



**Agricultural Climate Solutions
Program – On-Farm Climate
Action Fund (OFCAF)**

**Program Guide for targeted
re-opening from September
15 to October 15, 2026**

**NOTE: Applies only to
Rotational Grazing - Virtual
Fence with Water Distribution
if Required and Nitrogen
Management - Soil BMPs**

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Agriculture and
Agri-Food Canada

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Agroalimentaire Canada



This guide explains who can apply, what projects are eligible, what costs can be reimbursed, and what applicants must submit to receive payment.

For the September 15 to October 15, 2026 re-opening, OFCAF is limited to two areas: nitrogen management soil BMPS and rotational grazing virtual fencing projects. Water distribution costs are eligible only when they are required as part of an approved virtual fencing project.

What is the On-Farm Climate Action Fund (OFCAF)?

OFCAF helps Alberta producers adopt beneficial management practices (BMPs) that reduce greenhouse gas emissions while supporting production efficiency, sustainability, and farm resilience. In Alberta, the program is delivered by RDAR with funding from the Agricultural Climate Solutions initiative managed by Natural Resources Canada, Environment and Climate Change Canada, and Agriculture and Agri-Food Canada.

For the Fall 2026 targeted re-opening, only selected BMPs are available:

1. Improved nitrogen management - soil BMPs only
2. Enhanced soil health with cover crops – **closed for September opening**
3. Strengthened rotational grazing systems: virtual fencing projects only, with water distribution if required

The 2026-2027 OFCAF program will re-open from September 15 - October 15, 2026 for two types of projects only: rotational grazing virtual fencing projects, with water distribution included if required, and nitrogen management soil BMP projects. To be considered, projects must:

- Complete the project by 1 December 2026
- Submit final reports by 14 January 2027
- Have total eligible costs of at least \$10,000 per application
- Meet all eligibility requirements listed below

Before applying, make sure you have: your project location and legal land description, a BMP Action Plan recommended by a PAG or CCA, labelled maps or aerial photos, estimated eligible costs, a planned start date and completion date, and a clear plan for keeping invoices, proof of payment, and before-and-after photos.

How the process works: apply through RDAR's [Agriculture Research Grant Organizer \(ARGO\)](#), wait for written pre-approval from RDAR, accept the approval and confirm your project dates, complete only the approved work, submit invoices and proof of payment with the final report, and receive reimbursement by direct deposit.

Who is eligible to receive funding?

To receive funding, applicants **must** meet all the following conditions:

- Be an active producer (includes a proprietorship, corporation, or registered partnership) that can demonstrate a minimum of \$25,000 gross farm income in Alberta.
- Work with a third-party Professional Agrologist (PAG) or Certified Crop Advisor (CCA); see [Guide to Accessing Agricultural Recommendations in Alberta](#) to develop a BMP Action Plan that is based on agronomic advice and identifies the cost difference from usual practices.
- The BMP Action Plan must include labelled maps of project field boundaries and LLDs on aerial photos or images (for rotational grazing, identify existing fences and water sources). Any labelling method may be used; see [the Guide to Locating and Labelling BMP](#).
- Complete an online application using [ARGO](#). The forms describe current practices and planned improvements.
- Document pre- and post-project conditions with GPS and date-stamped photographs.
- Provide permission for post-project inspections.
- Be headquartered in Alberta and apply funds only to lands in Alberta.
- RDAR will accept OFCAF applications only when the total eligible funding amount is \$10,000 or greater.
- Producers with projects below the \$10,000 minimum who want to trial BMPs are encouraged to apply for RDAR PREP (Producer Research and Evaluation Project), which provides up to \$20,000 in funding and project support. For more information, contact PREP@rdar.ca.
- Pay 100% of the costs upfront (no in-kind).
- All reimbursement payments are considered taxable income.
- **Written pre-approval** by RDAR is required to be eligible for program funding.
- Applicants must confirm participation, accept implementation responsibilities, and provide a project start and completion date within 14 days of approval for funding to be considered active. If the approval is not accepted through Pending Project Acceptance in [ARGO](#), RDAR may reallocate the funds to other applicants.

Landlords whose only interest is in the land and who are not raising crops or livestock are ineligible.

