

Farm Credit Administration

2014 Strategic
Sustainability
Performance Plan

Table of Contents

Policy Statement

Executive Summary

Size and Scope of Agency Operations - Table

Progress Toward Scope 3 Greenhouse Gas Goals - Chart

Appendix 1 – Climate Change Adaptation Plan

Agency Sustainability Points of Contact

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POLICY STATEMENT

The Farm Credit Administration (FCA) is committed to using its resources wisely and in a sustainable manner that will reduce the emission of greenhouse gases and protect the climate. Although FCA is a small, non-appropriated agency with less than 300 employees, we will do our part to achieve the goal stated in Executive Order 13514 of reducing the Federal government's reduction of greenhouse gas pollution by 28 percent from 2008 levels by 2020. We will also comply with applicable environmental and energy statutes, regulations, and Executive Orders (EOs) and other Federal initiatives.

As a small agency, we are quite familiar with "doing more with less" and being a wise steward of our resources. We will incorporate this philosophy in our approach to creating a more sustainable workplace and reducing our GHG emissions.

EXECUTIVE SUMMARY

Achievements in the Past Year: In FY2013, FCA continued its focus on reducing employee travel. We achieved a 17 percent reduction in employee commuting from the 2008 base year and attribute most of this reduction to increased use of flexiplace by Agency employees. For FY 2013, we also reduced business travel by almost 13 percent from the previous fiscal year, as fewer trips were required to monitor the institutions. We continue to expand the use of videoconferencing both for inter-office meetings and meetings with the FCS institutions we examine. We continue to promote prudent use of personal and rental vehicles by agency employees when used for official travel.

We took other steps, to promote sustainability in the agency. We:

- established an electronic repository for agency training materials, eliminating the need for hardcopy distribution of these materials;
- informed employees about public transportation options that have been implemented and will continue to develop as a result of the Metrorail station that is opening this year at our headquarters location;
- supported and highlighted green commuting by encouraging employees to participate in local Bike to Work Day events;
- leveraged the services of UNICOR to recycle our obsolete computer and office equipment;
- leveraged our investments in video conferencing and improved communication technologies to reduce the need for employee travel between headquarters and our four field offices. We also expanded the use with the Farm Credit System associations and banks that we regulate to reduce the need to travel to them for onsite work and briefings;
- informed the Farm Credit System associations and banks that we regulate about the effect of climate change on the farming industry;
- reduced the amount of energy needed to run our computer resources by decommissioning 10 servers;
- installed a new VoIP phone system that will reduce the amount of energy used after hours and when the phones are idle; and
- moved from a tape back system to storing our backups on disk and in the cloud.

FCA's Vision for FY 2015

In FY2015, we will continue to focus our efforts in reducing the agency's carbon footprint. We will:

- Promote the use of public transportation, as we expect more commuting options to be available to employees this year when the Metro is open within a mile of our Headquarter office. Further in the

future, we expect the extension of the Metrorail to Dulles Airport will reduce our business GHG emissions.

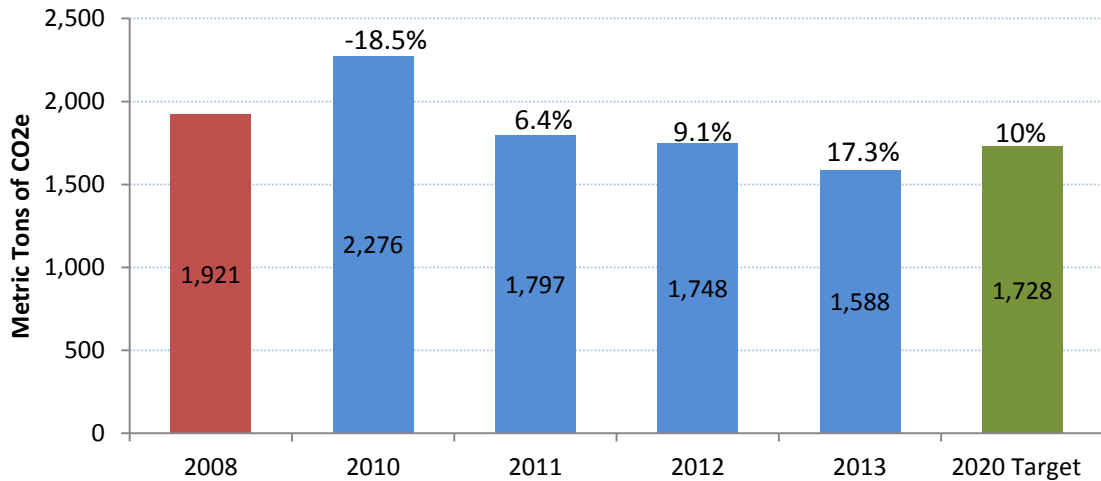
- Encourage telecommuting by agency employees when it is feasible.
- Review leases as they expire and encourage the Farm Credit System Building Association to adhere to initiatives set forth in the policy objectives.
- Monitor the agency's vulnerability to climate change by reviewing officially generated studies and reports and act on any information that would affect FCA operations.
- Establish an electronic recordkeeping system reducing the need for hardcopy files.

