



USDA – 2026 Value-Added Producer Grant Local Catch Network

 Rural Development
U.S. DEPARTMENT OF AGRICULTURE

Value-Added Producer Grant

Authorization

Section 210A of the Agriculture Risk Agricultural Marketing Act of 1946, as amended by section 6203 of the Agriculture Improvement Act of 2018.

Program Regulation

Final Rule 7 CFR part 4284 subpart J effective November 15, 2024

[7 CFR 4284 Subpart J Program Regulation](#)

Purpose of the Value-Added Producer Grant Program

Provides funds for economic planning activities or eligible working capital expenses to enable viable for-profit Agricultural Producers to develop businesses that produce and market Value-Added Agricultural Products and to create marketing opportunities for such businesses.

See [7 CFR 4284.901](#) of the program regulation for more information



What VAPG is not...

- A job training program
- Intended to teach people how to farm
- A technical assistance program
- For Research & Development
- A loan program
- Intended as a continuous stream of capital



Funding Cycle Basics

National Competition

FY 2026 Available Funding: Approximately \$25 Million

Max Grant Amounts: \$200,000 Working Capital or \$50,000 Planning Grants

Application Deadlines: Grant Application Portal Submissions

Opens Jan 15, 2026

Closes April 15, 2026, at 1pm ET

Grant Period Up To 36 Months

Eligible Applicants 7 CFR 4284.920



Eligible Applicants

SAM Registration-

At the time of application, each Applicant must have an active registration in SAM before submitting its application in accordance with 2 CFR part 25. This registration must remain current, accurate and complete at all times during which the Applicant has an active Federal award or an application under consideration. The Applicant must also obtain a UEI through [SAM.gov](https://sam.gov).

Legal Authority-

Applicants must certify that they have the legal authority to carry out the purpose of the grant, and/or their business is in good standing in the State where it is incorporated and/or in the State that is the primary location of an applicant's business operations for the VAPG Project.

See [7 CFR 4284.920](https://www.ecfr.gov/current/title-49/chapter-I/subchapter-B/part-4284/subpart-4284.920) for more info on SAM and Legal Authority requirements

Additional Applicant Eligibility Requirements

Citizenship - An Applicant must certify that it is more than 50 percent owned by individuals who are either a citizen or national of a State or reside in the United States after legal admittance for permanent residence. [7 CFR 4284.920 \(f\)](#)

Multiple grants - An Applicant must submit only one application in response to a solicitation and may have only one active VAPG award at any given time unless the Applicant is also applying as a member of a Farmer or Rancher Cooperative or an Agricultural Producer Group. Applicants cannot receive another grant for the same Project. [7 CFR 4284.920 \(g\)](#)

Current VAPG award - If an Applicant has a current VAPG award at the time of subsequent competition, the Applicant must exhaust all VAPG award funds and submit final financial and performance reports to the Agency by the application submission deadline for the subsequent VAPG competition. [7 CFR 4284.920 \(h\)](#)

Applicant Type

As discussed in [7 CFR 4284.920\(c\)](#), Applicants must meet the definition for one of these types:

Agricultural Producer

Agricultural Producer Group

Farmer or Rancher Cooperative

Majority-Controlled Producer-Based Business

Please see the definitions for each Applicant Type in [7 CFR 4284.903](#); Agricultural Producer and its definition are the basis for eligibility for all four Applicant Types.

All applicant types must be Agricultural Producers

Remember, the definition for Agricultural Producer is the basis for which all Applicant Types are established.

“An individual, entity, or Family Farm that produces an Agricultural Commodity through participation in the day-to-day labor, management, and field operations...”

All four applicant types must...

Currently produce and own more than 50 percent of the Agricultural Commodity that will be used for the Value-Added product.

Own the product from its raw Agricultural Commodity state through the production of the Value-Added product during the Project.

Please note: All Applicants applying for Working Capital Grant funds must document the quantity of each Agricultural Commodity that will be used for the Value-Added Agricultural Product, expressed in an appropriate unit of measure (pounds, tons, bushels, etc.) to demonstrate the scale of the Applicant's Project.

See [7 CFR 4284.920 \(d\)](#) for more information

Agricultural Producers can also be...

- **Steering committees** is an unincorporated group comprised wholly of specifically identified Agricultural Producers in the process of organizing into one of the program eligible Applicant Types. If selected for award, Applicants who applied as a Steering Committee must form an eligible legal entity prior to execution of the Financial Assistance Agreement (grant agreement).
- **Harvesters** is an individual or entity that demonstrates the legal right to harvest more than 50 percent of the primary (wild) Agricultural Commodity for the Project; but does not cultivate or raise the Agricultural Commodity. Applicants may not merely glean, gather, or collect residual commodities that result from an initial harvesting or production of a primary Agricultural Commodity produced by others.

All four applicant types...

