



Participant Handbook
Risk Management Program



Complete details about RMP: Grains and Oilseeds are available on agricorp.com and in the Participant Handbook and accompanying information sheets, described below:

- **Participant Handbook** – The Participant Handbook outlines what you need to know about RMP: Grains and Oilseeds, how to enrol and your responsibilities as a participant. The Participant Handbook applies to the 2022 program year and will continue to apply for subsequent program years, until it is cancelled, amended or replaced.
- **Rates, Dates and Updates Information Sheet** – This information sheet works as part of your Participant Handbook to provide details specific to the program year, and is updated annually. You can find the information sheet on agricorp.com or request a copy by calling Agricorp.
- **Calculating Target and Market Prices Information Sheet** – This information sheet shows how the target and market prices are set and is a complementary document to the Participant Handbook. The data is specific to the program year and is updated annually. You can find the information sheet on agricorp.com or request a copy by calling Agricorp.

For full particulars of RMP terms and conditions, refer to the following documents in effect for the current program year:

- RMP: Grains and Oilseeds Guidelines
- Minister's Order 0006/2021, as amended (Ontario Risk Management Program)
- Order-in-Council No. 1460/2018, as amended (Business Risk Management Review Committee)

Where there is any conflict between the Participant Handbook, information sheets, and the guidelines, the guidelines take precedence. To obtain copies of the guidelines, please contact the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA).

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What is RMP?

Ontario's Risk Management Program (RMP) helps producers manage risks beyond their control, like fluctuating costs and market prices. The program is available for the cattle, edible horticulture, grain and oilseed, hog, sheep and veal sectors.

Traditionally, business risk management programs are funded on a 60/40 basis from the federal and provincial governments respectively. RMP is provincially funded only, meaning the Ontario government funds its traditional 40% share. The 40% funding is reflected in payment calculations and premium rates.

RMP complements AgriStability and Production Insurance. AgriStability is designed to stabilize whole farm income and Production Insurance helps mitigate production loss.

What is RMP: Grains and Oilseeds

RMP: Grains and Oilseeds was designed in consultation with representatives of the Ontario grain and oilseed industry and the Ontario Federation of Agriculture.

RMP: Grains and Oilseeds works like insurance to help Ontario producers offset losses caused by fluctuating commodity prices and production costs. A payment is made if a crop's market price falls below the annual support level. The support level is based on the coverage level you choose and the industry average cost of producing a crop (target price), which is calculated annually by the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA).

Eligibility

To be eligible for RMP: Grains and Oilseeds, you must:

- Grow at least 1 eligible grain or oilseed crop in Ontario in the current program year
- Enrol your entire acreage of each eligible grain or oilseed crop grown in the current program year
- Pay premium(s)
- Participate in Production Insurance in the current year
- Have a premises identification number (new participants)

Eligible crops

Ontario-grown grain and oilseed crops, including farm-fed grains and crops grown for seed, are eligible for RMP. Crops grown for plow-down are not eligible.

Eligible crops are classified as major or minor, depending on how much data is available for target and market prices. Major crops are more widely grown, resulting in more available data. Minor crops are not as commonly grown, resulting in less available data. Major and minor crops are treated differently with respect to premiums, support prices and payments.

The following crops are eligible:

Major crops:	Minor crops:
Barley	Buckwheat
Black beans	Faba beans
Canola	Field peas
Corn (grain and farm-fed)	Flax
Cranberry beans	Hard white winter wheat
Hard red winter wheat	Millet
Japan/Adzuki/other beans	Mustard
Kidney beans	Rye
Oats	Organic winter spelt
Soft red winter wheat	Organic winter wheat
Soft white winter wheat	Organic corn
Soybeans (including pedigree, organic, tofu and natto varieties)	Seed corn
Spring grain (oats, barley and mixed grain)	Popping corn
Spring wheat (including pedigree)	Sorghum
White beans	Spelt
	Sunflowers
	Triticale

How to participate

New participants

If you are new to RMP: Grains and Oilseeds, you need to submit an application to Agricorp.

For greater convenience and timely processing, submit your completed application form online. If you are not applying online, contact Agricorp and request an application. Paper applications can be submitted by mail. Please only submit your application once. If you are applying online, signatures are not required.

You can apply as a sole proprietor, unincorporated association, corporation, trust, cooperative, communal organization, partnership, limited partnership or estate.

For partnerships and limited partnerships, you should submit only 1 application, signed by all partners.

Existing participants

If you already participate in RMP: Grains and Oilseeds, you will receive a renewal package. You do not need to reapply. All your previous coverage information will be rolled over to the current year.

