Payment for Performance:

Conservation Stewardship Program

November 21, 2013

The Conservation Stewardship Program (CSP) presents a significant shift in how NRCS provides conservation program payments. Instead of using the traditional compensation model that pays a per-acre rental rate or a percentage of the estimated cost of installing a practice, CSP pays for conservation performance — the higher the performance, the higher the payment.

Annual Payments

Under CSP, participants receive annual land use payments for operational level environmental benefits they produce. A split payment structure provides separate annual payments for conservation activities being added (additional activities) and those already in place (existing activities). Additionally, a participant must install additional activities on a land use in order for that land use to earn annual payments.

A CSP participant's annual land use payments for both additional and existing activities are calculated as:

Annual Land Use Payments = Land Use Acres X Performance Points (additional or existing) X Land Use Payment Rate

Supplemental Payment

A supplemental payment is available to participants earning an annual payment who also agree to adopt a resource-conserving crop rotation on cropland. To determine the supplemental payment rate, NRCS technology specialists identified representative resource-conserving crop rotations and associated yields, and then collected cost information to compare net-returns under "conventional" and "resource-conserving" crop rotations. The supplemental payment rate is based on the differences in crop production costs between conventional and resource-conserving crop rotations.

2014 CSP Payment Rates Annual Payments

Landuse	Additional Activity Payment Rate	Existing Activity Payment Rate
Cropland	$0.4990/point	$0.0432/point
Pastured Cropland	$0.2376/point	$0.0508/point
Pasture	$0.2376/point	$0.0324/point
Range	$0.1588/point	$0.0108/point
Forest	$0.1858/point	$0.0173/point

Supplemental Payment

Resource-Conservation Crop Rotation - $12.00/acre