Contract Production - Applicants who produce the Agricultural Commodity under contract for another entity, but do not own the Agricultural Commodity or Value-Added Agricultural Product produced, are not considered Agricultural Producers. Entities that contract out the production of an Agricultural Commodity are not considered Agricultural Producers.

See [7 CFR 4284.920 \(d\)](#) for more information

Project Eligibility §4284.922



Project

Planning Grants or Working Capital Grants

Project focus - The Project must focus on allowable Planning or Working Capital Grant activities as described at 7 CFR [4284.925](#), as applicable, with eligible tasks directly related to the processing and/or marketing of the subject Value-Added Agricultural Product.

See [7 CFR 4284.922 \(a\)](#) for more information



Project (Continued)

Product(s) - Each product that is the subject of the Project must meet the definition of a Value-Added Agricultural Product and one of the five eligible methodologies:

- Change in physical state
- Produced in a manner that enhances the value of the Agricultural Commodity
- Physical segregation
- Farm- or ranch-based renewable energy
- Locally-produced agricultural food product

Allowable Uses of Grant and Matching Funds 7 CFR 4284.925



Variations on Working Capital Grants

1. Requests of \$50,000 or more (Emerging Market Proposals)
Requires a Feasibility Study and Business/Marketing Plan
2. Request of \$50,000 or more (Market Expansion – *Simplified Application)
Requires a Business or Marketing Plan
3. Applications Requesting Less than \$50,000 (*Simplified Application)
No Feasibility Study or Business plan required
4. Food Safety (*Simplified Application)
No Feasibility Study or Business plan required

**Note: For more information on simplified applications, please visit [7 CFR 4284.932](#).*

Planning Grants – Use of Funds

Planning Grants funds may only be used to pay a Qualified Consultant to conduct and develop a Feasibility Study, Business Plan, and/or Marketing Plan associated with the post-harvest processing and/or marketing of a Value-Added Agricultural Product. Planning Grants may include or be for Food Safety related activities associated with a post-harvest product.

Please note: Working Capital expenses may not be included in a Planning Grant application. See [7 CFR 4284.925 \(a\)](#)

Working Capital Grant – Use of Funds

Working Capital Grants funds may be used to pay the Project's eligible post-harvest operational costs directly related to the processing and/or marketing of the Value-Added Agricultural Product. Working Capital Grants may include or be for Food Safety related activities associated with a post-harvest product.

*Please Note: Working Capital funds cannot be used to pay for planning activities.
See [7 CFR 4284.925 \(b\)](#)*

Eligible Working Capital Examples

Examples of eligible Working Capital expenses:

- Paying salaries of employees (excluding owners and Immediate Family) to process and/or market and deliver the Value-Added Agricultural Product to consumers;
- Paying for additional Agricultural Commodity inventory (less than 50 percent of the amount required for the Project) from an unaffiliated third party, necessary to produce the Value-Added Agricultural Product;
- Cold Storage expenses

Eligible Food Safety Examples

Examples of eligible Working Capital expenses (Continued):

- **Paying costs incurred in obtaining post-harvest Food Safety certification;**
- **And using up to *\$6,500 of the amount of a grant to purchase or upgrade post-harvest Equipment to improve Food Safety (may be matched with *\$6,500 for a total Food Safety equipment price of \$13,000).**

Matching Funds

The Value-Added Producer Grant requires a Matching Funds contribution to the Project that is at least equal to the grant amount. Combined grant and Matching Funds equal 100 percent of the Project Costs.

Matching Funds must come from eligible sources without a real or apparent conflict of interest and be used for eligible Project expenses during the Period of Performance.

[7 CFR 4284.922 \(f\)](#) for more information

Other Matching Funds Considerations...

