

March 2025

Feasibility Study: Hemp Paper Production





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1. Executive Summary

The Fort Peck Tribes, a sovereign nation located in northeastern Montana, are exploring the feasibility of establishing a hemp paper and packaging production facility. This study evaluates the economic, environmental, regulatory, and technical dimensions of such a project, building on extensive research, tribal economic planning documents, and comparative industry data.



This initiative aims to position the Fort Peck Tribes not at the beginning of the hemp supply chain—as cultivators—but rather farther downstream, at a value-added processing stage: converting raw or semi-processed hemp fiber (sourced externally at first) into pulp, and then into paper and molded fiber packaging. This approach aligns with the Tribes’ long-term vision of diversifying their economy, reducing dependency on resource extraction, and building a manufacturing base rooted in environmental sustainability, regional economic impact, and intergenerational value.

1.1 Project Objectives and Scope

The Fort Peck Tribes seek to evaluate the feasibility of establishing an industrial hemp paper and packaging production facility on tribal lands.

This feasibility study provides a comprehensive assessment of the economic, technical, environmental, and social implications of processing hemp fiber into pulp and manufacturing paper and packaging products.



The primary objectives of this study are to:

- ***Evaluate market demand for hemp-based paper and packaging products.***
- ***Analyze technical and operational requirements of processing hemp fiber into pulp.***
- ***Assess infrastructure needs and available industrial resources on Fort Peck tribal land.***
- ***Examine regulatory considerations specific to Native American tribal jurisdictions.***
- ***Forecast financial outcomes and identify funding opportunities.***
- ***Assess risks and propose mitigation strategies.***
- ***Estimate the economic and employment impact on the Fort Peck community.***

1.2 Key Findings

- ***Market Opportunity: The global demand for sustainable paper and packaging is increasing. Non-wood fibers, including hemp, are gaining favor due to environmental concerns and extended producer responsibility (EPR) regulations like California's SB 54. Companies are actively seeking alternatives to wood pulp for packaging and specialty paper applications.***
- ***Supply Chain Positioning: The Fort Peck Tribes' focus is on paper and packaging manufacturing (downstream in the supply chain), not immediate cultivation. Raw hemp fiber can be sourced from established U.S. and Canadian producers. The processing facility would transform raw hemp fiber or hemp hurd into pulp and convert this pulp into paper products (e.g., packaging, stationery, or specialty grades).***
- ***Production Complexity: Hemp paper production involves specialized pulping methods (e.g., organosolv, soda pulping), fiber refining, and paper formation processes. These require significant capital investment in processing equipment and workforce training.***



- **Financial Viability:** *Hemp paper operations can command premium prices in the sustainable packaging and specialty paper sectors, but startup and operational costs are substantial. Profitability will depend on market positioning, operational efficiency, and securing long-term buyers.*
- **Tribal Advantage:** *The Fort Peck Tribes can leverage their sovereign status, Opportunity Zone tax benefits, and the infrastructure at the Poplar Industrial Park (which includes rail access and utility capacity) to reduce startup costs and attract investment.*
- **Regulatory Environment:** *While hemp cultivation is federally legal, the processing of imported hemp fiber carries fewer compliance risks. Tribes would primarily need to comply with environmental and industrial regulations related to paper manufacturing.*
- **Community Impact:** *A processing facility could create stable jobs, stimulate industrial growth, and provide long-term economic diversification. Partnerships with Fort Peck Community College could support workforce development.*
- **Market Growth:** *Hemp-based paper and packaging markets are projected to expand rapidly. The global hemp paper market alone is forecast to grow from roughly \$510 million in 2022 to \$1.68 billion by 2030, a more than threefold increase . Likewise, the hemp-based packaging segment (e.g. fiber and bioplastic packaging made from hemp) is expected to rise from about \$224 million in 2023 to \$782 million by 2033, a 13.3% CAGR (FMI, 2023). In the United States, demand for molded fiber packaging (including products made with alternative fibers like hemp) is projected to grow around 8% annually, reaching approximately \$3.0 billion by 2027 , reflecting a strong push for plastic-free packaging solutions in the coming years (Freedonia Group, 2023).*
- **ESG Investment Appeal:** *As an Indigenous-led green manufacturing initiative, this project aligns with Environmental, Social, and Governance (ESG) investment priorities of Investors seeking opportunities combining environmental innovation with positive social impact. Inclusion of Indigenous leadership and community benefits can enhance the project's ESG profile, helping attract impact-driven capital. In practice, major projects that involve Indigenous co-ownership tend to face lower risk, as their participation can secure local support and facilitate permits and approvals .*