TABLE 1: SIZE AND SCOPE OF AGENCY OPERATIONS

Agency Size and Scope	FY 2013
Total Number of Employees as Reported in the President's Budget	273
Total Acres of Land Managed	0
Total Number of Facilities Owned	0
Total Number of Facilities Leased (GSA and Non-GSA lease)	0
Total Facility Gross Square Feet (GSF)	136,200
Operates in Number of Locations Throughout U.S.	6
Operates in Number of Locations Outside of U.S.	0
Total Number of Fleet Vehicles Owned	1
Total Number of Fleet Vehicles Leased	0

Agency-Specific Performance Metrics for Scope 3 GHG Emissions Reduction:

Progress toward Scope 3 Greenhouse Gas Goals



Note: E.O. 13514 requires each agency to establish a scope 3 GHG reduction target for FY2020. The FY2020 target for this agency is 10% compared to the FY2008 baseline. The red bar represents the agency's FY2008 baseline. The green bar represents the FY2020 target reduction. The blue bars show actual status in relationship to the target. The percentage on each bar shows the reduction or increase from the FY2008 baseline. A negative percentage reflects an increase in scope 3 GHG emissions.

APPENDIX 1: CLIMATE CHANGE ADAPTATION PLAN

Climate Change Adaptation Plan – June 2014

FCA is the independent Federal agency responsible for examining and regulating the Farm Credit System, a Government-sponsored enterprise created by Congress in 1916 to provide American agriculture with a dependable source of credit. Through its oversight and regulation of the Farm Credit System, FCA helps to ensure a safe, sound, and dependable source of credit and related services for agriculture and rural America.

Climate Change Adaptation Policy and Responsibilities

FCA's statement on Climate Change Adaptation Planning Policy sets forth the following:

FCA is committed to climate change adaptation planning so we can address challenges posed by climate change to our mission, programs and operations. Because of our involvement in both the agricultural and financial sectors, we need to plan for potential issues we may face that affect these important sectors of the economy. We see our primary role in climate change adaptation planning as twofold:

- 1) plan for climate changes that may affect the mission of the Agency; and*
- 2) plan for climate changes that may affect the Agency and its employees.*

Therefore, FCA is focusing our strategic approach to climate change in two areas:

- 1) How climate change will likely affect our ability to achieve our mission of examining and regulating the Farm Credit System.
- 2) How climate change will affect our operations, specifically how climate change may affect the locations of our headquarters and field offices and workforce.

Mr. Stephen G. Smith is FCA's Senior Sustainability Officer and the Agency's Senior Official for Climate Change. Mr. Smith serves as the Director of the Office of Management Services, and reports directly to the Chief Operating Officer for the Agency and is responsible for the development, implementation and evaluation of our plan.

Analysis of Climate Change Risks and Opportunities

As a small agency with a narrow scope of responsibility and limited expertise in the area of climate change, we are relying on the most recent official guidance produced by the U.S. Government pertaining to climate change to conduct the analysis. The *Global Climate Change Impacts in the United States*, prepared by the U.S. Global Change Research Program in May 2014 is being used as the basis for our general understanding of the effects of climate change. We are using the *Effects of Climate Change on Agriculture, Land Resources, Water Resources, and Biodiversity in the United States*, prepared by the U.S. Climate Change Science Program in May 2008, as the basis for our understanding of the effects climate change will have on agriculture.

We have reviewed the "Global Climate Change Impacts in the United States" report produced by the U.S. Global Change Research Program. The report identifies 12 key findings. Findings 7 and 8 are directly related to agriculture and could have long-term effects on the Farm Credit System:

- 7. Climate change will stress water resources. Water is an issue in every region, but the nature of the potential impacts varies. Surface and groundwater supplies in some regions are stressed by increased demand for water and groundwater recharge. In some regions, particularly the southern part of the country, climate change is increasing the likelihood of water shortages and competition for*

water among its many users.

