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**REPORT OF THE
AGENCY COORDINATION WORKING GROUP**

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REPORT OF THE AGENCY COORDINATION WORKING GROUP

I. OVERVIEW AND SUMMARY

There are many reasons for the gridlock that now exists with respect to the management of the federally-owned forests of the Pacific Northwest. Much of the problem is directly attributable to the lack of responsible leadership by previous Administrations, the adoption of policies that have drastically narrowed the decision space within which the Government must now operate, and the unrealistic expectations generated by those policies. In addition, part of the problem relates to the lack of coordination among the various federal agencies that are involved and to the sometimes inconsistent and inefficient procedures employed by them.

In part II of this report, we review some of the factors related to interagency workings that have contributed to the gridlock, including:

- lack of an agreed-upon shared mission;
- management incentives based on timber production;
- inability to adapt rapidly to change;
- inconsistent statutory mandates;
- technological constraints;
- structural problems with respect to agency budgets; and
- lack of trust -- between federal agencies and within individual agencies.

In part III, we describe our vision for the future -- a dramatically different way of fulfilling the federal agencies' responsibilities as stewards of the public lands. We begin with the premise that any option selected by the President will require vastly increased agency cooperation and coordination. This is inherent in the fact that the options involve an ecosystem management approach -- i.e., an approach that will not respect administrative or ownership boundaries.

Moreover, the ecosystem approach strongly suggests that the building blocks for planning should be watersheds and that the land planning units should ultimately be physiographic provinces consisting of a number of watersheds, rather than individual

"forests" or "districts" (the units presently used by the Forest Service and the Bureau of Land Management). Because of this, we suggest a radically altered planning structure involving federal interagency teams, as well as participation by states, counties, tribes, and additional relevant parties.

Additional elements of our vision include:

- adoption of a more balanced approach with respect to commodity outputs;
- establishment of a revised process for consultation under the Endangered Species Act;
- establishment of an interagency Geographic Information System database;
- revision of the budget process;
- use of adaptive management based on monitoring and research; and
- alteration of incentives for agency personnel.

In part IV, we provide our recommendations for action. We begin with a detailed description of the four interagency groups that would form the primary structure for implementation of an ecosystem-based forest management strategy. We then describe the principal statutory and regulatory impediments to full achievement of that strategy.

We also describe, in general terms, the budget implications of our proposed changes. Preliminary review suggests that, during the interim period, when agencies are operating under the old system but also preparing to switch over to the new strategy (and when they are investing in a common database and related technology), agency budgets may need to be increased. In the long term, however, efficiencies and cost savings seem likely.

We caution against any expectation that agency budgets can be reduced commensurately with the decrease in timber harvest levels on federal lands, since the increased emphasis on objectives other than timber production (including recreation, species protection, rehabilitation, conservation, and other commodity production) will require the maintenance of adequate staffing levels.

The President, the courts, and the public have all challenged the land management agencies to meet multiple objectives. Timber cutting and road building will continue to decline, but it would

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be myopic for the agencies (and the Congress) to assume that the automatic results of that decline are reduced budgets and reduced staffing. The agencies must consider their broader mission and put forward the necessary programs of recreation enhancement and restoration of forests and watersheds (including research and monitoring) that will assure the health of the forests and their long-term productivity and utility to the public.

The final section of part IV consists of a listing of the specific actions to be undertaken, including:

- actions needed to resume the timber sale program;
- actions consistent with existing agency plans that would be taken during the development of new plans;
- actions necessary to develop new watershed-based plans; and
- actions to implement those plans.

In general, our report should be regarded as (1) a call for change, and (2) a vision of the future framework. Specific elements of that framework (and specific recommendations concerning process or procedural modifications) are subject to refinement or alteration as we begin to implement the new ecosystem management strategy.

The structural changes that we propose are based upon the specific physiographic situation addressed by the Forest Ecosystem Management Assessment Team -- i.e., the portions of Oregon, Washington, and northern California that are within the range of the northern spotted owl. Because our implementation approach includes consideration of fish species whose range is broader than that of the owl, it is possible that our proposed framework should be applied to the full range of those fish species. In addition, it seems likely that the concept of an interagency database and some other structural aspects of our proposal could be models for use in other geographic areas as well. However, our recommendations are focused on the geographic area covered by the ecosystem management options that are being developed, and we leave to others the question of whether (and when) our approach should be applied to other geographic areas.

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II. CURRENT SITUATION

A. Forest Conference

On April 2, 1993, President Clinton held a forest conference to discuss how to break the gridlock over federal forest management in the Pacific Northwest. While the northern spotted owl emerged as the symbol of the controversy, the debate extended far beyond the issue of "owls vs. jobs." The President rejected the "either/or" proposition that a choice must be made between jobs and the environment. He challenged federal agencies to pull together to develop: (1) a balanced and comprehensive strategy for the conservation and management of forest ecosystems, while maximizing economic and social benefits from the forests; (2) a program for dealing with the effects of that strategy on communities and individuals; and (3) a plan to achieve better coordination and cooperation among the federal agencies that are involved in forest management issues.

Three groups were established to lead efforts to meet this challenge: the Forest Ecosystem Management Assessment Team; the Labor and Community Assistance Working Group; and the Agency Coordination Working Group.

This paper constitutes the report of the Agency Coordination Working Group.¹ Much of the report addresses the implementation of the strategy that is being developed by the Forest Ecosystem Management Assessment Team.

The report rests on the premise that interagency cooperation will be a critical factor, not only with respect to the planning of a new ecosystem management strategy, but also with respect to the implementation of any such strategy. We believe that bold changes to the existing system -- including a dramatically increased level of cooperation among federal agencies -- are required, if we are to learn from past mistakes and avoid any further "train wrecks."

B. Factors Contributing to the Gridlock

A first step in solving the gridlock is to review the various factors that contributed to it. Focusing on agency coordination

¹ The group includes representatives of the U.S. Forest Service (FS), the Bureau of Land Management (BLM), the U.S. Fish and Wildlife Service (FWS), the National Marine Fisheries Service (NMFS), and the Environmental Protection Agency (EPA). A list of members is appended as Attachment 1.

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and process, among the more significant factors that have contributed to the current gridlock are the following:

- **The lack of agreed-upon common goals for management of federal forest lands in the Pacific Northwest.**

Land ownership patterns sometimes result in adjacent federal lands being managed by two separate agencies, the Forest Service (FS) and the Bureau of Land Management (BLM). These agencies have sometimes operated pursuant to different management objectives and philosophies. This has resulted in inefficiencies and inconsistencies, as well as confusion on the part of the public.

- **A past emphasis on commodity production and the inability of federal agencies to adapt quickly to changing societal views regarding environmental issues.**

The historical emphasis on commodity production (outputs) has resulted, over time, in a significant reduction of the old growth forest areas and the consequent reduction of the habitat of species closely associated with old growth, such as the northern spotted owl. This situation, combined with the depletion of old growth on private lands, has placed additional pressure for preservation of old growth on federal lands.

In addition, damage to streams has contributed to putting many fish species at risk. The listing of these species as threatened or endangered under the Endangered Species Act (ESA), and resulting actions that have been viewed by some as too little and others as too much, have inflamed both environmentalists and loggers and have unquestionably contributed to the stalemate inherited by the Clinton Administration. Ultimately, the current gridlock resulted from the failure of previous Administrations to recognize and respond to the shift in societal views regarding old growth forests and their associated non-commodity values.

