Implementation

Growers will work with project partners to receive seed and plant materials and implement cover crops, conservation cover, and hedgerows. Cover crops and conservation cover materials and technical assistance will be provided by [Project Apis m](#). Hedgerows materials and technical assistance will be provided by [Pollinator Partnership](#).

Practice Specifications and Incentives

Growers are encouraged to apply for this program each year. Implementation incentives for each practice are paid out only for implementation. A grower must provide proof of implementation for each practice (see proof of implementation section).

For the second enrollment period, Blue Diamond is launching the Cover Crops, Conservation Cover, and Hedgerows. The CSG program is modeling its climate-smart practices after predetermined and defined NRCS conservation practices. Growers are required to follow the respective NRCS CPS for each practice which are as follows:

- Cover Crops - NRCS CPS 340
- Conservation Cover - NRCS CPS 327
- Hedgerow Planting – NRCS CPS 422

Cover Crops

Cover Cropping (also referred to as *Annual Cover Crops*) is a practice of planting a temporary crop, typically flowering and/or nitrogen-fixing species, after harvest with termination in late winter/early spring. Growers are required to comply with the USDA NRCS [Cover Crop Conservation Practice Standard 340](#) for all planning, planting, and management of the practice.

Unless explicitly stated, any reference to acreage totals for cover crops is referring to the orchard acreage totals among which cover crops are planted. It is not referring to the area of planted cover crops (which will always be less than the orchard acreage).

To further clarify, orchard and planted cover crop acreage can be defined as:

- *Orchard Acreage* – The total area of the orchard among which cover crops are planted in. Acreage is bounded by the first and last cover crop rows and beginning and end of the respective cover crop row strips.
- *Planted Cover Crop Acreage (“Planted Acreage”)* – The total area of planted cover crops planted in an orchard, calculated by the sum of each strip area (*width x length*).

Seed Costs and Incentive Payments

For the second enrollment period of the CSG, Blue Diamond is offering no cost seed (provided by Project Apis m.) and reimbursement payments up to \$35/orchard acre for cover crops planted at least every other row and are at minimum 6-foot width throughout the entirety of the strip. The incentive rate is reduced when planted on less than every other orchard row or strip widths are below 6 feet. Eligible cost-share activities include land preparation, irrigation, management, and monitoring.

We encourage growers to plant on every other row to not hinder orchard access to complete winter sanitation and maintenance activities.

The details of how the incentive payment is determined and the amounts that are expected to be paid are as follows:

Cover Crop Strip Frequency	Row Width	Implementation Incentive*	Cost of Seed
Every 1-2 rows	Must be a minimum of 6ft wide	Up to \$35/orchard acre	No Cost. Seeds provided by Project Apis m.

Figure 1. Cover Crop Incentive Payment Planting Requirements

Further Specifications and Restrictions

- Growers are expected to plant cover crop seed as soon as reasonably possible after harvest prior to November 15th. Further guidance will be provided by Project Apis m.
- Cover Crops are limited to the extent of an almond orchard under a Blue Diamond contract
- Growers must utilize Project Apis m. and their seed mixes for this program. Growers are not eligible to purchase and be reimbursed for seed via outside service providers.
- Growers must plant cover crops at least every other row for any enrolled fields
- Growers are required to plant at recommended seeding rate according to recommendations from seed provider
- The allowable extent of practice implementation and location of occurrence is limited to the boundaries of the Blue Diamond orchards under contract. For lands beyond this, Blue Diamond will review on a case-by-case basis.

Conservation Cover (“Bee Pasture”)

Conservation Cover (also referred to as *Bee Pasture*, *Perennial Conservation Cover*, or *Conservation Plantings*) is a practice of utilizing perennial, vegetative, plants on idle, fallow, or marginal land. Growers are required to comply with the USDA NRCS [Cover Crop Conservation Practice Standard 327](#) for all planning, planting, and management of the practice.

Unless explicitly stated, any reference to acreage totals for conservation cover is referring to the planted acreage of this practice, not adjacent orchard acreage totals.

Seed costs and Incentive Payments

For the second enrollment period of the CSG, Blue Diamond is offering no cost seed (provided by Project Apis m.) and a reimbursement payment up to \$50/acre to implement conservation cover. Eligible cost-share activities include land preparation, irrigation, management, and monitoring.