- **Industry Precedents:** *Similar hemp and bio-based packaging ventures are emerging across North America and globally, demonstrating growing momentum in this sector. For example, in 2024 a U.S.-German joint venture launched Renw to build ten regional production facilities in rural America that will manufacture molded fiber packaging from industrial hemp (Packaging Dive, 2024). Each Renw plant is planned to process hemp into pulp on-site and produce items like biodegradable packaging trays and containers, aiming to commence operations by 2026 . Such ventures, backed by significant investment and partnerships, validate the technical viability of non-wood fibers and signal confidence in a growing market for hemp-based paper products.*
- **Policy Support:** *Evolving policy frameworks internationally and nationally are bolstering the case for alternative fiber projects like this. This regulatory push to reduce single-use plastics and deforestation in Europe creates a favorable outlook for hemp paper as a sustainable material. In the United States, federal initiatives such as the Bioeconomy Initiative emphasize expanding the use of renewable biomass (including agricultural residues and fibers) to drive economic growth and innovation . The U.S. Department of Agriculture and Department of Energy have started to support research and development of bio-based products, aligning with goals to replace petrochemical and wood-based inputs with sustainable alternatives. These policy trends – from the EU’s packaging regulations to U.S. biomass utilization programs – represent strategic tailwinds for a tribal hemp paper venture, reinforcing its environmental value proposition and potentially improving access to public funding or incentives.*



2. Economic Context and Strategic Vision

The Fort Peck Tribes' economic strategy is shaped by both the challenges of generational underinvestment and the opportunities of sovereignty, resource availability, and a rising interest in Indigenous-led sustainable development.

Located in the northeastern quadrant of Montana, the Fort Peck Indian Reservation is home to the Assiniboine and Sioux Tribes and encompasses approximately 2.1 million acres. Within this land base are rich opportunities for industrial development, workforce mobilization, and economic innovation that honor cultural values.

2.1 Current Economic Landscape

The reservation's economy has historically relied on agriculture, energy extraction, and government services, but these sectors have not yielded consistent or sustainable economic growth. The 2024 Annual Progress Report of the Fort Peck CEDS (Comprehensive Economic Development Strategy) highlights persistently high unemployment and underemployment, limited diversification, and aging infrastructure as key hurdles to broad-based economic prosperity.



Despite these challenges, there are pockets of economic strength. The Tribes operate successful tribal enterprises such as the Fort Peck Tech Services, the Fort Peck Housing Authority, and the Fort Peck Tribal Express, among others. Moreover, targeted development zones, such as the Poplar Industrial Park, offer shovel-ready sites with proximity to utilities and rail infrastructure.

The Fort Peck Tribal government, in partnership with its Planning Department and the Tribal Executive Board, has shown a strong commitment to attracting investment and diversifying revenue streams. They have developed a variety of mechanisms for incentivizing private investment, including tax exemption for business equipment, low land lease rates, tax credits, and potential access to federal and state programs administered through tribal channels.