Important dates

Topic	Activity	Year 4
Application	Opening	15 September 2026
Application	Closing	15 October 2026
Final Report	Submitted	14 January 2027 (or as soon as the project is complete)
Payment	Sent by	31 March 2027

How much funding am I eligible to receive?

Applicants can receive up to 85% reimbursement of eligible expenditures across all BMP activity categories.

- BMPs must be new to the quarter section or new to the farm.
- BMPs funded by any OFCAF delivery agent in previous years are not eligible for funding of the same BMP on the same land in 2026.
- Multiple fields of the same BMP within a quarter section must be included in the same program year to qualify as new to the quarter section. This is a once-and-done rule.
- Stacking is not permitted year after year within the same category on the same land location.
- Project plans are pre-approved based on specific line-item costs as requested in the online ARGO. Reimbursement is capped at the pre-approved line-item costs. Projects are not pre-approved on a "lump sum" basis, meaning that costs cannot be reallocated once the line items are pre-approved.
- The applicant is responsible for due diligence on pricing.

Costs of multiple BMPs within each of the activity categories can be combined to a maximum grant payment of:

- \$100,000 per applicant from 1 April 2022 to 31 March 2028 from any OFCAF delivery partner. The same BMP applied to the same quarter section funded by other government sources, e.g., municipal, provincial, and federal programs, is not eligible for OFCAF funding.
- Any remaining portion of the \$100,000 OFCAF maximum may be applied toward eligible costs in a future project.
- Project activities in 2026 must be submitted and pre-approved by RDAR in writing before starting projects planned for implementation after 1 April 2026. Pre-approvals apply only to Legal Land Descriptions (LLDs) by quarter section listed in the pre-approved BMP Action Plan.
- BMP Action Plans must be recommended by a third-party Professional Agrologist (PAg) or a Certified Crop Advisor (CCA). The cost of the BMP Action Plan recommendation may not exceed 10% of the total cost of all eligible BMP(s) to a Program maximum of \$2,000 per applicant (Total for all years of the OFCAF program from 2022 to 2028).

Invoices and Payments

- Invoices must include the legal land descriptions for the pre-approved project fields. Substitutions are not eligible for reimbursement.
- Invoices must be issued in the name of the applicant or business and must match proof of payment from that applicant or business. Invoices must be paid only after written project pre-approval has been received.
- Invoices and proof of payment must be dated after 1 April 2026.
- Applicants must submit invoices and provide proof of payment.
- All paid invoices and the final report must be submitted by 14 January 2027.
- Purchased items and custom work must be delivered on farm between 1 April 2026 and the project completion date listed in the project acceptance agreement.
- A project is closed once OFCAF has reimbursed the costs.
- After payments have been issued, applicants have 10 business days to contact OFCAF with questions or concerns.
- As applications are reviewed, some BMPs and eligible costs may not be pre-approved once targeted outcomes are reached.
- Reimbursement is by direct deposit only.
- Maximum limits are set within some categories to allow more producers to try new practices.

Please Note:

- Applicants are responsible for submitting a complete application. If RDAR requests missing information and does not receive it by the stated deadline, RDAR will proceed with the information received. Missing information may result in deferral or rejection.
- Submission of a completed application does not guarantee pre-approval. Applications must be pre-approved by RDAR in writing before starting projects.
- Not all submitted applications may receive funding due to budget limitations.
- Applications are reviewed on a case-by-case basis and evaluated according to eligibility criteria, information submitted, funding availability, and past projects.
- If you applied to be in an agreement with RALP (Resilient Agricultural Landscape Program) or the CFGA (Canadian Forage and Grassland Association) for the same BMP on the same legal land locations, you may not be eligible for reimbursement.
- Payment of pre-approved applications will be based on completed reports as outlined in the Invoice Guide. Missing information may result in delays or non-payment.
- Notices of pre-approval and other OFCAF correspondence will be emailed from svcsmartsimple@rdar.ca. Please check spam or junk email folders so these messages are not missed.
- Costs and program details may be updated throughout the year. To receive updates and notifications of program changes, subscribe to the OFCAF newsletter.