- **Management incentives based on timber production.**

A related problem concerns inappropriate management incentives. In the past, land managers (and agency budgets) have been rewarded for achieving targets based on timber volume. By contrast, little or no formal reward or incentive has existed to encourage individuals or agencies to work together in program formulation or management activities that attempt to achieve multiple objectives, including conservation.

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- Court rulings concluding that agencies have not complied with statutory mandates.

In recent years, courts have reviewed several agency decisions relating to the management of old growth forest areas. In some cases, they have issued injunctions, requiring agencies to revisit earlier decisions and/or to take other specific actions above and beyond planned activities. Agency resources have been diverted from ongoing pursuits in order to respond to litigation demands, straining agency budgets and diminishing their ability to deal with other responsibilities. Among the more significant lawsuits and court rulings are the following:

- A suit was filed in 1988, challenging the decision of the Fish and Wildlife Service (FWS) not to list the northern spotted owl under the ESA. The court ordered FWS to reconsider its decision and, as a result, the agency proposed the listing of the spotted owl as a threatened species.
- In another major suit, conservation groups alleged that BLM had not adequately analyzed the impacts of proposed logging activities, thereby violating the National Environmental Policy Act (NEPA). This suit resulted in a 1992 injunction on all timber sales from BLM lands until BLM submits an adequate NEPA document that reflects new information relating to the impact of logging on the northern spotted owl.
- A third major suit involved a challenge to the adequacy of the FS's regional management plan for the spotted owl. The court has issued injunctions blocking timber sales and has ordered the FS to develop and implement a revised management plan covering the spotted owl by December 1993.
- In 1992, a lawsuit was filed challenging the decision of the Endangered Species Act Committee (often referred to as the "God Squad") to exempt certain BLM timber sales from ESA requirements. The plaintiffs alleged that the White House illegally pressured the God Squad to exempt sales. In February 1993, the Ninth Circuit ruled that the decision would be illegal if such pressure were proven, and it ordered further inquiry into the matter. The proposed exemptions were recently withdrawn.

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- BLM is also enjoined as a result of a court ruling requiring completion of Section 7 consultation on any spotted owl conservation strategy that is intended to establish criteria under which timber sale sites are selected in spotted owl habitat.
- Problems associated with rapidly evolving information and requirements.

Federal land management agencies have had difficulty in demonstrating compliance with planning and environmental statutes in view of rapidly evolving information regarding forest ecosystems and the complexity of the current planning process utilized by the agencies. Often, a plan is vulnerable to challenge for not having considered information that was discovered after the plan was prepared. Moreover, changing requirements (such as those brought on by the listing of additional species) have challenged the ability of land management agencies to respond.

- Inconsistent statutory mandates for different agencies.

Inconsistencies in the various land management statutes have impeded coordinated land management planning. For example, prior Administrations have assumed that the differences between the Oregon and California Revested Lands Act (O&C Act), governing some BLM lands, and the National Forest Management Act (NFMA), governing the FS, make establishment of consistent standards unattainable.

Another example is that the land management agencies view legislative standards such as "jeopardy" and "adverse modification" under the ESA as standing in a somewhat confusing relationship to the NFMA standard of "viability."

- Inefficiencies in the consultation process required under the ESA.

Under the current consultation process pursuant to the ESA, land management agencies complain that they often undertake a lengthy planning effort to conduct individual sales, only to receive a jeopardy ruling from FWS at the end of the process. The land management agencies contend that they receive inadequate guidance from FWS as to what is expected of them, while the FWS contends that the land management agencies sometimes fail to incorporate consideration of endangered species early in the planning process in accordance with their obligations under Section 7 of the ESA. Whatever the reason, the result is frustration on both sides.

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In addition, standards that FWS has used to determine jeopardy have shifted significantly during the planning processes in response to rapidly evolving information. Consequently, the land management agencies have had difficulty planning actions to avoid jeopardy.

- Different data standards, technologies, and terminologies used by the various agencies.

The various land management and resource agencies have not typically worked together in developing information, nor have they developed compatible technologies. The lack of compatible databases impedes the sharing of information. In addition, the agencies have adopted different standards and different terminologies with respect to some issues, further impeding the agencies' ability easily to work together.

- The existing budgetary structure, which discourages interagency cooperation and flexibility.

Federal agencies, especially BLM and FS, lack budget processes that allow the flexibility to meet ecosystem management challenges as they arise. The use of budget line items by program produces inherent intra-program conflict.

In addition, the current system for BLM and FS budgets restricts the ability of the agencies to engage in cooperative efforts that overlap agency boundaries. The present system ties targets to budgets and allows very little flexibility to adjust to changing conditions and needs in a timely manner (i.e., proposed changes are subject to a lengthy review and appeal process). This approach limits agencies' abilities both in their individual programs and in their ability to work with one another.

Moreover, as timber sales have declined, agency budgets have decreased, despite increasing demands on the agencies to deal with conservation, restoration, and other non-timber objectives. This further limits the agencies' ability to embark upon cooperative efforts. Another significant impediment is that FS and BLM are generally prohibited from using funds on lands not within their own jurisdiction.

- Frustration with processes that seemingly lead nowhere.

People at various levels, both inside and outside of the government, are frustrated with the processes that have been followed in the past -- with meeting after meeting, report after report, and apparently unending delay in the accomplishment of any final result.

- **State and community frustration resulting from a lack of meaningful participation in the process.**

The intensity of the current debate has been fueled by the general perception on the part of states and timber-dependent communities that they have been excluded from meaningful participation in the current BLM and FS planning processes. Many of those affected by agency decisions feel that their opportunity to be involved in the process is too little and too late.

- **Frustrations on the part of tribes.**

The tribes feel that they have an important role to play in land management decisions, based on their treaty rights and their special relationship to the land -- especially their historic reliance on harvesting salmon and other fish species for subsistence and income-producing purposes. The failure of tribes to achieve desired results through the federal agency planning processes has resulted in frustration and ill-will.

- **Lack of trust between the public and federal agencies, as well as between federal agencies.**

All of the factors outlined above have contributed to the pervasive lack of trust that exists between the citizenry and the government, as well as between the various federal agencies. A major contributing factor to the lack of understanding and trust among the federal agencies is conflicting agency mission and culture -- i.e., because the agencies pursue different missions and act pursuant to different statutory mandates, they sometimes disrupt the actions and strategies of other agencies, causing resentment and distrust.

Agencies also need to focus on the lack of trust that exists within an agency. For example, there is often distrust between research scientists and land managers, with researchers often believing that managers ignore their recommendations, and managers often feeling that scientists have moved into a management decision-making role by detailing prescriptive requirements focused on their relatively narrow scientific interests.

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III. VISION FOR THE FUTURE

The Agency Coordination Working Group was asked to identify ways to improve the working relationships among federal and state agencies in the Pacific Northwest and to recommend ways to eliminate impediments that block coordinated action.

Implementation of any option selected by the President will require interagency cooperation. Agencies must move away from their past tendency to act in isolation (and sometimes at cross-purposes) and their tendency to engage in turf battles. They must move toward the pursuit of uniform goals under a shared mission. Successful implementation of this strategy will require support at the highest levels of government. At the same time, involvement of "on-the-ground" personnel at all levels is also a critical ingredient. Only by pulling together can we break the gridlock and put into place a sensible and balanced approach to deal with land management issues into the future.

This section will outline some of the key components of the new forest management strategy. (Part IV will discuss, in more detail, the specific actions to be undertaken.) It must be emphasized that what we propose is an entirely new way of thinking and an entirely new way of doing business for federal land managers and regulatory agencies. The concepts set forth here are subject to refinement as planning evolves.

A. Movement to an Ecosystem Focus

All agencies must support the initiatives that lie at the heart of the new forest management strategy, including:

- A shift to an ecosystem approach.

