

Posters

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**RESPONSE OF INDUSTRY TO GOVERNMENT REGULATION IN  
WASTE ISSUES  
DO THE "TOP-DOWN" AND "BOTTOM-UP" APPROACHES MEET?**

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Although the theme of the 1990s has been deregulation, Finland has lately experienced a rapid extension of regulation in environmental policy. In waste policy the pace of change has been especially fast. Almost 20 new regulations have been adopted since 1993 and a great variety of policy instruments has already been implemented. This development will continue in coming years and the emphasis in waste policy will be placed on general product policy and management of material flows, rather than on mere waste management. This is a challenge to governance, not least because regulation in product policy has an immediate effect on enterprises.

As part of a two-year WAPO Project (Effectiveness of Waste Policy Instruments - Sustainable Production, Product Development and Consumption; Finnish Environment Institute; 1998 - 1999), we have carried out a case study involving 14 Finnish enterprises of mainly large size. These come from the different branches of industry: chemistry, chipboard, construction, electronics, food, metal furniture, paper, printing, energy production, textiles, wood, mechanical engineering and rubber and plastic products, steel and surface treatment (zinc). Our study examines the attitudes of companies towards regulation on waste policy and the effects of policy instruments used. The purpose of the study is to enhance understanding of the most effective roles for government in a sustainable society.

Typically for a case study, we used different methods in data collection. Firstly, documents on material flows, wastes and waste management in the 14 companies were collected and analysed. Secondly, a top executive and manager responsible for environmental issues were interviewed in each company. The interviews focussed on four themes: 1) the general changes in company environment and strategy in the 1990s, 2) views on the effects of waste policy and instruments used, 3) attitudes to the use of different policy measures and 4) the effect of other forms of public regulation, e.g. trade

and industry policy, to the material economy of enterprises.

Some preliminary results can already be given. Even though there are differences between the enterprises we examined, the direct effect of public regulation seems to be rather small. All companies tend to anticipate changes in regulatory policy and thus alter their ways of action before it is obligatory. The driving force toward environmental protection in most companies appears to be the pressure from customers and stakeholders. Even though only some of the interviewees regard environmental protection as a competitive advantage, all considered it as an essential part of business strategy. In most cases the waste management costs were rather low and the potential savings in material economies together with the aim of quality improvement seem to have a greater influence on ways of acting. The use of charges and taxes has not been intensive so far; however, they seem to have some effect. Furthermore, many of the interviewees anticipated that the rate of taxes would rise in the future and were already seeking means to change their ways of action. We shall discuss these results in our poster.