



# Ethanol & Economic Growth

## QUICK READ

“As the current ag economy experiences a downturn, sustainable and predictable renewable fuels markets are incredibly impactful to the bottom line of farmers and rural Iowa.”

– **Kim Reynolds**,  
Governor of Iowa

America is the world’s leading producer and exporter of biofuels. Ethanol production is a pillar of economic strength across the U.S. heartland, including many communities left behind by other manufacturing industries.

In fact, biofuel production supports hundreds of thousands of U.S. jobs and provides a critical market for agricultural communities facing an economic crisis. Farm incomes have declined dramatically in recent years, and surplus grain threatens to leave many farmers without a viable market for their products. By harnessing America’s vast renewable resources for ethanol production, we can continue to grow the rural economy while feeding and fueling the world.

This success is possible thanks to corn ethanol producers who established successful partnerships

with farm communities, created efficient supply chains, and invested in the infrastructure to convert agricultural feedstocks into high-value fuel.

Now, cellulosic biofuels are poised to drive the next great wave of manufacturing investments across the heartland of the United States. This not only creates high-octane fuel, it provides farmers and rural communities with a new revenue stream that will grow local economies.

Biofuels also help drivers save money at the pump by fostering competition and protecting consumers from market manipulation by unfriendly nations.

## BY THE NUMBERS

- In 2005, the U.S. produced 3.9 billion gallons of ethanol, growing to 6.5 billion gallons in 2007. By 2016, America produced 15.3 billion gallons annually. (U.S. EIA)
- U.S. ethanol producers began 2017 at record-breaking production levels - over one million barrels per day. (U.S. EIA)
- This homegrown fuel is now blended into 97 percent of our fuel supply, meeting more than 10 percent of our motor fuel needs. (U.S. DOE)
- In 2005, the ethanol industry contributed \$17.7 billion to the nation’s Gross Domestic Product (GDP) and supported 153,725 American jobs. By 2016, the industry had grown to support over 339,000 U.S. jobs and drive nearly \$41.2 billion in economic activity. (ABF Economics 2017, ABF Economics 2006)
- America is the world’s top exporter of ethanol, supplying more than one billion gallons (68,000 barrels per day) of fuel ethanol to our trading partners in 2016, an increase of 26 percent from the previous year. (U.S. Grains Council, U.S. EIA)

## GROWTH ON THE HORIZON

- Nation-wide adoption of E15 would support an additional 136,000 U.S. jobs. (Windmill Group)
- On average, higher ethanol blends, like E15, are less expensive than standard blends by 5 to 10 cents per gallon. (Reuters)
- The Renewable Fuel Standard (RFS) stimulates investment in second-generation biofuels, but policy instability has resulted in a \$22.4 billion shortfall in investment in advanced biofuels. (Biotechnology Innovation Organization)



701 8th Street NW, Suite 450, Washington, D.C. 20001