2.2 Strategic Vision and Development Goals

The Fort Peck Tribes’ economic development strategy is rooted in the principles of self-determination, intergenerational wealth creation, and sustainability. As expressed in both the 2021–2026 CEDS and supporting economic policy documents, the Tribes are focused on:

- ***Expanding industrial and value-added manufacturing***
- ***Developing environmentally responsible industries***
- ***Increasing employment opportunities for tribal citizens***
- ***Leveraging the sovereign status of the Tribes to secure investment***
- ***Reducing reliance on federal funds through enterprise-driven revenue***

The hemp paper and packaging production facility proposed in this feasibility study directly supports these goals. It offers a pathway for Fort Peck to participate in high-growth markets (biodegradable packaging, sustainable materials), capture value farther up the supply chain, and leverage existing infrastructure and tax policy advantages. It also aligns with the Fort Peck Tribes’ stated commitment to environmental stewardship and innovation in land use, as outlined in the CEDS and supplemental planning documents.



2.3 Competitive Advantages

The Fort Peck Tribes benefit from a number of competitive advantages that make them well-positioned to undertake and sustain a project of this nature:

- **Sovereignty and Self-Governance:** *The Tribes have authority over land use, taxation, and regulatory oversight within the reservation, creating a business-friendly environment without compromising cultural or environmental priorities.*
- **Incentive Landscape:** *Businesses operating on the Fort Peck Reservation can access a suite of incentives (e.g. federal Opportunity Zone benefits, state-level New Market Tax Credits, and tribal tax abatements), making investment more attractive.*
- **Industrial Infrastructure:** *Poplar Industrial Park and other development zones offer access to transportation corridors, power infrastructure, and water resources.*
- **Labor Force Development Potential:** *While the existing skilled labor base is limited, the Fort Peck Community College and tribal workforce development programs are active and could be expanded or tailored to support specialized manufacturing training, particularly in the area of bioprocessing and clean tech manufacturing.*
- **Environmental Branding and Market Appeal:** *As a tribal-led initiative focused on sustainable materials, the proposed facility is likely to enjoy marketing advantages in a competitive consumer landscape increasingly shaped by ESG priorities.*

2.4 Challenges and Mitigation Opportunities

Several economic challenges remain:

- **Labor Gaps:** *The 2017 Fort Peck State of the Workforce study and 2024 CEDS update note a shortage of technical training opportunities and retention challenges for skilled labor. However, these can be mitigated through a phased hiring and training approach in partnership with the Fort Peck Community College, which has shown willingness to expand vocational programming to align with industrial needs.*



- **Infrastructure Gaps:** *Although industrial sites are available, upgrades may be needed in wastewater treatment, electrical distribution, and road access. The Fort Peck Planning Department is pursuing EDA and USDA grants to support infrastructure upgrades, and these funding pathways could be further leveraged for project-specific needs.*
- **Access to Capital:** *Like many tribal communities, Fort Peck faces barriers to accessing traditional lending and investment capital. However, their eligibility for a wide array of tribal, state, and federal funding, combined with interest in ESG-aligned and impact investments, makes this a solvable challenge, particularly for a project that aligns with federal priorities for clean manufacturing and rural economic development.*

2.5 Regional Economic Conditions

Fort Peck’s business feasibility must be grounded in the region’s current economic reality. Roosevelt County (which encompasses the Fort Peck Reservation) has a population of about 10,300, with a relatively young median age of 30.5 years (Data Commons, 2023).

Unemployment remains elevated compared to the rest of the state; the official county unemployment rate was 3.8% in 2023, slightly above Montana’s average (2.9%) . However, these figures only count individuals actively seeking work;, masking a low labor force participation rate. Only about 53.2% of adults in Roosevelt County participate in the workforce compared to 63% statewide (Montana Department of Labor and Industry, 2024). This indicates nearly half of working-age residents are neither employed nor looking for work — whether due to discouragement, lack of opportunities, or other socio-economic barriers. For prime working-age adults (25–54), the participation rate is around 64.8%, still far below the Montana average of 84.2%

These statistics underscore both a challenge and an opportunity: a large segment of the population is not currently employed, but could potentially join the workforce if new jobs and training became available. The Fort Peck Tribes have a young talent pool to draw from, provided that skill development and engagement efforts continue (Fort Peck Community College and other training programs will be critical in this regard, as noted in the CEDS). In terms of income and poverty, the region remains economically distressed.



