

September 15, 2023

Charge to Peer Reviewers of the Proposed Guidance for Assessing Changes in Environmental and Ecosystem Services in Benefit-Cost Analysis

Please review the draft *Guidance for Assessing Changes in Environmental and Ecosystem Services in Benefit-Cost Analysis* (available at <https://www.whitehouse.gov/wp-content/uploads/2023/08/DraftESGuidance.pdf>). Peer reviewers may also consult any public comments on the draft Guidance. [Footnote: Docket number: OMB-2022-0016, available at www.regulations.gov.]

The reviewers are asked to draft their individual reports in response to the questions posed below, consistent with each reviewer's experience and areas of expertise. Whereas peer reviewers are welcome to comment on any aspects of the draft guidance, this list of topics cover some of the notable components of this guidance:

- (1) an ecosystem service definition for the purpose of federal agency benefit-cost analyses;
- (2) identifying possible ecosystem service effects from regulatory changes;
- (3) recommended steps for considering and assessing ecosystem services;
- (4) scoping analyses;
- (5) monetization methods; and
- (6) accounting for uncertainty.

Questions:

1. Please review the proposed Guidance for Assessing Changes in Environmental and Ecosystem Services in Benefit-Cost Analysis. Peer reviewers may also consult any public comments on the draft proposed guidance.¹ The reviewers are asked to draft their individual reports in response to the questions posed below, consistent with each reviewer's experience and areas of expertise.
2. Peer reviewers are welcome to comment on any aspects of the proposed guidance, including addressing questions raised in the accompanying Federal Register Notice, but we provide some particular questions of interest below.
3. Please comment on whether the recommendations in the guidance are supported by the leading theoretical and empirical peer-reviewed academic literature in economics or other relevant disciplines, and if not, please provide alternative recommendations that would be (and citations to support them).
4. Please note any important omissions.
5. Are concepts defined in a manner that reflects the science and is actionable? Please comment on important ways the concept definitions might be improved.

¹ Docket number: OMB-2022-0016, Available at www.regulations.gov.

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6. Are categorizations consistent with the science and useful for practitioners? Please comment on important ways the categorizations might be improved.
7. Does the document provide clear and useful guidance for both governmental and non-governmental practitioners preparing benefit-cost analyses consistent with OMB Circulars A-4 and A-94? Please comment on important ways the guidance might be improved.
8. Are there other good examples of ecosystem services in benefit-cost analyses that should be referenced or highlighted?
9. Are there important valuation methods that should be mentioned, including for non-use values?
10. Are there other important references or ecosystem services resources that should be included in the references?
11. Are there other good examples of conceptual models helpful for valuing ecosystem services within the context of benefit-cost analysis that should be included in the appendix?
12. Should any elements be removed?

We welcome additional recommendations for ensuring that the guidance and associated methodologies are supported by the theoretical and empirical peer-reviewed academic literature in relevant disciplines.