



Manitoba Association of Watersheds

PRAIRIE WATERSHEDS CLIMATE PROGRAM

(On-Farm Climate Action Fund)

BMP: ROTATIONAL GRAZING FACT SHEET PENULTIMATE (MB): JUNE 10, 2022

AGRICULTURE AND AGRI-FOOD CANADA'S AGRICULTURAL CLIMATE SOLUTIONS ON-FARM CLIMATE ACTION FUND (OFCAF): PRAIRIE WATERSHEDS CLIMATE PROGRAM (PWCP)

OFCAF is an initiative designed to help farmers address climate change. Funding for this project has been provided by Agriculture and Agri-Food Canada. [Read the media release here.](#)

The Prairie Watersheds Climate Program: Manitoba and Saskatchewan

The Prairie Watersheds Climate Program (PWCP) seeks to increase producer uptake and increase acres around three key farming practices:

1. Rotational Grazing
2. Nitrogen Management
3. Cover Cropping

The Manitoba Association of Watersheds (MAW) is the lead organization managing the **Prairie Watersheds Climate Program** - an up-to \$40 million AAFC OFCAF project in Manitoba and Saskatchewan from February 7, 2022 – March 31, 2024.

- PWCP is delivered by Manitoba's Watershed Districts and the Saskatchewan Association of Watersheds (SAW).
- The project is overseen by an advisory committee of stakeholders led by MAW.

The Prairie Watersheds Climate Program Approach

- PWCP takes a grassroots, regional approach to addressing issues related to climate change in agriculture and supporting farmers to implement the three BMPs to have a positive impact on Canadian agriculture.
- 85 per cent of funding goes towards adoption of BMPs and BMP education/awareness activities for farmers.
- Greenhouse Gas (GHG) Emissions Reduction Credits arising from the Project on lands enrolled and funded in the project over the project period of February 7, 2022, to March 31, 2024, cannot be used by the Ultimate Recipient for any existing or future federal, provincial, or voluntary offset credit programs.
- Greenhouse Gas Emission Reduction Credits only apply to the year (s) in which the Ultimate Recipient received funding.
- All payments made to Ultimate Recipients for BMP adoption in the areas of nitrogen management, cover cropping, and rotational grazing are to be considered "farm support



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payments” as per subsection 234(2) of the *Income Tax Act* R.S.C 1985. As such all payments to farmers are to be considered income for the farm business and are subject to Income Tax.

- MAW will be preparing and submitting annually to the Canada Revenue Agency (CRA) AGR-1 forms for each PWCP payment to Ultimate Recipients.

Important Program Points to Note

- An activity can only be funded **once** on the same parcel of land through OFCAF funding.
- An Ultimate Recipient who participates in any of the BMP eligible activities in FY 2022-2023 can apply for the same eligible activities on the same land for FY 2023-2024
- Landlords and tenants both cannot apply for funding on the same piece of land

The Prairie Watersheds Climate Program Producers

- Producers are eligible for a maximum of \$75,000 of OFCAF funding, including all eligible activities across all BMPs for the project period to accelerate their adoption and implementation of on-farm beneficial management practices (BMPs) to reduce GHG emissions, support production efficiency, sustainability and resiliency on their farm operations.
- To assist producers with their adoption of all three BMPs, PWCP will offer producers resources to support BMP implementation and provide BMP design recommendations.

PWCP BMP: ROTATIONAL GRAZING: INCREASING THE ADOPTION OF ROTATIONAL GRAZING

Why Implement Rotational Grazing?

Rotational grazing is the practice of containing and moving livestock through pasture to allow forage plants to recover, deepen their root systems and improve soil health. This practice allows plants in the other paddocks time to recover. Rangelands managed under rotational grazing have also been found to have higher soil carbon sequestration rates than continuous grazing and may, therefore, serve as an effective carbon mitigation option. Importantly, ranchers see rotational grazing as an effective way to improve the profitability of their cattle operations while benefiting overall ecosystem health.

How PWCP Can Help

Some activities included in the PWCP are: agronomic services to develop grazing management plans, interior cross fencing, water system infrastructure, legumes and forage seeds.

The Prairie Watersheds Climate Program is helping producers in Manitoba and Saskatchewan to deploy real, measurable, and practical climate solutions for agriculture in the Canadian Prairies by assisting them to implement rotational grazing systems.

Rotational grazing allows producers to manage their forage resources to allow the forage crops to sequester carbon longer during the growing season. Managing the way forages are grazed and allowed to grow throughout the year can store carbon in the soil and release less Greenhouse Gases into the atmosphere. Sound management of grazing rotations can help to extend the growing season reducing the need for producers to harvest and transport feed to confinement feeding locations. Managed rotational grazing can also spread manure over a wider area and provide nutrients to forage crops to reduce the need for synthetic fertilizer use. The Prairie Watershed Climate Program through the On

Farm Climate Action Fund may fund producers for the adoption or expansion of planning and implementing grazing rotations in their operations. These include:

Fencing to support the Rotational Grazing Plan

- \$13,000/quarter to a maximum of \$50,000

Watering Systems to support the Rotational Grazing Plan

- Up to \$2,000/quarter for stationary water system development and \$7,000/project for mobile water systems. Maximum allowed = \$50,000
- Improving Pasture compositions by seeding legumes such as alfalfa/sainfoin
 - \$35/acre, up to \$75,000

Creation of Grazing Management Plan

- 50% of cost of the plan up to \$400

Eligibility Requirements

- **Funded Practices must be:**
 - Be new practices for an operation, or
 - Be expanded from what has been practiced in prior years on new land or new acres than prior years,
 - A rotational grazing plan must be provided that supports the new practice and
 - The rotational grazing plan must be endorsed by an agronomist, agrologist, Certified Crop Advisor.
- All activities must have commenced on or after February 7, 2022, and be completed on or before March 31, 2024.
- All invoices must be dated after February 7, 2022, and before March 31, 2024 (including those dates).
- Invoices and Proof of Purchase must accompany program rebate applications.
- Producers must contribute at least 15% of the total project cost as an in-kind contribution to the project.
- Before and after pictures of projects implemented are required for verification and payment.
- The remote watering system must be incorporated into grazing plan and be powered by a renewable source such as solar or wind.
- Fencing to support the rotational grazing plan such as permanent cross fencing, wildlife friendly fencing, temporary electric fencing are all eligible.
- Projects on rented land may need landlord approval to proceed.

Ineligible Activities

- Continuing implementation of an existing practice at the same degree as prior years
- An activity can only be funded once on the same parcel of land through OFCAF funding
- Landlords and tenants both cannot apply for funding on the same piece of land
- Perimeter fencing is not eligible unless it is part of the Rotational Grazing Plan
- Removal and replacement of old and/or existing fence
- Used fencing materials
- Used remote watering systems
- Generators to power remote watering systems

- Texas gates
- Portable panels
- Maintenance
- Grazing co-operatives and non-profit organizations are not eligible for funding in this program

For more information, visit: <https://manitobawatersheds.org/prairie-watershed-climate-program>

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