EEB feedback to the call for evidence on Water Resilience Strategy and water efficiency first principle

Summary

Water-related disasters have multiplied and intensified during recent years, with severe consequences for people and the economy. According to the Copernicus Climate Change Service, water and climate-related disasters cost the EU € 3.4 billion and claimed 151 lives in 2023 alone.

The first European Climate Risk Assessment made clear that Europe is not prepared for climate change impacts as policies and adaptation actions are not keeping pace with the rapidly growing risks that threaten ecosystems, infrastructure, food and water supply, as well as economy and finance. As a result, competition for water is increasing conflict.

While **climate change is increasing the frequency and intensity of extreme phenomena such as droughts and torrential rains, it exacerbates the effects of poor land and water management.**

Europe's freshwater and coastal ecosystems are overexploited, degraded and polluted following decades of mismanagement, thereby limiting the services, including drought and flood risk mitigation, that they can provide.

Large-scale drainage has sucked critical natural water reserves dry, while multiple land-use changes (including the occupation of flood zones, increased hard surface and river channelling) hinders the safe evacuation of heavy rainfall. At the same time, water pollution across the EU remains significant, putting at risk access to clean and affordable water. Reduced water resources can further lower water quality.

The EU has all the tools to reach EU's water resilience vision well before 2050. However, this requires joint, coordinated action based on transboundary cooperation between Member States and neighbourhood countries, as well as determined enforcement action from the European Commission. Water protection must also be embedded in strategic decisions to ensure that Europe's water resilience is not undermined in the long term. **The triple climate, pollution and nature crisis must be tackled in a holistic manner.**

Improved land and water management is key to mitigating the effects of climate change. **Priority must be given to the protection and restoration of ecosystems and to storing more water in nature**. This means limiting water extraction, leaving enough for ecosystems to function, rewetting wetlands and reconnecting rivers to their floodplains, as well as preventing pollution to levels that do not harm biodiversity.

To achieve this, policies and financial instruments need to drive the transformation of sectors that use and impact water so that water protection is heart and center. **Europe's competitiveness and resilience builds on healthy ecosystems** and the false narrative that pits economic development against environmental protection must be avoided.

As climate change increases pressure on Europe's water, it is also more crucial than ever that water is treated as a commons and to reflect not only on how, but also for what we use water, in order to ensure a fair distribution of resources that does not undermine our resilience in the long term.

European Environmental Bureau

● Rue des Deux Églises 14-16, 1000 Brussels, Belgium ● ☏ +32 228 91090 ● eeb@eeb.org ● www.eeb.org

International non-profit association ● Association internationale sans but lucratif (AISBL) ● EC register for interest representatives: ID number: 06798511314-27 ● BCE ID number: 0415.814.848 ● RPM Tribunal de l'entreprise francophone de Bruxelles

EEB
European
Environmental
Bureau

Key recommendations

1. **Full delivery of the EU Green Deal: Tackling the triple planetary crisis in a holistic manner**
2. **Green and digital transition that doesn't undermine water resilience**
3. **Curbing pollution to ensure water availability**
4. **Preventing deterioration and ramping up freshwater and coastal ecosystem restoration**
5. **No deregulation or backtracking: Maintaining and better implementing environmental standards and stepping up enforcement**
6. **Not repeating old mistakes: Rethinking land and water management**
7. **Storing more water in nature and avoiding maladaptation**
8. **Avoiding construction in flood risk areas**
9. **More efficient spending: Better use of economic instruments and phase out of harmful subsidies**
10. **Beyond efficiency: Addressing demand and setting water efficiency and abstraction targets at river basin level**

Introduction

Water-related disasters have multiplied and intensified during recent years, with severe consequences for people and the economy. In 2023 alone, water and climate-related disasters cost the EU € 3.4 billion and claimed 151 lives (Copernicus).

Climate change is felt via the water cycle. A rise in average air and sea temperatures leads to a greater frequency and intensity of extreme phenomena such as droughts and torrential rains. Although recurrent drought and torrential rains have always occurred in areas such as the Mediterranean, in recent decades the resulting damage has skyrocketed.

Climate change is exacerbating the effects of poor water (including hydro-morphological changes) and land management. While climate change is increasing the frequency of extreme weather events – for example, scientists have confirmed that the extreme April 2023 heat in Spain, Portugal, Morocco and Algeria would have been almost impossible without climate change - the resulting impacts are more severe than would have been the case with sustainable water and land management and could in some cases have been avoided.

