

Mr Errki Keldo
Minister of Economic Affairs and Industry
Ministry of Economic Affairs and Communication
Suur-Ameerika 1 – 10122 Tallinn

Mrs Yoko Alender
Minister of Climate
Ministry of Climate
Suur-Ameerika 1 – 10122 Tallinn

Ms Karin Kroon Head of Water Department Ministry of Climate Suur-Ameerika 1 – 10122 Tallinn

Brussels, 11th September 2024

Re: European Commission's proposal for the revision of the Urban Wastewater Treatment Directive (UWWTD)

Dear Mr Keldo, Dear Ms Alender, Dear Ms Kroon,

As the Council will vote on the final version of the Urban Wastewater Treatment Directive revision, we would like to alert you on the unfair and disproportionate impact that this proposal will have on the cosmetics sector, as well as on the questionable workability of such an Extended Producer Responsibility (EPR) scheme based on the incorrect application of the Polluter Pays Principle.

The text agreed is not based on sound scientific evidence as to the real sources of pollution and therefore does not guarantee fairness and the equal treatment of all polluters. It also significantly underestimates the costs which will be necessary to upgrade urban wastewater treatment facilities across the EU. As such, we believe the draft directive infringes the Polluter Pays Principle as defined in the Treaty on the Functioning of the EU – article 191(2).

The cosmetics sector fully supports the objective of tackling water pollution and achieving the EU zero-pollution ambition. However, we believe we should finance the EPR scheme only for our fair share, based on the micropolluting substances that our industry actually releases into wastewaters. The Commission's proposal is based on an incorrect interpretation of the study carried out by the

Joint Research Centre¹. The EPR feasibility study² grossly overestimated the contribution of cosmetics to the total toxic load in the wastewaters at 26%. However, an accurate analysis of the Joint Research Centre study shows that the impact of cosmetics accounts only for around 1% of the total toxic load. The cosmetics industry cannot be requested to finance alone with the pharmaceutical sector at least 80% of the cost of the upgrade of the urban wastewater treatment facilities via the EPR. By excluding major polluters from their financial responsibility, the Directive does not motivate them to reduce their pollution level. This unfair application of the Polluter Pays Principle will prevent to have a workable EPR scheme in place which ensures the necessary financial resources to upgrade wastewater treatment plants to quaternary treatment.

The Commission also significantly underestimated the costs associated with the upgrade of water treatment facilities across the EU, at 1.18 billion EUR per year. This due to an overly simplistic cost model and incomplete assumptions. A study by the UBA – the German Environment Agency³ – estimates that the same upgrade requires an annual budget of around 1.2 billion EUR per year in Germany alone. We understand that these cost estimates could be 4 times higher in countries which have not yet fully implemented the current directive. In addition, the Commission does not analyse the impact on the thousands of SMEs from the cosmetic sector in Europe.

We ask for your intervention to review the decision taken on this Directive proposal. We call for an exhaustive identification of the substances significantly contributing to the toxic load in wastewaters and a thorough analysis of the real costs associated with the EPR schemes to be conducted before the final adoption of the Directive. This will be necessary to ensure a workable EPR scheme through a fair and proportionate financial allocation of the EPR costs while striving to reduce pollution at its source.

Yours sincerely,

Jel. Man

John Chave

Director General of Cosmetics Europe

¹ "European scale assessment of the potential of ozonation and activated carbon treatment to reduce micropollutant emissions with wastewater" (2022, made available on 9th November 2022, Ref. Ares(2022)7722017).

² "Feasibility of an EPR system for micro-pollutants" (Final Report, 4th March 2022), part of the Commission Impact Assessment.

³ SCIENTIFIC OPINION PAPER // APRIL 2023 Moving forward: The European Commission's Proposal for a Recast Urban Wastewater Treatment Directive.

Cosmetics Europe is the European trade association for the cosmetics and personal care industry. Our members include cosmetics and personal care manufacturers, as well as associations representing our industry at national level, right across Europe. Our key priority is to ensure that our consumers have access to safe, innovative, and sustainable cosmetics and personal care products, while maximizing the potential of our industry for innovation and growth. Cosmetics Europe is officially registered in the EU Transparency Register under the following ID number: 83575061669-96.