The median household income in Roosevelt County is about \$51,000 (2018–2022 estimate), considerably lower than the Montana median of ~\$66,000 . Average household income (mean is about \$61,500 , suggesting that a small number of higher earners (e.g. in oil extraction or government) raise the mean above the median.

Over 31% of residents live below the federal poverty line (Montana Department of Labor and Industry, 2024). This includes a high incidence of child poverty; past analyses noted over 55% of Fort Peck families with young children were below povert. Social assistance is widespread for example, roughly 68% of households in the county utilized SNAP benefits in the last year

These sobering indicators reinforce the urgency of economic diversification and job creation. A successful industrial venture like hemp paper manufacturing could generate dozens of jobs and new income, creating ripple effects in household spending and quality of life.

The sectoral makeup of the local economy also highlights the need for new industries. Roosevelt County’s largest employment sectors are government and service-oriented. Tribal and local public administration is the single biggest source of jobs (Fort Peck Tribal government, BIA, IHS, county offices, etc.), comprising roughly 20–25% of all employment . Other major sectors include education, healthcare, retail trade, and hospitality/food services, each accounting for between approximately 7% and 15% of employment . In contrast, manufacturing represents less than 1% of total employment , an essentially negligible presence at present. Outside of a few small workshops and artisan businesses, the reservation has no significant manufacturing employers. Most goods are imported into the community, and local dollars “leak” outward.

The Fort Peck Tribes recognize that establishing a manufacturing base, even on a modest scale, could begin to plug that leak and circulate money on the reservation. Moreover, the community’s experience in operating other tribally run enterprises (e.g. Fort Peck Tech Services in oilfield servicing, or the A&S Diversified manufacturing company historically run by the Tribes) provides a foundation to build on.

There is an available workforce that could be mobilized for a new venture, provided that training and outreach draw in those not currently in the labor force. Aligning wages with local cost of living will also be important: a new plant would need to offer competitive pay to attract and retain employees from the reservation and nearby communities.



2.6 Indigenous-Led Manufacturing: Success Stories and Case Studies

Launching a tribally owned manufacturing venture is an ambitious endeavor, but there are precedents that demonstrate its viability. Learning from successful Indigenous-owned manufacturing enterprises can inform Fort Peck’s strategy and bolster stakeholder confidence.

Below are a few illustrative examples of such success stories in the U.S. and Canada, particularly in sectors related to sustainable products, fiber, and processing.

Lower Sioux Indian Community (MN, USA) – Hemp Construction Materials

In 2024 the Lower Sioux Tribe opened a new hemp fiber processing facility on its reservation. The \$2.3 million plant in Morton, MN will process locally grown hemp into fiber and hemp hur for use in building materials like hempcrete, a sustainable, insulating construction material (Formula Swiss, 2024). This enterprise emerged from the tribe’s need for affordable housing (they plan to build energy-efficient homes with the hempcrete). It is also envisioned as an economic driver, creating jobs and revenue through partnerships with local farmers and external businesses . The Lower Sioux project shows how a tribal nation can harness an emerging sustainable industry (industrial hemp) to meet community needs and spur development. Despite challenges (e.g. scaling up acreage under cultivation), the tribe successfully secured a mix of grants and loans (including a \$1.5M state economic development grant) to fund the facility . It stands as one of the first tribally-owned fiber processing plants in the U.S.

