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From:	General Secretariat of the Council
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Subject:	AOB for the meeting of the Competitiveness Council of 24 September 2026: The Extended Producer Responsibility (EPR) under the Urban Wastewater Treatment Directive (UWWTD) as a barrier to the competitiveness of the European industries <i>- Information from Poland, Czechia, Hungary and Slovakia</i>

COMPET COUNCIL 24 September 2026

Extended Producer Responsibility (EPR) under the Urban Wastewater Treatment Directive (UWWTD) as a barrier to the competitiveness of the European industries

Information from Poland, Czechia, Hungary and Slovakia

As global competition intensifies, strengthening the EU's Single Market and removing existing barriers remain essential for Europe's long-term prosperity. In light of the discussions held at the Competitiveness Council, Poland, Czechia, Hungary and Slovakia call for accelerated and more horizontal simplification efforts across the EU acquis. Particular attention should be given to the legislation, where the cumulative impact of regulatory obligations hinders the competitiveness of EU businesses and the functioning of the Single Market.

The key example is Directive (EU) 2024/3019 of 27 November 2024 on the treatment of urban waste water (Urban Wastewater Treatment Directive – UWWTD), in particular the provisions on the Extended Producer Responsibility (EPR) set out in Article 9 and Annex III. Since the adoption of the Directive, Member States, the European Parliament and stakeholders have raised concerns regarding the practical feasibility, proportionality and economic impact of these provisions, as well as their implications for the Single Market, the security of supply of medicines and the effective application of the “polluter pays” principle.

Concerns have consistently been raised regarding the planned allocation of costs under Article 9(1) of the Directive. These issues are currently also the subject of proceedings before the Court of Justice of the European Union¹.

At the same time, the objective of these concerns is not to question the EPR system as such or the need for introducing quaternary treatment. A fair, transparent and evidence-based EPR system should provide adequate and sustainable financing for the obligations arising from the Directive, without shifting the resulting costs to water and wastewater operators, local authorities or users of water services. These concerns relate to the allocation of the costs of removing micropollutants primarily to pharmaceutical and cosmetics sectors, without sufficiently taking into account the contribution of other sectors to the presence of micropollutants in urban waste water.

A comprehensive reassessment is therefore necessary to ensure that the EPR system is based on reliable, up-to-date and sufficiently robust scientific evidence and that the allocation of costs is fair and proportionate.

¹ Case C-193/25 and C-614/26

The European Parliament resolution of 18 June 2026² provides important political support for reassessing the EPR provisions. The resolution calls on the European Commission to carry out a new impact assessment and to consider appropriate measures in relation to the implementation of the relevant provisions.

In this context, Poland, Czechia, Hungary and Slovakia call on the European Commission to:

- carry out a new, comprehensive and independent assessment of the EPR system, based on adequate and reliable data;
- develop a transparent and evidence-based methodology for attributing micropollutants to the relevant sectors and ensure a fair and proportionate allocation of costs;
- assess, on the basis of this reassessment, the need for a temporary adjustment or suspension of the relevant implementation deadlines if significant shortcomings in the current system or serious economic and social consequences are identified. Such a “stop-the-clock” mechanism should apply coherently to both EPR obligations and the related requirements concerning quaternary treatment under Article 8, in order to avoid creating a funding gap and transferring costs to the wastewater sector, local authorities or consumers.

² European Parliament resolution of 18 June 2026 on the implementation of the Urban Wastewater Treatment Directive (UWWTD) and risks to the security of supply of medicines (2026/2652(RSP)); https://www.europarl.europa.eu/doceo/document/TA-10-2026-0228_EN.html