Nitrogen Management

OFCAF's Fall 2026 re-opening targets soil BMPs. These practices help improve nitrogen use efficiency by matching fertilizer timing, rate, placement, and source to crop needs. They can also reduce nitrogen losses through runoff, leaching, ammonia emissions, and nitrous oxide emissions.

For soil BMPs, enter the legal land description for each individual field on a separate line in ARGO's Land Location column. Enter the acres for each field in the corresponding Acres column.

Eligible Costs	Ineligible costs, limitations, and explanations
- BMP Action Plan development*, or specialized agronomic support provided by a PAg or CCA - Cost** of increasing soil sampling*** intensity or depth; soil testing; field zone mapping together with sampling*** and testing for variable rate N prescriptions, \$20,000 maximum overall program years (2022 to 2028)	- Quarter sections that have previously been mapped for variable rate N - Field zone mapping that does not include zone-based soil sampling to a minimum 12" depth - Soil samples not tested using recognized analysis protocols in accredited laboratories - Long-term leased or rent-to-own equipment - Banding fertilizer into pasture - Fall banding

[*Templates are available](#) to identify a Nitrogen Management BMP Action Plan for Soil Testing and Mapping;

Consideration of the BMP Action Plan requires a recommendation from a PAg or CCA. The cost of the BMP Action Plan recommendation may not exceed 10% of the total cost of all eligible BMP(s), to a maximum of \$2,000 per applicant (inclusive for all years 2022 to 2028).

****Eligible cost limits** are listed in a summary table on page 8.

*****The minimum soil sampling depth** required is 12" (30 cm). Soil analysis for nitrogen content must use recognized analysis protocols in accredited laboratories (see [Soil Testing and Mapping Template](#)).

Please note: If a project is only for soil testing and mapping and does not include a different BMP approved by OFCAF in the previous or current year (2022 to 2026), a report on N management changes for the sampled field will be required (e.g., average N rate).

Rotational Grazing

OFCAF's Fall 2026 re-opening targets virtual fencing projects only, with water distribution included if required. New rotational grazing BMP strategies can improve forage quality, increase soil health, and improve resilience to changing climates.

Eligible Costs	Ineligible costs, limitations, and explanations
- BMP Action Plan development*, or specialized agronomic support provided by a PAg or CCA - Virtual fencing for rotational grazing with water distribution, if required - Including shallow buried water distribution systems that are part of a rotational grazing strategy - Shallow water pipelines must be a maximum of 2 inches (5 cm) in diameter and less than 15 inches (38 cm) deep. - Remote watering systems when powered by renewable energy. - Costs of BMPs pre-approved in an activity category may not be reallocated within that category, or transferred to a different category	- Rotational grazing projects other than virtual fencing - Ongoing maintenance - Watering systems (winter or summer) with no improvements to a rotational grazing strategy - Limiting livestock access to existing water sources - Placing a watering system on an existing source with no improvements to a rotational grazing strategy - Perimeter fence, maintenance or replacement of existing fences, bush clearing and fencing specific to wildlife management only - Owned fencing materials or materials in existing inventory, including previous purchases through OFCAF - Upgrades of gates beyond electric wire or barbed wire (e.g. steel, Texas), portable livestock corral panels, and trailers - In-yard or in-corral watering devices - Development of new water supplies such as springs, dugouts, or wells - Surface only, or, deep or frost-free, buried water lines and non-renewable power sources such as generators - Stacking within the same BMP category on the same land location, e.g. a second rotational grazing project, such as an additional watering system, in a following year (one and done) - Long-term leased or rent-to-own equipment - Platforms such as RANGEVIEW (multi-use devices to display the virtual location of Virtual Fence collars that can reach beyond the project scope) - Subscription fees

*[Templates are available](#) (see Rotational Grazing Virtual Fencing Template) to guide planning. Consideration of the Plan for funding requires a recommendation from a PAg or CCA. The cost of the BMP Action Plan recommendation may not exceed 10% of the total cost of all eligible BMP(s), to a maximum of \$2,000 per applicant (over all years, 2022 to 2028).

**Invoices and photos must demonstrate that the entire pre-approved plan was implemented.

Please note: Applications to install permanent features on rented land must declare that they have permission from the landlord. Other [government programs are available for water source development](#).