European Environmental Bureau
● Rue des Deux Églises 14-16, 1000 Brussels, Belgium ● ☏ +32 228 91090 ● eeb@eeb.org ● www.eeb.org

Europe is not prepared for climate change impacts. Europe's policies and adaptation actions are not keeping pace with the rapidly growing risks that threaten ecosystems, infrastructure, food and water supply, people's health as well as economy and finance (European Climate Risk Assessment).
Competition for water is increasing and threatens peace and stability through conflicts and displacement.

> Almost 25 years after the adoption of the Water Framework Directive, **less than 40% of Europe's surface water are in good state, with no significant progress made since 2009**.

Decades of mismanagement has left Europe's freshwater and coastal ecosystems overexploited, degraded and polluted, thereby limiting the services (including drought and flood risk mitigation) that they can provide. Large-scale drainage, most often for agriculture, has sucked critical natural water reserves dry, at the same time, multiple land-use changes (including the occupation of flood zones, increased hard surface and river channelling) is hindering the safe evacuation of heavy rainfall.

Reduced water resources can lower water quality, while poorer quality can reduce water availability for all users, including aquatic biodiversity. Taken to an extreme, tipping points may emerge that significantly threaten water availability in several EU regions.

More action is needed to address systemic global water crisis. Sustainability, equity and fair access must be at the heart of any action. Integrated water management is essential to reach SDGs. Ecologically sustainable and climate resilient water management is a key driver of economic development as well as stability and peace. The EU has all the tools to reach EU's water resilience vision well before 2050, however increased resilience needs to result from joint, coordinated action based on transboundary cooperation between Member States and neighbourhood countries.

Freshwater and coastal ecosystems are at the heart of the triple climate, nature and pollution crisis but are also our best allies to combat it – only if we protect, restore and manage them well.

1. Full delivery of the EU Green Deal: Tackling the triple planetary crisis in a holistic manner

1.1 Green and digital transition that doesn't undermine water resilience

Europe urgently needs to cut greenhouse gas emissions to mitigate the devastating impacts on humans, nature, infrastructure and business resulting from climate change, as well as increase net-zero industrial competitiveness.

However, several "green" industrial projects including mining for Critical Raw Materials, hydrogen production and data centres have huge impacts on the water cycle as well as on water quality and adds additional pressures on aquatic ecosystems that are already under stress. Thus, it is essential that water protection and resilience is embedded in strategic decisions on where and how this green and digital transition takes place to ensure that Europe's water resilience is not undermined in the name of the Green Transition.

Scale up of renewable energy production must be done with respect for biodiversity, water and soil and avoid locking us into energy production that is vulnerable to climate change. For example, Enel's

hydropower production during the summer 2022 was reported to be half of 2021 levels as a result of drought, while in general the hydropower output in Western Europe dropped 20 percent in the second quarter of 2022 compared to an average year.

Europe's numerous hydropower plants are also one of the main drivers of river fragmentation that reduces the capacity or rivers to continue provide important ecosystem services. On the other hand, restoration of coastal and freshwater ecosystems and connected land not only increases resilience but also holds huge potential for greenhouse gas mitigation. **25% of the EU's agricultural GHG emissions result from drained peatlands, although this area covers only 3% of agricultural land**. Therefore, investing in their restoration delivers multiple benefits for water resilience (see recommendations in Section 4).

Another driver affecting the ecological health of EU rivers has been the infrastructure and maintenance for inland navigation and the sector needs to embrace innovative water management measures including new ship design and nature-based solutions to allow shipping at low river flow.

Recommendations:

- Industrial development in the name of the green transition (e.g. hydrogen production, mining for critical raw materials) must not compromise water protection goals. Instead, **water protection and water resilience imperatives should be fully considered when taking crucial decisions about where to locate or upgrade infrastructure and industrial developments needed for green and digital transition.**

- Stop supporting the construction of new hydropower plants in the EU and exclude them from **Renewables Acceleration Areas and Strategic EU projects,** focus on ecological refurbishing of existing plants and to the removal of obsolete dams rather than on installing new hydropower capacity.

- **Support the inland navigation sector in green transition** including resilient water management and new ship design.