Citizen Potawatomi Nation (OK, USA) – Manufacturing in a Foreign Trade Zone

The Citizen Potawatomi Nation (CPN) launched Sovereign Pipe Technologies (SPT) in 2023, a tribally owned company manufacturing high-density polyethylene industrial piping (Tribal Business News, 2023). SPT operates in CPN’s Iron Horse Industrial Park in Shawnee, OK, which the tribe has designated as a Foreign Trade Zone and manufacturing hub . By leveraging their industrial park’s FTZ status (which provides duty deferral and other trade advantages) and the tribe’s infrastructure, SPT was able to establish a 45,000 sq. ft. factory, creating 45 new jobs in its first phase . SPT is now a showcase tenant in the reservation’s industrial park and has helped CPN attract interest from other manufacturers by demonstrating tribal capability in advanced manufacturing . This example highlights how a tribe can capitalize on unique assets (foreign trade zone status, tribally controlled land, etc.) to create jobs and generate revenue in high-value sectors (plastics for energy, municipal, and geothermal markets).



Meadow Lake Tribal Council (Saskatchewan, Canada) – Forestry and Paper Success In Canada, the Meadow Lake Tribal Council (MLTC) provides a compelling example of long-term Indigenous industrial success. MLTC owns and operates the largest 100% Indigenous-owned sawmill in Canada . Since the late 1980s, the tribal council has managed a 235,000-acre sustainable forest and produced lumber at industrial scale, exporting to global markets . Profits from the sawmill flow back to the First Nations communities, funding local programs – illustrating how manufacturing “brings home” benefits beyond the bottom line.

These case studies demonstrate how tribal leadership and traditional stewardship can combine with cutting-edge technology to create a profitable, sustainable business . Tribal and indigenous enterprises have thrived in sectors ranging from construction materials and plastics to renewable energy and forestry products. Common themes include leveraging unique tribal assets (e.g. land, natural resources, sovereignty in trade zones), partnering with experts or outside capital as needed, and aligning with community values.

Fort Peck’s hemp paper initiative can follow a similar trajectory by carving out a niche in the sustainable products market, utilizing the reservation’s land and incentives), and ultimately creating a self-sustaining enterprise that provides jobs while respecting the environment. Importantly, these case studies show that being remote or rural is not an insurmountable barrier; with planning and strategic investment, Indigenous communities have launched successful manufacturing operations that compete in regional and even global markets. Fort Peck’s status as a sovereign entity can similarly be an advantage in structuring and funding the hemp paper venture (as discussed next), just as other nations have done.

2.7 Tribal Investment Incentives

One of Fort Peck’s strongest advantages in pursuing a new industrial venture is the array of incentives, special designations, and financing tools available due to the Tribes’ sovereign status and the reservation’s economic profile.

Opportunity Zone (OZ) Status

Much of the Fort Peck Reservation, including the communities of Poplar and Brockton, has been designated as a Qualified Opportunity Zone under the 2017 Tax Cuts and Jobs Act .



Opportunity Zones are federally recognized low-income areas where new investments can receive preferential tax treatment . For Fort Peck, this means that equity investors who finance the hemp paper facility could be eligible for substantial capital gains tax deferrals and reductions, provided the investment is held for the required period (5 to 10 years) . In practice an investor who rolls prior capital gains into an Opportunity Fund that invests in the Fort Peck project can defer paying taxes on those gains, and if they maintain the investment for at least 10 years, they may pay no capital gains tax on the OZ investment’s appreciation. This is a powerful incentive to attract patient capital.

The Tribes can market the hemp paper venture as an OZ project, potentially drawing interest from socially minded impact investors or ESG-focused funds seeking both a return and a tax advantage. Notably, in 2020 the Fort Peck Tribes successfully leveraged their Opportunity Zone in securing EPA Brownfields redevelopment funds, highlighting that outside agencies recognize the reservation’s OZ status as a catalyst for investment and cleanup . By combining OZ incentives with the project’s sustainable and social benefits (job creation in a high-poverty area), Fort Peck can make a compelling case to financiers. It will be important to work with legal and financial advisors to structure the business as a Qualified Opportunity Zone Business so that investors can fully realize the available tax breaks.

