

Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance Program

Application Window: **OPEN** Program Application Period:
Accepting Letter of Intent until Sept 2, 2024
Phase 2 applications are due by October 1, 2024

Fact Sheet (</media/file/download/508-rd-fs-rbs-biorefinery.pdf>)

Overview

What does this program do?

This program provides loan guarantees up to \$250 million to assist in the development, construction, and retrofitting of new and emerging technologies. These technologies are: [advanced biofuels](https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-390) (<https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-390>), [renewable chemicals](https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-493) (<https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-493>), and [biobased products](https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-493) (<https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-493>).

[manufacturing-assistance-program#p-409](#)).

Who may apply for this program?

You must have legal authority, experience, and expertise and demonstrate that you meet the [FDIC definition of “Well Capitalized”](#) (<https://www.fdic.gov/regulations/laws/rules/1000-4000.html>) at the time of application and issuance of the Loan Note Guarantee, including:

- Federal or state-chartered banks.
- Federally-recognized tribes.
- Cooperatives.
- [Farm Credit Bank](https://www.farmcreditbank.com/) (<https://www.farmcreditbank.com/>), or other [Farm Credit System](https://farmcredit.com/) (<https://farmcredit.com/>) institution with direct lending authority.
- Credit Unions subject to credit examination and supervision by a state agency or the [National Credit Union Administration](https://www.ncua.gov/). (<https://www.ncua.gov/>).
- The [National Rural Utilities Cooperative Finance Corporation](https://www.nrucfc.coop/) (<https://www.nrucfc.coop/>).

What kind of borrower may the lender request a guarantee for?

- Individuals.
- Public and private entities.
- State and local governments.
- Corporations.
- Indian tribes.
- Farm Cooperatives and Farm Cooperative Organizations.
- Associations of Agricultural Producers.
- National Laboratories.
- Institutions of Higher Education.
- Public Power entities.

Are there additional requirements?

- The project must be located in a [State](https://www.federalregister.gov/documents/2015/06/24/2015-) (<https://www.federalregister.gov/documents/2015/06/24/2015->

[14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-500](https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-500)).

- The total amount of federal participation (loan guarantee, plus other federal funding) must not exceed 80 percent of the total eligible project costs.
- The borrower and other principals involved in the project must make a significant cash equity contribution.

What is an eligible area?

The project may be located in any of the 50 states and a number of territories and protectorates – see 7 CFR 4279.2 under [State](https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-500) (<https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-500>).

How may funds be used?

Funds may be used for the development, construction, and retrofitting of:

- [Commercial-scale](https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-422) (<https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-422>) biorefineries (<https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-412>) using [eligible technology](https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-433). (<https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-433>).
- Biobased product manufacturing facilities that use [technologically new](https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-502) (<https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-502>) commercial-scale processing and manufacturing equipment to convert renewable chemicals, and other biobased outputs of biorefineries, into end-user products on a commercial scale.
- Refinancing, in certain circumstances, may be eligible.
- In broad terms, two types of projects are eligible for the program – biorefineries, and biobased product manufacturing facilities.

What are the loan terms?

Rates and terms are negotiated between the lender and the borrower in accordance to [7 CFR 4279.233](#)

<https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-671>), and [4279.234](#)

<https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-675>).

How do we get started?

The Section 9003 program uses a two-phase application process which is described on the To Apply tab. The [Federal Register](#)

<https://www.federalregister.gov/documents/2020/05/18/2020-08078/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program>) also details the [two-phase application process](#)

<https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#h-38>).

What are the application deadlines?

Unless otherwise specified by the Agency in a notice published in the Federal Register, application deadlines are 4:30 p.m. Eastern Daylight Time (EDT) on October 1 and April 1 of each year. If the application deadline falls on a weekend or an observed holiday, the deadline will be the next federal business day. Any application received after 4:30 p.m. (EDT) on the application closing date will be considered for the subsequent application cycle, if funding is available.

For each guarantee request, the Lender or the Borrower must submit to the Agency a non-binding letter of intent to apply for the loan guarantee no fewer than 30 calendar days prior to the application deadline. If the letter of intent deadline falls on a weekend or an observed holiday, the deadline will be the next federal business day.

Complete applications must be received by the Agency on or before April 1 of each year to be considered for funding for that fiscal year.

Who can answer questions?

James Campbell at james.campbell3@usda.gov
(<mailto:james.campbell3@usda.gov>)

USDA Rural Development
RBCS, Programs Processing Division
1400 Independence Avenue, SW,
Mail Stop 3225
Washington, DC 20250-3225

What law governs this program?

