



GAO's Approach to Climate Change and Environmental Auditing

Limiting the Federal Government's Fiscal Exposure by Better Managing Climate Change Risks

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About GAO

- The U.S. Government Accountability Office (GAO) is an independent, nonpartisan agency that works for the U.S. Congress—our government's legislative branch.
- Often called the "congressional watchdog," GAO investigates how the federal government spends taxpayer dollars.
- GAO's work is done at the request of congressional committees or subcommittees or is mandated by public laws or committee reports. We also undertake research under the authority of the Comptroller General.

GAO's Natural Resources and Environment Team

- The Natural Resources and Environment (NRE) team is responsible for GAO's assessments of federal efforts to:
 - manage our nation's land and water resources,
 - protect the environment,
 - ensure food safety,
 - manage agricultural programs,
 - ensure a reliable and environmentally sound energy supply,
 - meet the nation's science challenges, and
 - address US and international nuclear security and cleanup.

Climate Change is a High-Risk Issue

- Every 2 years at the start of a new Congress, GAO calls attention to agencies and program areas that are high risk due to their vulnerabilities to fraud, waste, abuse, and mismanagement, or are most in need of transformation.
- GAO designated *Limiting the Federal Government's Fiscal Exposure by Better Managing Climate Change Risks* as a high risk issue in 2013. See GAO-17-317.
- Climate change is a cross-cutting issue, affecting almost all of the issue areas in the NRE team and others across GAO.

Limiting the Federal Government's Fiscal Exposure by Better Managing Climate Change Risks

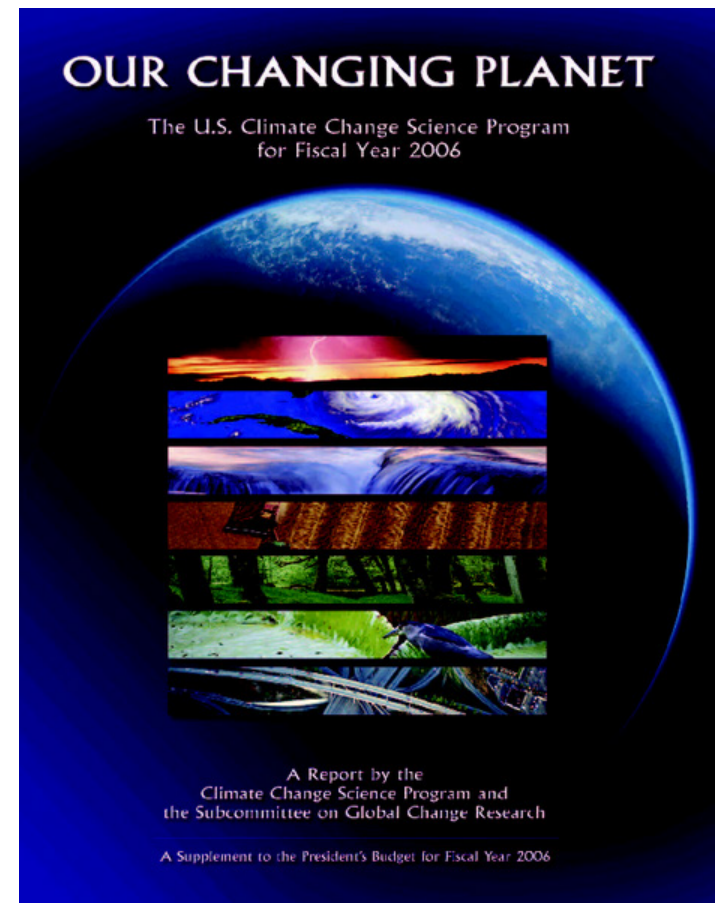
- GAO has identified federal fiscal exposure to climate risks in 5 areas:
 - infrastructure,
 - insurance,
 - technical assistance,
 - disaster assistance, and
 - strategic planning.
- GAO is focused on saving taxpayer money in the long term through enhanced resilience (not emissions reductions).
- GAO has ongoing work and completed work in each of these categories (see handout).

How does GAO audit climate change issues?