All of the options being proposed by the Forest Ecosystem Management Assessment Team involve a new approach to land management -- an ecosystem-based approach that crosses jurisdictional boundaries. Ecosystem-based management will require a change of philosophy and a change in the way agencies do business. Increased agency cooperation and coordination must occur. Agreement on desired conditions and management objectives across the landscape is critical. Administrative boundaries and functional organization structures must not be allowed to impede achieving management goals on the ground.

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- **Use of watershed analysis.**

The report of the Forest Ecosystem Management Assessment Team recommends that land management decisions should be based on a different physiographic unit than under the current approach. Instead of formulating plans for individual forests or BLM districts, in the future planning would be based on watershed analysis, and the planning units would ultimately be a number of watersheds, grouped into physiographic provinces or major river basins. The watershed-level analyses would be the building blocks for development of the province-level plans.

Watershed analysis will involve a preliminary assessment of existing and future impacts, based upon the review of known information. Many low risk decisions can and will be made on the basis of this analysis. Key watersheds, for which a more detailed assessment is required, will also be identified.

- **Drawing upon local community input.**

Because much of the habitat for species at issue (particularly fish) is on non-federal lands, planning discussions for a watershed should include all landowners in the watershed (state, tribes, and private). There is a need to create an increased role for the local community in planning and decision-making in order to draw upon local expertise and to allow interested parties to participate in the process. Such participation will be more meaningful than under the past planning processes, since decision-making at the watershed level can be tailored to address local concerns.

- **Possible adjustment of boundaries.**

In order to implement ecosystem-based management, administrative boundaries need to be reevaluated so that they make sense when developing watershed analyses and plans for physiographic provinces. Consideration should also be given to land exchanges, where appropriate, to maximize the agencies' ability to deal effectively with ecosystem management.

- **Adoption of a more balanced approach with respect to commodity outputs.**

Land management agencies cannot maintain the high timber harvest levels established during prior Administrations, while also protecting wildlife, fish, and the ecosystems on

which they depend. They should, instead, recognize the need for accommodation of both commodity outputs and ecosystem viability. A primary goal must be to maintain ecosystem health, including forest health (i.e., long-term sustainability). Existing incentives (based on timber production) should be replaced with incentives that will encourage both federal and nonfederal landowners to cooperate with one another and to support ecosystem-based management.

B. Commitment to Improved Interagency Processes

If the new forest management strategy is to succeed, the key will be the interagency efforts that are undertaken to implement the strategy. Outlined below are some of the more important efforts to be undertaken.

- The establishment of interagency groups to develop, monitor, and oversee implementation of land management plans (including groups at the province and regional levels).

Agencies must be brought together to discuss issues, clarify objectives, and work out solutions in a collaborative manner. Specific proposed interagency structures are described in part IV below. A brief overview is as follows:

An interagency executive group would provide direction and oversight to implement ecosystem-based management through agency planning processes.

A research and monitoring committee, comprised of research scientists from a variety of disciplines, would address issues of research and monitoring that are critical to adaptive management and to the long-term success of the effort.

A permanent regional ecosystem office would provide a focal point for dealing with Section 7 consultation issues and for resolving regional consistency questions and issues related to plan development and other coordination issues. It would also evaluate major modifications arising out of the adaptive management process and coordinate the formulation and implementation of data standards.

Provincial teams, consisting of representatives of federal agencies, states, tribes, and others, would develop analyses for physiographic provinces and particular watersheds.

We should note that this interagency structure may present an opportunity for substantial linkages between the

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recommendations outlined in this report and those proposed by the Labor and Community Assistance Working Group. Portions of that group's proposed economic investment package for timber-dependent areas of the Pacific Northwest (which include new programs in environmental restoration and infrastructure) could be incorporated into the ecosystem-based management process that we describe.

Additionally, many of the recommendations discussed in the "Implementation and Adaptive Management" section of the report of the Forest Ecosystem Management Assessment Team are similar to those presented in this report. Again, the processes and structures recommended here to facilitate movement to ecosystem-based land management plans seem applicable to accomplish the objectives of all three working groups. Further discussion of the potential for integrating portions of the work of the three groups needs to occur.

- The establishment of a proactive, streamlined consultation process with FWS and NMFS, coupled with more responsiveness on the part of land management agencies to pre-listing recommendations, as part of an overall effort to minimize the likelihood of federal listing of species as threatened, endangered, or proposed.

The existing consultation process should be revised to emphasize an integrated ecosystem approach. Participation of FWS and the NMFS early in the process is essential, so that the views of those agencies can be made known when the land management agencies begin to develop their plans for a particular area. Plans would build in management strategies to preclude the need for future listing of species when possible. Recovery planning objectives and critical habitat designations would also be built into plans where feasible.

In addition, programmatic consultations should be undertaken, where appropriate, in order to reduce costs and delays. Once a programmatic consultation is complete, subsequent agency actions determined to be in compliance with the broad plan may not need further formal consultation. For example, there should be no need for further formal consultations on individual timber sales (or other proposed actions), so long as those activities were sufficiently discussed within the programmatic consultation, are consistent with the approved plan, and minimize incidental take under Section 7.

The land management agencies need to be more responsive to the recommendations made by FWS and NMFS that are aimed at avoidance of further degradation of habitat. Moreover, even

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in the absence of specific guidance from FWS and NMFS, the FS and BLM must take seriously their responsibility under the ESA to act in a manner that obviates the need for listing.

Any additional regulatory or permitting requirements should be incorporated into the NEPA and planning processes as much as possible.

- The establishment of an interagency Geographic Information System (GIS) database.

Land management and resource agencies should coordinate their efforts in the collection and development of research and data. The Forest Ecosystem Management Assessment Team has taken a giant step toward that objective, assembling simplified interagency data for the forests of the region. The progress made by the ecosystem team should not be allowed to slip away. Rather, this effort needs to be taken to the next level of detail, with the establishment of an interagency GIS database, which will support implementation and monitoring. Given the crucial role to be played by the interagency GIS database, it is important to get it up and running as soon as possible.

It will also be necessary to establish consistent information standards and terminology between agencies. Cooperative efforts in support of this concept will result in efficiencies and cost savings in the compilation of research. In addition, the database would have the potential of improving and streamlining the NEPA and ESA analysis processes, as well as the permitting processes. Close linkages will need to be established between watershed, province, and regional efforts to define data standards and collect data.

Consideration should be given to how information from the states, private parties, and others could be included in the GIS and how (and on what terms) GIS database information could be made available to agencies or others outside of the federal government.

- The establishment of a coordinated, flexible budget process.

The budget process will have to be dramatically revised in order to allow agencies to implement the new forest management strategy. Flexibility is needed to allow funds to be expended when and where needed to manage overall ecosystem health, including expenditures across jurisdictional lines and expenditures for joint projects

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such as the interagency GIS database.

- **Adjustment of agency processes.**

Existing agency NEPA compliance and land use planning processes need to be changed to be simpler and more amenable to the constantly changing circumstances under which the agencies operate, as well as to facilitate interagency coordination. Consideration should be given to putting the new forest management strategy in place as a substitute for the current regional guide. The cumbersome FS plan amendment process is not conducive to an adaptive management approach and should be revised. Moreover, FS and BLM should adopt common planning cycles and should reconsider whether decadal planning cycles are appropriate. Another element to be incorporated into revised agency processes is increased opportunity for input by local communities, states, and other interested parties.

