



## Biodiesel: An Economic Driver for Iowa

Iowa leads the nation in biodiesel production, with the state's 11 biodiesel plants producing an estimated 345 million gallons in 2019.

### Jobs & GDP

The increased economic activity generated by biodiesel production and associated spending circulates throughout the entire Iowa economy, creating jobs and tax revenue.

According to an ABF Economics study<sup>1</sup>, the economic contribution of the Iowa biodiesel industry in 2019 included the following:

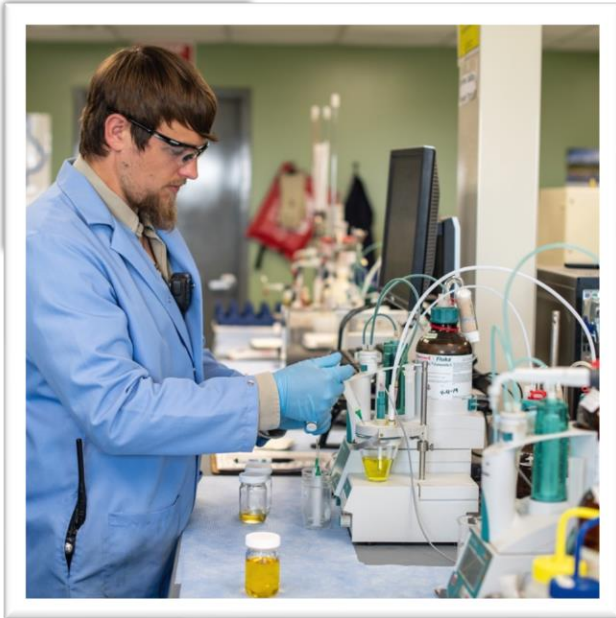
- \$489 million of Iowa's Gross Domestic Product
- 3,875 fulltime-equivalent jobs in all sectors of the Iowa economy
- \$263 million of household income



### Ag Impact

A strong Iowa biodiesel market helps farmers weather difficult economic times, supporting Iowa's number one industry: agriculture. An FCStone analysis<sup>2</sup> shows the following farm impact:

- By increasing soybean oil value, biodiesel supports 13 percent of the price per bushel of soybeans
- This equated to \$1.09 per bushel in 2019, while lowering the price of meal for livestock producers and the food supply



## Feedstock

The Iowa biodiesel industry used **2.15 billion pounds of soybean oil** in 2019 to produce biodiesel, accounting for 83 percent of total feedstock use, according to ABF Economics.

Distiller's corn oil (from Iowa ethanol producers) was the second-largest biodiesel feedstock at 283 million pounds, followed by smaller amounts of animal fats and used cooking oil.

Most of the raw material or "feedstock" for biodiesel production in Iowa is procured locally.

<sup>1</sup> "Contribution of the Renewable Fuels Industry to the Economy of Iowa," John Urbanchuk/ABF Economics. March 11, 2020. Prepared for the Iowa Renewable Fuels Association.

<sup>2</sup> "NBB Static Biodiesel Shock," Reece Frizzell/INTL FCStone Financial Inc. 2019. Prepared for the National Biodiesel Board.