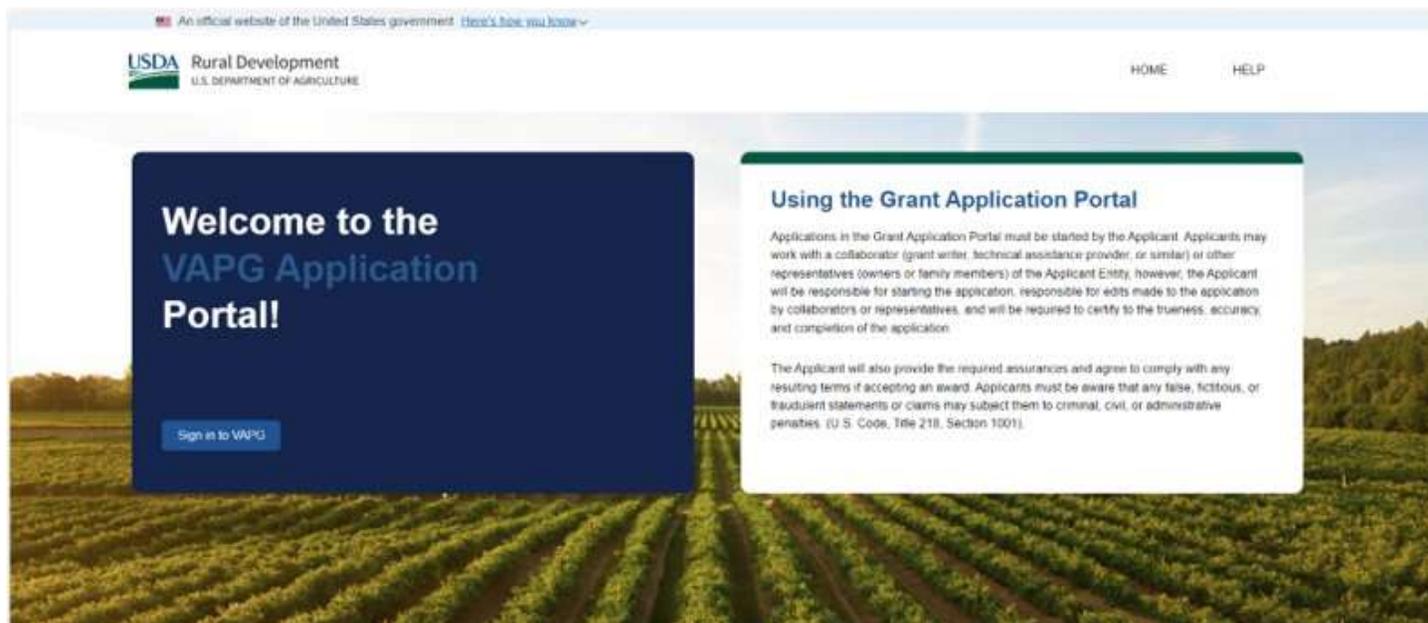
- Equal to at least the grant amount (at least 50 percent of total project costs).
- Spent only on eligible expenses;
- Spent in advance of grant funding (for every dollar of grant funds disbursed, not less than an equal amount of matching funds will have been expended prior to submitting the request for reimbursement);
- From eligible sources without a real or apparent conflict of interest

**Applying for VAPG and
Application Requirements
7 CFR 4284.922**



Grant Application Portal

Applications for the VAPG program must be completed through the [Grant Application Portal](#) (GAP).



VAPG Grant Application Portal

The [Grant Application Portal](#) is a comprehensive, intuitive platform that will guide Applicants through the entire application process.

With features designed for ease of use including step-by-step navigation, helpful tips, and progress-saving capabilities, the application process is streamlined, reduces the reliance on external assistance and empowers Applicants to independently manage their VAPG submissions.

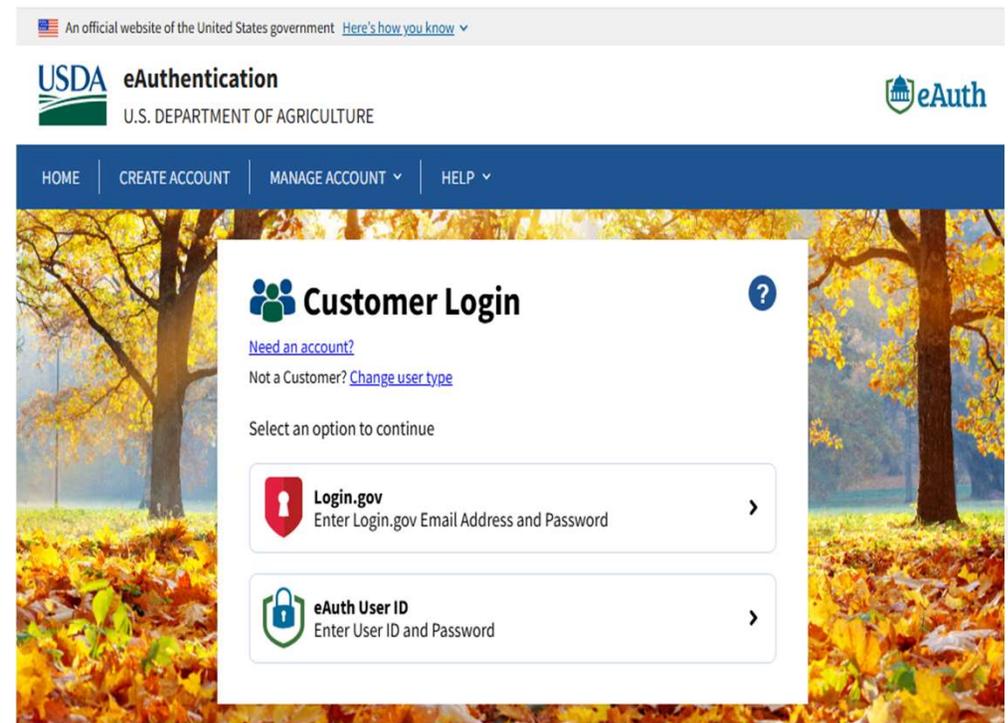
The screenshot displays the VAPG Grant Application Portal interface. On the left, a 'Table of Contents' sidebar lists the application steps: Application Contacts, Entity Details, Application Details, Applicant Type, Value-Added Agricultural Product, Work Plan & Budget, Matching Funds, Expansion of Customer Base and Increased Revenue, Ment Evaluation, Additional Documents, and Application Preview. Below the sidebar is a 'Welcome' banner with the USDA Rural Development logo and a link to 'Want to learn more about' the program. The main content area features the 'Application Contacts' form, which includes a section for 'Authorized Representative' with fields for First Name, Last Name, Organization, Title, and Telephone. A 'Ready to apply?' button is visible. At the bottom, there is a section for 'Application Resources' with links to 'Download the User Guide' and 'Watch the Video Tutorial'. A notification bar indicates the application window is open from 12:00 AM EST Jan 15 to 11:59 PM EST Apr 15.

