

Confindustria contribution to the Call for Evidence on the targeted revision of the Water Framework Directive

Background

The provision of water services is widely recognised as essential for the functioning of society and the economy. Under recent EU legislation, water service providers are classified as critical entities responsible for ensuring the continuity of vital services, even in times of crisis. Ensuring the resilience, affordability and quality of water services should therefore remain a key public objective across the Union.

This priority has been reaffirmed in the European Commission's Water Resilience Strategy, adopted in June 2025, which emphasises that water resilience is a matter of security, preparedness and long-term sustainability for the European Union. The strategy sets out three overarching priorities: restoring and protecting the water cycle, promoting a water-smart economy, and guaranteeing access to clean and affordable water and sanitation at all times.

In December 2025, the Commission also presented the RESourceEU Action Plan, which announced a targeted review of the Water Framework Directive in 2026. According to the Commission, the initiative aims to address specific implementation challenges – including permitting bottlenecks affecting critical raw materials projects – while continuing to safeguard environmental protection, human health and water resilience.

The Water Framework Directive as the cornerstone of EU water policy

As one of the cornerstones of EU environmental law, the Water Framework Directive (WFD) provides the overarching framework for the protection of inland surface waters, transitional waters, coastal waters and groundwater. Its purpose goes well beyond pollution control alone: it aims to prevent further deterioration, protect and enhance aquatic ecosystems, promote sustainable water use, reduce pollution, and contribute to mitigating the effects of floods and droughts.

Therefore, any amendment to the Directive deserves particular caution. The Commission itself recognises in the call for evidence that the WFD remains the cornerstone of EU water policy and that the very recent revision was only politically agreed in 2025 (while the revised text has not yet entered into force).

The present initiative is intended as a targeted revision, aimed at addressing specific implementation challenges linked to critical raw materials projects, while continuing to protect the environment, human health and water resilience.

Against this background, Confindustria strongly supports keeping the revision of the Directive as strictly targeted and limited as possible. Given the WFD's fundamental

role for EU water policy, any reopening of its provisions should remain exceptional and confined to clearly identified and well-justified issues.

In this respect, the Commission itself has announced in the RESourceEU Action Plan the preparation of guidance aimed at facilitating a more harmonised and streamlined implementation of EU environmental permitting rules across Member States. Such guidance will provide an important opportunity to assess whether the difficulties currently reported stem from the Directive itself or from differences in national implementation and interpretation. Prematurely reopening the Directive before this assessment is available would risk addressing symptoms rather than the underlying causes.

Preserving the non-deterioration principle and the integrity of the WFD

Confindustria considers that the non-deterioration principle remains a key safeguard within the architecture of the WFD. While its application may at times raise implementation challenges, it already reflects a carefully balanced approach between environmental protection, economic activities and public interest considerations. It should therefore not be weakened through broad new derogations or through changes that would, in practice, lower the level of protection currently ensured by EU water legislation.

Activities related to the extraction and processing of critical raw materials **may entail potential impacts on water resources, which should be carefully managed and mitigated, while also recognising their strategic importance for the EU's competitiveness and resilience.** Mining operations are **sometimes associated with** the release of substances such as acidity and sulphates; metals including iron, aluminium, manganese, copper, zinc, lead, cadmium and arsenic; as well as other pollutants such as cyanide, mercury and methylmercury, selenium, nitrates, uranium isotopes, radium-226, thorium-232 and fluoride. **Where contamination occurs, remediation can be complex and resource-intensive.** For this reason, the safeguards embedded in the WFD play an essential preventive role. They help ensure that activities with potential impacts on water resources are carefully assessed and managed in order to avoid long-term damage to water sources and aquatic ecosystems.

Moreover, introducing sector-specific flexibility in this area would also risk setting a broader regulatory precedent. Once exceptions are created for a specific category of activities, other sectors may feel entitled to seek similar treatment, leading over time to the gradual erosion of the WFD's core safeguards. As the proposal will follow the ordinary legislative procedure, a formally "targeted" review could easily evolve into a much broader reopening of the Directive. The risk of re-opening the carefully balanced framework of the WFD should therefore not be underestimated.

Therefore, Confindustria calls on the Commission and co-legislators to ensure that the current exercise remains **appropriately focused** to what is demonstrably necessary **on clearly identified and evidence-based needs**, while maintaining a **constructive and proportionate approach**. Any changes should be narrowly drafted, evidence-based, and limited to clearly identified bottlenecks. No amendment should call into question the overall structure of the Directive, its level of ambition and, ultimately, the non-deterioration principle.

The water sector needs regulatory stability

Confindustria also wishes to underline that regulatory certainty is essential to mobilise investment, particularly in the water sector, where infrastructure is capital-intensive, highly regulated and characterised by long investment cycles. Predictability and stability of the legal framework are therefore indispensable conditions for planning and financing the investments needed to improve resilience, environmental performance and service quality.

This consideration is particularly relevant at a time when the European water sector is already facing **significant** regulatory and investment challenges. The recently revised Urban Wastewater Treatment Directive will require **substantial additional investments**, notably for the deployment of advanced treatment technologies to remove nutrients and micropollutants as well as for the progressive achievement of energy neutrality in wastewater treatment plants and enhanced monitoring obligations.

At the same time, water operators must continue investing to meet the objectives of the WFD itself, including improvements in water quality, ecosystem protection and pollution prevention across river basins. In parallel, the growing policy focus on emerging contaminants, including PFAS, is also likely to require additional regulatory and financial efforts from the water sector.

In this context, it would be important to ensure coherence with existing policy discussions and positions already expressed at national and European level, including those developed in the framework of the consultations on the Urban Wastewater Treatment Directive and Confindustria's answer to the Italian Ministry of Environment and Energetic security.

These investments are essential to achieve EU environmental objectives and should therefore be supported by a stable and predictable regulatory framework. Reopening such a foundational piece of legislation when its most recent reform is not even formally concluded **may risk creating uncertainty for investors and operators. This could potentially introduce additional uncertainty** in a sector that already faces significant investment needs and regulatory constraints.

Recommendations

1. Revision only if clearly justified by evidence. The Directive should only be reopened if the forthcoming Commission guidance on environmental permitting demonstrates that legislative changes are genuinely necessary. If the identified challenges can be addressed through improved implementation, efforts should focus on supporting Member States in fully applying the existing framework, including the provisions protecting water resources.
2. A comprehensive impact assessment before any legislative change. Should a revision be considered necessary to facilitate projects related to critical raw materials, it should be preceded by a full impact assessment evaluating the potential consequences for both the quantity and quality of water resources.
3. A targeted scope of the revision. Any potential amendment should remain narrowly focused on the specific issues identified in the RESourceEU Action Plan. Changes to the Directive should not introduce broader modifications that could affect other economic sectors or alter the overall balance of the current regulatory framework.
4. Safeguards for water resources. Any revision should explicitly reaffirm the protection of water resources, ensuring that **appropriate** risk-management requirements, transparent authorisation procedures and effective enforcement mechanisms remain in place.