Tribal Tax Advantages and Incentives

As a sovereign entity, the Fort Peck Tribes have certain tax immunities and flexibilities that can improve project feasibility. For example, federally recognized tribes enjoy the same exemption from state taxation as state governments themselves (Montana Budget & Policy Center, 2017). Income earned by the tribal government or tribally owned enterprises on the reservation is generally not subject to state tax. This means a manufacturing enterprise owned by the Tribes could be free of Montana state corporate income tax, provided it is structured correctly under tribal ownership (consultation with tax attorneys and use of a Section 17 federal charter or tribal corporation can ensure this status).

Additionally, on-reservation business property and activities may be exempt from certain state and local taxes, which lowers the ongoing operational cost compared to an off-reservation location. Montana notably does not impose a general sales tax , and the Fort Peck Tribes currently do not levy a tribal sales tax either, removing sales tax as a cost factor for production inputs or customer sales. The Tribes have also negotiated state-tribal tax agreements in specific sectors (for instance, oil and gas extraction) to prevent double taxation and make investment more attractive .



For the hemp paper facility, the Tribes could consider enacting tax incentives such as temporary tribal tax abatements, payments-in-lieu-of-tax (PILT) agreements, or lower tribal lease fees for the business during its startup years to improve cash flow. Furthermore, tribal members working for the enterprise will benefit from personal tax advantages: enrolled Fort Peck tribal members who both live and work on the reservation are exempt from Montana state income tax on their earnings (North Plains Independent, 2024). This effectively increases take-home pay for Native employees and can be touted as a hiring benefit to encourage more local workers to join the operation.

Overall, Fort Peck’s sovereignty offers a degree of tax control. The Tribes can create a business-friendly tax environment within the reservation to attract industry, something most rural communities cannot as easily do.

Foreign Trade Zone Eligibility

The Fort Peck Tribes have also explored establishing a Foreign Trade Zone (FTZ) on the reservation to incentivize manufacturing and distribution. An FTZ is a designated area under U.S. Customs supervision where goods can be imported, stored, processed, and re-exported without facing standard customs duties (unless and until they enter U.S. commerce) . FTZ status can save manufacturers by deferring import tariffs on equipment or raw materials and eliminating tariffs on goods that are re-exported. In 2017, the Tribal Executive Board authorized efforts to develop a Foreign Trade Zone at the Fort Peck Industrial Park in Poplar .

While the FTZ application process is complex, achieving this status would further enhance Fort Peck’s attractiveness to partners and customers. For example, if specialized production equipment or chemical additives for paper processing need to be imported, the company could bring them into the FTZ duty-free, use them in production, and only incur duties if the final product is sold in the U.S. (and even then, possibly at a finished-product rate which can be lower). Finished hemp paper or pulp could be exported directly from the FTZ with no U.S. tariffs at all, giving Fort Peck a potential export cost advantage.

Even without a formal FTZ, the reservation’s proximity to the Canadian border and rail access (via the BNSF mainline at Poplar) allows the Tribes to explore international trade opportunities under the U.S.–Canada trade agreements and emerging inter-tribal trade initiatives. In fact, Fort Peck has been involved in discussions of cross-border Indigenous trade, recognizing its location (approximately 35 miles from Canada) as an asset for future growth .



2.8 Sovereign Capital Formation and Financing Tools

Accessing capital is often the biggest hurdle in launching a manufacturing enterprise, but Fort Peck can leverage a number of special federal and tribal financing mechanisms to support the hemp paper project.

