



## EUREAU POSITION ON THE WATER BLUEPRINT

28 February 2012

### Summary – Key principles

*EUREAU welcomes the Commission's initiative to establish a framework for the sustainable management of water and wishes to contribute actively to its elaboration.*

*In our Members' experience, there are four key principles to progress towards a sustainable management of water in the EU.*

**A- EUREAU strongly believes that any European framework for the sustainable management of water must have regard to the local dimension of many water issues;** it must leave sufficient latitude to implement solutions that make local sense from an economic and environmental standpoint. All our members insist on the peculiarity of their local situation in terms of water resources, be the Northern or Southern countries.

*For instance, any analysis of the causes of water stress and of the adequacy between water supply and water needs to support human activity and environmental requirements must be done at a local level, in the general framework of the economy and ecology of a river basin.*

**B- Pollution must be controlled at source.** This should apply to all hazardous substances, be they chemicals, biocides, pesticides or pharmaceuticals. Sustainability requires that end-of-pipe solutions be measures of last resort.

**C- The two fundamental principles in current water legislation: “the polluter pays” and “the user pays” must be applied exactly.** This raises issues of enforcement and governance that must be enhanced in the second round of river basin management planning.

**D- The major issues of water stress linked to urbanization, agricultural practice and climate change must be handled in a holistic manner and pursued consistently through the various specialized pieces of legislation.** In particular, the water cycle must be optimized through the development of **reuse/recycling** of water

**E- Despite the very large investment made in the water sector in the last 25 years, significant capital expenditure continues to be required for the foreseeable future.** This is in order to achieve and maintain ‘good status’ for the water environment, as well as planning for and responding to socio-economic, demographic, and climate change factors. Too often planned water investments meet bureaucratic barriers that dilute their implementation timing. Any governance action made to facilitate the bridging of the standing infrastructural gap will be beneficial.

In keeping with those principles, **EUREAU believes that the future sustainability framework for water should incorporate the following measures.**

- 1. PROTECTION OF DRINKING WATER RESOURCES is the most logical and effective way to initiate a sustainable management of water and to prevent costly treatment downstream.** This is very much in the interest of EU citizens and is incorporated in the Water Framework Directive (article 7 (3)) but it has not been put into practice consistently. **In fact arrangements for measures have been made with the 1<sup>st</sup> River Basin Management Plans but mostly these measures are not dedicated to the protection of drinking water resources. The on-going review of RBMPs should be very telling in that respect and should lead to specific guidance in the Blueprint in order to encourage Member States to implement article 7 (3) of the WFD properly. Besides this** Member States should be more pro-active in the identification of Drinking Water Protected Areas which should be subject to specific objectives for groundwater and surface water catchments.

Drinking water resources and the water systems must be protected from diffuse pollution and this can only be addressed in conjunction with relevant policies (such as the reform of the CAP). EUREAU strongly supports the approach of Commissioner Ciolos for a "greening" of the 1<sup>st</sup> pillar and believes that this "greening" should fully incorporate water-related issues, with measures to be integrated in agricultural practices across the EU27 in order to protect water resources from negative impacts (nitrate surpluses, leaching, drift or run-off of pesticides, etc.).

However, the water regulatory framework must also be adapted. For instance, as long as nitrates compounds are applied, as per current practices, on agricultural land it is likely that farming will carry on having an impact on drinking water resources in most of the EU. EUREAU clearly sees an inconsistency between the requirements of the Nitrates Directive and the objectives of the WFD. Whereas the Nitrates Directive should serve its purpose to reduce the amount of nitrates and thus contribute to the objectives of the Water Framework Directive, this is not the case currently. **EUREAU believes these two legislative instruments must be better aligned so as to aim for a mutual objective and ensure that measures on the ground make these objectives achievable.**

Similarly, the placing on the market system of plant protection products REGULATION (EC) No 1107/2009 should take even more in account the objectives of the WFD. EUREAU appreciates very much that article 21 of the regulation (EC) No1107/2009 will provide a link between the review of the approval of an active substance and the objectives of the WFD. In this context the Commission may review the approval at any time there are indications that the achievement of the WFD-objectives is compromised. However, this provision will only be applied after monitoring of water bodies shows the residues of pesticides application. Especially regarding surface water the requirements provided in article 4 and 16 (1) and (8) of the WFD should be more strict and implemented properly so the plant protection products will not get into the surface water at all. Besides this regulation (EC) No 1107/2009 should be reviewed regarding the criteria for the approval of active substances (Annex II). At present only the "fate and behavior concerning groundwater" (Annex II, 3.10) is considered in the course of the approval and should be extended with approval criteria which take also circumstances of surface water bodies and their necessary protection level into account.

