



Farm Credit Facts

How is Farm Credit supporting the growth of alternative energy?

Supporting U.S. agriculture, rural America and energy independence

Farm Credit's historic mission is to facilitate the flow of capital into agriculture and rural America, so that agriculture and rural communities can thrive. In the case of ethanol, Farm Credit is also proud to have played a major role in the start-up and growth of America's ethanol industry. Farm Credit was there fifteen years ago, taking the risk to finance the early plants. We have brought to the table the System's knowledge and experience in financing complex agricultural businesses and industries. We are viewed as a partner providing financial guidance to help ensure our customers are strong enough to withstand the bad times and able to prosper in the good times.

Helping grow America's renewable fuels capacity

- System loans and commitments to biofuels today total more than \$2.9 billion.
- More than 42 ethanol plants have been developed with financing provided by the Farm Credit System, providing approximately 25 percent of the nation's current ethanol production capacity.
- An additional 25 ethanol plants with capacity of more than 1.2 billion gallons are now in development or construction with Farm Credit financing.

A knowledgeable financial partner to the renewable fuels industry

To manage the risk associated with lending to the ethanol industry, Farm Credit institutions often put together loan syndicates involving multiple System institutions as well as commercial banks. Farm Credit makes an attractive financial partner in the growth of renewable fuels, because Farm Credit has the experience with and knowledge of financing complex farm-related businesses. These transactions usually far exceed the lending limits of small commercial banks.

At the same time, helping rural communities to prosper

In addition to producing a renewable energy resource for the nation, the emergence of biofuel plants is helping provide needed markets for agricultural products as well as stimulating rural economic development and off-farm investment options. The plants expand local job opportunities, both directly and indirectly, while adding to the local tax base. As a result of plants financed by the Farm Credit System and our partners, thousands of new jobs have been created that provide an innovative means of sustainable wealth creation in rural America and significant new deposit and loan base for community banks.