Specifications and Restrictions

- Growers are expected to plant conservation cover seed as soon as reasonably possible after harvest prior to November 15th. Guidance will be provided by Project Apis m.
- Growers are required to plant at recommended seeding rate according to recommendations from seed provider.
- The allowable extent of practice implementation and location of occurrence is limited to adjacent lands under a Blue Diamond contract. For lands beyond this, Blue Diamond will review on a case-by-case basis.

Hedgerows

Hedgerow planting (referred to simply as *hedgerows*) is a practice of utilizing native perennial, vegetative, and woody plants on border, idle, fallow, or marginal land, adjacent or orchards, in a linear fashion to achieve a conservation purpose. Growers are required to comply with the USDA NRCS [Hedgerow Planting Conservation Practice Standard 422](#) for all planning, planting, and management of the practice.

Unless explicitly stated, any reference to acreage or linear feet totals for hedgerow planting is referring to the planted acreage of this practice, not adjacent orchard acreage totals.

Plant costs and Incentive Payments

For the second enrollment period of the CSG, Blue Diamond is offering no plant material (provided by Pollinator Partnership) and a reimbursement payment up to \$8/linear foot to implement hedgerows. Eligible cost-share activities include land preparation, irrigation, management, and monitoring.

Specifications and Restrictions

- Growers are expected to plant hedgerow plants as soon as reasonably possible after harvest prior to November 15th or as instructed by Pollinator Partnership. Guidance will be provided by Pollinator Partnership.
- Hedgerows have been planted at recommended spacing.
- The allowable extent of practice implementation and location of occurrence is limited to adjacent lands under a Blue Diamond contract. For lands beyond this, Blue Diamond will review on a case-by-case basis.

Proof of Implementation and Compliance

Proof of implementation is essential to ensure compliance with grant agreement terms and allow for adequate measurement, reporting, and verification of any environmental claims by Blue Diamond and its growers. Requirements for proof of implementation may change in subsequent enrollment periods. This is a required step is for growers to receive the implementation incentive for each practice.

To complete the proof of implementation and compliance process, growers will be required to agree to and complete the following:

1. **Planting Review (Self-attestation):** *This is required of all growers.* Blue Diamond will provide you a "Planting Review" form via DocuSign, highlighting your initial commitment. You will need to confirm that the agreed-upon actions have been executed. If there were adjustments, simply note them in this review. This will occur after the planting period.
2. **(Possible) Site-Visit:** *This will only be required from a select number of growers.* Selected growers will undergo a second party in-orchard review which involves a Blue Diamond member or selected group visiting a select number of fields enrolled in the CSG to confirm the said practice was implemented. This will occur after your planting review is completed and may occur anytime up-until April. We recommend growers keep receipts, photos, and any related materials ready, especially if there are germination issues, early-termination, or other factors influencing the

ability to complete a check on-site to ensure you can provide proof that you implemented the practices.

Duration:

- Planting Review should take growers about 5-10 minutes if no changes are needed.
- A site audit, if selected, can last between 1-2 hours, depending on the number of fields. This will be completed by a BDG or select group.

Program Audits

The Climate-Smart Grant program is administered and funded by the USDA NRCS. The program is expected to be audited and thus growers will be expected to follow all stated rules and regulations as well as follow compliance items described to them throughout the program. Grant recipients must agree to comply with audit requirements put forth by the USDA and/or Blue Diamond during the program as well as maintain program documents and up to three years after its completion.

For growers, records must be maintained for a period of at least 3 years from the time of when the incentive payment is received in a given participation year. Records may include:

1. Photos of practice implementation and completion
2. A history of direct costs incurred for services/goods needed to plan, implement, and manage approved practices under this program
3. A log of estimated labor hours involved with practice implementation
4. (If applicable) Receipts for whole-orchard recycling services

Prior Approval

Prior approval is required from the Blue Diamond team for all adjustments to the signed grower agreement which includes but is not limited to the following:

- Changes to acreage totals
- Changes to practice location, extent, or plan
- FSA Information Changes
- Change in recipient organization or responsible party (including all adjustments to FSA information and ID numbers)

Please reach out to Jasdeep Bains (jbains@bdgrowers.com) or contact the Blue Diamond team before making changes to any of the above items. Not doing so may result in termination of contracts or repayments of funds.