- 2. CONTROL OF POLLUTION at source should be the absolute priority in limiting hazardous substances entering the environment.** Any substance identified as a priority substance under the WFD should be automatically listed for further authorizations and restrictions under REACH or other relevant legislation as pesticides, pharmaceuticals or biocides regulation. EUREAU calls for coherent and holistic legislation in that respect in the EU. This includes:

- a) **the adaptation of REACH to the water sector** (remove the notion of tonnage, consider all compounds incl. pharma, biocides and cosmetics, integrate the concept of mixtures of substances, take into account life cycles of products);
- b) **Address substances that are problematic today and for which REACH can be used as a tool**: DEPH, TBT, NPE, Cd, Hg;
- c) **Coordinate EQS legislation with REACH** and other related legislation;
- d) **Develop an approach of "drainage catchment"**.

**For instance, there should be a dual control of the pollutants under the candidate list of the REACH regulation, and under the EC-working procedure of identifying a priority substance (PS) according to the WFD**: any substance, dangerous enough to be identified as a Priority Substance subject to an Environmental Quality Standard (EQS) in surface water, must be restricted under REACH.

In addition, the Directive on Priority Substances assumes that all needed measures are available by means of other legislation (e.g. REACH, pesticides and biocides legislation). This is not always the case as the different pieces of legislation are not always properly aligned; for instance, there is still no tool that deals with chemicals coming from pharmaceuticals intended for human consumption (in contrast with veterinary pharmaceuticals that may be prohibited by a member state on the basis of their potential environmental impact).

**The concept of control of pollution at source also applies to storm water and flood control measures**: storm water and flood control infrastructure should be planned and constructed upstream of the sewerage system to prevent and reduce the risks of hydraulic overload. There should be interaction between sustainable storm water management and management of urban vegetation and of the built environment. The content of metals and PAH in storm waters can be reduced by simple local measures.

Finally, the sewer system is a pathway to the wider environment which is not controlled in all Member States at present. An approach to the effective control of specific pollution in drainage catchment should be developed in the framework of the Blueprint. **In this context, EUREAU support the increased use of sustainable urban drainage and treatment systems**. Urban water collection system is the first step of a good protection of the aquatic environment from urban pollution and is not conveniently addressed by current legislation and, as such, a further guidance on urban water collection systems (and CSO in particular) would be useful to help Member States to develop their own guidelines in links with the objectives of the WFD.

### 3. THE EU SHOULD ADOPT A HOLISTIC APPROACH TO WATER SCARCITY

**3.1 Sustainable management of water within a river basin should combine measures:**

- a) **to suppress wastage and possibly to restrict demand where appropriate,**
- b) **to optimise existing resources within the water cycle**: storage of water to replenish aquifers and water courses in dry season, recycling and re-use;
- c) **to create new resources**, including treatment of brackish water or sea water, and water transfer.

**Prioritisation of alternative measures at local level to address water scarcity and drought will be guided by an analysis integrating environmental, social and economic considerations**. The availability of water for human consumption, health and sanitary purposes is an absolute priority. An approach prioritising demand management measures would be restrictive and inconsistent with the spirit of the Water Framework Directive (WFD). Drought management and water resources planning must be consistent with River Basin Planning under the WFD. Through this process, sustainability objectives are set under hydrological and risk conditions that relate to the level of services provided.

**EUREAU believes that a "twin track" approach balancing sustainable levels of use – and the development of water resources with some management of customer demand is the only reasonable way forward.**

### **3.2 Adaptation to and mitigation of climate change**

Water is one of the most important enablers of public health and economic and social development; as such, it needs to be resilient to climate change and shifting weather patterns.

Clearly, the sector contributes itself to climate change and it is intent on contributing to a reduction of carbon emissions through improved energy efficiency, use of renewable energy, smart use of chemicals and raw materials, wastage reduction, management of its supply chain.

Though it is already planning adaptation measures, it is essential that European policy be comprehensive in terms of all sectorial policies and their possible impact on the water cycle. However the water sector already suffers from the impact of existing changes in weather patterns.

**EUREAU call for a coherent, fully integrated climate change policy, at all levels of policy and decision making across all sectors, to deal with water challenges and climate change mitigation and adaptation, and with the interlinking between water and energy.** The approach to addressing climate change mitigation should be respectful of the economic and financial stability of the water sector.

## **4. WATER RECYCLING**

**The current water legislative framework is inconsistent and incomplete. Water recycling** is an important area which the EC has not properly addressed.