Summary of Beneficial Management Practice (BMP) Cost Limits

These costs represent the difference between usual practices and BMP practices that are new to a quarter section or farm. A BMP in the same category as a BMP previously funded by any OFCAF delivery agent is not eligible for funding on the same quarter section. This is a once-and-done rule. The program funds a maximum of \$100,000 per applicant over all OFCAF program years, from 1 April 2022 to 31 March 2028.

Costs and program details may change as new information becomes available. To stay informed about updates, [subscribe to the OFCAF newsletter](#).

BMP	Eligible Cost	Unit	Notes
All BMPs	\$10,000 or greater	\$	Minimum project size \$10,000 per application
Soil testing by producer	Up to \$100	\$ / sample \$ / field	Maximum of \$20,000 for all Soil BMPs over all years, 2022 to 2028** Per field to multiple depths
Custom soil sample and analysis	Up to \$300	\$ / sample \$ / field	Maximum of \$20,000 for all Soil BMPs over all years, 2022 to 2028** Per field to multiple depths
Field zone mapping, soil sampling and analysis in each zone	Up to \$8	\$ / acre	Maximum of \$20,000 for all Soil BMPs over all years, 2022 to 2028** Includes variable rate N prescriptions
BMP Action Plan recommendation	Up to 10%	Total cost of all eligible BMP(s)	Maximum \$2,000 per applicant over all program years (2022 to 2028)

*Total costs will be reimbursed at 85% of the maximums noted.

** If a different (non-soil) OFCAF BMP category was not implemented between 2022 and 2026, a report showing the nitrogen management change for the sampled field will be required, such as the average nitrogen application rate.

Please note: In-kind costs and leased or rent-to-own arrangements are not eligible costs. Rentals are only eligible for the project area and duration.

What's not covered?

In addition to the ineligible activities / costs listed for each BMP category above, the following general activities and costs are not eligible for reimbursement.

- In-kind payments, including the labour of the farmer or family members and non-cash transactions involving the exchange of goods and services
- No cash transactions are eligible
- Invoices and proof of payment not issued in the applicant's name or their business name
- Any cost not explicitly required for the implementation of the pre-approved project
- Multi-use items that can reach beyond the project's scope (e.g. computers, printers, cell phones, weather stations, software, etc.)
- Typical farm equipment (e.g., seeding equipment, tractors, skid steers, combines, livestock trailers, trailers to haul water) and related accessories or attachments
- Fabricated items, equipment or materials not purchased from a recognized dealer. For the purpose of the program, a recognized dealer is typically defined as a business where manufacturing is a key service or the business is an authorized dealer for specific item(s)
- Costs considered regular replacement, repair or maintenance
- Buyers' bidding or auction fees
- Used materials and refurbished drones
- Materials from the applicant's inventory
- Costs claimed for expenses or activities that may receive other government grants, rebates, or assistance programs
- Costs of basic research
- Activities not aligned with legislation in Alberta, e.g. Agricultural Operation Practices Act, Water Act
- Carbon offsets for greenhouse gas emission reductions generated with OFCAF support may not be claimed in regulatory carbon offset systems but may be claimed in voluntary offset credit programs
- Normal operating costs associated with carrying out or expanding a business's current operations
- Permits and approvals
- Annual service fees of any type
- Subscriptions
- New building construction
- Tile drainage systems
- Purchase or sale of land, buildings or facilities or associated taxes or fees (e.g., land transfer tax)
- Taxes, legal fees, financing charges, loan interest payments, bank fees
- Any costs, including a tax that is eligible for a rebate, credit or refund (e.g., a refundable portion of the GST)
- Lease of land, buildings and facilities for the purpose of starting up a new business or as part of normal operation or costs for rental of facilities, equipment or machinery
- Costs of training and skills development that fulfill any academic requirements toward completion of a professional certificate, diploma, or degree program
- Costs of sponsorship of conferences and learning events or initiatives
- Costs of travel, hospitality, meals and accommodations
- Gifts and incentives
- Costs related to activities that directly influence or lobby any level of government

Contact

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Producers interested in the program are encouraged to [subscribe to the OFCAF newsletter](#) or contact us for updates.