

## Choosing the right tool(s): evaluation table

The evaluation table offers decision makers, policy analysts and other stakeholders a means to evaluate both environmental tool categories and/or specific tools that can be selected to meet pre-established policy objectives. It provides a framework to assess environmental tools against a set of criteria to identify their strengths and weaknesses, and thus provides a comparative assessment of proposed options. When designing an entire policy framework the utilization of the evaluation table can help to “smooth” or “level” the weaknesses and strengths across the range of tools to encourage the development of an optimal policy mix.

Assessments are typically done by ranking each against a set of criteria using a numerical scale, or using a scale of high, medium and low. If deemed appropriate, the evaluation criteria can carry different weightings to reflect the priorities and desired outcomes of a particular initiative.

	Regulatory approaches	Market based instruments and fiscal mechanisms	Cooperative management agreements	Information disclosure	Voluntary stewardship and corporate environmental governance
<b>Environmental effectiveness</b>					
<b>Economic efficiency</b>					
<b>Enforceability</b>					
<b>Administrative and information requirements</b>					
<b>Sharing of burden and benefits of action</b>					
<b>Political feasibility</b>					
<b>Ability to promote innovation</b>					
<b>Ability to adapt to changing contexts</b>					
<b>Respect for jurisdiction</b>					
<b>Total</b>					

Note: The evaluation table above currently set as an example to compare and contrast the 5 main categories of environmental tools. At this stage within the policy development cycle, this evaluation table will prove useful when it is set to assess the specific tools under consideration. For example, comparing and contrasting a *resource user fee* versus *resource allocation trading* versus a *challenge regulation*, etc.

## Questions and consideration for each of the criteria:

### Environmental effectiveness and assurance:

To what degree will the environmental goal be met and sources held accountable.

- ✓ **Action forcing:** Can the tool force parties to take action? Does it have “teeth”?
- ✓ **Level of Risk:** Will the tool mitigate the probability and consequences of an adverse outcome?
- ✓ **Monitoring capacity:** To what degree can outcomes be monitored? Are the environmental gains or losses measurable?
- ✓ **Familiarity with use:** Is there confidence in the tool’s ability to achieve desired environmental results?

### Economic efficiency:

Meeting objectives at lowest cost with minimum burdens on industry and regulators.

- ✓ **Cost effectiveness:** Does the tool allow regulated parties to minimize costs of compliance and find the most cost-effective solutions over the long term?
- ✓ **Differences in cost of abatement:** Do emitters/resource users face different costs of abatement than their competitors?

### Enforceability:

With what ease, and to what efficiency and effectiveness can the environmental tool be enforced?

- ✓ **Resources:** Will the tool require additional resources to ensure compliance and/or participation?
- ✓ **Regulatory/ fiscal backstop:** What are the consequences available for non-compliance.

### Administrative and information requirements:

Does the tool minimize administrative burdens, i.e., analysis, research, monitoring, auditing, certification, reporting, licensing?

- ✓ **Costs of design and implementation to government and industry:** What costs are associated with the development of the tool? Are there are ongoing costs associated with the tool (e.g. establishing regulations, licensing, monitoring, reporting, and enforcement?)

### Sharing of burden and benefits of action:

Does the tool put any citizen, group of citizens, firm, group of firms or sector at an unfair disadvantage?

- ✓ **Distributional outcomes:** Will the implementation of the tool disproportionately create “winners” and “losers”?
- ✓ **Public Participation:** What potential role can the public play in the development, implementation, and operation of a specific policy tool? The level of public participation can influence the success of a project, especially within democratic states.

### Political feasibility

Some environmental tools are viewed to be more politically and socially acceptable.

- ✓ **Context:** It is essential to recognize the political and social context and its relationship to the application of certain policy tools. Does the tool fit within the political discourse and policy direction of the government?
- ✓ **Public Pressure:** Is there strong public pressure to solve (make progress) on the issue?

### Ability to promote technological innovation

The degree to which the tool has the potential to promote the use of innovative technology.

- ✓ **Availability of new technical solutions:** Is a technology currently available or is substantial research and development required?
- ✓ **Best available technology:** Does the tool promote the application of the best available technology to prevent/mitigate environmental harm and risks?
- ✓ **Innovation:** Does the tool encourage innovation and continuous improvement? Does the tool influence industry to develop new technology and eco-friendly practices?

### Ability to adapt to changing contexts

- ✓ **Adaptability and change:** Can the tool be modified to adapt to new technologies and processes in pollution abatement and prevention?
- ✓ **Ease of program modification:** Is there inherent flexibility in the tool to adapt to changes in circumstances, new goals, emerging technologies, or does the tool become imbedded in institutional frameworks?
- ✓ **Continuous improvement:** Does the tool allow parties to implement continuous improvement and incremental innovation?

### Respect for jurisdiction

The complexity of Canadian federalism, with its crosscutting jurisdictional areas of environmental and natural resource management, complicates the policy process.

- ✓ **Shared Governance:** What levels of government and governmental departments are required to participate in the delivery of a particular tool? Will the tool promote cooperation or will it fuel debate and conflict?
- ✓ **Jurisdictional Authority:** Is it within the jurisdictional, legal and constitutional capacity of an agency, institution or firm to develop, implement and enforce a particular tool?