



# At a Glance

## Why We Did This Review

Our objective was to determine how the U.S. Environmental Protection Agency (EPA) verifies that the application of the wetlands protection and restoration guidelines achieves “no net loss” of wetlands. The Clean Water Act Section 404 regulatory program addresses the discharge of dredged or fill materials in the waters and wetlands of the United States.

One of the EPA’s roles in this program is to review and comment on individual permit applications submitted to the U.S. Army Corps of Engineers. In its fiscal year 2013 Annual Plan, under the Section 404 regulatory program, EPA reported “no net loss” of wetlands for fiscal years 2009 through 2011.

### This report addresses the following EPA theme:

- *Protecting water: A precious, limited resource.*

For further information, contact our public affairs office at (202) 566-2391.

The full report is at:  
[www.epa.gov/oig/reports/2014/20140416-14-P-0191.pdf](http://www.epa.gov/oig/reports/2014/20140416-14-P-0191.pdf)

## EPA Needs to Clarify Its Claim of “No Net Loss” of Wetlands

### What We Found

The EPA needs to clarify that its claim of “no net loss” of wetlands is based on projections of future results from mitigation projects, because not all mitigation projects succeed.

The EPA attempts to verify that the application of the wetlands protection and restoration guidelines furthers the goal of “no net loss” by comparing the total acres of wetland impacts to the total acres planned for mitigation in the U.S. Army Corps of Engineers’ Section 404 permits. However, performance reporting in the EPA’s 2013 annual plan does not inform readers of the assumption that all mitigation projects meet performance standards. Performance standards are the ecologically-based standards that the U.S. Army Corps of Engineers personnel will use to determine whether a compensatory mitigation project is achieving its objectives. Not clearly communicating such assumptions hampers the public’s understanding of the EPA’s actual performance in protecting wetlands.

**The EPA can improve performance reports by indicating that achieving “no net loss” is based on the assumption that all mitigation projects will meet performance standards.**

### Recommendation and Planned Corrective Actions

We recommend that the Assistant Administrator for Water clarify on the wetlands measure definitions webpage and in future annual performance reporting that “no net loss” of wetlands is based upon an assumption that mitigation projects contained in Clean Water Act Section 404 permits will meet performance standards. The agency agreed with the recommendation and provided acceptable corrective actions. The recommendation is resolved.