BIA Loan Guarantees

The Bureau of Indian Affairs (BIA) offers the Indian Loan Guarantee Program (ILGP) which can dramatically improve a project's ability to obtain bank financing. Under ILGP, the BIA's Division of Capital Investment can guarantee up to 90% of the principal on loans made to tribes or tribal enterprises (BIA, 2025). In other words, if the Fort Peck Tribes secure a commercial loan to build the paper mill, the BIA will insure most of that loan against default, greatly reducing the lender's risk. This typically enables lenders to offer lower interest rates and longer terms than the Tribes could otherwise get on their own. Notably, the program can guarantee loans well above the usual \$500,000 individual cap when it comes to tribal enterprises. Many large tribal projects have utilized BIA loan guarantees (for example, the Winnebago Tribe's development corporation used BIA guarantees to finance some of its acquisitions in the 2000s).

Fort Peck's project, which might require multi-million-dollar financing, is an ideal candidate for ILGP support. The Tribes would need to prepare a robust business plan and application for BIA, and secure a willing lender, but given the community development impact, the BIA is inclined to back viable projects in Indian Country. In addition to loan guarantees, BIA's loan program can sometimes provide interest rate subsidies for projects that need a further boost (essentially paying part of the interest to lower the cost). By utilizing ILGP, Fort Peck can attract financing on par with non-tribal competitors – a critical factor given the capital-intensive nature of paper manufacturing.

New Markets Tax Credits (NMTC) The hemp paper facility would be located in a qualifying low-income census tract, making it eligible for the federal New Markets Tax Credit program. NMTC is a U.S. Treasury (CDFI Fund) program that incentivizes investment in economically distressed areas by providing tax credits worth 39% of the investment (spread over seven years) to investors. In practical terms, a qualified Community Development Entity (CDE) could syndicate an equity investment into the Fort Peck project, and investors (such as community development banks or impact funds) would receive tax credits in return, thereby injecting subsidized capital into the project.



The Fort Peck Tribes have prior experience with NMTC: in 2014, the Tribes partnered with Mo (Montana Community Development Corporation) and U.S. Bank to finance a new Tribal government building in Poplar using NMTC allocations (New Market Tax Credit Coalition, 2014). That \$7.4 million project was successfully completed, and tribal leaders noted that “the NMTC provided a funding gap allowing completion of project plans”, paying for critical infrastructure and furnishings that otherwise were unfunded . This demonstrates Fort Peck’s ability to navigate the NMTC process.

For the hemp plant, an infusion of NMTC equity could cover a sizable portion of construction equipment costs. The Tribes would likely work with a specialized CDE (perhaps MoFi again or another that focuses on Native projects) to apply for an NMTC allocation. Given the project’s alignment with job creation, environmental sustainability, and tribal economic development, it would be a strong candidate in the competitive NMTC award process.

It is worth noting that while historically Indian Country has been underrepresented in NMTC financing. Tribal projects received well under 5% of NMTC funds in the program’s first two decades, though recent trends show improvement and a push by policymakers to direct more credits to Native communities (Tribal Business News, 2022). Fort Peck’s initiative could ride that momentum. By securing NMTC investment, the Tribes could reduce the amount of debt or tribal equity needed, thus lowering risk.

Tribal Enterprise and Partnership Models

The Fort Peck Tribes can also look inward and to partnerships for capital. Many tribes capital new ventures through their tribal enterprise arms or development authorities, which may allocate funds from tribal reserves or other business revenues. For example, the Poarch Band of Creek Indians used profits from gaming to launch PCI Aviation as a wholly-owned tribal LLC (Minority Business Development Agency, 2020). Fort Peck may consider a similar approach, using revenue from more established tribal businesses (such as energy leases or existing enterprises) to invest in the paper plant. This could be done directly by the Tribal government via a chartered Fort Peck economic development corporation.

Joint ventures with private firms are another model. The Tribes could contribute land, tax advantages, or capital, while an industry partner contributes technology and additional capital with both sharing ownership. Such structures can ease the burden on tribal finances while still ensuring significant tribal stake and community benefits.



