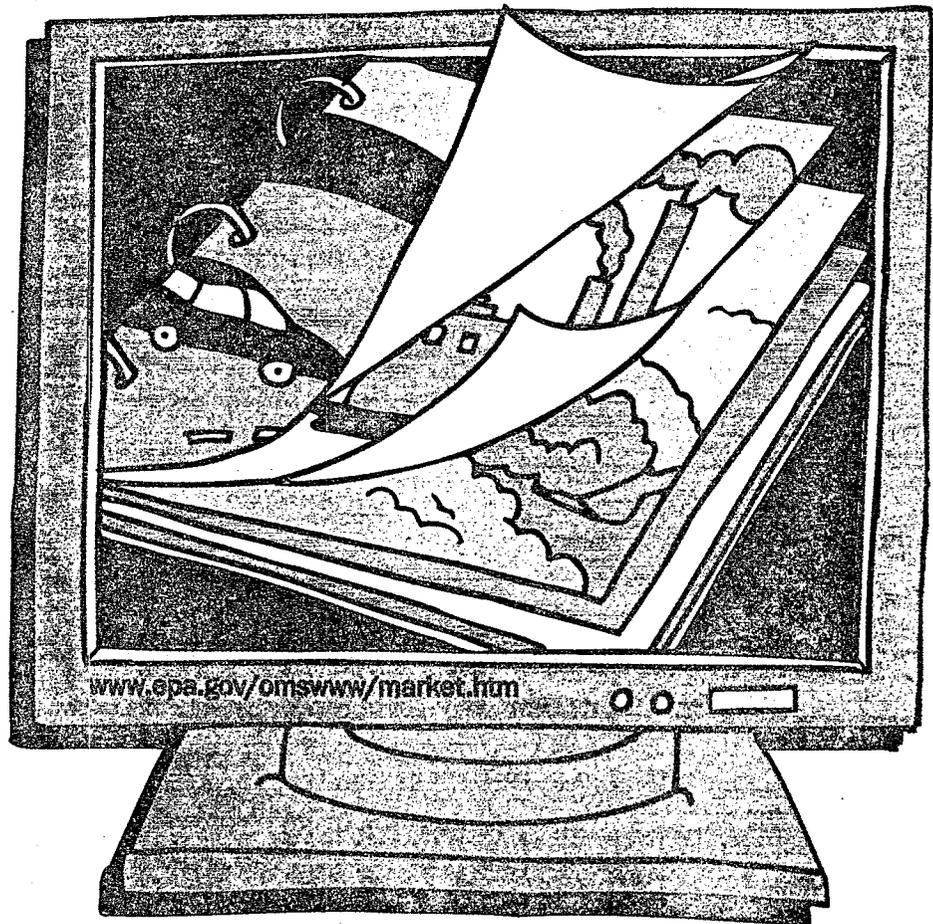




# Market Incentives Resource Center

## Online Directory of Air Quality Economic Incentive Programs



*Getting There with Clean Air.*



Printed on paper that contains  
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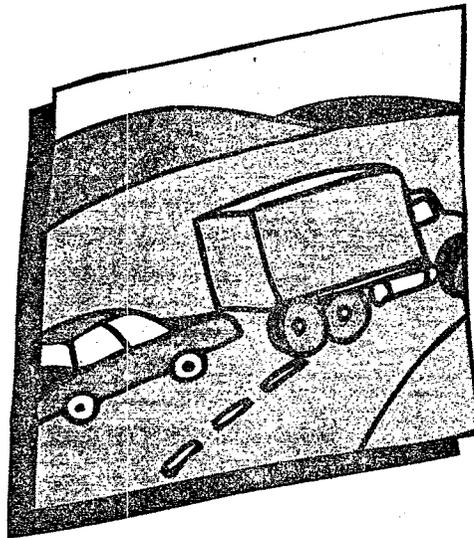
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## An EPA Clearinghouse for Program Information

**G**overnment agencies nationwide increasingly use economic incentives to promote reductions in air pollution from mobile, stationary, and area sources. Market-based programs are designed to lower compliance costs, reward technological innovation, and provide some flexibility for the regulated community. The expanding array of initiatives at the local, state, and regional level demonstrates the widespread interest in such air quality management approaches, which can offer an alternative to programs based on regulation or a means of supplementing more traditional programs.