- As part of the WFD implementation, **existing hydropower plants need to continue being refurbished to comply with WFD legal requirements** and the recently adopted Nature Restoration Law requires Member States to remove obsolete barriers for benefits of people and nature.

1.2 Curbing pollution to ensure water availability

Droughts affect 30% of Europeans and 20% of the land each year (Not enough water - European Commission). At the same time, water pollution across the EU remains significant, with less than 30% of surface water bodies meeting EU quality standards, putting at risk the access to clean water and burdening the public budget.

For example,

- **More than 220,000 people in Spain are deprived of drinkable tap water** due to unsafe levels of nitrate resulting from intensive agriculture.

- After the use of fire-fighting foam had contaminated a vast area in Ronneby, Sweden, changing the water supply from Brantafors to Karlsnäs was estimated to have cost the municipality SEK 60 million (incl. VAT) (EUR 5.8 million).[1]
- In Wallonia, Belgium 16% of groundwater abstracted for drinking water is so polluted that the water is not drinkable.

A study based on LUCAS soil samples found that **74.5% of the tested sites** contained pesticide residues.

Avoiding soil pollution plays a crucial role in preventing water contamination as contaminants can pass through the soil into water bodies via leaching and subsurface runoff. At the same time, healthy soils have a better filtration capacity. Water pollution can therefore be reduced - and, as a result, water availability increased - by both reducing soil pollution and improving overall soil health.

Additionally, water pollution comes at a high cost for society. The cost of nutrient pollution in the EU is estimated to be €22 billion a year and in the EU alone, the cost for drinking and wastewater treatment to remove PFAS has been estimated to be as high as €238 billion per year.

Polluted water resources leave drinking water suppliers with three options 1) dilute with freshwater down to legal limits (requires unpolluted water), 2) treat the water to remove the pollutants (comes at a resource, energy and financial cost) or 3) abandon the source. None of these options is sustainable in the long term.

To ensure true water resilience and reduce costs, the EU must address pollution at the source. Toxic chemicals should be strictly regulated and just transition plans should be developed through a territorial approach for hotspots of high-density livestock farming to bring the sector within the carrying capacity of local environments, as recommended by the consensus report of the Strategic Dialogue on the Future of Agriculture.

Recommendations:

- The Commission should deliver the promised **Integrated Nutrient Management Action Plan** that should set out how the EU should reach its objective to reduce nutrient losses by 50% by 2030, and base it on the conclusions from **the JRC 'Knowledge for INMAP' report** that this can only be achieved with a shift to more plant-based diets and a shift to agro-ecological practices.

- The new "**Livestock work stream**" announced in the Commission's Vision for Agriculture and Food should prioritise the need to reduce water pollution from livestock farming in line with the objectives of the EU water acquis, and should set up a framework for the development of territorial just transition plans to bring the sector within planetary boundaries and within the local ecological carrying capacity.

- The Commission should adopt swiftly a **broad EU wide PFAS restriction** with as few exemptions as possible to close the tap of further pollution.

[1] Schyberg, I. (2018). Ronneby Miljö och Teknik AB, personal communication CITED IN Nordic Council of Ministers, (2019), The cost of inaction

- Do not weaken the standards of the **Nitrates Directive** and reject the Commission's proposal to amend its annexes to promote the use of fertilisers obtained through the treatment and processing of animal manure ("RENURE" fertilisers).

- **The Commission should deliver on its commitments under the Zero Pollution Action Plan and the Soil Strategy for 2030** to reduce soil pollution to levels no longer harmful to human health and the environment.

1.3 Ramping up freshwater and coastal ecosystem restoration

Freshwater ecosystems are amongst the most vulnerable to biodiversity loss with a recorded 83% decline in monitored freshwater populations since 1970 (WWF Living Planet Report 2024).

The EU needs to use the opportunity provided by the new Nature Restoration Regulation to scale up restoration of aquatic ecosystems (among others). **Nature conservation and restoration in the EU are critically underfunded.** The current approach, which relies on diverse funds to support nature-based solutions at scale has been insufficient.

The EU needs a dedicated funding instrument on nature to address the escalating impacts of nature degradation and the climate crisis and in order to increase water resilience. **Every €1 invested in nature restoration can generate benefits from €8 to €38** (European Commission, NRL Impact Assessment).

