

# Water-smart regulation

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# Principles of “smart” or “good” regulation

- 1. Effective** – regulation reaches its goals and objectives
  - 2. Efficient** – regulation is well targeted and predictable, no disproportionate regulatory burden and costs
- **How to make regulation “innovation friendly”** (EU better regulation WP)

# What is “water-smart regulation”?

## → How to attract or force emission-cutting innovations?

- ❑ Diffuse (agriculture, forestry) vs. point source pollution (industry, municipal waste water treatment)
  - ❑ impact on success & instrument choice
- ❑ “Combined approach” (EU)
  1. Water quality standards for authorities
  2. Emission standards for operators→ regulatory innovation

# Examples

1. Permit has proven to be effective in point source pollution

“Static standards, which remain the same over long period of time, do not foster in the long run technological development. Thus, from the technological development point of view the **gradual tightening** of standards is crucial.” (Similä 2007)

2. But questions about efficiency also emerge...

Municipal waste water treatment & N-emissions; what is “technologically and economically feasible” taking into account the special circumstances of recipient water bodies ( Ahonen 2014, C-335/07 & C-438/07)

3. Constantly changing regulation kills innovation and is the biggest single source of regulatory burden

Finnish waste water treatment regulations for sparsely populated areas: overambitious start followed by gradual deregulation