



# NEWS RELEASE

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**VENEMAN ANNOUNCES THE AVAILABILITY OF \$13.2 MILLION IN GRANTS TO  
EXPAND VALUE-ADDED AGRICULTURAL BUSINESS VENTURES**  
*USDA Places Priority on Renewable Energy Ventures*

WASHINGTON, June 8, 2004—Agriculture Secretary Ann M. Veneman today announced the availability of \$13.2 million in grants that will support the development of value-added agriculture business ventures and support President Bush's energy plan to develop alternative sources of renewable energy.

“Since 2001, the Bush Administration has committed over \$100 million to support the development and enhancement of value-added agricultural investments,” said Veneman. “These funds will help create new job opportunities in rural communities.”

Veneman said priority consideration will be given to those grant applications that have at least 51% of project costs dedicated to planning activities for a bio-energy project. To date, the Bush Administration has funded \$15 million in value-added development centers and over \$85 million in value-added grants, including nearly 70 energy projects. The renewable energy projects involve bio-diesel, ethanol or wind energy production or the use of bio-mass to generate energy. As a result of these projects, 669 jobs were created. Additionally, the ethanol plants have added or will add 679 million gallons per year of capacity and the bio-diesel plants have added or will add 41 million gallons per year of capacity.

“USDA Rural Development is committed to helping North Dakotans develop value added agriculture opportunities, especially in the area of bio-energy projects. The greater the increase in value to the product before it leaves the state the better it is for the state's economy. In the first years of this program, North Dakota applicants have done very well. I hope we can continue this trend and have an impact on the quality of life and the economy of the state,” said ND Rural Development State Director Clare Carlson.

The Value-Added Producer Grant program was authorized by the Agriculture Risk Protection Act of 2000 (P.L. 106-224) and the 2002 Farm Bill (P.L. 107-171). Grants are available to independent producers, agricultural producer groups, farmer or rancher cooperatives, and majority-controlled producer-based business ventures interested in a competitively-awarded grant to fund one of the following two activities: (1) planning activities needed to establish a viable value-added marketing opportunity for an agricultural product (e.g. conduct a feasibility study, develop a business plan, develop a marketing plan); or (2) acquire working capital to operate a value-added business venture that will allow producers to better compete in domestic and international markets.

Awards will be made on a competitive basis. Applications must be received no later than July 30, 2004. Detailed information about application and program requirements will be included in the June 15, 2004 publication of the Federal Register.

USDA Rural Development serves as the lead federal entity for rural economic and community development needs. Its mission is to deliver programs that will support increased economic opportunity and improve the quality of life for rural residents. It administers financial and technical assistance to finance and foster growth in homeownership, business development and critical community and technology infrastructure. **Rural Development is committed to the future of rural communities.**

In Fiscal Year 2003, USDA Rural Development provided over **\$73.5 million dollars** in loan and grant financing to North Dakota citizens. For more information, please visit our web site at <http://www.rurdev.usda.gov>.

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