As the ultimate public good, biodiversity cannot be protected and restored without public investment, just like defence and critical civil infrastructure. It is clear however that private funding will be necessary too. A public Nature Restoration Fund must therefore be complemented by creating a nature positive economy through mandated changes such as regulations, taxation and incentives. Additional private funding for ambitious biodiversity projects could be channelled through some new "nature credit" system, as long as such a system does not include any form of offsetting and does not replicate any of the well-documented issues that plague voluntary carbon markets. (See further recommendations in Section 4).

Recommendations:

- **The EU must implement the Nature Restoration Regulation without delay** and ensure consistency between the National Restoration Plans as well as River Basin Management Plans and ensure policy coherence and cross-governmental cooperation to avoid approaching nature restoration in silos (see joint NGO Guidance and Recommendations For Ambitious Nature Restoration Plans).

- Deliver on **the Freshwater Challenge** and urge more parties to join it.

2. No deregulation or backtracking: Maintaining and enforcing environmental standards

The failure to implement EU environmental legislation cost the EU around 55 billion EUR annually in health costs and direct costs to the environment.[2] The 2019 Fitness Check of the WFD clearly concluded that the WFD is fit for purpose but needs to be implemented better. The lax approach to enforcement of the WFD, allowing Member States to miss almost all WFD deadlines so far without real consequences, has contributed to the slow pace of improvements. Poor enforcement of EU law further leads to a lack of level playing field where non-compliance is tolerated rather than sanctioned, incentivizing a race to the bottom and negative impacts on competitiveness.

But the EU Commission's rhetoric has shifted. Six years ago, the European Green Deal was hailed as a "man on the moon" moment by President Ursula von der Leyen. Today, the narrative seems tailored primarily to industries and big corporations. Commissioner Valdis Dombrovskis, when launching the two-part Omnibus Simplification Package openly framed protections for people and the environment as obstacles to corporate profits, making it clear that this package is designed to weaken corporate accountability and facilitate a profit-at-all-costs approach for business. **EU policy should prioritise public interest, not just industry demands.**

The false narrative of environmental protection as a hurdle to 'development' has also been pushed by the Council, who in its mandate on updated EU priority substances proposes new exemptions from the WFD objectives.

Pitting competitiveness against environmental protection is a false narrative. Protecting freshwater ecosystems means protecting Europe's economy:

- **15% of industrial facilities in the EU are located in flood-risk** areas (EEA Report 3/2024) making them vulnerable, but also increases pollution risks.
- The first-ever annual estimate of **the economic value of water and freshwater ecosystems is over €11 trillion in Europe** – about 2.5 times the GDP of Germany

Recommendations:

- The EU institutions should **commit to the maintenance of the WFD as a robust legal framework fit for purpose and push back on the attempts to weaken it** e.g. proposals from the Council to introduce new exemptions to the WFD through the revision of the list of pollutants in surface and groundwater.

- The full and impactful **implementation of the water and nature laws as well as upcoming laws on soil and forest monitoring** should make a substantial contribution to restoring the water cycle across oceans, land and freshwater.

- **The European Commission needs to take its role as Guardian of the Treaties seriously,** demonstrate real political will for the full implementation and take infringement actions against the breaches identified in the review of the third River Basin Management Plans and second Flood Risk Management Plans. A strict approach should be taken towards Member States failing to achieve the WFD's last deadline of reaching good water status by 2027.

- **The European Commission should be prepared to screen how foreseen exemptions in the WFD are used and justified, to** make sure that they are not used on a systematic basis but only to account for exceptional circumstances, as foreseen by the legislation and the

[2] 8th Environmental Action Programme, para. 3

guidance and common understanding of the WFD requirements agreed under its Common Implementation Strategy

- **The European Commission should significantly increase its enforcement staff** capacity to adequately deal with continuous non-compliance and the legal backlog. This should also help to decrease complaint handling and infringement processing times that currently significantly exceed the Commission's own deadlines, as also criticised. by the European Court of Auditors.[3]

- **In light of the upcoming 2027 WFD deadline, the Commission should make full use of interim measures** for cases in front of the CJEU to avoid irreversible environmental harm. It should further explore other avenues to halt serious harm at earlier stages of the infringement process.