When you receive your renewal package, review coverage levels and ensure all your eligible crops are included.

You can make changes by calling or emailing Agricorp. When using email, include RMP: Grains and Oilseeds in the subject line.

Continuous participation

Your coverage will be automatically rolled over to the next program year using your selected coverage levels. Contact Agricorp to adjust your coverage level.

Participation must be continuous. If after a full year of participation you cancel, you will be ineligible for enrolling again for the current year plus the next 2 years.

Your responsibilities

As with all Agricorp programs, you need to read and understand the RMP details, abide by the applicable terms and conditions, and meet the deadlines, which are published in this participant handbook and accompanying information sheets. Other requirements include the following:

- **Participate in Production Insurance.** Renew or obtain Production Insurance coverage for all grain and oilseed crops.
- **To change or cancel your coverage,** contact Agricorp. If you are an existing customer, you will be automatically renewed at the coverage level you requested the previous year.
- **Report unseeded acres.** Acres not planted may qualify for unseeded acreage coverage. See the payments section for more information.
- **Declare acres.** Report planted acres by calling Agricorp, if you haven't already done so for Production Insurance.
- **Pay premium.** See the Premiums section for more information and refer to your annual [RMP: Grains and Oilseeds Rates, Dates and Updates Information Sheet](#).
- **Report any changes** to your business structure or farming operation, including a significant expansion or decrease, or changes to the name, address or shareholders, as they occur.
- **Have a valid premises identification number (premises ID).** If you are an existing participant, Agricorp will use the same premises ID you provided last year. If your farm location has changed, please provide Agricorp with the correct premises ID for the new farm location. For new participants, your application can only be processed once your premises ID is provided to us and verified. If you have more than 1 premises ID, provide the ID for your home or main farm location in Ontario.

To obtain your premises ID, contact Agricorp at 1-888-247-4999 or visit www.ontarioppr.ca. You will need to provide your property tax assessment roll number from the Municipal Property Assessment Corporation.

How the program works

As with other insurance-like programs, you receive a payment when you incur a loss. RMP payments are made if the average market price for your crop(s) falls below your support level during the applicable pricing period.

Support level

Payments for RMP: Grains and Oilseeds are based on the difference between support levels and average market prices. Each major crop has up to 4 support levels depending on which coverage level you choose.

Coverage levels are listed in the [RMP: Grains and Oilseeds Rates, Dates and Updates Information Sheet](#).

Support levels are based on the target price for each crop multiplied by your chosen coverage level.

▶ The target price represents the industry average cost of producing a crop. Please refer to the [RMP: Grains and Oilseeds Calculating Target and Market Prices Information Sheet](#) for details on the current program year's calculations of target prices.

OMAFRA calculates target prices and premiums using methods developed in consultation with the grain and oilseed industry and the Ontario Federation of Agriculture.

The target price for each crop represents the industry average cost of producing a crop and is calculated by OMAFRA as follows:

- Take the average of the most recent three years of cost and production data.
- For each year, use cost and production data from a sample of farms that meet specific criteria to determine the average cost of producing each crop.
- Index the average forward to current year equivalents using the Eastern Canada Crop Production Farm Input Price Index to account for inflation.

Target prices are calculated for each major crop. If you grow a minor crop, Agricorp will assign you a proxy crop and use the rates for that crop to assess your premiums and payments. The proxy crop will be the major crop that is predominantly grown in your county, according to the average farm yields in Agricorp's database.

Exceptions: Organic winter wheat, hard white winter wheat, seed corn, popping corn and organic corn have set rates, based on major crops:

- Grain corn values are used for **seed corn and organic corn** when calculating premiums, support levels and market prices.
- Grain corn values are also used for **popping corn** premiums, with support levels and market prices at 2.5 times the grain corn values.
- Hard red winter wheat values for premiums, support levels and market prices are used for **hard white winter wheat**.
- Soft red winter wheat values are used for premiums, support levels and market prices for **organic winter wheat**.

Market prices

The market price is the average sale price for a grain or oilseed crop in a given 6-month pricing period for either immediate (post-harvest spot price) or future delivery. This is compared to the support level and used to calculate any eligible program payments.

Additional details about the data and method used for determining market prices are published in the [RMP: Grains and Oilseeds Calculating Target and Market Prices Information Sheet](#), which is available on [agricorp.com](#) or by contacting Agricorp.

Premiums

RMP: Grains and Oilseeds works like insurance, and your premiums are required to obtain coverage for your crops. Premiums are a way for producers and government to share the risk. Rates are based on 35% of the long-term cost of the program.

