

ENVIRONMENTAL PROTECTION AGENCY ENVIRONMENTAL FINANCIAL ADVISORY BOARD STRATEGIC ACTION AGENDA FISCAL YEARS 2011-2012

BACKGROUND

The Environmental Financial Advisory Board (EFAB) is chartered under the Federal Advisory Committee Act to advise EPA on environmental finance issues, options proposals, and trends. EFAB seeks ways of lowering costs and increasing investments in public purpose environmental facilities and services. EFAB is supported by EPA's Office of the Chief Financial Officer.

The Chair of the Board is Bradley Abelow, Chief Operating Officer, MF Global Holdings, Ltd. of New York, NY. EFAB's Designated Federal Official is Michael Shapiro, Deputy Assistant Administrator for the Office of Water. EFAB's plans and operation are aligned with the major environmental goals presented in EPA's strategic plan.

EPA GOALS AND EFAB ISSUES

EFAB's work is organized in support of the 5 major goals in EPA's *Strategic Plan*:

- 1. Taking Action on Climate Change and Improving Air Quality**
- 2. Protecting America's Waters**
- 3. Cleaning Up Our Communities and Advancing Sustainable Development**
- 4. Ensuring the Safety of Chemicals and Preventing Pollution**
- 5. Enforcing Environmental Laws**

In its strategic planning process, EFAB applies these thematic EPA goals in the context of the requirement in its charter to provide advice and recommendations on the following issues:

- Reducing the cost of financing sustainable environmental facilities, discouraging polluting behavior, and encouraging stewardship of natural resources;
- Creating incentives to increase private investment in the provision of environmental services and removing or reducing constraints on private involvement imposed by current regulations;
- Developing new and innovative environmental financing approaches and supporting and encouraging the use of cost-effective existing approaches;
- Identifying approaches specifically targeted to small community financing;
- Assessing government strategies for implementing public-private partnerships, including privatization and operations and maintenance issues, and other alternative financing mechanisms;
- Improving governmental principles of accounting and disclosure standards to help improve sustainability of environmental programs;
- Increasing the capacity issue of state and local governments to carry out their respective environmental programs under current Federal tax laws;

- Increasing the total investment in environmental protection and stewardship of public and private environmental resources to help ease the environmental financing challenge facing our nation; and
- Removing barriers and increasing opportunities for the U.S. financial services and environmental goods and services industries in other nations.

Based on these goals and objectives and input from EPA, EFAB develops a *Strategic Action Agenda* describing its workgroup structure and lists ongoing and completed projects. Given the number, scope, and nature of the issues that EFAB addresses, its workgroups take the lead in developing projects for consideration and approval by the Full Board.

CURRENT EFAB WORKGROUPS

- ▶ **Clean Air Technology:** Chaired by Sharon Dixon Peay, State of Connecticut, Hartford, CT
- ▶ **Tribal Environmental Programs:** Chaired by Debi Livesay, Torres Martinez Desert Cahuilla Indian Tribe, Salton City, CA
- ▶ **Transit-Oriented Development:** Chaired by Phil Johnson, Green Terra Energy Corporation, Washington, DC

STATUS OF EFAB PROJECTS

On-Going Projects FY 2012

1. ***Clean Air Technology***
EPA Strategic Goals: Taking Action on Climate Change and Ensuring Air Quality
Primary Customer: Office of Air and Radiation
2. ***Tribal Environmental Programs***
EPA Strategic Goal: Protecting America's Waters and Cleaning Up Our Communities
Primary Customer: Office of International and Tribal Affairs
3. ***Transit-Oriented Development***
EPA Strategic Goal: Cleaning Up Our Communities
Primary Customer: Office of Policy

**Completed Projects
FY 2011**

1. *Voluntary Environmental Improvement Bond (VEIB) Programs*, May 2011
EPA Strategic Goals: Taking Action on Climate Change and Improving Air Quality and Protecting America's Waters
Primary Customers: Office of Air and Radiation and Office of Water

2. *SRF Investment Options: Current Status and Prospects for Enhancing SRF Sustainability*, February 2011
EPA Strategic Goal: Protecting America's Waters
Primary Customer: Office of Water

3. *Financial Assurance: Improving Cost Estimation*, December 2010
EPA Strategic Goals: Cleaning Up Our Communities and Enforcing Environmental Laws
Primary Customers: Office of Solid Waste and Emergency Response and Office of Enforcement and Compliance Assurance

4. *Financial Assurance: Letter on the Use of Credit Ratings*, December 2010
EPA Strategic Goals: Cleaning Up Our Communities and Enforcing Environmental Laws
Primary Customers: Office of Solid Waste and Emergency Response and Office of Enforcement and Compliance Assurance

- ▶ This Strategic Action Agenda is a flexible planning tool and is updated during the fiscal year as needed. All revisions will be shown on the Board's home page at:
<http://www.epa.gov/efinpage/efab.htm>

- ▶ A Webcast Meeting of the full board is scheduled for Tuesday, October 18, 2011. The purpose of this meeting is to hear from informed speakers on environmental finance issues, proposed legislation, EPA priorities, discuss progress with current workgroup projects, and to review and consider recent requests for assistance from a number of EPA program offices.

- ▶ A full board meeting is being planned for the Spring of 2012 (dates to be announced soon).

- ▶ Your comments are important and welcome. For additional information, contact Vanessa Bowie at the Center for Environmental Finance at bowie.vanessa.bowie@epa.gov.