C. Increased Adaptive Management Efforts

- **Evolution of ideas.**

Ecosystem-based management is an evolving concept, and our knowledge relating thereto is far from complete. No one can predict all of the impacts that it will have, nor can we plan, at this juncture, how to address all of the developments that will take place as we implement the new forest management strategy. Accordingly, ecosystem-based management requires an adaptive management approach -- that is, an approach amenable to continual reevaluation and adjustments, based on actual on-the-ground results and new scientific information. Those involved in implementation must be willing to adapt to changing circumstances and to adopt improvements as they are identified. This will extend to all aspects of implementation (e.g., composition and functions of the interagency groups, adjustment of specific standards and guidelines, adjustment of boundaries).

- **Monitoring.**

Monitoring will be an important part of the process. Throughout the implementation of the new ecosystem management strategy, actions should be monitored to ensure that they are being implemented as intended and to ensure that they are achieving the desired results. Gaps in knowledge should be identified (such as through the watershed analyses), allowing agencies to identify areas that require further analysis or study. It will be

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important to design a coordinated approach to monitoring (e.g., develop monitoring standards) during the early stages of implementation. Funding of this effort should be a high priority.

- **Learning.**

The implementation of a new forest management strategy will be a dynamic and evolving process, subject to revision as improvements are identified. Federal land management agencies should be "learning" organizations -- i.e., they should enter the process recognizing that improvements may be made along the way. An integral part of this process includes the notion that federal agencies can learn from each other.

Managers should be encouraged to learn from each decision by testing theories, evaluating results, and comparing anticipated results to actual outcomes. They should also follow through with the adoption of improvements as they are identified. Information should be openly shared between federal agencies. In addition, a mechanism should be developed to facilitate the transfer of research results and lessons learned from the adaptive management process to managers of non-federal lands.

- **Use of Adaptive Management Areas**

The application of adaptive management principles would most notably relate to the "adaptive management areas" established under one of the options being developed by the scientific team. These areas would be used for intensive ecological experimentation and social innovation, with the objective of developing and demonstrating integration of ecological and economic/social objectives. They provide opportunities for agencies, non-governmental organizations, local groups, and communities to work together to develop innovative management approaches.

D. Agency Revitalization

- **Shared mission.**

The current conflicts arising from the forest management issues have resulted in many agency employees losing their sense of mission in resource management. Overcoming this through the implementation of a new ecosystem-based approach will be welcomed by most employees. Common goals give professionals a sense of a shared mission of environmentally

sound resource management.

- **Decentralization.**

The Section 7 consultation process should be streamlined by providing a mechanism for receiving prompt decisions on policy matters and by delegating appropriate authority to the field or regional levels. All participants in the various working levels should be part of the decision-making process.

- **Personnel incentives.**

The existing system of rewarding line managers for outputs must be replaced with a different reward system that takes into account other objectives.

Ecosystem-based management involves the pursuit of improved forest health. Pursuit of that goal, in and of itself, is a strong incentive for many. Agency recognition of the value of that objective, and elimination of explicit or implicit incentives to the contrary, will bind the agencies together in working toward the desired condition and strengthen intrinsic and professional satisfaction.

IV. RECOMMENDATIONS FOR ACTION

The preceding two parts spell out some of the factors contributing to the current gridlock and describe a new mode of future operation. This part provides a detailed description of a coordinated agency approach to achieve this vision, including a discussion of:

- long-term interagency objectives and structures needed to facilitate the enhanced interagency cooperation;
- legislative and regulatory impediments to achieving the desired level of coordination;
- interim structures and procedures that will be required, while the new system is being put in place;
- proposed changes relating to budget and work force composition; and
- specific agency actions to be undertaken in connection with establishing the new structures and beginning to operate under the option chosen by the President.

A. Long-Term Interagency Objectives and Structure

As indicated above, efficient future planning for the federal land in the Pacific Northwest involves a different approach (ecosystem-based), a different building block (watershed analysis), a different planning unit (physiographic province or major river basin), and vastly increased interagency coordination. The long-term structure for implementing the forest management strategy would consist of four interrelated groups -- an Interagency Executive Group; Provincial Teams; a Regional Ecosystem Office; and a Research and Monitoring Committee. Development of the specific missions of these teams will evolve over time, but our preliminary thinking (subject to further review based on, inter alia, the Federal Advisory Committee Act)² is as follows.

(1) Interagency Executive Group

The Interagency Executive Group would be comprised of the Pacific Northwest federal agency heads of the FS, BLM, FWS, NMFS, National Park Service (NPS), and Environmental Protection Agency (EPA). This core group, which would guide planning for the federal lands in the region, would refine the desired ecosystem conditions and management objectives established by the Administration's plan to implement an ecosystem-based management strategy. It would translate and agree upon what the management objectives mean to each participant within the context of its own distinctive legal mandates and responsibilities. In appropriate situations, the core group would be expanded to include other federal agencies that have an interest in particular subjects that come before the group (e.g., Bureau of Indian Affairs, Corps of Engineers, Federal Energy Regulatory Commission, Bureau

² The Federal Advisory Committee Act (FACA) imposes certain restraints on the workings of groups that include both federal and non-federal participants. In order fully to include non-federal entities in decision-making processes, we recommend asking Congress to declare the workings of these interagency teams exempt from FACA. A similar exemption was granted for recovery teams under the ESA, 16 U.S.C. Section 1533(f). Until such exemption is obtained, it may be necessary to limit participation in the interagency teams to federal representatives only and to involve others through existing cooperative processes, public hearings or meetings, and written comments. For purposes of this report, it is assumed that the FACA exemption will be obtained.

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of Reclamation, Bonneville Power Administration).

The major role of the group would be to provide direction and oversight to implement the Administration's plan for the federal lands, with actual implementation being accomplished through province-level field teams. Among the functions of the Interagency Executive Group are:

- providing consistent direction to the provincial field teams, based on scientific recommendations;
- serving as a forum to share information and discuss major issues of concern that could have a significant impact on successful implementation (such as proposals for listing species, evaluation of the applicability of new scientific data, or evaluation of budget needs);
- approving research and monitoring priorities, as recommended by the research and monitoring committee;
- approving significant adaptive management proposals;
- providing interagency progress reports on plan implementation; and
- overseeing periodic evaluations of the process.

In addition to regular meetings of the Interagency Executive Group, formal quarterly meetings would be held with representatives of states, tribes, and others, during which major issues of concern to all parties would be addressed.

Working groups comprised of states and tribes (and private entities as appropriate) would be established to provide input regarding development and implementation of the Administration's plan for federal lands and to discuss the implications of plan objectives for non-federal lands. These working groups would provide advice and information to the federal agencies regarding their roles, responsibilities, and commitments to support an ecosystem approach to land management.

Representatives of any of the working groups could be invited to participate in the Interagency Executive Group discussions if topics directly affecting that group were to be discussed. Ad hoc groups could be formed to address cross-jurisdictional issues (e.g., monitoring, research, guidance on ESA compliance).

The working groups would be active participants to ensure

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that all lands are considered in meeting desired ecosystem conditions and ecosystem-based management objectives.

Federal agencies should work with non-federal groups to encourage a similar team approach to ecosystem management for non-federal lands and to coordinate the strategy for federal lands with that for non-federal lands. This coordination should occur at all levels of the planning process in order to maximize overall benefits to society.

(2) Provincial Teams

The federal land management agencies (BLM and FS) would ultimately be responsible for developing the management plans for lands for which they have been given statutory responsibility. However, they would work with Provincial Teams (composed of management and interdisciplinary staff from the FS, BLM, FWS, NPS, NMFS, EPA, states, tribes, and others, as needed) to prepare the federal land management plan for each physiographic province or major river basin, based on the President's selected option. Actual composition of the teams would be dependent upon the land ownership pattern.