Delays and Complications

Recipients must notify Blue Diamond in writing of any delays, problems, or complications that may materially affect the project. This includes any and all occurrences that inhibit a grower's ability to comply with any stated rules and conditions, terms and conditions outlined here or in the grower agreement, and the extent and expectations of practice implementation and dates. This includes but is

not limited to the inability to plant during a reasonable timeline, maintain and ensure germination and practice success,

Notifications should be sent to Jasdeep Bains (jbains@bdgrowers.com) with the subject title “Delay” with your Blue Diamond Contract Number and CSG activity (e.g., “Delay – 123456 – Cover Crops”) and include the details of the delay or complication along with your associated FSA Farm ID number for this project.

Recipients who do not adhere to the rules and regulations or stated requirements in a timely and reasonable manner are subject to possible termination of their agreement or repayment of funds in accordance with their executed grower agreement.

Payment Reimbursements, and Advances

Payment Reimbursements

Growers will be paid their implementation incentive in quarterly cycles following proof of implementation. Processing time varies by when the grower provides all proof of implementation materials to Blue Diamond and the speed at which the USDA processes Blue Diamond’s materials. Payment incentives will be distributed following practice implementation and receipt of funds from the USDA. Timing is subject to vary, and BDG will update growers with a timely once available.

Advances

Blue Diamond acknowledges that in some situations, growers are financially unable to implement a practice due to financial constraints, and they would otherwise have to not carry out implementation unless a cash advance is made. In this situation, Blue Diamond will handle them on a case-by-case basis and if deemed appropriate, will work with the grower to create an advance request from the USDA.

Note: Blue Diamond is not accepting deferrals or assignments within this program.

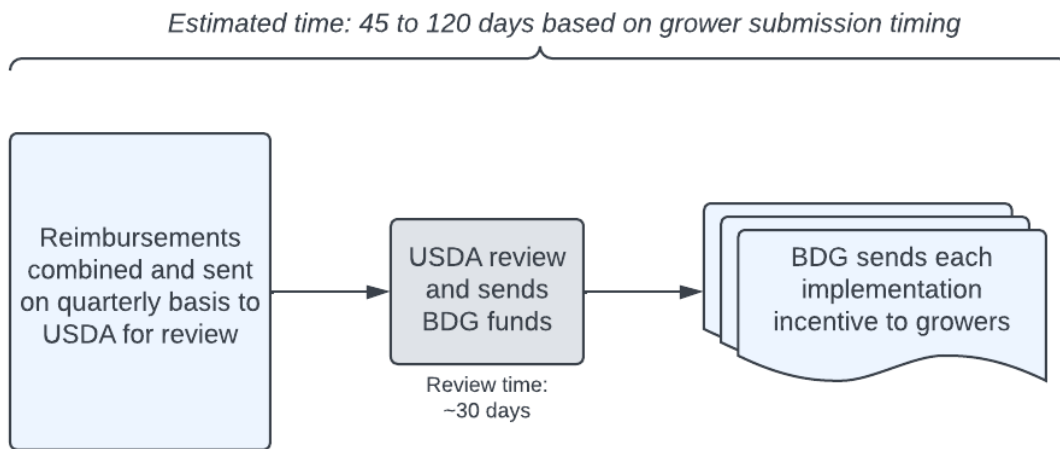


Figure 2. Expected reimbursement process and timeline

Closeout of the Agreement

Blue Diamond will provide grower participants with a payment letter upon completion of all requirements signifying the closeout of that years grant participation.

Data Privacy & Sharing

For growers applying to the Blue Diamond CSG program, the following data privacy statement is provided to ensure participants have access in writing to how their data will be handled and privacy will be addressed:

We use your information, including the data about your farm and commodities, to evaluate your application for the USDA Climate Smart Grant Program. Failure to provide this information may result in our inability to evaluate your application.

We utilize the information collected above and additional agronomic information, farm location, proof of implementation, or other protected information, only to the extent needed to administer the award if you are selected as a beneficiary.

We will take measures to restrict access to the information to only those staff that have a demonstrated need to know and perform their duties and subject to confidentiality restrictions. We will only disclose the information to project partners to the extent necessary to support the implementation efforts, or to the USDA as required under the grant Terms and Conditions.

We use commercially reasonable and appropriate administrative, physical, and technical security measures to safeguard your Information. However, no data transmitted over the Internet or stored or maintained by us or our third-party service providers can be 100% secure. Therefore, we do not promise or guarantee, and you should not expect, that your Information will always remain private or secure.

For more information how Blue Diamond collects and processes information as part of its Services, please see our Privacy Policy at <https://www.bluediamond.com/privacy>

Nondiscrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

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