



United States Department of Agriculture

Rural Development

Office of the Administrator

Rural Business–Cooperative
Service
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TO: RBCS Direct National Office Staff
Field Office Staff
Rural Business Cooperative Service

ATTN: Leadership Designees
Rural Development State Directors
RBCS Operations Staff

FROM: J.R. Claeys
Administrator
Rural Business Cooperative Service

SUBJECT: Administrator Priority Points for Projects Advancing National
Economic, Energy, Agricultural, and Program Integrity
Objectives

I. Purpose

The purpose of this Unnumbered Letter (UL) is to establish administrative priorities for the Rural Business Cooperative Service (RBCS) and provide guidance on implementing these priorities in RBCS programs. RBCS should award additional evaluation points to projects where discretion is available, that demonstrably advance the following national priorities:

1. Domestic manufacturing and industrial capacity;
2. Domestic energy production and energy security;
3. New and expanded markets for American farmers and rural producers; and
4. Program integrity, including the prevention and reduction of fraud, waste, and abuse.

This UL is intended to strengthen alignment between RBCS program decisions and national economic and security objectives while reinforcing responsible stewardship of federal resources. This guidance does not create new eligibility requirements and does not alter existing statutory or regulatory authorities.

EXPIRATION DATE:
February 29, 2028

FILING INSTRUCTIONS:
Community/Business
Programs

II. Background

RBCS administers grant and loan programs authorized under the Consolidated Farm and Rural Development Act and related statutes to promote rural economic development, agricultural innovation, and industrial growth. These programs are implemented pursuant to applicable regulations, including 7 CFR part 5001 (guaranteed loans) and 7 CFR part 4280 (rural business grant programs). As stewards of federal funds, RBCS staff are responsible for ensuring that program resources are deployed in a manner that advances national priorities while maintaining strong internal controls and risk management practices.

The following policies emphasize the importance of strengthening domestic manufacturing, securing energy supply chains, expanding agricultural markets, and enhancing program integrity across federal assistance programs. These Executive Orders, Secretary Memoranda, and Unnumbered Letters reflect broader national objectives related to economic resilience, supply chain security, and fiscal responsibility.

EO – 14156: [Declaring A National Energy Emergency](#)

EO – 14154: [Unleashing American Energy](#)

EO – 14336: [Ensuring American Pharmaceutical Supply Chain Resilience by Filling the Strategic Active Pharmaceutical Ingredients Reserve](#)

EO – 14293: [Regulatory Relief to Promote Domestic Production of Critical Medicines](#)

EO – 14241: [Immediate Measures to Increase American Mineral Production](#)

EO – 14299: [Deploying Advanced Nuclear Reactor Technologies for National Security](#)

EO – 14320: [Promoting the Export of the American AI Technology Stack](#)

EO – 14225: [Immediate Expansion of American Timber Production](#)

Secretary Memorandum: [USDA Plan to Fortify the American Beef Industry](#)

Secretary Memorandum: [Farm Security Is National Security](#)

RBCS UL: [Ensuring Strong Stewardship and Customer Service in RBCS Guaranteed Lending & Other Programs](#)

RBCS UL: [Ensuring the support of America First policies in the implementation of the RBCS Programs](#)

RBCS UL: [Strengthening Program Integrity in the Rural Business Cooperative Service](#)

Consistent with these objectives, both the White House and the USDA emphasized the need to prioritize projects that reinforce domestic industrial capacity, expand reliable energy production, create new market opportunities for rural producers, and reduce vulnerabilities to waste, fraud and abuse in federal programs. In response, RBCS is issuing this UL to provide uniform guidance for incorporating Administrator priority considerations into program evaluation and scoring processes.

III. RBCS Priority Areas

RBCS staff shall consider the following priority areas when evaluating applications consistent with existing program authorities:

1. Domestic Manufacturing and Industrial Capacity.

- Priority consideration should be given to projects that strengthen domestic manufacturing and industrial supply chains, such as projects that support critical areas, including:
 - Energy infrastructure and equipment manufacturing;
 - Pharmaceuticals and essential medical products;
 - Critical minerals and rare earth processing;
 - Nuclear fuel cycle and advanced reactors technologies;
 - Fertilizer and crop nutrient production;
 - Grid infrastructure;
 - Agricultural chemicals and biomanufacturing;
 - Food processing and value-added production
 - Timber products;
 - Farm equipment and component manufacturing;
 - Renewable energy and agricultural-derived inputs; and
 - Defense-related industrial production
- These areas represent critical components of national economic security and rural industrial development.

2. Domestic Energy Production.

- Priority consideration should be given to projects that expand reliable domestic energy productions, transmission, or processing, including:
 - Fossil energy (coal, oil, natural gas, LNG);
 - Nuclear energy and advanced reactor technologies;
 - Biofuels and sustainable aviation fuels; and
 - Grid modernization and transmission infrastructure.
- Priority consideration should be given to projects that enhance affordability, reliability, and resilience of domestic energy supply, particularly in rural communities.

3. New and Expanded Markets for Farmers and Rural Producers.

- Priority consideration should be given to projects that create or expand market opportunities for agricultural producers, including:

- Biofuels and renewable natural gas;
 - Biobased products and chemicals;
 - Value-added agricultural processing;
 - Meat production;
 - Dairy production;
 - Vegetable production;
 - Export-oriented agricultural manufacturing;
 - Agricultural input production (fertilizer, seed, crop protection); and
 - Projects that expand producer revenue streams through innovative agricultural technologies.
- Priority consideration should be given to projects demonstrating clear linkages between rural production and downstream manufacturing or processing.
4. Program Integrity and Reduction of Fraud, Waste, and Abuse.
- Priority consideration should be given to projects and applicants that demonstrate strong program integrity practices, including:
 - Transparent ownership and governance structures;
 - Robust financial controls and compliance systems;
 - Demonstrated operational capacity and managerial competence;
 - Proven technology and strong financial sustainability for the project;
 - Demonstrated risk mitigation strategies; and
 - Strong performance histories in federal or state programs.
 - Additionally, RBCS staff shall incorporate heightened scrutiny and risk assessment into pre-award, post-award, and payment processes to ensure responsible stewardship of federal funds.

IV. Scoring Guidance

Consistent with existing program authorities, this notice directs RBCS staff to review and update forthcoming Notice of Funding Announcements to ensure that any discretionary points for RBCS programs reflect these priorities.

Projects that align with multiple priority areas may receive cumulative consideration, subject to program-specific scoring limits.

V. Implementation

State and National Office Staff shall integrate this guidance into existing evaluation and review processes for RBCS programs. Additionally, staff should incorporate the priorities in this UL, as appropriate to the position, when evaluating staff performance in alignment with National Office priorities for FY26 and beyond.

This UL supplements, but does not replace existing statutory, regulatory, or policy requirements.

Questions regarding application of this guidance should be elevated through appropriate supervisory and programmatic channels.

VI. Effective Date and Duration

This UL is effective upon issuance and remains in effect until rescinded or superseded, or two years from effective date.

Questions regarding this Unnumbered Letter should be directed to Dominick Lombardi, Special Assistant to the RBCS Administrator
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