Where it is agreed that permanent staff from a given agency or group is not necessary, that agency/group would provide appropriate staff on an as needed basis to work directly with provincial teams. The plans would be ecosystem-based and prepared for a specific physiographic province (e.g., Coast, Klamath, Eastern Cascades) or major river basin (e.g., Klamath, Umpqua, Willamette Rivers).

As indicated above, although the plans would be developed for federal lands, the provincial teams would have representation from the states in assessing related ecosystem problems and necessary actions for state and private lands in the watersheds. In this way, state and federal actions could be better integrated for maximum efficiency and environmental effectiveness. The development of coordinated (or joint) plans for non-federal lands at the state and local level would be encouraged.

In addition to the development of a provincial federal land management plan, the provincial planning process is intended to produce (concurrently) such other agreements or understandings as pre-listing conservation agreements between the FWS or NMFS and federal or non-federal land managers; anticipated timber harvest schedules on non-federal lands; and ESA Section 10 habitat conservation plans. The process is also intended to facilitate working

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with the states on Section 4(d) rules, for improved clarity and certainty under the "take" provisions of the ESA.

The teams would develop the land use plans consistent with the agreed-upon desired ecosystem conditions, management objectives, and legal mandates of the agencies. Based on specific provincial plan goals and desired ecosystem conditions, the teams would refine guidelines for commonly occurring management activities (e.g., timber sales, recreational development, mining activities). Public participation would occur throughout the plan development and adaptive management process.

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Section 7 consultation would result from the analysis of province-level conservation strategies and would be completed on a programmatic basis at the provincial plan level. The conservation strategies would include building in recovery objectives for listed species, eliminating/modifying actions that might lead to jeopardy opinions for listed species, identifying critical habitat requirements (if needed), developing management strategies to preclude the need for future listings, and identifying priorities for restoration activities. The strategies would need to have sufficient specificity to assess the impacts of individual actions conducted under the provincial plan.

Consultations would emphasize an integrated ecosystem approach, to the extent feasible. Direct participation of FWS and NMFS throughout the analysis and planning process will help to ensure that plans are consistent with ESA requirements and that the subsequent Section 7 consultation process is streamlined.

If future actions are consistent with the province-level conservation strategies (on which a programmatic consultation has been performed), then further site-specific consultation will not generally be necessary. However, circumstances may require consultation at a sub-province level, e.g., watershed level, particularly when consulting on aquatic or riparian-dependent species.

Key watersheds, as identified in the provincial plan, would be prioritized for further detailed analysis after completion of the province-level plans. Actions could proceed following watershed analysis in accordance with the province-level plans. (Refer to Chapter V "Aquatic Ecosystem Assessment" of the Forest Ecosystem Management Assessment Team for a detailed description of the watershed analysis process.)

Essential tools for preparing provincial and watershed-level plans would be an interagency, unified GIS database, consistent information standards, common inventory methods, and well understood processes for information flows both horizontally and vertically.

The interagency provincial teams would be utilized in developing and implementing monitoring programs to ensure that actions are implemented as stated in the plans, effects are as anticipated, and actions are achieving the desired goals of the plans.

Monitoring is an important element of plan implementation, and it should be made a priority in terms of budget and staffing. Adaptive management actions would be identified as a result of monitoring and would be implemented as appropriate.

Inter-provincial coordination would also occur at the field level. Managers would be responsible for ensuring that field teams share information, monitoring results, and adaptive management approaches as necessary to accomplish overall ecosystem objectives. It is anticipated that most questions concerning consistency, new data implications, changes in regulations or requirements, and other such issues would be resolved at the provincial level, with few issues raised to the regional level.

(3) Regional Ecosystem Office

A Regional Ecosystem Office reporting to the Interagency Executive Group would be established. This office would be comprised of a small, full-time staff that would draw heavily on field expertise and the research committee to analyze issues. Membership would include representatives from a variety of disciplines and institutions, including academia.

The office would also be responsible for defining the requirements for the GIS system, including establishing data needs, accuracy requirements, priorities, and the types of analysis that the system will be expected to perform. It would evaluate and resolve regional consistency questions and issues related to implementation of monitoring, Section 7 consultation, and other issues that could not be resolved at the provincial level. This office would also provide oversight to ensure that modifications arising out of the adaptive management process are evaluated and are consistent with ecosystem-based goals identified in provincial plans. Major consistency and policy issues would be forwarded to

the Interagency Executive Group for resolution.

The office would provide a focal point for development and implementation of processes to ensure that watershed analyses are uniformly applied and that issues that cross provincial boundaries are integrated and consistent. Examples of such issues might include: GIS databases and data standards; format and data requirements for Section 7 biological assessments; and watershed analysis methodology.

(4) Research and Monitoring Committee

The Research and Monitoring Committee would also report to the Interagency Executive Group. It would be comprised of research scientists representing a wide range of disciplines from the FS's Pacific Northwest Research Station, Pacific Southwest Research Station, National Biological Survey (NBS), universities, and states.

This Committee would: review and evaluate ongoing research (spotted owl, marbled murrelet and anadromous fish research, silvicultural practices, etc.); develop a plan of research designed to address critical natural resource commodity and non-commodity questions; and research biological, social, and economic adaptive management questions. It would develop scientifically credible, cost-efficient monitoring plans, with the assistance of the provincial field teams and Regional Ecosystem Office.

The Research and Monitoring Committee would prepare an annual report summarizing and interpreting results from monitoring and research activities. This report would include recommendations for changes needed to adapt existing management strategies to dynamic resource situations. Research priorities would be recommended to the Interagency Executive Group for approval.

B. Legislative and Regulatory Impediments

Having identified the objectives to be pursued and the structures to be used to achieve our future vision, we need to determine whether those structures and objectives are feasible within the framework of existing law. In other words, is enlightened leadership and persistent attention to implementation sufficient to achieve the vision, or is there a need to change existing legislation or regulations?

• **Favorable Aspects Regarding Existing Laws and Regulations.**

The existing situation, while in need of improvement, allows

federal agencies a considerable range of management flexibility. Agencies frequently create interagency and interdisciplinary teams to deal with complex issues, some of which have been quite successful.

Agencies also frequently combine financial resources to fund joint studies on wide ranging problems, much as the Interagency Scientific Committee provided the leaders of the FS, BLM, NPS, and FWS with the revolutionary proposals for conservation of the northern spotted owl.

- **Existing Legislative Impediments.**

While we can learn from these examples, we propose much broader interagency cooperation, and we recognize that certain of our proposals will require legislative change.

Nothing in the existing law would prevent the establishment of the interagency groups described above. However, some statutory provisions continue to stand as impediments to the full realization of the vision as spelled out in the previous section. The most important of these are the following:

- There is widespread consensus that ecologically-based plans are essential to ecosystem management and that plans should be based on watersheds. The NFMA establishes individual national forests as the planning units and requires determination of sustained yield and allowable sale quantity on an administrative unit basis (17 forest plans in northern spotted owl habitat). In order to realize the potential of watershed-based plans in the most efficient manner, some changes to NFMA will be necessary.³
- NFMA also constrains effective adaptive management by requiring the preparation of an EIS for revisions and significant amendments to plans. These time frames do not allow for prompt adaptation of plans to reflect evolving science or new policy.
- There is a long-standing perception and tradition of funding agency employment and activity levels in an amount directly proportional to timber sales levels.

³ The Department of Agriculture, while committed to this new approach to land management, believes that such revisions should be viewed in the context of a more comprehensive review and revision of this planning statute.

