



At a Glance

Why We Did This Review

We sought to determine how the U.S. Environmental Protection Agency (EPA) ensures the validity of the SmartWay Transport program results. EPA established the SmartWay Transport Partnership in 2004. It is a voluntary collaboration between EPA and the freight industry (carriers, shippers, logistics companies, etc.) to improve fuel efficiency and reduce environmental impacts from freight transport. Almost 2,900 SmartWay partners, employing about 650,000 trucks, have traveled nearly 43 billion miles on average each year, according to EPA. Since the program's inception, EPA estimates it has saved about 50 million barrels of oil (as of March 2011), resulting in reduced air pollution. Also, envisioned future carbon dioxide reductions from EPA's September 2011 standards for heavy-duty 2014–2018 model year vehicles will depend heavily on EPA's SmartWay technologies and strategies.

This report addresses the following EPA Goal or Cross-Cutting Strategy:

- *Taking action on climate change and improving air quality*

For further information, contact our Office of Congressional and Public Affairs at (202) 566-2391.

The full report is at:
www.epa.gov/oig/reports/2012/20120830-12-P-0747.pdf

EPA Could Improve the SmartWay Transport Partnership Program by Implementing a Direct Data Verification Process

What We Found

Recent studies corroborate EPA's claims that its SmartWay Transport Partnership program helps remove marketplace barriers in order to deploy fuel efficient technologies faster. To calculate SmartWay program emission reductions, EPA relies on self-reported industry data. EPA's Office of Transportation and Air Quality performs some checks of data provided by industry. However, there is no independent direct verification by EPA of data submitted by SmartWay participants. The risk of false claims was highlighted in 2011 when EPA became aware of a case where a company was alleged to have improperly used the SmartWay logo.

There is an incentive for carriers to obtain and maintain high scores. Carrier performance scores are listed on EPA's SmartWay website. The carriers that receive the highest scores are more likely to be selected by more shippers. As more and more shippers join SmartWay, the economic incentives for carriers to achieve higher scores on EPA's website may increase, which could also increase the potential that a carrier would submit data that overstates its scores.

In our view, the SmartWay Transport Partnership program may lose its value if EPA does not protect the integrity of its program by implementing some form of direct verification or other measures to deter companies from submitting data that result in overstated scores.

Recommendations and Planned Agency Corrective Actions

We recommend that the Assistant Administrator for Air and Radiation develop and implement direct verification or other measures to verify the accuracy of a sample of the self-reported, industry data for the SmartWay Transport Partnership. EPA agreed with the OIG on the importance of ensuring the integrity of program results and proposed a five step process to better ensure the accuracy of partner data. EPA's planned actions are a step in the right direction. EPA should describe any additional planned corrective actions in its 90-day response to the final report.

Noteworthy Achievements

Representatives from environmental, retail, and trucking associations consider EPA's SmartWay program an effective program for reducing fuel costs and the environmental impact of freight movement. Further, the number of partners in the SmartWay Transport Partnership has grown considerably since 2008.