- 8. Crop and livestock production will be increasingly challenged.** *Agriculture is considered one of the sectors most adaptable to changes in climate. However, extreme heat, drought, disease, and heavy downpours will pose adaptation challenges for crop and livestock production.*

We have also reviewed the report sponsored by the USDA, *The Effects of Climate Change on Agriculture, Land Resources, Water Resources, and Biodiversity in the United States*. This report, produced in 2008, assesses “the effects of climate change on U.S. land resources, water resources, agriculture and biodiversity,” but does not make specific recommendations. The report does lay out the following “sectoral findings” for agriculture:

- Increased CO₂ and temperature will cause the lifecycle of grain and oilseed to progress more rapidly;
- Marketable yields of crops, such as tomatoes, onions and fruits will likely be more sensitive to climate change than grain and oilseed crops;
- Climate change is likely to lead to a northern migration of weeds – shifts in plant species are already under way in rangelands;
- With earlier springs and warmer winters disease pressure on crops and domestic animals will likely increase;
- Forage production will likely extend into late fall and early spring due to projected increases in temperature and a lengthening of the growing season, decreasing the need for winter season forage reserves;
- Livestock production will be reduced during the summer, but will be offset by warmer temperatures in the winter.

The findings from these reports reinforce the Agency’s need to adapt existing processes to receive and analyze climate change information that can potentially affect or our ability to achieve our mission of examining and regulating the Farm Credit System. If we determine there is actionable information about potential long-term impacts of climate change to the operations of the FCS, we will use appropriate communications channels to notify them.

How will climate change affect our operations, specifically how climate change may affect the locations of our headquarters and field offices and our workforce?

The “Global Climate Change Impacts in the United States” report produced by the U.S. Global Change Research Program presents two findings that have potential to affect our headquarters and field office locations and our workforce:

- 5. Threats to human health will increase.** *Health impacts of climate change are related to heat stress, waterborne diseases, poor air quality, extreme weather events, and diseases transmitted by insects and rodents. Robust public health infrastructure can reduce the potential for negative impacts.*
- 6. Coastal areas are at increasing risk from sea-level rise and storm surge.** *Sea-level rise, storm surge and heavy downpour in combination with the pattern of continued development in coastal areas, are increasing damage to U.S infrastructure including roads, buildings, and industrial facilities. Also extreme heat is damaging transportation infrastructure such as roads, rail lines and airport runways.*

Our offices are not located in coastal areas that would be affected by an increased risk of sea-level rise and storm surge, nor do we have any indication that we will be experiencing any health risks in the short term. We

will continue to monitor climate change data and will take adequate steps to protect both our physical infrastructure and the health of our employees.

Agency Activities to Plan, Understand and Address Climate Change Risks and Opportunities

As stated in our analysis of the Agency’s vulnerability to climate change, we are a small agency with a fairly narrow scope of responsibility and limited expertise in the area of climate change. Therefore, our activities consist of the following:

- We will continue to monitor climate change information produced by official U.S. governmental sources to determine how it may affect our operations,
- We will alert the Farm Credit System as to any actionable steps that may need to be taken to ensure they adequately plan for climate change.
- We will take necessary actions where climate change has the potential to affect our operations and employees.

In order to adequately address climate change risks and opportunities, we will continue to evaluate any new climate change information that becomes available through official government sources, such as the United States Department of Agriculture and the U.S. Climate Change Research Program. As part of FCA’s annual sustainability and climate change adaptation reporting and planning cycle, FCA will be review and update our “analysis of climate change risks and opportunities” based on any new studies or information. Should we identify any actionable items, either through our annual review cycle or as we are alerted by other government sources, such as the Council on Environmental Quality, we will take appropriate actions. Should it affect the FCS system, we will select a method to best notify them.

FCA will also use this planning document, which will be posted on FCA’s Website, to disclose information to our employees, the Farm Credit System and the general public about our Climate Change Adaptation program.

Priority Climate Change Actions to be implemented in FY2015

FCA Action	Scale (National, Regional, Local)	Completion Date	Collaborating Agencies (if applicable)
<i>Review government studies and analyses and update FCA’s Analysis of Climate Change Risks and Opportunities.</i>	<i>National</i>	<i>June 2015</i>	<i>USDA (Will rely on information products)</i>
<i>Based on update of FCA’s Analysis of Climate Change Risks and Opportunities, review HQ and field office locations to determine susceptibility to climate change and determine if any adaptive measures need to be taken.</i>	<i>National</i>	<i>June 2015</i>	<i>N/A</i>
<i>Based on update of FCA’s Analysis of Climate Change Risks and Opportunities, determine the need to communicate information to the Farm Credit System and take appropriate actions to notify them.</i>	<i>National</i>	<i>June 2015</i>	<i>N/A</i>

References

The Effects of Climate Change on Agriculture, Land Resources, Water Resources and Biodiversity. U.S. Climate Change Science Program, Synthesis and Assessment Product 4.3, May 2008. 348 pp. Internet Location: http://www.usda.gov/oce/climate_change/SAP4_3/Front_Matter.pdf

Global Climate Change Impacts in the United States. U.S. Global Change Research Program. Internet Location: <http://www.globalchange.gov/publications/reports/scientific-assessments/us-impacts/full-report>.