All rate and deadline information for premiums can be found in your annual [RMP: Grains and Oilseeds Rates, Dates and Updates Information Sheet](#).

Premium rates

Premium rates are established annually by OMAFRA and are based on:

- Target prices (industry's average cost of producing a crop) and support levels
- The coverage level you choose.

Calculating your premium

Here's the formula for calculating your annual premium:

$$\text{RMP premium} = \text{premium rate} \times \text{average farm yield (AFY)} \times \text{acreage}$$

(For seed corn, AFY is replaced with the settlement bushels factor, listed on the seed company contract.)

Premiums are charged for planted and unseeded acres. Premium calculations for unseeded acres in RMP will be based on the unseeded acres you report for Production Insurance.

The minimum premium per crop is \$25.

Paying your premium

You must pay your premium by the deadline shown on your invoice. See your invoice for details on paying your premium.

Payments

You will receive payments if the average market price for your crop(s) falls below your support level during the applicable pricing periods.

RMP payments are the product of your AFY, your reported acreage and the difference between your support level and the market price. Each payment calculation is based on 50% of your AFY, because there are 2 pricing periods every year.

Pre-harvest payments are calculated using an interim rate, so producers who trigger payments at different times during the year have the same access to available funding. As the program year progresses, the interim payment rate may be adjusted.

Payments are based on:

- The difference between market prices and support levels at the 40% provincial share
- Available funding for RMP – the RMP fund includes premium dollars and government funding

This rate is then multiplied by your acres and 50% of your AFY:

$$\text{Payment} = \text{acres} \times (\text{AFY} \times 50\%) \times \text{payment rate}$$

Payment schedule

The payment schedule below shows the payment and adjustments you may be eligible to receive.

November	June of the following year
	Post-harvest payment
Pre-harvest payment	Pre-harvest payment

Pricing periods

Payments are calculated in 2 pricing periods:

Pre-harvest payments are issued after all pre-harvest pricing periods end, if the market price for an enrolled crop is below your support level. Pre-harvest market prices are based on the average of forward contract prices or future delivery prices for 6 months before the harvest of each major crop.

Pre-harvest payment adjustments may be made at post-harvest.

Post-harvest payments are issued after all post-harvest pricing periods end, if the market price for an enrolled crop is below your support level. Post-harvest market prices are based on the average of cash or spot prices for 6 months during and after harvest.

More information is available in the [RMP: Grains and Oilseeds Calculating Target and Market Prices Information Sheet](#).

▶ Support levels, premium rates and target prices for the current year can be found in the [RMP: Grains and Oilseeds Rates, Dates and Updates Information Sheet](#).

Unseeded acreage coverage

You may also receive payments for unseeded acres. Unseeded acreage coverage provides compensation if any insured peril, except drought, prevents you and a large number of farmers in your area from planting or seeding all or part of your insured acreage. To qualify for unseeded acreage coverage, you must report your unseeded acres by the deadline shown in the annual [RMP: Grains and Oilseeds Rates, Dates and Updates Information Sheet](#).

Claims for unseeded acreage coverage may be paid in both the pre- and post-harvest pricing period.

Unseeded acres for RMP and the premiums for those acres are based on unseeded acres reported for Production Insurance.

Eligibility. Unseeded acreage coverage is available only for spring-seeded crops, including buckwheat planted as summer fallow. All acres of spring-seeded crops that are eligible for RMP are also eligible for unseeded acreage coverage, except popping corn and seed corn.

Calculations. An unseeded acreage coverage payment is calculated using the market price and AFY based on the unseeded acres reported for Production Insurance. It's based on 50% of your AFY because there are 2 pricing periods for each year. There is no deductible for unseeded acreage coverage.

Terms of Payment

- RMP payments are considered income for income tax purposes. Agricorp issues AGR-1 statements for income tax annually, showing any payments you may have received.
- You may not assign RMP payments to a third party.
- OMAFRA and Agricorp have absolute discretion to refuse or withhold any payments to any participant.
- Participating in the program does not give you a legal entitlement or right to payment.

Link to AgriStability payments

AgriStability is an important part of a comprehensive suite of programs. It protects you from large declines in your farming income caused by production loss, increased costs or market conditions. Visit agricorp.com for more information.

For the 2022 AgriStability program year, enhanced coverage is provided with the removal of the reference margin limit and the increased provincial portion of the payment rate. This enhancement is in place for the 2020-22 AgriStability program years under the *Canadian Agricultural Partnership*.

If you choose to participate in AgriStability, your RMP payment is counted as an advance on the provincial portion of your AgriStability payment for the corresponding program year. You keep the greater of the RMP payment or the provincial portion of the AgriStability payment. Because RMP is provincially funded, this has no impact on the federal portion of AgriStability payments.