- Program Evaluation
- Informational Reports
- Forward-looking Engagements

Program Evaluation

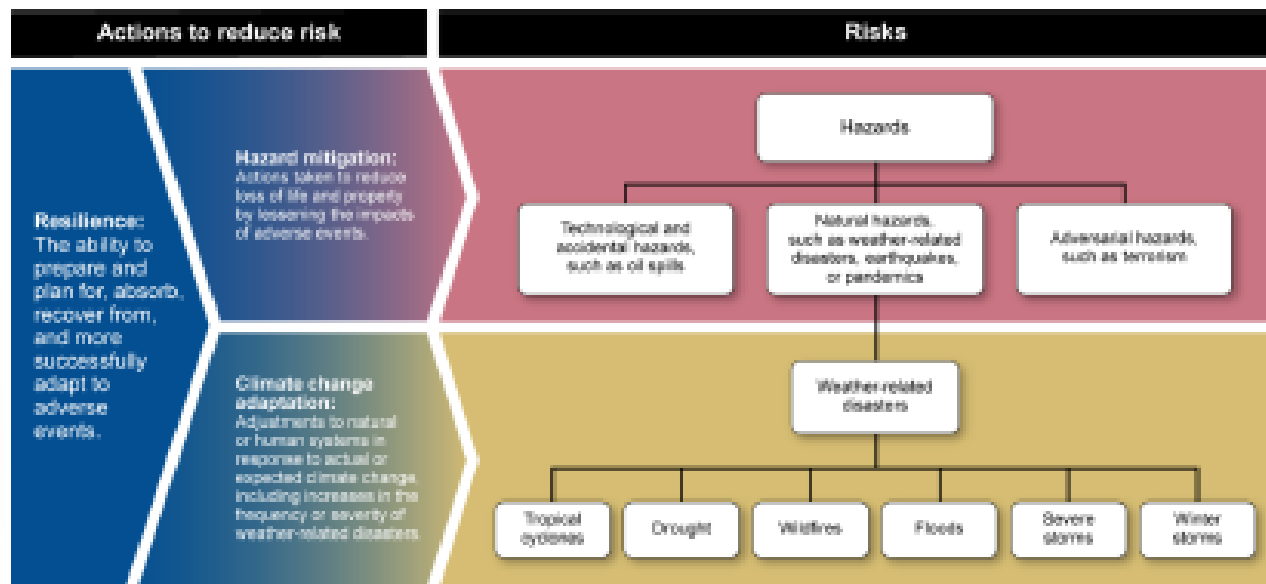
- Classic backward-looking program evaluation.
- For example, “Is the program addressing the effects of climate change in the way it is supposed to?”
 - *Climate Change Assessment: Administration Did Not Meet Reporting Deadline (GAO-05-338R)*
 - *Climate Change Adaptation: DOD Needs to Better Incorporate Adaptation into Planning and Collaboration at Overseas Installation (GAO-18-206)*



Informational Reports

- For example, “What is known about efforts to manage the effects of climate change?”
 - *Climate Change: Selected Governments Have Approached Adaptation through Laws and Long-Term Plans (GAO-16-454)*

Figure 1: Relationships among Risks, Resilience, Hazard Mitigation, and Climate Change Adaptation