3. No deregulation or backtracking: Maintaining and enforcing environmental standards

3.1 Storing more water in nature

Water scarcity and climate change pose significant challenges to Europe, with substantial economic implications. Droughts alone may affect 20% of the land each year (Not enough water - European Commission). The agricultural sector is particularly vulnerable, as **it is one of the largest consumers of blue water in Europe.** Without structural change, water demand from agriculture is likely to increase with climate change (EEA: Europe's state of water 2024).

At the same time, **up to 40% of precipitation in Europe is stored as "green water"** (rainfall, soil moisture and evaporation) but researchers warn that this is rapidly drying up. A**s crucial managers of green water, an agricultural sector that transitions to agro-ecology can significantly contribute to making EU more water resilient.**

Governments responses have, however, many times rather focused on maintaining the status quo, rather than supporting this transition and addressing the root causes of the crisis. As an example, following the drought in 2023, Spanish and Italian response plans and decrees largely focused on installation of desalination plants, expansion of water reservoirs and construction of rainwater basins for agriculture. In France, there is a push for artificial reservoirs for water storage and in Spain and Greece for water diversion schemes.

The EU institutions have voiced support for private investment in cross-border water infrastructure. Over 60% of river basins in Europe are transboundary, and joint, coordinated action based on transboundary cooperation between Member States and neighbourhood countries is essential, not only to tackle pressures on coastal and freshwater, but also to prevent tension and conflicts between countries and communities. However, private ownership in water resources, water supply or water infrastructure mean that private investors can (co-)decide who receives the water. **Core elements of water management (resources, supply, infrastructure) need to be treated as a commons and belong in responsible public hands.**

[3] European Court of Auditors, 'Special report 28/2024: Enforcing EU law', https://www.eca.europa.eu/en/publications/SR-2024-28

Additionally, several of these approaches are examples of maladaptation that is only locking the continent further into unsustainable water management that undermines our resilience, including by preventing natural aquifer recharge via infiltration. On the other hand, improving **natural water retention in the landscape**, via nature-based solutions such as wetland restoration and floodplain reconnection not only helps restore the water cycle, but also delivers multiple benefits for nature, businesses, and people.

Similarly, setting and ensuring e-flows is essential to prevent deterioration and enhancing the health of freshwater ecosystems. Accounting and water balance is a precondition for climate resilient water management that ensures robust e-flows and water allocation while meeting needs of ecosystems and aquatic biodiversity. Unfortunately, many Member States resist registering and controlling all abstractions, losses and returns, and fully account climate change impacts.

A transition to agroecology is key to ensure food and water security. By implementing practices which foster soil and wider agroecosystem health, agroecological or regenerative farming practices can greatly increase the water retention capacity of soils, providing a buffer against both droughts and floods, and reduce erosion and water run off during heavy rainfall events, greatly reducing their impacts on downstream infrastructure or communities. There is a broad consensus among stakeholders, including environmental NGOs, farmers' unions, and industry representatives that **nature-friendly farming is the future of Europe**, as agreed in the Strategic Dialogue on the future of EU agriculture.

Recommendations:

- **The Water Resilience Strategy should prioritise nature-based solutions as a pathway to resilience** as requested by the Council conclusions on the 8th Environmental Action Programme.

- Incentivise and fund Nature based solutions and natural water retention measures which include the restoration of wetlands and the definition **and adoption of a sound ecological flow regime for all rivers in Europe** so that enough water remains in nature to ensure the continued functioning of ecosystems.

- **Step up efforts to protect and restore soil health and landscape features throughout the EU in order to increase the absorption of rainwater and its retention in soils and vegetation.** This requires among others high quality and accessible independent advisory services and adequate financing (cf. section 4).

3.2 Avoiding construction in flood risk areas

Occupation of flood zones (including river floodplains and wetlands) for the construction of homes and infrastructure increase the risk of flood damage to people and property, while at the same time limiting the space where water would naturally flow.

Despite regulation [and knowledge / flood maps] on flood risk areas, there is already re-construction of homes and other properties in areas recently flooded in central Europe, as well as in Valencia.

Recommendations:

- Flood zones must be considered in spatial planning to save lives and money, including the reduction of existing occupation of identified flood zones.

- The Flood Risk Management Plans (required under Floods Directive) must establish mandatory adaptation of municipal urban plans to the Flood Zone mapping.