- Code of Federal Regulation, [7 CFR 4279, Subpart C](https://www.ecfr.gov/current/title-7/subtitle-B/chapter-XLII/part-4279/subpart-C) (<https://www.ecfr.gov/current/title-7/subtitle-B/chapter-XLII/part-4279/subpart-C>) and [7 CFR 4287, Subpart D](https://www.ecfr.gov/current/title-7/subtitle-B/chapter-XLII/part-4287/subpart-D) (<https://www.ecfr.gov/current/title-7/subtitle-B/chapter-XLII/part-4287/subpart-D>), and continued in the Agricultural Act of 2014 (2014 Farm Bill)(Pub. L. 113-79).
- This program is authorized under 7 U.S.C. 8103.

Why does USDA Rural Development do this?

NOTE: Because citations and other information may be subject to change, please always consult the program instructions listed in the section above titled “What law governs this program?”

To Apply

The first step to apply is for the applicant (lender or the borrower) to submit to the Agency a Letter of Intent to apply for a loan guarantee.

The Agency must receive the [Letter of Intent](https://www.rd.usda.gov/files/RBS_Section9003Biorefinery_ApplicationC) (https://www.rd.usda.gov/files/RBS_Section9003Biorefinery_ApplicationC) at least 30 calendar days prior to the application deadline.

NOTE: Please contact EnergyPrograms@rd.usda.gov (<mailto:EnergyPrograms@rd.usda.gov>) before attempting to fill out any forms or applications for this program. This will save you valuable time in completing your application. Please refer to the [Application Guide](https://www.rd.usda.gov/files/RBS_Section9003Biorefinery_ApplicationC) (https://www.rd.usda.gov/files/RBS_Section9003Biorefinery_ApplicationC) for detailed instruction and guidance for submitting your application.

Preliminary Actions Required

To complete an application for this program, you must be pre-registered with the [System for Award Management \(SAM\)](#).

[.https://sam.gov/content/home](https://sam.gov/content/home)). This process can take time, you will need to complete only once. If you are already registered with SAM, you do not need to do it again.

Two-Phase Application Process

The applicant must submit a complete [Phase 1 application](https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-753) (<https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-753>). The application must provide information to determine lender, borrower, and project eligibility; preliminary economic and technical feasibility; and the priority score of the application.

Based on the priority score ranking, the Agency will invite applicants whose Phase 1 application receive higher priority scores to proceed to Phase 2 of the process.

Phase 2 applications

<https://www.federalregister.gov/documents/2015/06/24/2015-14989/biorefinery-renewable-chemical-and-biobased-product-manufacturing-assistance-program#p-780>) include the environmental report, technical report, financial model, and the applicant's credit evaluation. The Phase 2 materials are submitted as the ongoing project develops and the planning and engineering is finalized.

What if my application is not selected?

A ranked Phase 1 application that is not invited to submit to Phase 2 in the application cycle in which it was submitted will be carried forward one additional cycle.

Forms

- Application for Loan Guarantee [RD-4279-1](#)
(/sites/default/files/MN_BI_4279-1.pdf).
- Refer to the [Application Guide](#)
(/files/RBS_Section9003Biorefinery_ApplicationGuide.pdf).

Other Resources

- [USDA Energy Investment Map](#)
(<http://www.usda.gov/energy/maps/maps/Investment.htm>).

- [USDA Energy Matrix \(http://www.usda.gov/energy/matrix/Home\)](http://www.usda.gov/energy/matrix/Home).

Other Requirements

There are no additional requirements.

Contact

EnergyPrograms@rd.usda.gov

[.mailto:EnergyPrograms@rd.usda.gov](mailto:EnergyPrograms@rd.usda.gov)) or

James Campbell, Program Processing Division

james.campbell3@usda.gov (<mailto:james.campbell3@usda.gov>).

Events

There are no current events scheduled.

PAST EVENT(S):

National Stakeholder Forum Video (July 16, 2015): [Webcast](#)

[.http://www.webcaster4.com/Player/Index?](http://www.webcaster4.com/Player/Index?webcastId=9401&uid=0&g=83d3ac21-89b9-46a2-be7b-83e497dc3159&ps=true)

[webcastId=9401&uid=0&g=83d3ac21-89b9-46a2-be7b-](http://www.webcaster4.com/Player/Index?webcastId=9401&uid=0&g=83d3ac21-89b9-46a2-be7b-83e497dc3159&ps=true)

[83e497dc3159&ps=true](http://www.webcaster4.com/Player/Index?webcastId=9401&uid=0&g=83d3ac21-89b9-46a2-be7b-83e497dc3159&ps=true)).