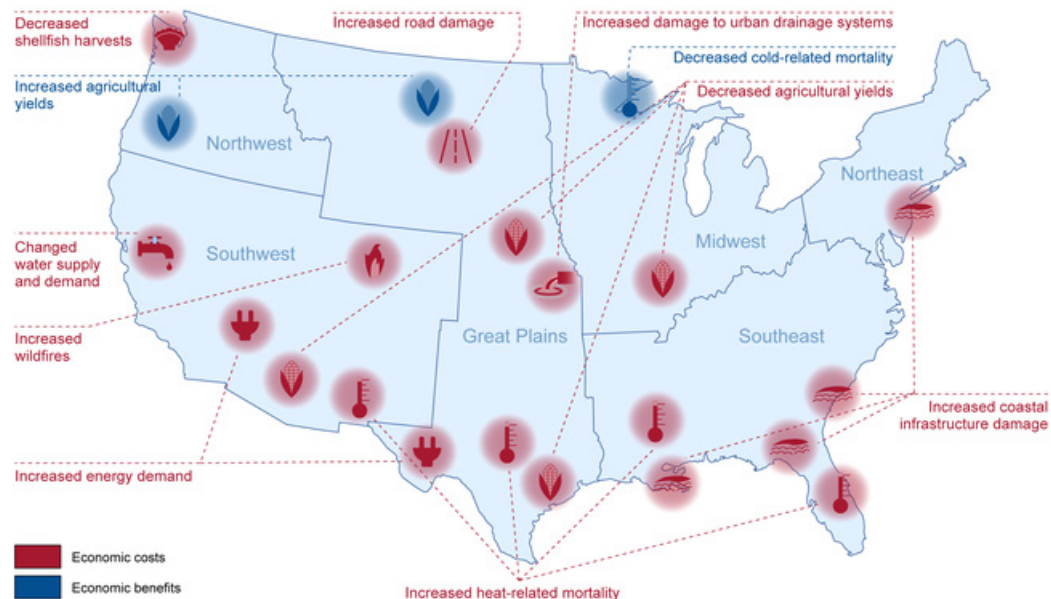


Source: GAO analysis of Presidential Policy Directive 8, previous GAO work, and National Oceanic and Atmospheric Administration data. | GAO-16-454

Forward-looking Engagements

- For example, “What options are available to the federal government for managing the effects of climate change?”
- Most of GAO’s recent climate change work fits here.
 - *Climate Information: A National System Could Help Federal, State, Local, and Private Sector Decision Makers Use Climate Information (GAO-16-37)*
 - *Climate Change: Information on Potential Economic Effects Could Help Guide Federal Efforts to Reduce Fiscal Exposure (GAO-17-720)*

Examples of Potential Economic Effects of Climate Change by 2100

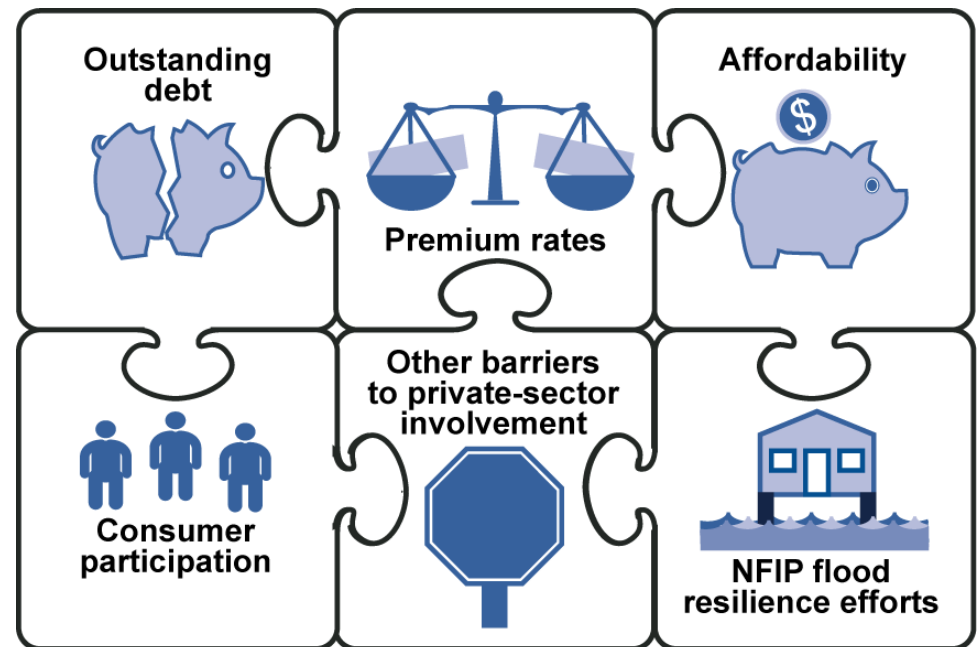


Sources: GAO analysis of Environmental Protection Agency, *Climate Change Impacts in the United States: Benefits of Global Action* (Washington, D.C.: 2015), and Solomon Hsiang et al., “Estimating Economic Damage from Climate Change in the United States,” *Science*, vol. 356 (2017); Map Resources (map). | GAO-17-720

Forward-looking Engagements (cont'd)

- “What options are available to the federal government for managing the effects of climate change?”
 - *Flood Insurance: Comprehensive Reform Could Improve Solvency and Increase Resilience (GAO-17-425).*

Six Areas That Constitute Comprehensive Flood Insurance Reform



Source: GAO. | GAO-17-425

Limiting the Federal Government's Fiscal Exposure by Better Managing Climate Change Risks

- Questions?





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