



Should You Consider AgriStability and Risk Management Programs Due to COVID-19?

Over the past two months, we have seen the effects of COVID-19 continue to grow and the agriculture industry has not been exempt from the significant impact on the economy. Last week the federal government announced a national AgriRecovery initiative of up to \$125 million in funding to assist producers who have seen additional costs incurred related to COVID-19. The program includes set-asides for cattle and hog producers due to the effect of temporary closures of food processing plants. Additional announcements can also be found in the federal [news release](#).

On top of these COVID-19 specific programs, the government has other risk management programs for the agriculture sector. Given the unknown length of the COVID-19 impact, the government has extended the application deadline for some of these programs, specifically both AgriStability and Risk Management Program (RMP). Historically the application deadlines have been April 30 however, they have been extended to July 3 and June 30 respectively for the upcoming year.

There is an opportunity to consider if these programs could now support your business as you navigate the effects of COVID-19. Over the next couple weeks, we encourage you to consider the impact that you have experienced, what the impact might be over the remainder of the year (calendar or fiscal depending on your year-end) and the ability of your business to manage the potential impact.

As you contemplate ways to manage, from both a production and financial aspect, [AgriStability](#) and [Risk Management](#) might be of assistance. Click the links for a detailed summary of each program and the specifics of what is covered, how they are calculated and what would all be involved.

Typically, those in supply management have not been involved in these programs as the cost exceeded the potential benefit. With the unknown impact of COVID-19, you may want to consider whether these programs could be helpful to minimize any negative impact you anticipate in your profit margin this year.

If you have any questions regarding either of these programs and how they might work for your business, please reach out to your contact at Ward & Uptigrove to discuss in further detail.