- Aid should not be granted for the reconstruction of homes in flood zones, but rather seek their relocation to safe areas to avoid repeated damage and further financial loss.

4. Better use of economic instruments and phase out of harmful subsidies

The imperative to improve our water resilience requires a fundamental shake up of both public and private funding flows in order to deliver the shifts described above. To meet our climate, biodiversity and water commitments, and safeguard our competitiveness and water security, the EU must rapidly phase out direct and hidden harmful subsidies, while greatly increasing the quantity and effectiveness of funding available for water-related investments.

The WFD fitness check concluded that the reason why the WFD objectives have not yet been fully reached is not due to a deficiency in the legislation, but "largely due to **insufficient funding, insufficient implementation** [...] and **insufficient integration of environmental objectives in sectoral policies**".

From a legal perspective, lack of money is in most cases not an accepted excuse not to comply with legal obligations. Yet, lack of finances was as the most common reason as to why measures were not implemented (Commission assessment of 3rd RBMPs). At the same time, Member States have generally not fully used the economic instruments that the WFD offers, such as proper implementation of Art. 9 on cost recovery, although the adoption of the WFD entails obligations for Member States to make available the necessary means for its implementation.

In too many cases, activities with a negative impact on water status pay little or nothing for the water they use. (For examples from the coal mining and combustion sector, see the EEB's Mind the Gap report). These **disproportionately low water prices represent hidden subsidies for those sectors,** but also, as noted by the WFD fitness check conclusion **"deprives Member States of a potential source of revenue to finance measures** and **translates into a hidden cost to society** when the environmental and resource costs are not taken into account".

At the same time, funding instruments continue supporting harmful practices that are contrary to the WFD objectives. For example, the CAP continues to fund investments in unsustainable irrigation, to support intensive livestock rearing in areas of water scarcity or pollution hotspots, and to subsidise the use of drained peatlands and wetlands for agriculture. On the other hand, support measures for water management tend to lack ambition, with high-impact measures few and far in between (BirdLife, EEB, WWF - CAP unpacked... and unfit). The European Court of Auditors 2021 report "Sustainable water use in agriculturev" concluded that CAP funds are more likely to promote greater rather than more efficient water use. A paradigm shift and real political will is urgently needed to support farmers to transition from "water-thirsty and water-wasting" systems to sustainable water use and resilient cropping systems.

Similarly, governments are still acting as if the climate crisis was news and undertake short-sighted 'emergency' responses that enable the continuation of water mismanagement and worsen the problem in the longer term. For example, following the drought in 2023, the governments of Portugal, Spain, France and Italy turned to the EU to asking for crisis funding for farmers and for derogations from environmental conditionalities.

True competitiveness must mean making polluters pay for the environmental damage caused instead of letting all businesses and society at large pay for the pollution of some.

Recommendations:

- **Commit to a full phase out of all harmful subsidies,** implemented through robust legislative safeguards, including
    - **End all CAP support to polluting or water-thirsty production systems** and irrigation investments in areas at risk of or suffering from water stress and exclude drained peatlands and wetlands from CAP support.
    - **New hydropower developments should no longer be eligible for public funding** including the Connecting Europe Facility (funding for Projects of Common Interest), since they contravene the achievement of existing environmental legislation and the Do No Significant Harm principle, and also harm water resilience.

- **Boost public funding** for nature-based solutions, water protection, pollution prevention and the structural changes needed. **In the next Multiannual Financial Framework (MFF), the EU must allocate more funds for biodiversity, including a dedicated Nature Restoration Fund and Just Agri-Food Transition Fund** in addition to the mainstreaming of water and biodiversity needs in other funding instruments.

- The Commission should work with Member States to **better enforce water pricing obligations and the polluter-pays principle under the Water Framework Directive** in order to stop the hidden subsidies created by disproportionately low water prices for agriculture and industry.

- **Tie crisis funding to the development and implementation of risk prevention plans;** for example, farmers receiving support for economic losses caused by droughts or floods should be required to implement nature-based solutions to reduce their exposure to such risks in future.

- **Move to a genuinely outcome-based CAP**, which requires Member States to achieve significant improvements in water quality and quantity status. The European Commission should also apply the recommendations of the Court of Auditors and
    - ask Member States to justify water pricing levels and exemptions from the requirement for water abstraction authorisations;
    - link CAP payments to environmental standards on sustainable water use;
    - ensure that EU-funded projects help achieve the WFD objectives.

