

JOINT STATEMENT

The polluter-pays principle should remain at the core of the Union's wastewater treatment legislation

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Water Europe

POLICY RELATED PAPER



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[JOINT STATEMENT ON THE REVISION OF THE URBAN WASTEWATER TREATMENT DIRECTIVE \(UWWTD\)](#)

Brussels, 16 March 2023 – A large group of stakeholders representing drinking and wastewater service providers, local public utilities, local and regional governments, environmental civil society organisations and water-related innovation industries unite their voice to support the financing mechanism proposed by the European Commission to ensure a fair and equitable distribution of the costs involved in removing micro-pollutants from wastewater in the proposed revision of the Urban Wastewater Treatment Directive (UWWTD).



On 26 October 2022, the European Commission adopted a proposal to update rules on collecting and treating urban wastewater¹ in order to better protect the health of Europeans and the environment. This proposal plays a crucial role in the Union's objective to achieve a pollution-free environment by 2050, notably in addressing for the first-time micro-pollutants that are frequently found in water bodies across Europe and have negative impacts on the environment and human health.

In its proposal, the Commission makes selected sectors contribute to the costs of upgrading wastewater treatment plants to treat harmful pollutants that are released from the use of their products based on the Extended Producer Responsibility (EPR) principle. The scheme focuses on the pharmaceuticals and the cosmetics sectors, which are jointly responsible for 92% of the toxic load in wastewater².

The undersigned organisations strongly welcome this proposal to make producers contribute to the cost of removing substances harmful for the environment from wastewater and jointly stress the crucial need to maintain the EPR scheme in the final text negotiated between the European Parliament and the Council. The scheme is a powerful mechanism that allows for a fair distribution of wastewater treatment costs between polluting sectors and urban water users and mitigates the impact of the Directive on water affordability for households in the midst of a cost-of-living crisis.

The EPR scheme is based on the polluter-pays principle, which is the cornerstone of the Union's environmental policy as per Article 191(2) of the 2007 Treaty on the Functioning of the EU. A special report of the European Courts of Auditors published in 2021³ pointed out the inconsistent application of the polluter-pays principle to the water sector despite significant operational and investment costs. The annual average expenditure on water supply and sanitation is of €100bn across the EU⁴ and will need to increase by over 25% to comply with the EU legislation on wastewater treatment and drinking water (€253bn, EU28 aggregate figure).

There is compelling evidence on the existence of micro-pollutants from pharmaceutical and cosmetic products in wastewater and it is possible to track pharmaceutical and cosmetic residues in wastewater to specific products through water-smart tools.

According to the Commission, the cost of the proposed EPR scheme to the pharmaceutical and cosmetic industries would be limited⁵ with an increase in prices or an impact on profits estimated at less than 1%. In no case will the proposal hinder the accessibility or affordability of medicines; the maximum average increase in the cost of pharmaceuticals is estimated at €1.9-2.4 per year/per person by 2040.

EPR schemes for collecting and treating solid waste stemming from the use of pharmaceuticals are already in place in several Member States with no effects on affordability or access to medication⁶, as the costs of the scheme are marginal in comparison to the price of medicines and the profit margins of pharmaceutical companies.

The EPR scheme could also act as an incentive for pharmaceutical and cosmetics industries based in the EU to develop 'greener' molecules, which would give them a competitive edge over competitors in third countries, and reduce pollution at source in line with the European Green Deal.

Last but not least, the implementation of an EU-wide EPR scheme is also a matter of internal market functioning, as it creates a level playing field for the industry across the EU, thereby reducing the risk of environmental dumping.

As a conclusion, the EPR scheme is an environmentally effective, economically efficient, and socially fair financing instrument to address the treatment of micro-pollutants in wastewater and avoid their discharge into receiving water bodies for the benefit of our health and the one of our ecosystems.

The undersigned organisations call on all policymakers at European and national level to safeguard this approach in the Commission's proposal to ensure a fair transition towards a more sustainable, toxic-free Europe.

Brussels, 16 March 2023

¹ COM(2022) 541 from the Commission of 26 October 2022 on the proposal for a revised Urban Wastewater Treatment Directive.

² EUROPEAN COMMISSION, *Questions and Answers on the new EU rules on treating urban wastewater*, 26 October 2022.

³ EUROPEAN COURTS OF AUDITORS, *Special report. The Polluter-Pays Principle: Inconsistent application across EU environmental policies and actions*, 2021.

⁴ OECD, *Financing Water Supply, Sanitation and Flood Protection: Challenges in EU Member States and Policy Options*, 2020.

⁵ COM(2022) 541, op. cit.

⁶ EURACTIV, *Commission: New wastewater rules will not jeopardise access to medicines*, 21 November 2022.

Signatories



