

Notices

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This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Alternative Agricultural Research and Commercialization (AARC) Center; AARC Center Request for Proposals

AGENCY: Alternative Agricultural Research and Commercialization (AARC) Center, USDA.

ACTION: AARC Center request for proposals.

Program Description

Purpose

The Alternative Agricultural Research and Commercialization (AARC) Center is requesting proposals to use agricultural (traditional and new crops, animal by-products or forestry) materials in industrial products or processes. The authority for the Program is contained in sections 1660 and 1661 of the Food, Agriculture, Conservation, and Trade Act of 1990, Pub. L. No. 101-624, 7 U.S.C. 5904. Potential funding for proposals to provide commercialization assistance to private companies using the Cooperative Agreements Program (Program) to assist emerging industrial products/processes involving the use of agricultural materials in non-food, non-feed, non-traditional fiber products or processes. The Board of Directors reserves the right to use only certain types of authorized assistance. Successful projects are expected to repay the AARC Center Revolving Fund through negotiated arrangements. The Program is administered by the AARC Center, which is an independent entity within the U.S. Department of Agriculture.

The objectives of the AARC Center are:

- * To search for new non-food, non-feed, non-traditional fiber products that may be produced from agricultural commodities and for processes to produce such products.
- * To conduct product and co-product/process development and

demonstration projects, as well as provide commercialization assistance for industrial products from agricultural and forestry materials.

- * To encourage cooperative development and marketing efforts among manufacturers, private and government laboratories, universities, and financiers to assist in bridging the gap between research results and marketable, competitive products and processes.
- * To collect and disseminate information about commercialization projects that use agricultural or forestry materials and industrial products derived therefrom.

Under the Program, the AARC Center will award competitive cooperative agreements to support primarily pre-commercialization or commercialization tasks, including marketing for the development of new industrial products or processes derived from agricultural or forestry materials. All other things equal, the nearer to commercialization a product or process is the higher the likelihood of funding by the AARC Center.

The AARC Center will accept either pre-proposals or full proposals. Pre-proposals will be evaluated to determine if an idea has sufficient merit to warrant a full proposal including if it meets the AARC Center's mission, and to provide suggestions for improvement. Full proposals will require more time to complete and will be evaluated to determine if they warrant funding. The AARC Center may ask applicants submitting either pre-proposals or full proposals to make an oral presentation. All proposals will be evaluated by external reviewers, as well as by the AARC Center staff, before the proposals (along with review comments) are provided to the Board of Directors. The Board makes final funding decisions.

Available Funding

This request for proposals is being announced subject to funding from Congress for Fiscal Year 1996. The Administration's budget request to Congress was \$8 million for the AARC Center.

The AARC Center Board expects applicants to, at minimum, match the dollars requested from the AARC Center. A preference may be given to projects for which the ratio of AARC

Center funds to non-Center funds would be the lowest.

Eligibility

Proposals are invited from any private firm, individual, public or private educational institution or organization, Federal agency, cooperative, or non-profit organization. Cooperative projects involving combinations of the above organizations, especially with private sector leadership, are strongly encouraged. Since this is basically a program to commercialize new products, and since repayment is expected, it is much more likely that awards will be given to private firms. Small business entrepreneurs are preferred. The private sector partner must take the lead when an educational institution is involved.

Program Emphasis

As determined by the AARC Center Board from a series of public hearings, Congressional Hearings, workshops, and experience from the initial two rounds of proposals, each proposal should focus on products/processes using at least one of the following agricultural or forestry material categories:

Starch/Carbohydrates
Fats and Oils
Fibers
Forest Materials
Animal By-Products
Other Plant Materials used as
pharmaceuticals, fine chemicals,
encapsulation agents, etc

The AARC Center Board has approved funding for about 40 projects using 1993 and 1994 appropriated funds. Another 14 projects are currently under consideration for funding with 1995 appropriations. Projects include use of a broad range of agricultural and forestry materials such as: Soybean oil, soybean meal cotton lint, peanut hulls, corn husks, wheat straw, milkweed, kenaf, castor oil, rapeseed, cuphea, crambe, ethanol, mesquite, hesperaloe, lesquerella, agricultural and forestry wastes, biomass, and plant proteins. Examples of products include: biocontrol agents, medium-density fiberboard and building materials from straw, plypole, food packaging, bonded paper from kenaf, oil absorbents, fillers and yarn, spinning fibers, highway signposts and railroad ties, building and furniture composites, heating and electricity, potting mixes, biodiesel—as