(Annual appropriation bills also provide funding for specific levels of non-commodity outputs, such as restoration of streams or rehabilitation of recreation sites and facilities.) The transition to an ecosystem planning and management process will require significant increased funding for monitoring and assessments, without the production of outputs in a manner commensurate with funding levels. If the new system of ecosystem management is to succeed, for the next several years, relevant parties (including the Congress) will have to be persuaded that current or increased funding levels are appropriate, even though timber sales are below previous levels. This is a critical issue, and one that must be recognized at the outset.

- Federal interagency planning and implementation should focus across the landscape and not arbitrarily stop at the existing boundary of a national forest or a BLM district, or at the boundary between the BLM administered O&C lands and other BLM administered public lands. It is desirable for the federal land managing agencies to have the flexibility to transfer, or perhaps to share, funding requirements for management activities on each other's lands. (Proposed revisions to the existing budget structure are discussed in more detail in section IV.D, infra.)
- Current law provides funds for administration of BLM and FS lands in northern California, Oregon, and Washington through several different appropriation accounts. While agencies may enter into administrative arrangements (such as reimbursable agreements) in order to pursue joint projects, they may not directly expend appropriated funds on other federal or non-federal lands within the same watershed. This should be reviewed and, we believe, changed. Further, while there are provisions for reprogramming funds between activities within an account, current procedures are complex and time-consuming. Additional attention is needed to develop improved procedures within the agencies and with the Congress.
- An ecosystem approach requires the protection of habitat for species without regard to whether the species has been listed under the ESA. The statutes applicable to the BLM lands should be clarified or changed (administratively or, if necessary, legislatively) to recognize that maintenance of species viability and habitat protection are important

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objectives on BLM lands, as well as FS lands. In many instances, this could prevent the decline of species populations to the point at which protection is necessary under the ESA. (However, it will be unlikely that, at least in the short term, the need to list some species will be eliminated.) This revised approach would also facilitate future federal land management, including timber sales, without the enormous uncertainty and conflict generated under current ESA procedures.

● Existing Regulatory Impediments.

Regulations promulgated by the agencies to implement current law are sometimes an additional barrier to realization of the future vision. There is no better example of the potential for reinventing government than the productivity and quality gains achievable by careful attention to review, revision, or elimination of a number of agency regulatory requirements. A number of these will be addressed as the agencies move to common standards and terminology for such tools as an interagency GIS approach. Others will naturally be modified when the underlying statutes are amended as suggested above. But others will only be identified and corrected if agency employees believe that change is called for and supported by the political leaders.

For example, the current review process for FS projects affecting owl habitat suggests opportunities for streamlining. FS projects concerning owl habitat conservation areas are subject to six internal review steps before being presented to the FWS for ESA Section 7 consultation. Projects outside of conservation areas but affecting owl habitat currently have a three-step review process before consultation even begins. It has been more than one and one-half years since any project removing wood products has made it through the simplest internal FS review and been presented to the FWS for consultation. The need for revision of this process is heightened by the increased workload that has arisen out of the increase in the volume of listings in recent years.

By comparison, FS uses a more efficient review process for species other than the spotted owl (and for Section 318 timber sales). In addition, BLM currently employs a more streamlined process in which biological evaluations are submitted to FWS after a general review at the state office level. BLM field biologists are encouraged to work directly with FWS staff as appropriate.

There are also some instances where changes in agency regulations could significantly improve agency operations. Substantial agency efficiencies would result, for example, from development of a single administrative process that is used to satisfy the Environmental Impact Statement (EIS)/Environmental Assessment (EA) requirements under NEPA and the Section 7 requirements under ESA. Further efficiencies are possible if the provincial plans are developed to satisfy the ESA requirements for recovery plan development and critical habitat designation.

Another example is that agency planning regulations currently require cumbersome, time-consuming processes to revise or amend the plans. It is important to pursue changes to streamline those processes during the transition to the ecosystem-based plans proposed in the long term.

C. Interim Objectives and Structure

As soon as the President selects a preferred forest management strategy, it will be desirable to take certain steps relating to implementation, including the establishment of interagency groups and the development of the interagency GIS database. These efforts -- to be undertaken during the interim period prior to full implementation of the new forest management strategy -- are outlined below.

- **Beginning work on new plans.**

Under the proposed process, for a period of time, agencies will be implementing the Administration's selected option through existing NEPA/planning processes. They will resume a timber sales program and continue other activities consistent with the existing land use plans but also reflecting the ecosystem strategy selected by the Administration.

During this same time period, agencies will begin working on the watershed and province-level plans -- i.e., developing the watershed analyses at the same time they are still working with the existing plans.

- **Establishment of initial interagency teams.**

Three of the four interagency groups described under the Long-Term Interagency Objectives and Structure section would be established in the near future in order to allow coordinated efforts relating to initial goals to begin:

- **The Interagency Executive Group would manage the**

transition process for watershed planning. A primary function of this group would be to ensure clear understanding and consistent implementation of the Administration's selected option by all federal agencies and at all levels within their organizations. The group would also provide the leadership and direction to initiate the steps to begin development of the province-level plans and to involve the states, tribes, and other relevant parties.

- The Regional Ecosystem Office should also be established early on. This office would be comprised of scientists from the Forest Ecosystem Management Assessment Team and others as appropriate. Its initial priority would be to clarify and answer questions posed by all parties affected by implementation of the plan (such as FS/BLM field offices, states, industry, tribes, other federal agencies).

Another priority of this group would be to define the requirements of a unified GIS system, including establishing data needs and standards, so as not to lose the momentum toward a common database that was established by the Forest Ecosystem Management Assessment Team.

- The Research and Monitoring Committee would review and evaluate ongoing research and assist in the development of monitoring plans. At the request of the Regional Ecosystem Office, it would also evaluate (from a scientific perspective) any significant adaptive management proposals.
- Analysis of possible legislative and regulatory revisions.

Appropriate legislative and regulatory changes discussed previously would also need to be considered in the interim period to provide the basis for moving toward ecosystem-based land management planning. By initiating this effort during the interim period, conflicts can be identified at the outset. Actions can then be taken to avoid or minimize those conflicts or, alternatively, efforts can be undertaken to revise existing statutes or regulations, as needed.

D. Issues Related to Budget and Work Force Composition

Under ecosystem-based management, lands are managed as an

integrated unit for long-term system viability. This approach has a significant impact on budgeting, organizational structures, and work force composition.

- **Integrated, Flexible Budget Process.**

If BLM and FS are to manage Pacific Northwest forests through an ecosystem approach, the current federal budget process will need to be changed. Under an ecosystem approach, timber will continue to be produced, but consideration will also be given to the need to promote a healthy forest system for all the plant and animal species dependent on it. Federal agencies, especially BLM and FS, need a budget process that will allow the flexibility to meet ecosystem management challenges as they arise.

Eliminating the constraints of budget line items by program (e.g., wildlife, timber, management, recreation) will reduce some of the inherent intra-program conflict that detracts from a holistic ecosystem management approach. Agencies must be able to concentrate dollar resources on problems and opportunities in geographic areas, regardless of ownership, where and when they arise and to encourage cooperation rather than competition between programs, offices, and agencies. In particular, FS and BLM budgets should be complementary to address areas and issues that overlap agency boundaries.

Although it is probably too late to alter, in any significant respect, the current BLM and FS substructuring within the FY94 President's budget, language could be written into Congressional reports that would grant advanced approval to reprogramming between subactivities within the boundaries of the Administration's forest ecosystem plan. Language of this nature would allow BLM and FS proportionately to adjust efforts in concert with overall appropriation increases or decreases. During FY94, this flexibility is critical to enable the federal agencies involved to address constantly changing and evolving issues and direction coming out of the President's forest conference.

