

# USDA's Meat and Poultry Supply Chain Initiatives

## A comparison of the Food Supply Chain Guaranteed Loan Program and the Meat and Poultry Intermediary Lending Program

	<b>Food Supply Chain Guaranteed Loan Program (FSC GLP)</b>	<b>Meat and Poultry Intermediary Lending Program (MPILP)</b>
<b>Objective</b>	To expand access to – and financing for – food systems infrastructure (for example, construction)	<ul style="list-style-type: none"> <li>To finance the start-up, expansion and ongoing operations of meat processors</li> <li>To strengthen the capacity of lenders who finance meat and poultry processors</li> </ul>
<b>Maximum Loan</b>	Loan guarantees up to \$40 million	Up to \$15 million is available to intermediary lenders, who can then loan up to \$10 million to any single borrower. Total, combined loan amounts can exceed the \$10 million maximum.
<b>Program Duration</b>	Loan guarantees are provided to lenders on a project-by-project basis until funds are exhausted.	Grants support the establishment of revolving loan funds, which intermediary lenders must then use within three years.
<b>Eligible Applicants</b>	For profit and nonprofit lenders, including chartered banks, credit unions, loan funds, CDFIs, and Farm Credit Institutions, among others.	Private, nonprofit organizations, public agencies, federally-recognized Tribes or Tribal entities, and cooperative lenders.
<b>Lender Capacity Building</b>	Does not provide support to improve lender skills or build capacity.	Incorporates opportunities to improve lender skills and build capacity, such as paying for up to \$125,000 in training costs (or 5 percent of the grant amount, whichever is less).
<b>Eligible Borrowers</b>	Businesses and organizations that support activities across the middle of the food supply chain (aggregation, processing, distribution, and so on)	Meat and poultry processors
<b>Eligible Fund Uses</b>	<ul style="list-style-type: none"> <li>Purchasing and developing land and buildings</li> <li>Covering eligible construction costs</li> <li>Buying equipment</li> <li>Refinancing debt</li> <li>Corporate restructuring</li> <li>Issuing bonds</li> </ul>	<ul style="list-style-type: none"> <li>All eligible uses under the FSC GLP</li> <li>Establishing revolving lines of credit (as RD determines eligible)</li> <li>Producing feasibility studies</li> <li>Implementing pollution control</li> <li>Start-up costs (such as working capital)</li> <li>Developing long-term lender capacity in meat and poultry processing</li> </ul>