EFfCI Position on the Urban Wastewater Treatment Directive (UWWTD) Extended Producer Responsibility (EPR)

October 2026

Executive summary

EFfCI supports the objectives of the EU Urban Wastewater Treatment Directive (UWWTD) to reduce micropollutants through effective quaternary wastewater treatment. However, the current Extended Producer Responsibility (EPR) scheme—which initially places at least 80% of relevant costs on the cosmetics and pharmaceutical sectors—is insufficiently targeted, complex and potentially unworkable.

We strongly support maintaining a sector-based rather than substance-based EPR approach. Ingredient manufacturers operate upstream and cannot control downstream product use, formulation concentrations or ultimate emission pathways; they should therefore not be assigned financial responsibility for releases they cannot determine or influence.

Any EPR system should be harmonised across the EU, supported by clear, science-based and tiered criteria for identifying micropollutants, consistent exemptions and derogations, and evidence that substances reach—and can be effectively removed by—quaternary treatment. Divergent national classifications and fee systems risk administrative burdens, market distortions, supply disruptions and competitive disadvantages for European cosmetic products and ingredients.

EFfCI calls for reconsideration of the financing approach and assessment of practical, proportionate models—including, as one example, broader wastewater-charge mechanisms that distribute costs across users of the wastewater system. The framework must ensure equal enforcement for EU and non-EU producers, early stakeholder involvement and sufficient clarity and transition time.

1. Support for the UWWTD objectives, with targeted and workable financing

EFfCI supports effective quaternary treatment to reduce micropollutants that remain after earlier treatment stages and pose risks to human health or the environment. The financing mechanism must, however, be technically justified, economically viable, administratively manageable and consistent with the Polluter Pays Principle.

Under Articles 9 and 10 and Annex III of the UWWTD, cosmetics and pharmaceuticals are initially identified as the sectors responsible for financing at least 80% of the costs of quaternary treatment. This allocation raises concerns where it does not adequately reflect actual contribution to wastewater pollution or the ability to influence emissions. Consumers determine which products they buy and how they use or dispose of them; unused products may enter residual waste rather than wastewater. A financing system should account for these differing pathways and avoid assigning costs disconnected from actual emissions.

2. Retain sector-based EPR; reject substance-based responsibility for ingredients

The sector-based approach in the Directive should be maintained. A substance-based model would be inappropriate for upstream ingredient manufacturers: the same ingredient may be used in different product

EFfCI - The European Federation for Cosmetic Ingredients - 489 avenue Louise, 1050 Brussels – Belgium
Secretary General: Dr Andrea Maltagliati
Tel.: +32 2 3518549 - e-mail: secretariat@effci.com

types, at different concentrations and with different routes of disposal. Ingredient suppliers generally have neither visibility of nor control over the final formulation, consumer use or pathway into urban wastewater.

Final-product manufacturers determine which ingredients are included, at what concentrations and in which products placed on the market. Financial responsibility should not be shifted upstream to ingredient manufacturers that cannot establish whether, or in what quantity, a substance ultimately reaches wastewater. Such a shift would add complexity without reliably linking costs to pollution and could undermine the workability and fairness of the scheme.

3. Harmonised, science-based criteria and proportionate administration

Implementation must be consistent across all Member States. Different national definitions, substance classifications, derogations and fee structures could create 27 separate compliance systems, with duplicate administrative work, unequal treatment, internal-market distortions and uncertainty for companies operating across borders.

EFfCI calls for a common EU framework that:

- Defines micropollutants through clear, transparent and practicable criteria, using a tiered, science-based assessment that considers both hazard and relevant exposure, including substance concentration and environmental relevance.
- Considers whether a substance actually reaches the quaternary treatment stage and whether available technologies can effectively remove it. Substances that do not reach that stage, or cannot be targeted by it, should not trigger EPR charges for that treatment.
- Recognises relevant evidence beyond rapid biodegradability alone, including solubility, adsorption, removal in wastewater treatment, biodegradation and other fate data. Appropriate established test methods and wastewater-treatment data should be considered.
- Applies exclusions, exemptions and derogations uniformly, including the thresholds and conditions under Article 9(2), and clarifies the application of Article 9(5) implementing criteria.
- Uses proportionate, tiered fee criteria that reflect relevant quantities and demonstrated environmental relevance, while avoiding prohibitive charges and unnecessary complexity.

4. Reconsider financing and avoid unintended market impacts

The current concentration of financing on two sectors, combined with uncertain classifications and potentially divergent national fees, may make the funding base unpredictable and the scheme difficult to administer. Excessive or uncertain costs could prompt reformulation, withdrawal of products, reduced demand for ingredients—including ingredients not themselves classified as micropollutants—and changes in production or supply. These effects could disrupt value chains and weaken the competitiveness of European manufacturers without ensuring that quaternary treatment is adequately financed.

The EU should therefore reconsider the financing approach and evaluate simple, workable alternatives that distribute costs across users of the wastewater system. A broader wastewater-charge mechanism, such as the approach used in Switzerland, may serve as an example for assessment—not as a prescribed model. The priority should be a reliable funding mechanism that is proportionate, transparent, easy to administer and supports effective treatment, while avoiding additional bureaucracy for authorities and businesses.

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5. Equal enforcement, stakeholder involvement and transition

Effective and fair implementation requires a level playing field. EU and non-EU producers placing EPR-obliged products on the EU market should be subject to equivalent compliance and enforcement. The Commission and Member States should establish workable monitoring and enforcement arrangements so that obligations are not borne disproportionately by EU-based companies.

Relevant stakeholders—including the cosmetic ingredients industry and national associations—should be involved early in developing implementing rules, classification criteria, fee methodologies and derogations. Their technical expertise can support criteria that are scientifically sound and practically implementable. Clear guidance, predictable procedures and sufficient transition time are essential for companies to prepare and for the Directive's environmental objectives to be achieved.

EFfCI calls for

- Maintaining sector-based EPR and excluding upstream ingredient manufacturers from substance-based financial responsibility.
- EU-wide harmonisation of micropollutant classification, assessment, exclusions, derogations and fee principles.
- A simple, proportionate and technically justified financing system, with no unnecessary administrative burden.
- Assessment of broader wastewater-charge approaches as examples of workable financing, without prescribing a specific national model.
- Equal enforcement for EU and non-EU producers, early industry consultation and sufficient implementation time.

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