EPA has collected information about the many program applications of economic incentives into a central repository that can be easily accessed by government, industry, and the general public through the Market Incentives Resource Center (MIRC). The goal of the center is to facilitate information exchange on market

incentive programs throughout the country.



The MIRC Directory of Air Quality Economic Incentive Programs is part of an ongoing effort undertaken by EPA's Office of Mobile Sources (OMS) and Office of Air Quality Planning and Standards (OAQPS) to make program-specific information widely avail-

able. This information about existing and developing programs will be especially useful at the local level when assessing options for an appropriate air quality management approach.

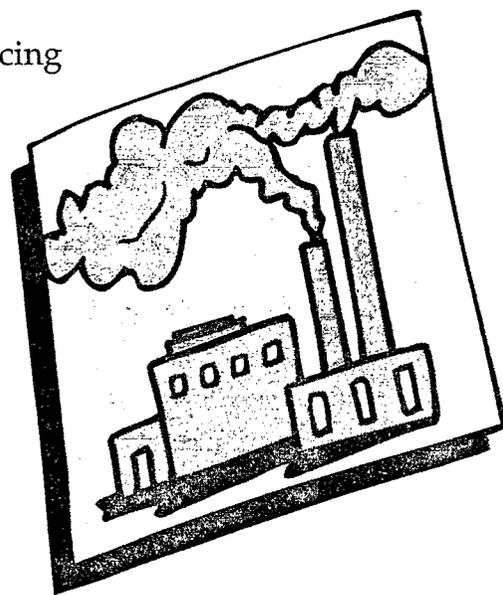
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## The Advantages of Programs Based on Market Incentives

**T**he use of market incentives encourages private firms and individuals to conserve environmental resources while acting in their own economic self-interest. For example, typical programs rely on marketable credits or allowances, equipment buy-backs, or fees to induce environmentally beneficial action.

Policymakers have found that for certain market sectors such programs present a useful alternative to the traditional command-and-control approach. Also, market-based programs often can be attractive in terms of lower administration costs and financial burdens on businesses.

Given the challenges of enforcing a regulatory scheme, incentive programs offer particular advantages in a marketplace that is increasingly characterized by diversity in industrial processes and the mix of products. The use of market incentives for air quality management is encouraged in the Clean Air Act Amendments of 1990 and is



the subject of two recent regulatory initiatives: the Economic Incentives Program Rules and Guidance (promulgated in 1994) and the Open Market Trading Guidance (proposed in 1995).

Through the MIRC, EPA is disseminating current information about air quality management programs that are based on economic incentives to facilitate more widespread application of this approach. The MIRC Directory is intended to serve both as a tool for local officials designing programs that harness market forces to benefit the environment and as a means by which members of the regulated community can learn about program options in their particular area.

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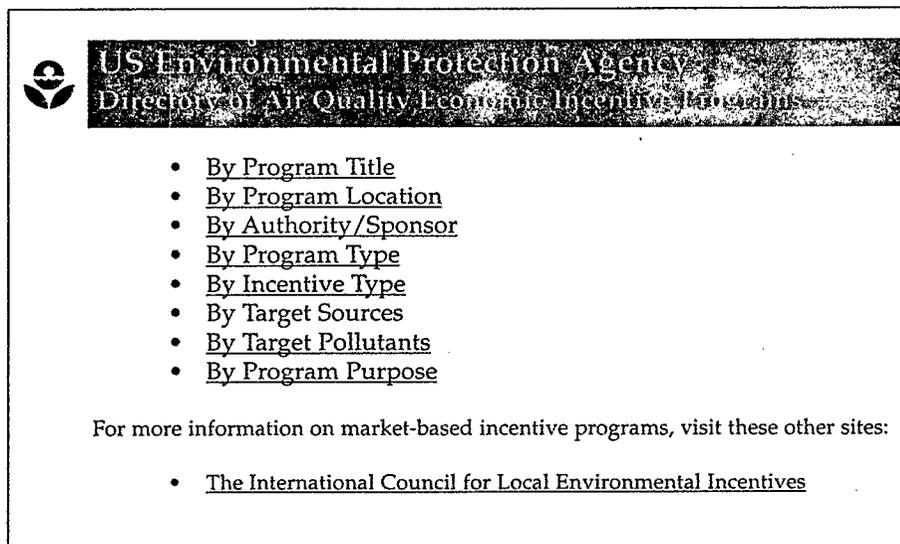
## MIRC Directory Content and Use

