

Star of the West, in partnership with The Nature Conservancy, is piloting a new sustainably-grown wheat incentives program for farmers. This initiative is focused on improving resilience, biodiversity and soil health on wheat ground located within the Saginaw Bay Watershed. The program will enroll 5–15 wheat farmers annually that are interested in taking demonstrable strides toward sustainability improvement on their farms. This program, and its associated "nature-based bonus" incentives, will be available on a first come, first serve basis for the next three years (between 2022-2024). The program is structured as follows:

- First year: farmers must have 4-6 criteria adopted, including one new practice and we pay 8.5 cent/bu for that practice.
- Second year: farmers have 5-7 criteria adopted and we pay for the next "new" practice at 12.5 cent/bu.
- Third year: farmers must have all 7 criteria adopted and we pay for the "new" practice at 16.5 cent/bu.
- Bonuses will cease after completing one full year with all seven criteria.

## Fulfillment of all 7 criteria qualifies grower to receive NBS bonus payment at time of sale (rate TBD).

Draft Program Criteria (rev. 10/2021)

Program Criteria <sup>1</sup>	Qualifications	Incentives
1. Tracking	Establishing Farm Sustainability Records: growers will work with Star of the West staff to self-report baseline operational information and update annually.	Advantage to grower to track data.
2. Edge of Field Risk Evaluation	Evaluation of whole farm, plan in place for high-risk areas. <sup>2</sup>	Gain knowledge on soil erodibility and additional program eligibility.
3. Integrated Pest Management (IPM)	Growers will document current IPM activities OR if IPM practices are not being utilized on farm, enrollment in IPM planning service will be necessary.	IPM practices can lead to reduced input costs and increased yields.
4. Diversity	Growers must plant a minimum 3-crop rotation.	Longer rotations can lead to increased pest resistance and better soil health.
5. Cover Crops	Utilize a minimum of 1 species of cover crop, 3 out of 4 years.	Grower earns between \$4-\$20/ac, IF NEW.
6. Nutrient Management (NM)	<ul> <li>[Pre-req] Ensure NMP/CNMP/Fertility plan is in place and that it:</li> <li>Is based on current soil testing (every field within last 3 years),</li> <li>Follows 4R and/or university recommendations.</li> </ul>	Grower earns between \$4-\$20/ac, IF NEW.
	Additional incentivized NM activities:  Variable rate application, Increased level of soil sampling,  Nutrient placement or timing improvements,  Portion of nutrient inputs come from manure/compost sources,  Use of N stabilizers/slow release fertilizers.	
7. Reducing Tillage	No till/strip till practice OR plan in place to reduce tillage annually with ultimate goal of no-till/strip till. Continual improvements will be assessed from prior year residue results. <sup>3</sup>	Grower earns between \$4-\$20/ac, IF NEW.

<sup>&</sup>lt;sup>1</sup> Criteria based on TNC's Sustainable Commodity Sourcing Principles. Criteria 1 & 2 will be required for "whole farm." Criteria 3-7 will be required for wheat fields only.

<sup>&</sup>lt;sup>3</sup> In lieu of complete equipment change, improvements to lessen tillage intensity, soil and carbon loss can be made on an incremental basis through operational changes. These changes will be detected by taking before-and-after surface residue measurements each planting season.





<sup>&</sup>lt;sup>2</sup> Farm will be screened using the Great Lakes Water Management System and fields at high risk for sediment loss will be identified. Project team will work with grower to establish a plan to treat these high-risk field edges (setbacks, CREP, etc.).