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# Highlights

Highlights of [GAO-04-437](#), a report to the Ranking Democratic Member, Committee on Agriculture, Nutrition, and Forestry, U.S. Senate

## Why GAO Did This Study

The federal government spends more than \$230 billion annually for products and services to conduct its operations. Through its purchasing decisions, it has the opportunity to affirm its policies and goals, including those related to purchases of biobased products, as set out in the 2002 farm bill. A biobased product is a commercial or industrial product, other than food or feed that is composed of, in whole or part, biological products, renewable domestic agricultural materials, or forestry materials. GAO examined (1) actions the U.S. Department of Agriculture (USDA) and other agencies have taken to carry out farm bill requirements for purchasing biobased products, (2) additional actions that may be needed to implement the requirements, and (3) views of stakeholders on the need for and costs of testing biobased products. GAO interviewed officials from USDA, major procuring agencies, testing entities, interested associations, and 15 manufacturers of biobased products.

## What GAO Recommends

To ensure USDA's timely implementation of the farm bill biobased purchasing requirements, USDA should (1) execute a management plan for completing the work, (2) identify and allocate the staff and financial resources needed, and (3) clearly state the priority for the work's completion. USDA disagreed with the need for a management plan, but indicated it will draw on our review results and recommendations in future work.

[www.gao.gov/cgi-bin/getrpt?GAO-04-437](http://www.gao.gov/cgi-bin/getrpt?GAO-04-437).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Lawrence J. Dyckman at (202) 512-3841 or [dyckmanl@gao.gov](mailto:dyckmanl@gao.gov).

## BIOBASED PRODUCTS

# Improved USDA Management Would Help Agencies Comply with Farm Bill Purchasing Requirements

## What GAO Found

USDA and other federal agencies' actions to implement the farm bill requirements for purchasing biobased products have been limited. USDA issued proposed procurement guidelines in December 2003—more than 1 year past the deadline for final guidelines; however, these guidelines do not fully address the farm bill requirements for designating items for purchase and recommending procurement practices. USDA expects to issue final guidelines by April 2004 and a blueprint for the model procurement program by September 2004; but it anticipates that designation of existing items will take years to complete, possibly until 2010. In addition, new items will enter the market requiring further designations. Meanwhile, purchasing agencies do not yet have a basis for planning their own procurement programs and, as a result, have made only limited purchases of biobased products.

USDA could accelerate its implementation of the farm bill requirements by developing a comprehensive management plan for this work and by making the work a higher priority. The lack of a management plan describing the tasks, milestones, resources, coordination, and reporting needed to complete this work has slowed USDA in issuing the procurement guidelines. For example, USDA developed a list of milestones only after GAO requested such a list; even then, this list was informal, primarily reflecting the thinking of a few officials. Without a plan, USDA will find it difficult to set priorities, use resources efficiently, measure progress, and provide agency management a means to monitor this progress. According to stakeholders, USDA should make this work a higher priority to speed its completion. Without a sense of priority, USDA's efforts to fulfill farm bill requirements have not had adequate staff and financial resources.

Stakeholders GAO spoke with generally believed that USDA's proposals for testing a biobased product's content and performance are appropriate and that manufacturers should bear at least some of the costs. However, stakeholders generally questioned the need for doing life-cycle analysis of a product's long-term costs and environmental impacts.

### Biobased Products Made from Soybeans, Corn, Citrus, or Other Plant Materials



Source: GAO and USDA's Agricultural Research Service.

Sample products from left to right, starting in back: (A) packing material, (B) plastic cup, (C) laundry powder, (D) lubricant, (E) cleaner and degreaser, (F) body lotion, (G) bath gel, second row, (H) ball point pen, (I) plastic cutlery, (J) packing material, and front, (K) carpet backing.