**T**he MIRC Directory is a catalog of air quality program summaries that resides on the World Wide Web ([www.epa.gov/omswww/market.htm](http://www.epa.gov/omswww/market.htm)). The directory includes information on mobile, stationary, and area source programs that can be accessed and viewed online using web browser software. (The directory is designed so that it can be accessed with the wide variety of browsers currently in use. The most recent version of a particular browser, however, may offer a measure of graphic enhancement.)

Examples of mobile source initiatives are programs based on transportation pricing, emissions credit trading, and fleet vehicle buy-back or scrappage. Stationary and area source programs emphasize such inducements as the banking and trading of emissions allowances, emissions reduction credits, or discrete emissions reductions.

One of EPA's objectives in developing the MIRC Directory was to capture information on the full spectrum of air quality economic incentive programs. As a result, the directory includes summaries of programs at various stages of development and implementation. Program summaries present information as provided by program authorities, however, and the inclusion of a summary in the directory does not imply endorsement by EPA.

The directory organizes program summaries into general categories. To access information about a particular type of program from the directory's main screen, the user can select from a menu of program categories. Selecting the target sources category, for instance, accesses a list of source categories (mobile, stationary, and area). The user can then click on the triangular pointer to the left of a category entry to access an alphabetical listing by state of all programs in the directory that focus on that particular source. Clicking on an entry in the program list opens the summary.



The screenshot shows the main screen of the US Environmental Protection Agency's Directory of Air Quality Economic Incentive Programs. At the top left is the EPA logo. To its right, the text reads "US Environmental Protection Agency" and "Directory of Air Quality Economic Incentive Programs". Below this is a bulleted list of menu options: "By Program Title", "By Program Location", "By Authority/Sponsor", "By Program Type", "By Incentive Type", "By Target Sources", "By Target Pollutants", and "By Program Purpose". Below the list, it says "For more information on market-based incentive programs, visit these other sites:" followed by a link to "The International Council for Local Environmental Incentives".

▶ The MIRC Directory's main screen presents a menu of program listings by general categories.

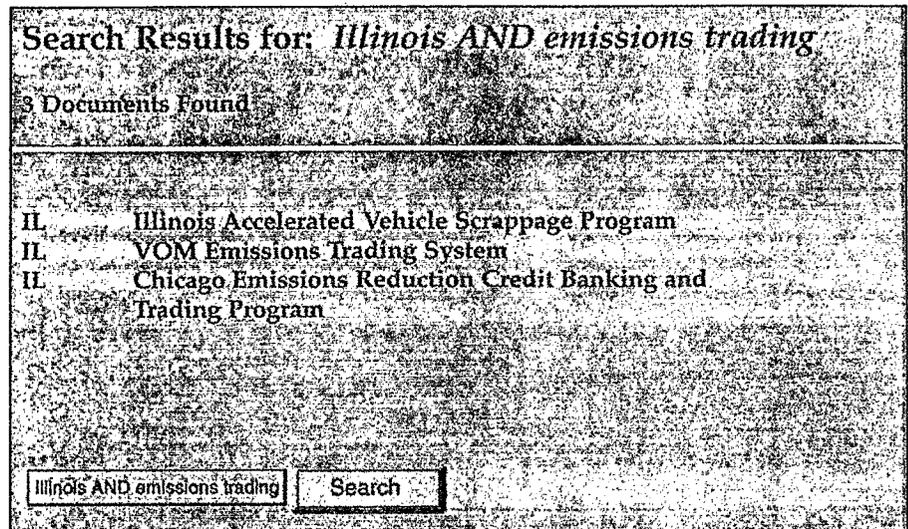
Each program summary identifies the title, location, authority or sponsoring agency, and contact for the initiative. Users can send a message to the program contact by clicking on the e-mail address listed in the summary's header. Summaries also provide information describing the type of program and incentive, the targeted sources and pollutants, the program's purpose, and its notable features. The summary's header also indicates when the program information was last updated.