If you participate in more than 1 RMP plan, the total of all RMP payments will be offset against your AgriStability payments.

Off-calendar year-ends

Depending on your year-end, the AgriStability program year may not coincide with the RMP year as shown in the example below.

Your farm business year-end	RMP	Corresponding AgriStability Year
Sept. 1 – Dec. 31, 2022	2022	2022
Jan. 1 – Aug. 31, 2023	2022	2023 ¹

¹ The program year will be in the next policy framework.

For producers who have multiple farms with year-ends that don't coincide with the calendar year, the farm business with the earliest year-end is used to determine the link to AgriStability.

Payment caps

Payments for RMP: Grains and Oilseeds are capped at \$1.2 million per participant per program year (pre- and post-harvest periods combined), whether the participant is a sole proprietor, partnership or corporation. The cap is applied to the total payment for the program year before calculating adjustments for AgriStability. Caps for other RMP plans are applied separately. In instances where the payment cap for a participant is reached, the participant may be entitled to a partial refund of their premium.

Acreage and average farm yield

Acreage and average farm yield (AFY) are key components in calculating your RMP payment. As in Production Insurance, your individual AFY is calculated using up to 10 years of your actual or underwritten yields. AFY takes into account all aspects of your farming operation, from land base to management practices.

All policies that determine the AFY under Production Insurance apply to RMP. For more information on this, refer to the *Production Insurance Contract of Insurance*.

For seed corn, the settlement bushels factor is used instead of AFY for all calculations. This factor is specified in your seed company contract.

Balances owed to the Crown

Agricorp is required to recover balances owed to the Crown, including any RMP overpayments that may occur as a result of incomplete applications, processing errors, changes to farm operations and the nature of advance payments to producers in financial distress.

If you have a balance owing, you must repay it, including interest, within 3 years of the date you are notified about the debt. You must also submit a repayment plan outlining how you plan to repay the debt. Interest is charged on outstanding balances that are owed for more than 30 days.

Agricorp also recovers overpayments from any other programs from which you may be eligible to receive funding. RMP overpayments can be recovered from other program payments, and other program overpayments may be recovered from your RMP payment.

Program terms and conditions

Bankruptcy or death

In the event of the bankruptcy or death of the participant, Agricorp needs to be contacted so program coverage can be properly finalized.

Farm sale

If you sell your farm operation or part of your farm operation, your participation in the program is cancelled as of the date of sale for either the entire acreage, or the portion that you sell. Your unsold acreage remains covered. Contact Agricorp in the event of any farm sale.

Collecting and protecting your information

Information collected under RMP is used by Agricorp to administer the program on behalf of OMAFRA. Information collected may be used and disclosed to administer, audit and evaluate the program. This includes sharing information with OMAFRA and any other entity required to administer the program. Agricorp may also use this information to administer or audit other cost shared and provincially or federally subsidized programs. Social insurance numbers and business numbers are collected and used only to make program payments and are shared with the Canada Revenue Agency to issue tax receipts for payments and, where necessary, for audits and collecting overpayments. If you have questions, please contact Agricorp's Compliance and Freedom of Information – Privacy Specialist at PO Box 3660, Stn. Central, Guelph, Ontario N1H 8M4, 1-888-247-4999.

OMAFRA or Agricorp may disclose any information as obligated under the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c.F.31, by an order of the court or tribunal or pursuant to a legal proceeding.

Retaining records

You must retain all invoices, receipts and production records relating to the crops covered by the program for a period of 6 years. You must make these documents available to Agricorp in the event of an investigation, inspection, audit or other matter related to RMP: Grains and Oilseeds.

Right of access

When you enrol in RMP: Grains and Oilseeds, you accept that Agricorp has the right to access your production and financial records, as well as records held by third parties, including, but not limited to, commodity boards, associations and organizations, grain elevators and processors.

Agricorp also has the right of reasonable entry to all lands or facilities you use, own or lease, or have other control and direction over, in order to survey, audit, inspect, estimate and examine your:

- Eligible crops
- Inventory and production
- Carryover production
- Storage facilities
- Acreage used before, during and after production
- Other information that is or should be in your records

Requesting a review

If you disagree with a decision about your file, a payment or your eligibility for the program, please contact Agricorp. You have 1 year from receiving a payment or notice from Agricorp to raise the issue.

Agricorp will review and assess the issue. If you are not satisfied with Agricorp's assessment, or wish to not use Agricorp's internal process, you may request a review by the Business Risk Management Review Committee (BRMRC). Your written request to the BRMRC must be submitted within 90 calendar days of receiving the written assessment from Agricorp.