Although the **Urban Wastewater Treatment Directive of 1991** states that "treated waste water shall be reused whenever appropriate" it has **not delivered a definition of appropriateness.** To-date, the uptake of water recycling and reuse has been driven primarily by demand for reliable water resources at the local level. Consequently, the member states have developed a variety of regulations over time.

The legislation or guidelines currently in place reflect a broad range of approaches, types of applications covered, and water reuse criteria. The lack of a (unified) regulatory framework causes a lack of confidence of operators and entails a lack of funding and consequently investment.

The **Water Framework Directive** should be a driver for water recycling in integrated river basin management. Water recycling and reuse may be a viable measure to contribute to achieving the objectives of achieving "good status" in various ways:

- a) reduced discharge into surface waters;
- b) reduced abstraction from conventional resources;
- c) local sourcing of water.

The **artificial recharge of aquifers** with treated wastewater is not explicitly excluded by either the Water Framework Directive or the Groundwater Directive (GWD) – it is mentioned in Article 11(3)(f) of the WFD and article 6(3)(d) of the GWD. Therefore aquifer recharge may be implemented as long as Member States take the following measures: permit or authorisation and control and monitoring (WWR-WG, 2007). Nevertheless a more **explicit commitment to the legitimacy of unconventional water sources for groundwater recharge** is desirable so as to avoid potentially controversial decisions.

**Agricultural irrigation** is the largest user of recycled water. Reuse is practiced across Northern and Southern Europe and helps support food security. **EUREAU believes that there may be a case for developing EU-wide standards for irrigation based on scientific evidence.**

EUREAU believes therefore that **water reuse** is hampered by the unclear and inconsistent legislative framework. In reviewing river basin management plans, the EC ought to critically assess the implementation of water recycling particularly in water scarce regions. **This could be remedied by a proper EU guidance that would focus on making recycled water fit for purpose; it would give both users and suppliers' confidence in applying water reuse techniques. Such guidelines should recognize water reuse/recycling as good practice in river basin management planning to increase water availability on the basis of economic and carbon emission justifications.**

Water reuse and alternative resources in a domestic context may also contribute to sustainable water management. However, it also involves risks, especially health risks that need to be suitably controlled and mitigated. Indeed, so-called "closed loops" endanger safe drinking water supply and must be avoided. This must always be evaluated on a site/use-specific basis, including from environmental and economics points of view. The management of these risks necessitates comprehensive management systems, standards and inspections. Responsibilities for supply and use of alternative water at home also have to be addressed. These responsibilities rest with the Health Authorities and Health Regulators.

## 5. SLUDGE and BIOWASTE

**Coherence with waste policy is essential.** Sewage sludge production is an unavoidable consequence of wastewater treatment, and is rising all over the EU. Sludge handling and treatment count as an important part of the total cost of waste water treatment (capital and operational expenditures) in connection with both the Urban Wastewater Treatment Directive and the Water Framework Directive.

Sewage sludge can also be a source of nutrients (mainly phosphorus, nitrogen and organic matter), energy (through treatments as anaerobic digestion, or incineration with energy recovery) or even materials after ad-hoc treatments. Sludge management should feature highly in a sustainability framework.

**EUREAU's view is that sludge should be managed as a resource in line with current EU thinking embodied in various policies** (the flagship initiative on the efficient use of resources, renewable energy, GHG reduction).

For organic recovery, the current sludge directive (86/278/EEC) has proven its effectiveness as a guide to improve sludge quality and sludge end users confidence; nevertheless, this directive is outdated and its review has unfortunately been postponed so that a clear legal tool to support sludge organic recovery is missing. In the meantime, the EC announced a recast of the landfill directive, with a phase-out of landfilling of biodegradable wastes (including sludge) by 2020-2025. EUREAU is concerned that, for different reasons (social acceptability, costs, legal constraints), each major route for sludge handling (organic recovery, incineration, landfilling) will become more and more complex to deal with.

**For organic recovery, EUREAU calls for keeping a specific legal tool.** A revision of the sludge directive under the umbrella of Waste policy is one possible approach, but due to the sludge characteristic to provide nutrients for soils and crops, alternative approaches might arise under fertiliser and/or soil regulations.

The current sludge directive has arisen after an efficient and important work carried out by scientists and supported by the EC through a COST program. Today, a lot more data could be used to develop risk management scenarios (with derived sludge quality criteria) and optimised LCA-based approaches. **In a context of increasing complexity, the EC should take the time to launch an ambitious scientific program, delivering in the middle-term a truly scientifically based framework.**

Within the Waste policy, the current discussion on the "**end-of-waste**" ("**EoW**") status is an opportunity for some sludge based products (e.g. composted sludge) to be recognised as a useful fertiliser when achieving high quality criteria. This status might be relevant to only a



small proportion of sewage sludge production across Europe, but could be an incentive to improve the quality of recycled sludge and so enhance its image and acceptability. The EoW criteria should also focus on the output, through specification on final product quality rather than by prohibiting input materials as sludge.