- **Costs.**

Under the proposed process, two distinct phases are considered for this discussion. In the interim/transition period (within approximately the next 4 years), demands on agency staff will increase as the agencies operate in two modes concurrently. First, agencies will be implementing the Administration's selected option through existing

NEPA/planning processes and providing timber sales to the extent consistent with the selected option. Specifically, for the timber program, agencies will be: conducting interdisciplinary analyses on sale areas; laying out, marking, cruising, and appraising sales; designing roads if required; preparing EAs; completing Section 7 consultations if necessary; completing marbled murrelet and owl protocols (2 years of surveys); and advertising and awarding sales.

During this same time period, agencies will be starting work on the province-level plans and initiating work in an interagency mode to accomplish tasks critical to developing ecosystem-based land management plans and EISs. Critical tasks will include establishment of interagency work groups to address cross-cutting issues such as: content and format of watershed analyses; development of GIS data standards; data acquisition and procurement of hardware and software; public involvement process; monitoring and research plan development; and programmatic consultation processes.

Interagency teams will also complete general watershed analyses and write the provincial plans once standardized consistent guidance has been developed.

The scattered land base drastically increases costs because of coordination with adjacent landowners and the procurement of resource data for private and state lands. If adequate data are not available on private land, BLM or FS may have to expend funds to collect data to develop ecosystem objectives.

Limited baseline resource data is presently available for most watersheds. This is particularly true for biological resources data. At present, very little information exists with respect to riparian habitat, channel morphology, mass soil movement, road conditions, and related subjects. Information that does exist has been collected using different agency standards and is often in a format that impedes analysis.

Because ecosystem-based management is a complex approach with many unknowns, the monitoring and research programs are critical and must be funded. In fact, monitoring and research are the cornerstones of the adaptive management process. Many of the monitoring and research efforts will relate to the adaptive management areas that will be established under the preferred strategy. There will also be expenses in connection with establishing the areas and coordinating public involvement. Developing innovative approaches to financing will be an essential element of the

adaptive management area strategy.

In summary, agency staffing will certainly need to be maintained at current levels, and budgets will likely need to be increased in order to accomplish the identified tasks in the interim/transition period.

In the long term, the process proposed here should result in cost savings through more efficient utilization of staff and resources such as GIS data systems. Among the anticipated improvements are:

- Early and meaningful participation by the regulatory agencies and the public in the provincial planning process could potentially save millions of dollars by reducing the risk of litigation and the risk of changes in project-specific design (e.g., changes resulting from jeopardy determinations).
- Moving to provincial plans on a physiographic basis should reduce the overall number of land management plans and EISs produced by the FS and BLM.
- Programmatic consultations and building in management objectives to reduce the number of future listings and recovery planning for listed species should result in less time spent on individual consultations, listing analyses, and recovery plan preparation.
- With reduced timber sales, costs for purchase of seedlings and seeds and site preparation costs will decline. Efficiencies may be gained by utilizing existing nurseries and seed orchards on a joint area basis or possibly eliminating the need for some.
- The FS and BLM have more planning layers, more internal review layers, and more specific detailed regulatory requirements than required by law, and could no doubt simplify internal processes, while maintaining accountability to the public.
- Existing planning and environmental analysis processes could be streamlined with the amendment of the FS regional guides and elimination of BLM State Director guidance.
- With both agencies on the same planning cycle and working together as a team on one ecosystem-based plan for the province, efficiencies should result in better utilization of staff and savings with respect to such

items as mapping and printing costs.

- Opportunities for joint programs and partnerships with a wide variety of groups also have the potential to accomplish considerably more than could be achieved by each entity on its own.

A detailed workload and budget analysis should be completed to attempt better to quantify budget and staffing requirements. It is important to realize, however, that a true ecosystem management approach requires an increased amount of coordination, collaboration and working with larger groups of concerned parties. More time will be needed for meaningful public involvement.

- **Organizational Structures and Skill Mixes.**

Implications for organization structures and work force skill mixes in the long-term are also important factors. Land managing agencies still have responsibility for the same number of acres of land; however, the management prescriptions on those lands will be quite different than in the past. The work force will need higher skill levels in: communication and team work; data analysis and manipulation; and interdisciplinary thinking but functional expertise. Certain skills only sporadically represented in existing organizations will need to be increased. These include ecologists, hydrologists, botanists, fisheries biologists, and social scientists, to name a few. Other skills may not be needed at the level in which they are currently represented in the work force. These might include: road engineers; cruiser/appraisers; scalers; and forest development technicians.

Organization structures need to be evaluated to ensure that they do not impede ecosystem-based management. This should include a look at existing agency management jurisdictions, as well as internal administrative boundaries.

E. Specific Actions To Be Undertaken

A series of actions must be undertaken in order to implement the desired strategy for the conservation and management of the forests in the Pacific Northwest.⁴ While it would be difficult

⁴ A more detailed discussion of the steps involved in the implementation of the new forest management strategy is set forth in the "Implementation and Adaptive Management" chapter of the

at this stage to identify all actions to be taken, some of the more significant items are listed below. We have attempted to group these actions into distinct categories and to arrange them in what is essentially a chronological order. However, as will become apparent, many of the actions identified can and will occur simultaneously.

(1) Actions needed to resume a stable timber sale program.

An initial focus will be on identifying and carrying out actions to resume the timber sale program in compliance with the guidelines set forth in the selected option. Among the steps to be taken (regardless of which option is selected) are:

- **Preparation of the Supplemental Environmental Impact Statement (SEIS) on the range of alternatives developed by the Forest Ecosystem Management Assessment Team.**

The SEIS will describe all the action alternatives and compare the effects of the alternatives in terms of the affected environment and environmental consequences, including the impact on the economy and communities, regional employment, government revenues, rural communities, and consequences for Native American peoples and cultures. It is currently anticipated that the draft SEIS will be published on July 16 and that the final SEIS will be completed before the end of the year.

- **Completion of regulatory requirements.**

The agencies must complete appropriate Section 7 and other consultation on the range of options developed by the Forest Ecosystem Management Assessment Team.

- **Lifting of injunctions.**

The agencies will move as quickly as possible to have existing court injunctions lifted.

- **Amendment of existing plans.**

FS and BLM will begin implementation of the selected option through their respective land use planning processes. This will include the automatic amendment of existing FS land use plans upon the completion of

Forest Ecosystem Management Assessment Team report.

the Final SEIS. In addition, BLM will complete the Final Resource Management Plan (FRMP)/EISs, based upon the selected option in the Final SEIS.

- **Site-specific timber sale planning.**

The agencies will also begin timber sale planning in a manner consistent with the selected option. As part of this effort, BLM will complete timber sale EAs, and FS will complete timber sale EAs and biological assessments.

- **Completion of regulatory requirements on the timber sale EAs.**

In compliance with existing regulatory requirements, FS will need to submit biological assessments on timber sales for Section 7 consultation. FWS will need to confirm BLM's compliance with requirements resulting from programmatic consultation on FRMPs.

After the completion of the above steps, timber sales may be offered and awarded, subject to FS and BLM internal administrative appeals or court challenges.

- (2) **Actions consistent with existing BLM and FS land use plans (to be taken prior to the implementation of provincial-level land use plans).**

In the case of the Forest Service, a substitution of physiographic provinces for national forests as the planning units will require statutory change, and the timing and implementation of that change will be in the hands of FS and Congress.⁵ Until province-level plans have been put into place, BLM and FS will identify and carry out actions that are consistent with existing land use plans and that also reflect the selected option.

