

An Economic Impact Analysis of the U.S. Biobased Products Industry: U.S. Department of Agriculture Report

Arkansas Environmental, Energy, and Water Law Blog



Walter Wright, Jr.
wwright@mwlaw.com
(501) 688.8839

10/13/2016

The United States Department of Agriculture (“USDA”) issued a 2016 report titled *An Economic Impact Analysis of the U.S. Biobased Products Industry* (“Report”).

The *Report* is a follow-up to a USDA report issued in 2015 mandated by the 2014 Farm Bill.

The prior and current *Report* examine and quantify the effect of the biobased products industry from the economics and jobs perspective at the national level. USDA denominates biobased products as commercial or industrial products that are composed in whole, or in significant part, of biological products or renewable domestic agricultural materials or forestry materials.

Contributions of the biobased products industry in the United States are cited which include:

- Changes and value added in jobs between 2013 and 2014 for the national biobased products industry
- The value added in jobs contributed by the biobased products industry for all 50 states and the District of Columbia in 2013
- Changes and updates to the domestic biobased products industry, including case studies in advances and innovations
- The quantity of petroleum displaced by biobased products
- Policy recommendations

Also noted is the USDA BioPreferred Program which was established by the 2002, 2008 and 2014 Farm Bills. This program includes a mandatory federal purchasing initiative and voluntary labeling. The program is stated to currently include 97 product categories representing approximately 14,200 products on the market.

The contents of the *Report* include:

- Discussion of the USDA BioPreferred Program
- Industry Overview, including:
 - Overview of changes from 2013 to 2014
 - Factors shaping the biobased products industry
 - Biobased products industry growth forecast
 - Case studies
 - State Overviews
 - State incentives and policies
 - State statistics
 - National and state fact sheets

- Case studies
- Environmental Benefits
- Economic input/output LCA
- Objectives and methodologies
- Results overview
- Limitations
- Recommendations

The state section includes statistics for Arkansas. Total jobs related to biobased products are stated to be 64,590. The figure for direct jobs is 31,400.

Twelve Arkansas companies are stated to be currently participating in the USDA BioPreferred Program. Examples of those companies include:

- Anthony Forest Products Company (Agricultural and Forestry)
- AgSeall LLC (Biobased chemicals)
- Biobased Technologies (Biobased chemicals)

[A link to the 142 page Report can be found here.](#)