## 6. AGRICULTURE and WATER

**THE REFORM OF THE CAP** could have a major impact on sustainability issues related to water. **EUREAU proposes** the following actions:

- a) It is necessary to apply and to execute existing environmental legislation to protect water resources in particular water pricing principles. Voluntary agreements can assist the application of these provisions but not substitute them. Beside this one appropriate approach to stimulate more sustainable practices is through a financial incentive and penalties.
- b) Therefore, maintain a strong pillar I. Decrease the amount of current income support (with application of cross compliance) and top up the income support to current levels through direct payments for above-legal requirement measures to produce public goods (i.e. for water management issues). **Greening measures within the CAP should address water. However, these measures should be decided upon at national level, to avoid the inconvenient of a 'one size fits all' approach at EU level.**
- c) Key public goods for the water sector are protecting water quality, preventing water scarcity, water re-use, sustainable use of bio-solids, water retention and fight against climate change.
- d) Pillar II payments should remain, financed through the CAP budget with Member State co-financing, to support regions with natural impediments. They should not focus on generic measures but should be targeted at measures aimed at specific local or regional circumstances. Local/regional areas should be able to be designated to perform special functions, such as groundwater protection, drinking water extraction or combating water scarcity.
- e) EUREAU supports innovation in technologies that would be water efficient. Pillar II offers already opportunities to fund such new technologies; EUREAU believes that Pillar I also should present such funding opportunities.
- f) Focus on cooperation between the agricultural and water sectors in order to find opportunities and measures that bring mutual benefits.

**In general, EUREAU believes that the funding of agriculture should be conditional on raising the awareness of the agricultural community to the proper use of water.**

## 7. GOVERNANCE RELATED TO THE ADMINISTRATION OF WATER RESOURCES IN THE EU SHOULD BE IMPROVED

**Water problems should be identified at source – both at the basin level and at the local level, and solutions should be devised by involving relevant stakeholders at the relevant local echelon.** Although the WFD stimulated a consultative process at all levels, there is a general impression that water utilities are not sufficiently involved in the preparation and realization of the RBMP and associated decision-making process.

Such approach would help to improve the coherence between the assessment of problems and the remediation measures that are put into place. It is highly desirable to solve conflicts between water and other policies that are fundamental to achieving EU water policy objectives (agriculture, biodiversity, etc.).

**And in this context, it is critical that fund holding be adapted to the solution of water problems at their root.** Measures that are useful for the sustainable management of water should be capable of being carried financially; there should be a better alignment of

environmental policy powers and financial decision-making. This applies in particular to EU-funding.

Finally, with regards to the regulatory and legislative environment, a stable framework at both EU and national levels is considered of great importance for the development of a sustainable water management.

#### **8. FINANCING OF THE WATER SECTOR needs to be secured and managed in a sustainable manner**

- The Water Pricing Principles have to be properly applied. Different water users (agriculture, industry as well as households) should properly apply the "full cost recovery" principle and contribute to the costs of water services and to the financing of the capital investments to protect the environment) and preserve the water resources (polluter pay principle).
- Capital investment cannot be considered in isolation. Long-term asset management planning must consider the day-to-day running costs of assets, so that investment is optimised and unreasonably high increases in consumer prices are avoided.
- Costs to be recovered from consumers should in principle include depreciation, renewal and maintenance costs, as well as the cost of financing long-term investment, so that the benefits are shared between current and future generations in a sustainable manner.
- Where investment is subsidised, such aid could be reserved for transition periods and specific conditions, or for promoting some policies (e.g. restoration of good ecological status in specific river basins through improvement of waste water treatment).
- In order to develop realistic roadmaps towards sustainable cost recovery for water and waste water services in the member states, a better knowledge of the current situation is needed. For reporting and planning purposes, EUREAU advises the use of the "3-T's framework", that takes into account the ultimate sources of funding for water utilities (tariffs, taxes and transfers).
- EUREAU anyway considers that relying on public funds or donors aids on a permanent basis is not consistent with the principle of sustainability of water services, and that price policies and tariff structures have to incorporate a return on capital, consistent with the principle of "full cost recovery", to cover the financing needs of the sector. Tariff structures should also ideally reflect the long-term fixed nature of investment.

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