Brussels, 25th February 2026

Call to 'Stop the Clock' on UWWTD – Urgent reassessment needed to protect competitiveness and supply

Cost of cleaning Europe's water set to be three to five times more than estimated by the European Commission, and mistakes occurred in the allocation of toxic load.

Cosmetics Europe, EFPIA, AESGP, and Medicines for Europe, representing the European cosmetics and pharmaceutical sectors are today calling on Ministers of Economy to ask the European Commission to stop the clock on the implementation of the EPR scheme under the Urban Wastewater Treatment Directive (UWWTD), and to revise it.

Without urgent action to conduct a robust scientific analysis, Europe risks significantly harming companies operating in Europe, the viability of medicines access and supply chain disruption. It also risks negatively impacting Europe's attractiveness for investment and the overall competitiveness of two of Europe's most important sectors.

The UWWTD in its current form leaves companies facing disproportionate, unpredictable, and potentially excessive costs, unrelated to their actual contribution to water pollution. This stems from flawed scientific data used to identify the sectors deemed responsible for micropollutants under the Extended Producer Responsibility (EPR) scheme.
The adopted Directive also fails to incentivise the development of greener products by any sector that is not covered by the Directive or is not deemed responsible for their own water pollution.

Thousands of SMEs in the cosmetics sector and companies from the pharmaceutical sector will be exposed to disproportionate financial and administrative burdens, threatening their competitiveness and the competitiveness of the EU as a whole.

Companies working in the pharmaceutical sector have fixed prices, therefore they must absorb all costs created by the Directive. This could impact on the continued supply and availability of medicines for millions of patients.

The evidence:

- European Commission's own data reveals **mistakes made in the allocation of substances to sectors** and shows that the contribution of both sectors to the toxic load in urban wastewater was significantly overestimated.
- **For pharmaceuticals**: The top four medicines in the list used by the European Commission were calculated to constitute **58% of the entire toxic load** across all industrial sectors but based on the laboratory data that would be required by the EMA for environmental risk assessments, **they would constitute less than 1%** [1].
- **For cosmetics:** The European Commission's Impact Assessment wrongly allocates to the cosmetics industry substances banned in cosmetics (e.g., nonylphenol diethoxylate), substances not used in cosmetics (e.g., permethrin), and

[1] **Medicines for Europe** note on the list of substances found in urban wastewater, compiled by Bio Innovation Service for the Extended Producer Responsibility feasibility report informing the Urban Wastewater Treatment Directive Impact Assessment, 7 July 2025.

ubiquitous substances allocated exclusively to cosmetics (e.g., palmitic acid) leading to an overestimation **by at least 15 times** [2].

- An independent analysis by RSA [3], exposed a number of **serious methodological issues**, including **overestimation of wastewater concentrations**, with extrapolations that did not reflect actual measured values and **over-simplistic assignment of substances to a single sector**.
- The European Commission estimated costs to upgrade quaternary treatment at EU level up to EUR 1.4 billion per year until 2045, national assessments indicate figures **three to five times higher in some Member States**, creating severe cost uncertainty.
    - In 2023, the European Water Industry, EurEau, reported that the figures are likely to be significantly underestimated.
    - Available national cost analyses by Member States of the impact of this Directive show that the European Commission underestimated the true costs of the EPR scheme by between 300 and 600% meaning costs could range from €1.18 billion to over €7 billion per year[4].

The UWWTD EPR scheme singles out cosmetics and pharmaceuticals without sound scientific justification, contradicting the Polluter Pays Principle. Despite originally identifying a number of sectors as polluters[5], the European Commission finally deemed only two sectors responsible, compromising the ultimate objective of cleaning waters.

The cosmetics and pharmaceutical sectors continue to support the EU's environmental objectives and the protection of water resources. However, financial requirements imposed on industry to meet environmental goals must be scientifically justified, proportionate, and evidence-based, particularly at a time when the EU seeks to strengthen its industrial base and reduce regulatory burdens.

Our industries have repeatedly shared evidence outlined in this document and no action has been taken. Therefore, introducing a 'Stop the Clock' clause on the EPR-related provisions of the UWWTD is a necessary competitiveness safeguard.

We urge the Ministers of Economy to call on the European Commission to pause the implementation, conduct proper and robust science-based studies and assess the real-evidence impact on the concerned sectors among other impacting sectors and advocate for the revision of the Directive.

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[2] **Cosmetics Europe** assessment is available here UWWTD-CE-Analysis-List-of-substances-used-in-the-EPR-feasibility-report-April-2025.pdf. A review of Cosmetics Europe's analysis of the contribution of the cosmetic industry to the extended producer responsibility in the context of (EU) 2024/3019, has been commissioned by Cosmetics Europe to ECT Oekotoxikologie GmbH, and release in December 2025.

3 **EFPIA** assessment on the pharmaceutical toxic load is available here https://www.efpia.eu/media/d3gd5agc/rsa-efp001-002-review-of-commission-approach-to-allocating-toxic-load-to-pharmaceuticals-3-june-2025.pdf.

[4] Estimations of cost per country are available for Germany, Netherlands, as well as EurEau all show drastic underestimations of cost by the European Commission.

[5] Bio Innovation Service (2021) Feasibility of an EPR system for micro-pollutants https://op.europa.eu/en/publication-detail/-/publication/14249cbc-5f1c-11ed-92ed-01aa75ed71a1/language-en.