



Executive Office
of the President
Council on Environmental
Quality



Executive Office
of the President
Office of Science and
Technology Policy



Executive Office
of the President
Office of Management
and Budget

Dear Secretary/Administrator:

For many years, this Administration has supported a variety of efforts to develop national indicators of environmental and natural resource conditions. In 2006, we initiated a study with the National Academy of Public Administration (NAPA) to identify and assess institutional options for developing a national system of environmental indicators. The NAPA Panel of Fellows provided its report in December, 2007. The accompanying Policy Memorandum on National Environmental Status and Trends Indicators (NEST Indicators) sets forth an action plan for key Federal agencies and their partners that will take the next step to further develop our capacity for regular production of national environmental indicators.

NEST Indicators are envisioned to be a set of high quality, science-based statistical measures of selected conditions of our environment and natural resources. They address topics that are sufficiently important and cross-cutting to warrant the acquisition of data using measurement methods and statistical designs that are consistent across the entire country and repeated regularly over time.

We will begin with a pilot project conducted by Federal agencies in collaboration with their non-Federal partners on national status and trend indicators of water availability, including both quantity and quality. The pilot project is designed to test the vision for the NEST Indicators. It will demonstrate the collaborative interagency processes that will be used to select and implement indicators and will improve the consistency and interoperability of data. In addition, a national forum will be convened to identify the topics and questions that should be addressed by the indicators of water availability. The U.S. Forest Service has agreed to lead an Executive Management Team that will guide the pilot project.

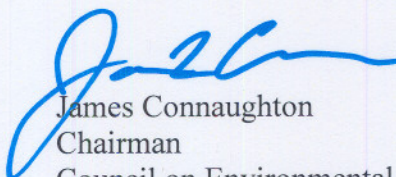
Over the long term, the NEST Indicators will facilitate public discourse and decision-making at the national level regarding environmental goals and priorities. They will be used to assess the outcomes of Federal policies and programs, and the effects of changes in environmental processes and economic activities. The NEST Indicators and their delivery to the public will be useful in discourse and decision making at regional, state, and local levels, in the private as well as in the public sector. Improved consistency and interoperability among the sources of data and statistics will make the information more available and more useful to users across the entire nation.

The NEST Indicators will be produced to high standards of scientific and statistical quality. They will be updated regularly and made available in ways that allow users to easily access the data for the particular measures, geographic areas and times that are most important to them. Efforts to identify national priority Earth observations, guide the uniform collection of data, and develop standards and protocols for data collection, archiving, and delivery by Federal agencies will continue to be conducted under the auspices of the National Science and Technology Council.

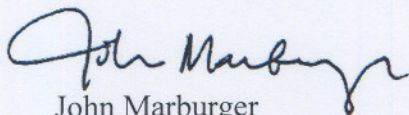
Most NEST Indicators will be produced by Federal agencies. These indicators will, to the maximum extent practicable, use data provided by ongoing Federal and state environmental and natural resource inventory and monitoring programs. A significant number of these indicators may be developed simply through adjustments in the protocols and sampling practices of existing Federal data acquisition programs to improve quality and uniformity. Expansion of existing monitoring programs or the development of new data collection programs will be considered only if modification of existing programs proves inadequate for nationally consistent indicators. It is expected that all Federal agency work on NEST Indicators will be accomplished within existing budgetary resources.

Your support and the participation of your agency are needed to accomplish the longer-term vision and immediate policy directives set forth in the Policy Memorandum. We urge you to appoint appropriate and effective managers and staff to the Executive Management Team and its sub groups as well as to already existing working groups that will be called upon to help in the development and implementation of the NEST Indicators.

