

II. Background of the Pollution Prevention Grant Program

More than \$80 million has been awarded to over 100 State and Tribal organizations under EPA's multimedia P2 grant program, since its inception in 1989. During the past 13 years, P2 grant funds have established and enabled State and Tribal programs to implement a wide range of pollution prevention activities. P2 grants provide economic benefits to small businesses by funding pollution prevention technical assistance programs focused on helping the businesses develop more efficient production technologies and operate more cost effectively.

The goal of the P2 grant program is to assist businesses and industries in identifying better environmental strategies and solutions for reducing waste at the source. The majority of the P2 grants fund State-based projects in the areas of technical assistance and training, education and outreach, regulatory integration, data collection and research, demonstration projects, and recognition programs.

In November 1990, the Pollution Prevention Act of 1990 (Public Law 101-508) was enacted, establishing as national policy that pollution should be prevented or reduced at the source whenever feasible.

1. Section 6603 of the Pollution Prevention Act of 1990 defines source reduction as any practice that:

i. Reduces the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment (including fugitive emissions) prior to recycling, treatment, or disposal.

ii. Reduces the hazards to public health and the environment associated with the release of such substances, pollutants, or contaminants.

EPA further defines pollution prevention as the use of other practices that reduce or eliminate the creation of pollutants through increased efficiency in the use of raw materials, energy, water, or other resources, or protection of natural resources, or protection of natural resources by conservation.

2. Section 6605 of the Pollution Prevention Act of 1990 and 40 CFR part 35, subpart B authorizes EPA to make matching grants to promote the use of source reduction techniques by businesses. In evaluating grant applications, the Pollution Prevention Act of 1990 directs EPA to consider whether the proposed program will:

i. Make specific technical assistance available to businesses seeking information about source reduction

opportunities, including funding for experts to provide onsite technical advice and to assist in the development of source reduction plans.

ii. Target assistance to businesses for which lack of information is an impediment to source reduction.

iii. Provide training in source reduction techniques.

III. Availability of FY 2003 Funds

EPA expects to have approximately \$5 million in grant/cooperative agreement funds available for FY 2003-2004 pollution prevention activities. The Agency has delegated grant making authority to the EPA regional offices. EPA regional offices are responsible for the solicitation of interest and the screening of proposals. The Agency reserves the right to reject all initial proposals and make no awards.

In addition to the statutory criteria discussed in Unit II., all applicants must address all five of the national program criteria listed in Unit VI.B.2. EPA invites applicants to submit proposals that make the case for how their work will address P2 priorities on the national, Tribal, regional, and State level. Interested applicants should contact their EPA Regional Pollution Prevention Coordinator, listed in Unit X. for more information.

The 2003 Pollution Prevention Grant Guidance is located at <http://www.epa.gov/p2/grants/ppis/ppis.htm>.

IV. Catalogue of Federal Domestic Assistance

The number assigned to the P2 grant program in the Catalogue of Federal Domestic Assistance is 66.708 (formerly 66.900).

V. Matching Requirements

States, Tribes, and Intertribal Consortia recipients of P2 grants under section 6605 of the PPA must provide at least 50% of the total allowable project cost. For example, the Federal Government will provide half of the total allowable cost of the project, and the recipient will provide the other half. Recipients may meet the match requirements by allowable costs incurred by the grantee (often referred to as "in-kind goods or services") or the value of third party in-kind contributions consistent with 40 CFR 31.24. If a Tribe or Intertribal Consortium is selected for award of a P2 grant and the Tribe includes the funds in a Performance Partnership Grant awarded under 40 CFR part 35, subpart B, the required Tribal match for the Pollution Prevention portion of the P2 grant will be reduced to 5% of the

allowable Pollution Prevention project cost for the first 2 years of the P2 grant.

VI. Eligibility

A. Applicants

Eligible applicants for purposes of funding under this program include the 50 States, the District of Columbia, the U.S. Virgin Islands, the Commonwealth of Puerto Rico, any territory or or possession of the United States, any agency or instrumentality of a State including State universities, and Indian tribes that meet the requirement for treatment in a manner similar to a state at 40 CFR 35.663 and Intertribal Consortia that meet the requirements at 40 CFR 35.504. Local governments, private universities, private nonprofit, private businesses, and individuals are not eligible for funding. Eligible applicants are encouraged to establish partnerships with business and other environmental assistance providers to seamlessly deliver pollution prevention assistance. Successful applicants will be those that best meet the evaluation criteria in Unit VI.B.2. In many cases, this is likely to be accomplished through partnerships.

B. Activities and Criteria

1. *General.* EPA specifically seeks to build pollution prevention capabilities or to test innovative pollution prevention approaches and methodologies. Funds awarded under the P2 grant program must be used to support pollution prevention programs that address the transfer and reduction of potentially harmful pollutants across environmental media: Air, water, and land. Programs should reflect comprehensive and coordinated pollution prevention planning and implementation efforts.

2. *National program criteria for 2003.* This section describes the five national program criteria EPA will use to evaluate proposals under the P2 grant program. In addition to the statutory criteria and the national program criteria, there may be regionally specific criteria that the proposed activities are also required to address. For more information on the EPA regional requirements, applicants should contact their EPA Regional Pollution Prevention Coordinator, listed in Unit X. As well as ensuring that the proposed activities meet EPA's definition of pollution prevention, the applicant's proposal must include how they address the following five criteria:

i. *Promote multimedia pollution prevention.* Applicants should identify how projects will encourage source reduction to actively prevent pollution