- **Preparation of site-specific activity plans.**

FS and BLM will prepare site-specific activity plans consistent with the selected option (e.g., timber sales, wild and scenic river plans, fish and wildlife projects). This will include the completion of appropriate NEPA analysis and Section 7 consultation,

⁵All subsequent references to provincial plans are subject to this caveat. For discussion of the necessary statutory revision, see supra note 3 and related textual discussion.

with appropriate public involvement.

- **Implementation of other actions.**

Actions in conformance with plans that do not require further detailed analysis will be undertaken.

(3) **Actions necessary to establish new interagency teams and processes and to develop provincial plans.**

To make the transition from the current land use planning process to the long term, where ecosystem-based province-level plans become the focus for land management, many actions need to be undertaken. Some of these actions can and must occur concurrently in order to move forward in a reasonable time frame. These actions include:

- **Establishment of the Interagency Executive Group, the Regional Ecosystem Office, and the Research and Monitoring Committee.**

Steps would be taken to establish the above groups in order to allow coordination efforts to get under way. In determining the membership of the groups, consideration should be given to the implications of the Federal Advisory Committee Act and the Appointments Clause of the Constitution.

- **Refinement of the components of the selected option.**

Agencies will delineate the watershed and physiographic province boundaries and begin to apply the region-wide standards and guides to each.

- **Development of unified GIS database.**

Steps to further the development of a unified GIS database will be undertaken, including: establishing data needs, standards, and priorities; agreeing upon standardized software and acquiring software and hardware; and acquiring data sets. Certain efforts preparatory to the creation of this database have already begun, as part of the work of the Forest Ecosystem Management Assessment Team. Interagency efforts should pick up where this team left off, without any break in time, so as not to lose momentum.

- **Watershed planning analysis.**

The agencies will need to set up provincial teams and

work together, and with the public, on the watershed analysis process as an initial step in the development of ecosystem-based plans for FS and BLM lands. Agencies must determine the content and data needs for initial watershed analysis. Watershed assessments would then be completed, relying primarily on existing data. Key watersheds would be identified and prioritized for detailed analysis.

- **NEPA and other regulatory compliance.**

EISs on province-level plans will be prepared, with appropriate public involvement. Compliance with other regulatory requirements should be undertaken on province plans concurrently with NEPA compliance. This would include the completion of programmatic Section 7 consultation and working with the states on 4(d) rulemaking under ESA, if appropriate, to streamline authorization of incidental take on non-federal lands. The specification of recovery objectives for listed species, the identification of critical habitats, and the development of strategies to preclude future listings should also occur in the provincial planning process, if applicable.

- **Monitoring plans and standards.**

Another critical step is for the agencies to work together in developing scientifically credible monitoring plans. Monitoring standards and guidelines need to be developed to ensure that: actions are implemented as stated; effects are as anticipated; and actions achieve the desired goals of the provincial plans.

- **Research plan.**

The agencies must also develop a coordinated research plan. This plan will involve: the evaluation of ongoing research; the identification of biological, social, and economic adaptive management questions; and the recommendation of research priorities.

- **Public involvement.**

The agencies must determine what process(es) should be followed to facilitate meaningful public involvement. They should focus on fulfilling requirements under NEPA/planning regulations and expanding participation to all players involved in an ecosystem approach to

land management.

- Ongoing review and evaluation of needed legislative, regulatory, and administrative changes.

One undertaking that should begin at the outset and continue throughout the implementation process is the review and analysis of current legislation, regulations, and policies -- for the purpose of identifying any changes necessary to implement ecosystem-based management. At the same time, efforts should be undertaken to simplify existing internal review procedures.

With respect to legislation, at a minimum, the following matters should be assessed: (1) NFMA's requirement that plans be prepared based on existing forest boundaries;⁶ (2) the focus in the O&C Act on timber production and the absence from that Act of specific authority to protect species, including an assessment of the relationship to the diversity/viability standard of NFMA (unless it is determined that this issue can be addressed administratively); and (3) restrictions that limit the ability of the FS and BLM to expend dollars outside of their own boundaries (restrictions that potentially hinder collaborative efforts).

As for regulations/policy, the following items should be addressed to facilitate implementation of ecosystem-based management in the most cost-efficient manner. Planning processes must be consistent and need to shift to a watershed/provincial basis. The plan amendment process should be redesigned to accommodate changes resulting from the adaptive management process in a more timely manner. Section 7 consultation should be streamlined, with recovery plan requirements and critical habitat designation incorporated into the planning process where possible. The relationship between the viability standard and the "jeopardy" and "adverse modification" standards under ESA need to be clarified. Where appropriate, agencies are encouraged to delegate to the field level authority for regulatory compliance.

⁶ As previously noted, it is unlikely that efforts would be undertaken in the short term to revise NFMA; however, the assessment of proposed changes can commence.

- **Revisions to budget process.**

Another major undertaking will be: the development of an integrated, flexible budget process, including the elimination of functional subactivity line items; the concentration of dollar resources on problems and opportunities within geographic areas regardless of BLM or FS ownership; and the adoption of a flexible system to address evolving issues and changes in direction. An accountability system based on achievement of desired ecosystem condition (commodity and non-commodity features) should be developed to allow managers increased financial flexibility and incentives, including carry-over of unexpended funds from one fiscal year to the next. The desirability of establishing mechanisms to allow expenditure of appropriated funds on non-federal lands to achieve ecosystem objectives should be explored.

(4) Actions to implement provincial-level land use plans

Once the province-level plans have been completed, on-the-ground activities can be implemented in conformance with these plans.

- **Actions that do not require further detailed analysis.**

Based on the guidelines and strategies in the province-level plans, any actions consistent with the plans and not requiring further site-specific analysis can go forward.

- **Completion of detailed watershed analysis.**

Detailed watershed analyses, involving interdisciplinary teams of resource specialists, will be completed on key watersheds and elsewhere, as appropriate. These will be as prioritized through the province-level plans. The applicable NEPA analysis, Section 7 consultation, if necessary, and appropriate public involvement would be completed.

- **Adaptive management.**

Throughout the implementation process, the agencies should identify adaptive management actions as a result of monitoring, research, new policies, legislation, and regulations. This will involve: reviewing and evaluating adaptive management proposals; integrating adaptive management proposals into agency planning

processes; and periodically evaluating and adjusting research and monitoring plans.

V. CONCLUSION

The President's selection of a new forest management strategy based on an ecosystem approach will present an enormous opportunity, while also presenting a difficult challenge.

The current forest management system does not reflect the shift that has occurred in the public will from a focus primarily on timber production to a focus on meeting multiple objectives and on the long-term health of the forests. The ecological requirements of the Endangered Species Act and the National Forest Management Act, when superimposed on administrative planning that emphasizes timber production and that is relatively inflexible and poorly coordinated among federal agencies, contributes to the gridlock situation in which we find ourselves today. The formulation of a new approach to forest management, with its new objectives, new sense of shared mission, revised planning units, and increased needs for coordination among federal agencies, provides an opportunity to review the elements of the present system that do not work and change them.

At the same time, we must acknowledge that the change will be difficult and that additional expense (within existing agency budgets) will be involved, at least in the short run. In the long run, efficiencies should be possible, and we expect further analysis to show that long-term costs will not increase significantly.

We believe that the changes set forth above will result in a system that works -- one that coordinates the actions of various federal agencies, brings non-federal parties into the process of regional land use planning, and balances biological, economic, and social interests. It is time to move on.

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Attachment 1

Members of Agency Coordination Working Group

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