The Lesson Learned

Perspectives on Governance and Finance of Three Complex Ecosystem Restoration Programs

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Three large and complex ecosystem management programs were been selected for review. The three programs chosen for analysis are the Columbia River Basin Program, the Florida Everglades Restoration Program and the Chesapeake Bay Program. The objective of this review is to better understand the problems that led to their establishment, the governance and finance systems used to implement their restoration programs and the forces that affect their restoration efforts. In each case, analysis includes the setting and history of the program; the governance structure; and, the financing methods for programs and projects. The Chesapeake Bay and Columbia River programs are multi-state projects and therefore will have a different dynamic than single state experiences such the Florida Everglades project. Four conclusions can be draw from a review of the governance, finance and activities of the three complex ecosystem restoration programs.

1. ***There is no substitute for the independent authority to act.*** In the three programs reviewed in this analysis, the restoration programs rely on the goodwill of other entities to implement restoration projects. Without independent authority to finance and carryout programs, the role of the agency is to coordinate the work of others toward a policy goal.

2. ***The more independent the players, the more fragmentation and less accountability.*** The organizations set up through multi-state agreements generally act as an open forum for the stakeholders. Decisions on specific projects are usually brought to the body formed by the agreement for their approval or endorsement. In the end, accountability suffers when activities to be performed are undertaken by an agency other than the agency created by the agreement.

3. ***The agency that raises the revenue should spend the money.*** Most restoration projects are funded by the federal government and the participating state governments, since the organization in charge of the restoration effort usually does not have independent financing capacity. Only one program reviewed in this analysis, the Columbia River Basin project, has a dedicated funding mechanism.

4. ***Without a vision you do not know where you are going.*** Each of the three programs employs a different planning process. They range from an elaborate planning process in the Chesapeake Bay to The Columbia River project that is basically a list of five-year project plans implemented by local agencies and the Bonneville Power Administration. The Florida Everglades project has a restoration plan that is federally recognized and includes specific goals that guide specific projects.

To illuminate the governance and finance aspects of the three ecosystem restoration projects a set of questions was posed.

Governance

- *Does the agency have the ability to implement its decisions?*

For the most part all three restoration projects rely on the actions of others. In the case of the Florida Everglades, the U.S. Army Cory of Engineers plays a lead role in the planning, design and funding of restoration projects. Environmental regulatory actions and issues related to growth and development are largely dealt independently by the state and local governments. In the Columbia River Basin restoration effort, projects are brought to the Northwest Electric Power and Conservation Planning Council by local and state agencies and academic institutions for funding. The Bonneville Power Administration provides the funding for the program. The Chesapeake Bay Program relies on the activities of member state and federal organizations to get projects implemented.

- *Are all of the agencies with powers and duties affecting the problem involved in the decision-making process?*

The Chesapeake Bay Program has the most extensive intergovernmental program with 75 agencies serving on over 25 committees, working groups and task forces. The Everglades project appears to be the most insular with most of the work from concept, to project planning, to project implementation, centered on the Army Corps of Engineers and their federal agency family. The Columbia River Basin restoration program involves federal, state, tribal and local governments in the planning and project development process.

- *Does the body have the ability to affect the activities of the constituent agencies?*

In all three cases the body established to develop restoration policy and plans is first a convener, then a coordinator. Each has little authority over the constituent agencies that have program jurisdiction over the geographic area covered by the restoration program. In the final analysis, the restoration programs must rely on the goodwill of others.

- *Is the decision-making process open and transparent?*

The Chesapeake Bay Program is the most transparent of the three restoration projects. Every aspect of the program includes some form of communication with the public and affected agencies. The Columbia River Basin program has an extensive outreach program. The Florida Everglades program makes information available on its Web site.

- *Do scientific and public voices have a forum?*

Scientific and public voices have a specific governance role given the nature of the advisory committees that are part of the governance structure. Although the Columbia River Basin program includes science panels and a public information program, it does not appear to be as developed as the Chesapeake Bay Program.

- *Are there impediments to action?*

The primary impediments to action involve the willingness of local and state agencies to subordinate their policy-making authority to the larger regional interest. This is less a case in the Chesapeake due to the well-developed governance structure. Governmental fragmentation remains a problem in all three restoration projects.

Finance

- *Is there a reliable system for financing restoration programs?*

The only program with a reliable funding mechanism is the Northwest Electric Power and Conservation Planning Council. A surcharge on the Bonneville Power Administration's wholesale electricity rate structure makes it possible for a continuing income stream for restoration projects. In the case of the Everglades and Chesapeake Bay programs, each relies on the budgets of federal and state governments.

- *Are the financial obligations shared among the affected agencies?*

In the case of the Chesapeake Bay Program and the Florida Everglades, the federal and state governments share the funding obligation for restoration activities. In the case of the Columbia River Basin, the wholesale rate payers that use electricity from the Bonneville Power Administration are the primary source of revenue for the restoration activity, although federal agencies have funded projects that further the agencies goals as well as the goals of the Northwest Council's ecosystem restoration.