- **Ensure that water remains a public good, and its management is transparent, participative and inclusive**. Water must be excluded from trade agreements and not be submitted to market rules. **Core elements of water management (resources, supply,**

infrastructure) need to be treated as a commons and belong in responsible public hands.

5. Beyond efficiency: Addressing demand and setting water efficiency and abstraction targets at river basin level

Growing pressures on EU freshwater increase the need to value and use water with more care. There is no reason to waste water and other resources, and water efficiency should be a basic minimum. Ageing water infrastructures contribute to significant water loss through leakages (up to 60% in some EU countries), which not only waste water but also incur unnecessary costs and environmental impacts.

However, water efficiency efforts need to be done within the framework of sustainable water allocations in the River Basin Management Plans and linked to the objectives of good status.

Although advances have been made in irrigation efficiency, efficiency gains have in many cases been cancelled out by new irrigation systems e.g. resulting in a net increase in water use by the agricultural sector in southern Europe between 2010 and 2015 (so called rebound effect). This overexploitation has not only resulted in low water reserves, it has also made the agricultural sector increasingly vulnerable to drought.

While several pieces of EU legislation aim to increase efficiency or (at least in theory) to reduce demand for 'new water' by water-reuse, including the recast Industrial Emissions Directive and the new EU water reuse regulation (Regulation (EU) 2020/741), they don't tackle net water use in the river basin.

Improving efficiency and circularity is critical, but not sufficient. We cannot recycle ourselves out of this crisis. **The EU must urgently develop rules and targets to tackle unsustainable levels of water use and reduce overall demand.**

Using water efficiently is not just about how we use water, but what we use it for. In many parts of Southern Europe, water resources are being used at unsustainable levels by agriculture for export purposes. For example, Andalucia, Spain produces around 30% of strawberries, blueberries and raspberries in the EU with the vast majority exported to northern Europe. Many regions throughout the EU, use high amounts of water for irrigating corn production for animal feed in summer, when water resources are already and increasingly under stress. This is compounded by the huge water pollution caused by intensive livestock rearing in many parts of Europe. Policies are needed to drive a just transformation of these sectors but cannot succeed without simultaneous action on the demand-side. **Promoting a shift to sustainable diets, i.e. more localised, seasonal, and more plant-based, is essential to safeguard and improve our water resilience in the short- and long-term**.

Finally, as highlighted by the United Nations' General Comment 15 on the Right to Water[2], access to water is a fundamental human right, and water provision for personal and domestic use must be addressed while pursuing efficiency measures.

Recommendations:

- The Commission should support Member States in setting **water efficiency and water abstraction limits** by economic sector, following the recommendation of the 2012 EU

Blueprint to Safeguard Europe's Water Resources. These targets should be developed at river basin level, based on up-to-date assessments of climate risks and cover all water users, including industry, agriculture and households.

- The Commission should develop – together with Member States and stakeholders – a **common EU methodology for setting water efficiency and water abstraction targets** that ensure that **water abstraction stay below 20% of available renewable water resources**.[4] Support to irrigation should be cut in over-abstracted river basins where water reservoir levels are 20% below average in the last 10 years.

- As part of setting targets, Member States should be required to **create EU Natural Water Reserves to protect critical water supplies and their catchments in water-stressed areas**. The Reserves would cover groundwater and natural lakes, rivers, floodplains, wetlands (including peatlands) which are necessary for drinking water provision, water retention in soils and coping with floods and droughts.

- Efficiency targets for households must guarantee that vulnerable and marginalised communities are not penalised by distorted water consumption data, where water overconsumption is mainly linked to inadequate and deficient infrastructure.

- As also recommended by the Strategic Dialogue, **the EU and Member States should put in place policies to shape food environments which make the healthy and sustainable choice the easiest choice**. For a start, the forthcoming revision of public procurement rules should integrate water resilience considerations and the EU agri-food promotion policy should integrate strict sustainability criteria.

- **The Protein Plan announced in the Vision for Agriculture and Food should prioritise water resilience in the EU's protein system**, including by addressing the water (over)use and pollution it is responsible for, and identifying pathways on both demand and supply of feed and food towards a genuinely water resilient protein system.

[4] As recommended by the 2011 EU Roadmap to a Resource Efficient Europe