



SUSTAINABLE AGRICULTURE *and* FOOD SYSTEMS FUNDERS

SAFSF Sustainable Fibers Policy Options

Building Support to Re-shore the U.S Fibers Industry

Sustainable fibers — produced by farming operations that use sustainable cropping or grazing systems, or other systems and practices beneficial to natural ecosystems — play a major role in the U.S. agricultural economy. This can include plant-based fibers like flax, hemp, and cotton, animal-based products like wool, alpaca, and leather, and natural dye products like plant extracts.

Yet, these crops and the small to midsize farmers and ranchers who produce them, are often overlooked in current U.S. agricultural policy. At the same time, petroleum-derived fibers (polyester, nylon, and other synthetics) now make up over 64% of global fiber production.¹ In other words, nearly two-thirds of all the fibers we wear and use are made from oil. **Rebuilding and revitalizing U.S. sustainable fiber production and processing, known as “reshoring,” can address this trend.**

The upcoming 2023 Farm Bill provides a key opportunity to integrate sustainable fibers more directly into federal agricultural policy to expand eligibility and access for small and midsize fiber farmers and ranchers. As is the case with U.S. agricultural policy as a whole, this need is particularly critical for fiber farmers who are Black, Indigenous, Latinx, Asian, and otherwise marginalized by a lack of access to federal resources.

The following policy options include no-cost tweaks — those that would not require new congressional appropriations — that could be made to existing farm bill programs, including some at the regulatory level, to address the gaps and levers identified in the [SAFSF Fibers Roadmap](#) and by our partners. In addition, the Sustainable Fibers Revolving Loan Fund Pilot Program would be a new provision that would help close the gaps that exists in accessing capital and technical assistance specifically designed for sustainable fiber producers.

¹ Preferred Fiber & Materials Market Report - Textile Exchange
https://textileexchange.org/app/uploads/2022/10/Textile-Exchange_PFMR_2022.pdf

Existing Farm Bill Programs to Amend

Competitive Grant Programs

Local Agriculture Market Program (LAMP) - is an umbrella program created in the 2018 Farm Bill encompassing the Farmers Market Promotion Program (FMPP), the Local Food Promotion Program (LFPP), the Regional Food System Partnerships Program (RFSP), and the Value-Added Producer Grants Program (VAPG). As a whole, LAMP supports the development, coordination, and expansion of direct producer-to-consumer marketing; local and regional food markets and enterprises; and value-added agricultural products.

No-cost Policy Option

- Integrate a sustainable fibers definition in LAMP and ensure that wherever LAMP mentions “food”, it also includes “sustainable fibers.”

Loan Programs

Business & Industry (B&I) Loan Program - is a loan guarantee program designed to assist rural businesses, and some urban agricultural operations, obtain needed credit for almost any legal business purpose. The Local and Regional Food Enterprise provision of the B&I loan program provides loan guarantees for projects that process, distribute, aggregate, store, and/or market locally or regionally produced agricultural food products to support community development and farm and ranch income.

No-cost Policy Option

- Change the name of the program and the definition to integrate sustainable fibers.

Farm Real Estate and Operation Loans - provide direct and guaranteed loans to start, maintain, or strengthen a farm or ranch. Farm Operating Loans may be used for normal operating expenses, machinery and equipment, minor real estate repairs or improvements, and refinancing debt.

No-cost Policy Option

- Ensure sustainable fibers are included in the valuation of local or regional by shifting this definition away from just focusing on “crops” to focusing on “agricultural products.”

Conservation Programs

Environmental Quality Incentives Program (EQIP) - provides technical and financial assistance to farmers, ranchers, and forest landowners to address natural resource concerns and deliver environmental benefits such as improved water and air quality, conserved ground and surface water, increased soil health and reduced soil erosion and sedimentation, improved or created wildlife habitat, and mitigation against drought and increasing weather volatility.

No-cost Policy Option

- Add “planning for sustainable practices for fiber production” to the list of eligible conservation practices and plans.

Environmental Quality Incentives Conservation Innovation Grants - provides competitive grants to support the development of new tools, approaches, practices, and technologies to further natural resource conservation on private lands

No-cost Policy Option

- **Uses** - add producers of sustainable fibers to the “use” for CIG grants.
- **On-Farm Conservation Innovation Trials** - add Enterprise Scope (following Geographic Scope) to ensure the Secretary identifies a diversity of types of agricultural enterprises, including sustainable fibers.

Research Programs

Agriculture and Food Research Initiative (AFRI) - The National Institute of Food and Agriculture (NIFA) awards AFRI research, education, and extension grants to improve rural economies, increase food production, stimulate the bioeconomy, mitigate impacts of climate variability, address water availability issues, ensure food safety and security, enhance human nutrition, and train the next generation of the agricultural workforce.

No-cost Policy Option

- There are currently 6 statutory priority areas under AFRI, including Agriculture Systems and Technology. We seek to add “crops and animals for sustainable fibers, textiles and leather production” to the new uses and products sub-priority of the Agriculture Systems and Technology priority.

Sustainable Agriculture Research and Education (SARE) - offers farmer-driven, grassroots grants and education programs. SARE is divided into four different regions that operate as separate entities and run grant programs for their states.

No-cost Policy Option

- Amend the “Diversification of Research” section to include sustainable fiber operations.

Organic Agriculture Research and Extension Initiative (OREI) - funds projects that will enhance the ability of producers and processors who have already adopted organic standards to grow and market high-quality organic agricultural products.

No-cost Policy Option

- Add a research purpose for value-added organic products, including organic sustainable agriculture fibers and textiles.

New Pilot Program

A Sustainable Fibers Revolving Loan Fund Pilot Program would include the following provisions:

Intermediary Revolving Loan Fund - federal grants to qualified private, non-profit entities to provide revolving loan funds for sustainable fibers entrepreneurs for the following purposes:

- Business needs or requirements, including gap financing or similar needs for development and expansion of sustainable fibers entrepreneurs; and
- Short-term costs incurred for replacement equipment, or other small capital projects that are not part of the regular operations and maintenance activities.

Technical Assistance Grants - federal grants to qualified private, nonprofit organizations to provide the following:

- training, operational support, business planning, and market development assistance, and other technical assistance or related services to sustainable agricultural fibers entrepreneurs, such as assistance accessing both private and public sources of capital; and

- carry out such other projects and activities as the Secretary determines appropriate to further the purposes of the program.
- Selection of grants - in making grants, the Secretary must do the following:
 - place emphasis on organizations that serve sustainable fiber entrepreneurs located in rural areas that have suffered significant outward migration or economic distress; and
 - ensure that grant recipients include organizations of varying sizes and serve racially and ethnically diverse populations.

For more information on SAFSF Sustainable Fibers Policy Options, contact:

Traci Bruckner, SAFSF Senior Director, Public Policy traci@safsf.org

Sarah Kelley, Consultant, SAFSF Project on Fibers and Textiles, fibers@safsf.org

Maggie Mascarenhas, SAFSF Public Policy Associate mmascarenhas@safsf.org