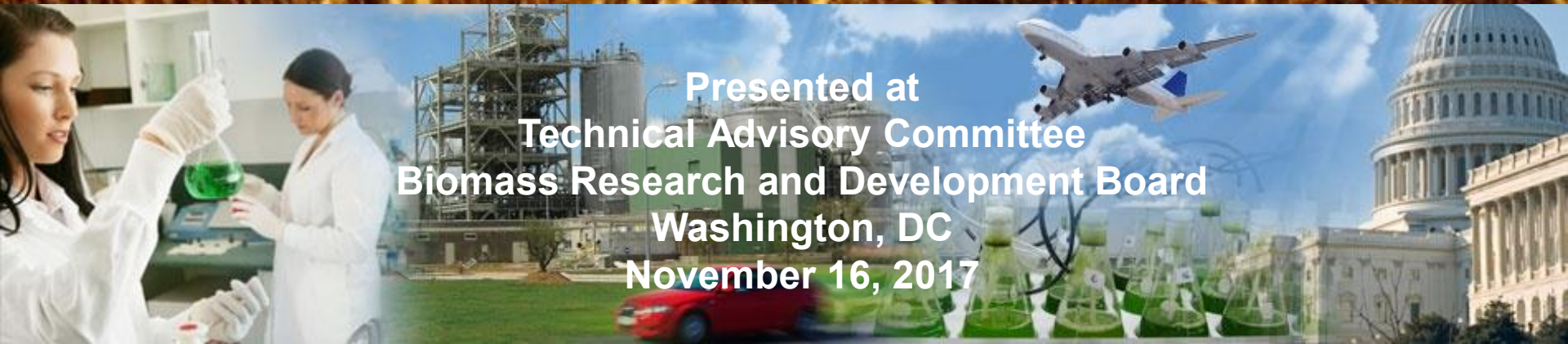


# USDA Updates

**Harry Baumes, Ph.D.**

**Office of Energy Policy and New Uses  
Office of the Chief Economist  
United States Department of Agriculture**

**Presented at  
Technical Advisory Committee  
Biomass Research and Development Board  
Washington, DC  
November 16, 2017**





Office of the Chief Economist  
Office of Energy Policy and New Uses

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## Agenda

- Leadership
- Strategic Goals and Priorities
- Programs
- Other – Farm Bill????



# LEADERSHIP



**Under Secretary for Trade  
and Foreign Agricultural  
Affairs - Ted McKinney**



**Secretary Perdue**



**Deputy Secretary  
Steve Censky**



**Assistant to the Secretary for Rural  
Development - Anne Hazlett**





United States Department of Agriculture

## USDA STRATEGIC GOALS 2018 – 2022

1. Work efficiently, effectively, with integrity and customer focus.
2. Help agricultural producers feed and clothe the world.
3. Market American agricultural products worldwide.
4. Increase rural prosperity.
5. Employ technology and research to nurture private lands.
6. Exercise wise stewardship of our national forests and lands.
7. Provide Americans with safe, nutritious, and secure food.

USDA is an equal opportunity provider and employer.



United States Department of Agriculture

“

USDA will be facts-based, data-driven, and customer-focused. And we should always remember that we are stewards of the land, and we must leave it better than we found it.

”

- Secretary Sonny Perdue



USDA is an equal opportunity provider and employer.

# DO RIGHT AND FEED EVERYONE

**STRATEGIC GOAL 2: Maximize the Ability of American Agricultural Producers to Prosper by Feeding and Clothing the World**

**STRATEGIC GOAL 3: Promote American Agricultural Products and Exports**

**STRATEGIC GOAL 4: Facilitate Rural Prosperity and Economic Development**

**STRATEGIC GOAL 6: Ensure Productive and Sustainable Use of our National Forest System Lands**



**STRATEGIC GOAL 5: Strengthen the Stewardship of Private Lands through Technology and Research**

**DO RIGHT AND FEED EVERYONE**

**USDA**  
United States Department of Agriculture

“  
USDA will be facts-based, data-driven, and customer-focused. And we should always remember that we are stewards of the land, and we must leave it better than we found it.  
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- Secretary Sonny Perdue



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**Office of the Chief Economist  
Office of Energy Policy and New Uses**

## **BioPreferred: Procurement Preference Program**

- **USDA promotes U.S. agricultural products and helps promote rural prosperity through the BioPreferred Program.**
- **Federal agencies and federal contractors are required by law to buy biobased products in categories designated by USDA.**
- **97 diverse categories including cleaning products, bioplastics, lubricants, and adhesives.**
- **For each category, minimum biobased content is established.**
- **Currently about 15,000 products in BioPreferred catalog that qualify for preferred federal purchasing.**





# **BioPreferred: Voluntary Biobased Consumer Product Label**



- Helps to drive consumer recognition of biobased products
- 3<sup>rd</sup> party product testing for biobased content (ASTM 6866)
- Minimum biobased content = 25%
- Products certified by USDA may display the USDA Certified Biobased Product Label
- States biobased content on label
- FP indicates that product qualifies for preferred federal purchasing

- Over 3,000 voluntary labeled products
  - consumer goods
    - About 1,800 products
  - renewable chemicals
    - about 500 products which will qualify for federal purchasing as a result of regulation “Round 11”
  - industrial goods
    - about 700 products



# Biofuels Infrastructure Partnership (BIP)

- BIP offers competitive grants from the U.S. Department of Agriculture (USDA) to state-led efforts to test and evaluate innovative and comprehensive approaches to marketing higher biofuel blends, such as E15 and E85.
- \$100 million had been awarded to 21 states\* (September 2015), with a more than 1:1 match from private and state resources, USDA estimates that the BIP grants will support nearly 5,000 pumps at over 1,538 fueling stations, and 400 tanks across the country.
- BIP supported construction has been initiated in 19 of the 21 States and is scheduled for completion December 2017. 40 percent of the targeted fueling stations have completed or are near completed construction. Due to Hurricanes Irma and Harvey – 30 percent of active/planned construction delayed.
- Environmental Assessments have been completed on nearly 85 percent of the targeted 1538 fueling stations. Construction has been completed for 35 percent of the fueling stations and is underway on 50 percent of the fueling stations see slide 4 for State-by-State progress listing).
- Funding was provided under Section 5(e) of USDA's Commodity Credit Corporation (CCC) Charter Act.