Illinois Accelerated Vehicle Scrappage Program	
Task Update: 10-23-96	
Program Location:	Illinois
Auxiliary or Sponsor:	Illinois Environmental Protection Agency
Contact Name & Phone:	Gale Newton, (217) 785-5735
Contact E-Mail:	contact@epa.state.il.us
Authority/Sponsor Type:	State Government
Notes:	
Program Status	
Final rules have been written; will soon be submitted to Illinois Pollution Control Board for review and promulgation.	
Type of Program and Incentive	
Program Type(s):	
<ul style="list-style-type: none"> <li>• Banking and Trading               <ul style="list-style-type: none"> <li>• <i>Cap-and-Trade/Budget</i></li> </ul> </li> <li>• On-Highway Technology</li> </ul>	

➤ The header of each MIRC Directory program summary lists key information.

The MIRC Directory also includes a full-text search engine, which allows the user to access information about economic incentive programs based on keywords or phrases. To access the search screen, the user would click on the magnifying glass icon that appears throughout the directory after a selection has been made from the main screen. The search screen includes features that allow the user to refine the search and organize the results according to prefer-

ence. The user can further specify the search results by using basic structured query language (e.g., use more than one keyword or phrase connected by AND or OR).



- ▶ The MIRC Directory includes a search engine for accessing program summaries by a specific topic.

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## Feedback/Updates

**B**ecause developments in air quality economic incentive programs are ongoing, MIRC staff will update the directory regularly. New information from users is welcome. A blank program description template can be downloaded from the Updating the Directory section of the site's main screen, filled out, and sent directly to the MIRC using the site's e-mail feature (oms-mkt-inc@epamail.epa.gov) for inclusion in the directory. Also, users of the directory can e-mail feedback to MIRC staff on the utility of the directory.

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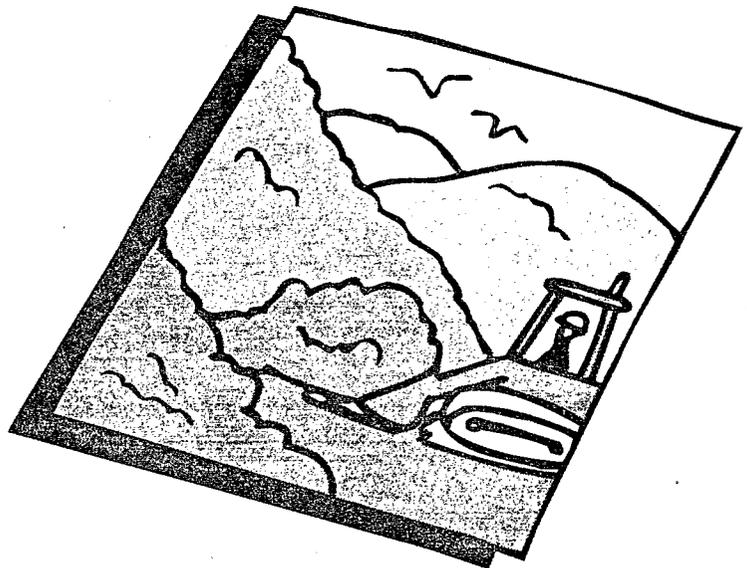
## Linkages

**A**nother feature of the MIRC Directory web site is that it includes links from its main screen to other web sites related to market-based incentive programs. The MIRC staff will add additional links over time. Users of the directory can e-mail MIRC staff with suggestions about useful links to include.

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## Accessing the MIRC Directory

**T**he MIRC Directory is posted as a link from the Office of Mobile Sources' homepage at [www.epa.gov/omswww/market.htm](http://www.epa.gov/omswww/market.htm). For more information about the Market Incentives Resource Center and the MIRC Directory, call 313-668-4333 or send an e-mail to [oms-mkt-inc@epamail.epa.gov](mailto:oms-mkt-inc@epamail.epa.gov)



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United States  
Environmental Protection Agency  
Office of Air and Radiation  
Ann Arbor, MI 48105

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