To do so, you will need to provide the Agricultural Information Contact Centre (AICC) of OMAFRA with a written request.

AICC Contact information:

- Phone: 1-877-424-1300 / TTY – 1-855-696-2811
- Email: ag.info.omafra@ontario.ca
- Mailing Address:
Agricultural Information Contact Centre
Ontario Ministry of Agriculture, Food and Rural Affairs
1 Stone Road West, 4th Fl NE
Guelph, Ontario
N1G 4Y2

Your written request should include:

If you request a review, your written request must include the decision you want the BRMRC to review. It should also specify the grounds your request is based on and the information and documentation you will use to support the request for review. When submitting your request, include your contact information in the message and use "Review request to BRMRC" as the subject line. The BRMRC will make non-binding recommendations to Agricorp regarding your review. Agricorp may accept the recommendations in full or in part, or may decline to follow the recommendations. There is no further right of review process of Agricorp's final decision through the program.

An Agricorp representative may assist you in making a request to the BRMRC. For full particulars involved in requesting a review, refer to Minister's Order 0006/2021 and Order-In-Council No. 1460/2018, as amended, as well as the program guidelines.

Consequences of non-compliance and misconduct

If you do not meet the requirements of the program, your coverage will be cancelled. You will also have to repay any or all payments you have received under the program that do not comply with the requirements set out in the application, this Participant Handbook, the information sheets, the guidelines and/or the laws of Ontario and Canada. Repayments are due within 30 calendar days of the date of Agricorp's notice to you. Failure to make the repayment creates a debt to the Crown that can be recovered against any money the Crown owes you.

Coverage can be cancelled if you in any way:

- Give false or misleading information
- Fail to meet program requirements
- Commit fraud

If your coverage is cancelled for any reason, you are not eligible to apply again for the current year plus the 2 following years.

Definitions

These terms are used in this Participant Handbook, in the information sheets or in both.

AgriStability

A program delivered by Agricornp in Ontario that protects whole farms against large margin declines caused by any combination of production losses, adverse market conditions or increased costs.

Average farm yield (AFY)

The average farm yield as defined for a participant by Production Insurance. Your individual AFY is calculated using up to 10 years of your own actual or underwritten yields.

BRMRC

The Business Risk Management Review Committee reviews decisions by Agricornp for producers who request them. Producers must provide valid grounds and information to warrant reviews.

Coverage level

This represents the percentage of the target price that will be covered for a grain and oilseed crop, and determines the support level. Participants may choose 1 of the coverage levels listed in the [RMP: Grains and Oilseeds Rates, Dates and Updates Information Sheet](#).

Crop year

The calendar year in which a crop is harvested.

Forward contract price

The price posted by a dealer for delivery of a grain or oilseed crop at a specific future date.

Grain and oilseed crop

An Ontario-grown crop of: barley, black beans, buckwheat, canola, corn (grain and farm-fed), cranberry beans, faba beans, field peas, flax, Japan/Adzuki/other beans, kidney beans, millet, mustard, oats, organic corn, organic winter spelt, popping corn, rye, seed corn, sorghum, soybeans (including but not limited to organic, tofu and natto varieties), spelt, spring grain (oats, barley and mixed grain), spring wheat, sunflowers, triticale, white beans, winter

wheat (hard red, hard white, soft red, soft white and organic). Includes farm-fed grain crops (including but not limited to corn silage) and seed crops of any of the above listed crops including seed corn and rye harvested for seed.

Market price

The average sale price for a grain or oilseed crop in a given 6-month pricing period for either immediate (post-harvest spot price) or future delivery. This is compared to the support level and used to calculate any eligible program payments.

Premises identification

A program offered by the Provincial Premises Registry that assigns a unique identifying number to a parcel of land associated with agri-food activities. A valid premises ID number is required for coverage under RMP.

Premium

The amount a participant is required to pay for a specific coverage level for a specific crop for the program year. Premiums are paid annually.

Production Insurance

An insurance program jointly funded by the federal government, the provincial government and crop producers that protects farmers from crop losses due to insured perils.

Program year

The year of the program that covers the corresponding crop year for grain and oilseed crops, as defined by Production Insurance.

Spot price

The price posted by a dealer for immediate delivery.

Support level

The target price for a grain and oilseed crop multiplied by the participant's chosen coverage level. When the market price falls below the support level, a payment is made.

Target price

The industry average cost of producing a grain and oilseed crop for a crop year, as determined by OMAFRA.



An agency of the Government of Ontario

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Accessible formats available.

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