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## **New Farm Conservation Economic Study: *EQIP Program Improves Cover Crop Adoption***

**St. Louis, Missouri, May 20, 2022.** The American Soybean Association (ASA) recently led an analysis of federal conservation programs to determine which programs were the most beneficial to farmers and led to greater adoption of conservation practices. The economic analysis showed that the [Environmental Quality Incentives Program \(EQIP\)](#) funding to farmers increased cover crop acres more efficiently than the whole-farm [Conservation Stewardship Program \(CSP\)](#). In addition, neither program moved the needle forward on no-till practice adoption.

The analysis was funded through a grant ASA received from the Walton Family Foundation. ASA Economist Scott Gerlt teamed up with Roderick Rejesus and Yuyuan Che, North Carolina State agricultural economists, to take a deep dive into 2009-2020 USDA-Natural Resources Conservation Service (NRCS) data. Both EQIP and CSP are voluntary cost-share government programs that provide financial and technical assistance to increase farmer practices that improve soil, water, air, wildlife and climate impact. Results of the economic analysis provide additional guidance for ASA's advocacy efforts related to proposed conservation programs under the 2023 Farm Bill.

Ariel Wiegard, Director of Government Affairs for ASA, likens these results to recent grower surveys and Farm Bill listening session comments. "This study underscores what we hear from growers as we clarify our conservation priorities for the 2023 Farm Bill."

The largest soil-health related purpose category for EQIP and CSP is Cropland Soil Quality. It focuses on practices that improve soil health: enhancing organic matter, avoiding excessive tillage, managing pests and nutrients sufficiently, preventing soil compaction, keeping the ground covered, and diversifying cropping systems. In 2020, for example, 3.9 million EQIP acres enrolled for this purpose were contracted in these categories: nutrient management (20%), cover crops (18%), reduced tillage (16%), crop rotation (9%), other (37%).

In comparison, CSP had 5.9 million whole-farm acres contracted for Cropland Soil Quality in 2020 in the following categories: integrated pest management (39%), nutrient management (27%), reduced tillage (14%), cover crops (9%), crop rotation (7%), other (31%).

### **Acreage and costs**

National EQIP acreage has stayed in the 10-12 million/year range since 2009, except for the 2012 drought year when it hit 20 million acres. Soybean states show a consistent 2 million acres/year. National costs per acre have doubled from 2009 to 2020 from \$60 to \$120/acre; soybean states increased from \$80 to \$150/acre.

National CSP acreage has steadily declined since 2011, going from 13 million to 6 million acres in 2020, with soybean states showing a similar decline (5 to 1.75 million acres). In the same timeframe, per-acre costs rose from \$40 to \$300/acre; soybean states increased from \$40 to \$190/acre.

"To answer whether these payments increase cover crops and no-till adoption, the study used satellite OpTIS data at the county level in 12 Corn Belt states from 2006 to 2015," says Gerlt. "It also included data on EQIP and CSP payments, planted acreage and weather variables."

### **EQIP boosts cover crops**

The analysis shows:

- Over time, farmers are automatically adopting more cover crops.
- Increasing rainfall reduces cover crop adoption.
- Warmer weather increases cover crop adoption.
- EQIP payments increase adoption: Each \$1 spent increases adoption by 0.0673% (or \$100 EQIP payment increases cover crops by 7%).

"CSP payments tell a different story, meaning that increasing CSP payments corresponds to a decrease in cover crop adoption," Gerlt says. "While that seems counterintuitive, anecdotal evidence from farmers points to a reluctance to put all their acres into cover crops, as required by CSP contracts, compared to targeting certain acres under EQIP."

No conclusions can be drawn when examining the same satellite and variable data from a no-till adoption perspective. "There are no statistically significant results that show either EQIP or CSP increasing no-till practice adoption," Gerlt adds.

For more information on this study and other conservation projects ASA has completed in partnership with the Walton Family Foundation, visit the Sustainability and Conservation issues section of the ASA website at [soygrowers.com](http://soygrowers.com).

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*The American Soybean Association (ASA) represents U.S. soybean farmers on domestic and international policy issues important to the soybean industry. ASA has 26 affiliated state associations representing 30 soybean-producing states and more than 500,000 soybean farmers. More information at [soygrowers.com](http://soygrowers.com).*

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