# Biofuels Infrastructure Partnership (BIP)

**BIP Agreement Performance Table  
October 11, 2017**

State	Grant Award	Funds Disbursed	Number of Stations Targeted	Percentage of Targeted Stations Completed or Under Construction
Colorado	\$ 600,000.00	\$ 500,000.02	17	65%
Florida	\$ 15,191,338.82	\$ 10,180,207.00	146	100%
Illinois	\$ 11,979,912.75	\$ 11,979,912.75	65	100%
Indiana	\$ 895,000.00	\$ 674,412.73	110	40%
Iowa	\$ 5,000,000.00	\$ 4,589,194.05	73	92%
Kansas	\$ 1,300,000.00	\$ 414,256.21	170	34%
Louisiana *	\$ 0	\$ 0	0	N/A%
Michigan	\$ 3,000,000.00	\$ 307,063.00	16	80%
Minnesota	\$ 8,000,000.00	\$ 2,187,750.00	165	100%
Missouri	\$ 2,875,284.00	\$ 564,550.25	166	19%
Nebraska	\$ 2,285,000.00	\$ 1,192,500.00	32	72%
North Carolina	\$ 5,000,000.00	\$ 5,000,000.00	37	100%
North Dakota	\$ 1,200,000.00	\$ 124,637.58	12	42%
Ohio	\$ 3,388,036.07	\$ 2,218,500.00	41	85%
Pennsylvania	\$ 7,000,000.00	\$ 7,000,000.00	79	100%
South Dakota	\$ 1,500,000.00	\$ 1,500,000.00	34	100%
Texas	\$ 18,709,089.50	\$ 8,297,063.00	204	96%
Virginia	\$ 5,795,446.54	\$ 3,122,144.78	49	100%
West Virginia	\$ 2,500,000.00	\$ 2,500,000.00	22	100%
Wisconsin	\$ 3,700,000.00	\$ 1,784,676.98	100	24%
<b>TOTAL</b>	<b>\$ 99,919,107.68</b>	<b>\$ 64,136,868.35</b>	<b>1,538</b>	<b>85%*</b>

\* Louisiana submitted no environmental compliance nor extension request; the agreement was terminated May 22, 2017.

- Grantee performance extensions were granted in December 2016 to 19 States; **performance deadline December 31, 2017.**
- **10 States have now requested an additional year-long extension for completion of grant performance.**
- **Construction timeline delays are occurring due to shifts in the fuel market and hurricanes, with direct impacts being shortages in labor and equipment and vendor availability.**



## **Agricultural Research Service**

- **National Program (NP213) Biorefining/Biofuels, as a standalone National Program no longer exists as of October 1, 2017. The research projects and the scientific staff have be incorporated into USDA, ARS, National Program (NP306) Agricultural Product Quality and Utilization**
  - Proposed new National Program title of NP306 is: Product Quality, New Uses and Bioprocessing.
- **Both NP 213 and 306 research projects are completing their five-year research cycle in 2018 with a new NP306 Action Plan expected to have researchable components addressing:**
  - Food
  - Non-foods (including cotton, wool and leather)
  - Bioprocessing (think Biorefining/Biofuels).
  - The new five year project plans will take effect 2019.



## Foreign Agriculture Service

- Market Access
  - Brazil Tariff Rate Quota – USEC McKinney go to Brazil this week
  - Peru – countervailing duty on going
  - Colombia Carbon Footprint Standard
- Capacity Building (often collaboration with private sector)
  - Mexico
  - Japan
  - South Korea (biofuels & wood pellets)
  - China (US-SINO Biofuels Forum (Nov 13-16, 2017))
  - India (Trade mission week of 10/30))
  - Netherlands (bioeconomy, wood pellets)



## Section 9003 (Farm Bill) - Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance Program

Eligible projects:

### A. Biorefineries

- Advanced Biofuels
- Renewable Chemicals
- Biomaterials

### B. Biobased Product Manufacturing Facilities





## **9003 Program Status Update:**

- 4 projects submitted to OMB for review. 1 additional project pending
- 2 projects obligated – 1 to close and begin construction in CY 2017 and 1 to close and begin construction in 1<sup>st</sup> quarter 2018.
- 4 applications received for the 10/2/17 funding cycle



# NIFA: Two NEW AFRI CAPs Join the Community

## SPARC led by University of Florida

- Partnering with Agrisoma and ARA
- Targeting alternative jet fuel and animal feed from the oilseed crop *Brassica carinata* (Carinata)



## SBAR led by University of Arizona

- Partnering with Bridgestone America and Eastman Chemicals
- Targeting natural rubber, industrial chemicals, and alternative jet fuel from the dry land crops guayule (why-oo-ley) and guar.



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## Indicators of the Biobased Economy





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**THANK YOU**