Given the specialized nature of pulp and paper manufacturing, a joint venture or operating partnership might be prudent to bring in experienced operators. The Tribes also have the option of pursuing tax-exempt bond financing for infrastructure related to the project, since tribal governments can issue bonds for essential government-owned facilities similar to municipal bonds.

If the paper facility is structured under tribal ownership and deemed an essential economic development project, bonds could potentially be issued to investors with interest that is tax-free, lowering the cost of capital. Finally, federal and state grants targeting rural development, clean energy, or tribal economic development can be pursued to round out the capital stack. For instance, USDA Rural Development grants/loans, EDA public works grants for infrastructure, or Department of Energy funding if the project incorporates innovative energy efficiency. The Fort Peck Tribes have shown adeptness at securing grants, such as the recent CARES Act grant for the Fort Peck Wellness Center. Those skills will be useful in reducing the upfront cost of the hemp paper venture.

2.9 Conclusion

With a clear development strategy, strong leadership, and an emerging market opportunity in hemp-based paper and packaging, the Fort Peck Tribes have a foundation from which to launch a manufacturing initiative that aligns with their cultural values and their economic development goals. This facility could serve as a keystone project, building capacity for future advanced manufacturing, driving job creation, and asserting tribal leadership in the emerging bioeconomy.

Fort Peck's status as a sovereign, economically disadvantaged community provides access to a suite of incentives rarely all available in one location. The reservation's designation as an Opportunity Zone can draw long-term equity investment with major tax perks. Its tribal sovereignty allows for a favorable tax regime (no state tax, potential tribal tax waivers) to improve profitability. And its position as a tribal government project opens doors to loan guarantees and development credits that typical private companies cannot utilize. By skillfully combining these tools (e.g. using an NMTC-enhanced equity investment for part of the funding, a BIA-guaranteed loan for debt, and Opportunity Zone funds for any external equity), the Fort Peck hemp paper enterprise can significantly lower its cost of capital and risk profile.



- **Eco-Friendly Bleaching Agents:**
 - *Chlorine-free, oxygen-based bleaching solutions ensure whiteness while reducing pollution.*
 - *Used selectively to maintain fiber strength and minimize chemical residues.*
 - *Compliant with EPA and sustainability regulations for non-toxic paper treatment.*
 - *Hydrogen peroxide and ozone-based alternatives improve recyclability and reduce wastewater impact.*
 - *Procured from certified chemical manufacturers adhering to environmental safety standards.*

- **Plant-Based Coatings and Surface Finishes:**
 - *Soy-based inks, vegetable-derived coatings, and biodegradable waxes enhance printability.*
 - *Improve paper surface texture, color vibrancy, and durability.*
 - *Offer moisture resistance and optimize performance for printing and packaging.*
 - *Sourced from environmentally responsible suppliers supporting green innovation.*

- **Moisture Control and Strength Enhancers:**
 - *Natural moisture-regulating compounds enhance flexibility/prevent brittleness. Cellulose-reinforcing additives optimize tensile strength and structural stability. Used to maintain paper integrity under different conditions. Free from petroleum-based components to ensure biodegradability. Sourced from certified vendors specializing in bio-based paper reinforcement materials.*

6.3 Procurement of Raw Materials

Raw Hemp Sourcing

The plant sources hemp from certified farms that adhere to strict regulatory standards, ensuring high-quality raw materials. Reliable supplier agreements guarantee consistent fiber, seed, and biomass availability, reducing supply chain disruptions. Emphasis is placed on traceability, ethical farming, and sustainable sourcing to meet market demands and environmental regulations. This includes organic certifications, climatefriendly methods, and enhanced supplier relationships for stability.

“We are building a tribally led, scalable hemp-based materials platform to replace plastics—aligned with policy, grounded in Indigenous stewardship, and designed to become the next material standard.”

Please for more technical information
please contact us.



Fred Briones (Big Valley Pomo)

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