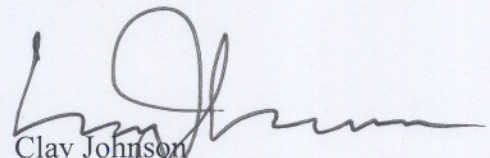
Sincerely,



James Connaughton
Chairman
Council on Environmental
Quality



John Marburger
Director
Office of Science and
Technology Policy



Clay Johnson
Deputy Director for
Management
Office of Management and
Budget



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Policy Memorandum on National Environmental Status and Trends Indicators

Section I. Preamble

- i. Natural resource and environmental data are collected by Federal agencies and numerous non-Federal partners to serve multiple research, programmatic, and regulatory missions. While important for specific purposes, the resulting data are often difficult to find, combine, compare, and aggregate. Today it is virtually impossible to broadly describe, consistently characterize or confidently assess the condition of air, land and water over time, at any national or regional scale, despite the magnitude of monitoring data collected and compiled throughout the Nation. Therefore, the sum of national data has limited utility to broadly describe, consistently characterize, or confidently assess status and trends of the Nation's environment consistent with the intent of the National Environmental Policy Act, 42 U.S.C. § 4321-4347.
- ii. It is presently beyond the capacity of existing efforts to infer with sufficient confidence broader implications from specific monitoring efforts (separately or in the aggregate), or to measure critical characteristics of our natural resources and the environment within the United States. This deficiency undermines effective and timely decision-making at all levels of the government, between specific government agencies and across public and private sectors. The Federal agencies responsible for stewardship of our natural resources and protection of public health and the environment – along with their state, tribal and other partners – can benefit from the availability of timely and compatible information regarding the dynamic conditions of the air, water, land and their confluences.
- iii. Federal decision makers, other partners and stakeholders, and the public will be able to use National Environmental Status and Trends Indicators (NEST Indicators) to help analyze national trends and assess the impact of national programs on the Nation's environment and natural resources.

Section II. Goal

The goal of this policy is to guide the steps that need to be taken to develop and improve processes for the selection and development of NEST Indicators and to demonstrate the usefulness of such indicators. NEST Indicators are high quality statistical measures of a relatively few conditions of our Nation's environment and natural resources that are sufficiently important and cross-cutting to warrant the acquisition of data using measurement methods and statistical designs that are consistent across the entire country and repeated regularly over time.

Section III. Policy Directives

In order to achieve the goal of this policy, Federal agencies will take actions that are consistent with the following policies within available resources.

- In the development of the NEST Indicators, Federal departments and agencies will collaborate in a two-part pilot project to demonstrate the effectiveness of processes for selecting and developing NEST Indicators. The first part will be to examine indicators of water availability status and trends, including both quantity and quality, to show the extent to which improvements in consistency, compatibility and accessibility of data are needed for national and sub-national indicators to serve as a basis to support decision-making at multiple levels of government and across sectors.
- Through this pilot approach, Federal departments and agencies will work collaboratively with state and local governments, universities and research organizations, and the business sector and non-governmental organizations to ensure the relevance, usefulness and fairness of the set of indicators to be produced.
- In the second part, Federal agencies will work together through an Executive Management Team to convene a national forum on fresh water availability indicators. The national forum will have broad representation from multiple levels of government and from all affected sectors. Forum participants will identify policy-relevant questions that frame national, cross-cutting concerns as well as regional, state and local concerns for which statistically rigorous, nationally comparable indicators would inform analyses and decision-making at multiple levels of government and across sectors.
- Agencies will coordinate their observation and monitoring activities through the subcommittees of the Committee on Environment and Natural Resources (CENR) of the National Science and Technology Council. Federal agencies will work together through CENR subcommittees to identify key observations required to provide the consistent statistical basis for the NEST Indicators pilot project. Agencies will collaborate within the CENR to develop compatible data collection, archiving, and delivery protocols to improve data consistency, compatibility, and interoperability for addressing the questions identified by the national forum.
- The Office of Management and Budget will review and approve use of the NEST Indicators in the PART and other performance evaluations as well as ensure the indicators and protocols used to generate those indicators meet the standards laid

out in the Paperwork Reduction Act, 44 U.S.C. § 3501 et seq., and OMB's implementing regulations at 5 C.F.R. Part 1320, in OMB's government-wide Information Quality Guidelines at 67 Fed. Reg. 8452 (Feb. 22, 2002), and in any other applicable OMB-related laws and OMB issuances.

Section IV. Applicability

This memorandum applies to all agencies of the federal government as defined by 44 U.S.C. 3502(1) excluding independent regulatory agencies defined under 44 U.S.C. 3502(5).