VAPG Grant Application Portal

Access to the Grant Application Portal

Applicants will need Level 2 eAuthentication access (eAuth) to log into the GAP. USDA eAuth is the system used by USDA agencies to enable individual customers and employees to obtain accounts that will allow them to securely access USDA Web applications and services via the Internet. The eAuth policy defines four assurance levels, Level 2 access is required for GAP and provides some confidence in the asserted identity's validity.

Need an eAuth account? Visit www.eauth.usda.gov



VAPG GAP – Managing Users

Managing Users:

- You must be the Authorized Representative from the Applicant Entity with signing authority to start an application.
- Once an application has been started, Authorized Representatives will have the ability to add users within the portal, and any added users will have editing access to the application. However, only the Authorized representative will be able to submit the final application.

Window now open until 12:00 PM EST Jan 1. There are 15 days left in the application period.

Manage Users

All the Users you add here MUST BE already registered and have an eAuthentication (eAuth) ID. Please get this before adding any user.

User Type: User E-Auth ID or Email:

What is a Representative?

A Representative is someone from the Applicant Entity who'll assist the Authorized Representative with completing the VAPG application. [Show More](#)

What is a Collaborator?

A collaborator on a Value-Added Producer Grant (VAPG) application is an individual or organization who agrees to work alongside the Applicant to contribute their expertise, resources, or support to a proposed VAPG application. [Show More](#)

Current Users

User Type	User E-Auth ID	
Authorized Representative		<input type="button" value="Remove"/>

Legal Disclaimer

By using this application, you consent to the sharing of your information with your collaborators and officials at the United States Department of Agriculture (USDA). Please be aware that your application is visible to all individuals you choose to collaborate with, and your personal data provided within the application will be accessible to these collaborators. If you select the option "Allow the Collaborator to print Application", your collaborator will have the ability to print your entire application, including all the information you have submitted. It is important to note that removal of editing capabilities

External User Guides

An external user guides has been developed for the Grant Application Portal system. The External Guide is posted to the [VAPG webpage](#) and linked in the Grant Application Portal for ease of access by Applicants.



Merit Evaluation 7 CFR 4284.940



Eligibility Evaluation

The Agency will review all applications to determine if they are eligible for assistance based on the requirements in this subpart and other applicable Federal laws and regulations.

The Agency will conduct a merit evaluation (scoring) for those applications that are determined to be eligible for the program.

Merit Evaluation Scoring

Agency selects and ranks applications based on responses to the following criteria plus potential priority points:

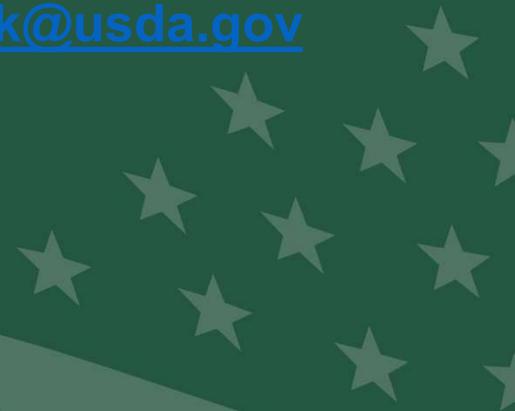
- Nature of the proposed project (0-30 points)
- Qualifications of project personnel (0-20 points)
- Work plan and budget (0-20 points)
- Matching Funds commitment (up to 5 points)
- Prior VAPG Assistance (Up to 5 points)
- Standard and group priority points (0 to 10 points)
- Administrator priority points (0 to 10 points)

Details on scoring can be found in the annual notification, and the Grant Application Portal.

USDA Rural Development

Contact Information:

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Thank you for joining us!

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