



Market Demand for Conservation: STAR Pay-for-Performance Incentive for Douglas and Macon Counties

Grain buyers are signaling a demand for commodity crops that are raised sustainably. STAR (Saving Tomorrow's Agriculture Resources) is piloting a method grain buyers can use to identify eligible fields and compensate growers who are implementing conservation practices that result in improved or outstanding (5-STAR Rating) environmental outcomes.

What is STAR?



Steve Stierwalt and Joe Rothermel, farmers in Champaign County, Ill, developed the STAR tool in 2017.

STAR was developed by farmers, for farmers

Farmers deserve recognition for their commitment to land stewardship and soil health. STAR allows farmers to evaluate their current production system, identify areas for improved management, document their progress and share their successes.

STAR is administered by local Soil & Water Conservation Districts (SWCD). SWCD staff score field forms, and provide farmers their STAR ratings confidentially. SWCD staff can also provide expert technical conservation assistance to farmers interested in adopting new practices that may raise their STAR ratings.

Eligibility and how it works:

Corn and soybean growers in Douglas and Macon counties in central Illinois are eligible to participate.

To be eligible, a grower has to both submit a Grower Agreement with STAR AND enroll fields with STAR by answering a simple survey about practices utilized in the current growing year. STAR provides each field a confidential rating of 1 to 5 STARs. Growers receive a payment for:

1. Receiving and maintaining a 5-STAR Rating (the highest rating), OR
2. Demonstrating improvement in their initial STAR rating over a two-year period.

Example:

- Year 1: A field's STAR rating is a 1
- Year 2: A field's STAR rating is a 2

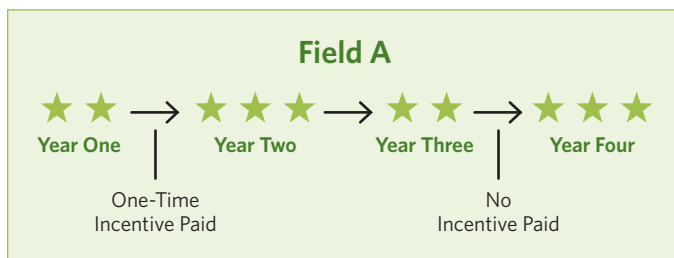
Because of the STAR rating improvement from one year to the next, the farmer will collect \$5/acre up to the acreage cap (500 acres/grower/year). Compensation is tied to acres, not bushels.

STAR rating scale and compensation levels:



The fine print:

1. The incentive is tied to the acre, not bushel. There is a 500 acres/grower/year cap.
2. Prioritization (if needed) will be first come, first served, using the date the signed Grower Agreement is received.
3. Fields that are already in private environmental incentive programs, such as carbon markets, are not eligible. Fields enrolled in publicly eligible programs, like USDA- or state-based conservation programs, however, are eligible.
4. A small subset of STAR fields is randomly selected each year for verification and quality control. Verification occurs in February and March following the crop year, and if a field that is participating in this program is randomly selected for STAR verification, the grower will be notified by a SWCD representative.
5. No backsliding: In subsequent years of STAR's Pay-for-Performance program, fields will not be eligible for a payment if they were previously rewarded for a certain STAR Rating Improvement. For example, in the image below, Field A received a payment for achieving an improvement from 2 to 3 STARS; this same field would NOT be eligible to receive a payment if the field went back down to a 2-STAR rating, and went back up to a 3-STAR rating. It would only be eligible for another incentive payment when it achieved a 4-STAR rating, or the flat payment for a 5-STAR rating.



What does STAR do with farmers' data?

Personal information, email addresses, management plans, operational details, and results are for growers' use only. The local SWCD will not share this information with any third party unless growers specifically agree to a data-sharing option. Aggregate information may be used and shared by CCSWCD and authorized third parties to improve conservation management services and tools, and to promote the understanding and adoption of sustainable agriculture practices.

Refer to STAR's full Terms of Use and Privacy Policy on their website: www.starfreetool.com

If a field is accepted in STAR's Pay-for-Performance program, STAR will share aggregated, NOT field-level, data with future potential Pay-for-Performance funders, ie grain merchandisers or consumer-packaged-goods companies, particularly programmatic and environmental outcomes, to provide an example of outcomes they could receive.

When:

Deadline for signing up for the program and completing a STAR field form is August 31, 2023. Growers will be notified if they are approved for payment by mid-October, and payment will be processed (from STAR) in early 2024 after all verification has taken place.

How to sign up:

1. Go to starfreetool.com to enter Crop Year 2023 fields starting July 17 (due by August 31). At starfreetool.com, you have the option to submit paper field forms, use a fillable PDF, or utilize STAR's online portal.
2. Go to starfreetool.com to also fill out and submit STAR's Grower Agreement (found under the Get Started tab). The Agreement allows you to indicate which fields you want entered for consideration. **Submit agreements to IL STAR's coordinator Natalie Kerr at natalie@starconservation.org.**

Timeline:

