PFAS SERIES — ARTICLE 1 OF 6

Funding PFAS Compliance

A global guide for water utilities — US, EU, UK, Australia, and beyond

TheWaterNetwork.com | April 2026 | Regulatory & Finance | Global

PFAS compliance is no longer a uniquely American problem. Regulators on every continent are tightening standards, monitoring requirements are expanding, and the financial burden of treatment is landing on utilities worldwide — regardless of whether the contamination originated locally or drifted in from thousands of miles away.

Funding that compliance is the central challenge of the next decade. This article maps the key funding routes available to water utilities across the major markets — what they are, how to access them, and what to do when public funding falls short.

> ***The global PFAS drinking water treatment market is projected to grow from $2.34 billion in 2026 to $3.28 billion by 2031. European spending alone is forecast at €3.6 billion between 2026 and 2036. The investment is inevitable — the question is who pays and on what terms.***

The financial challenge — a global picture

Every jurisdiction faces a version of the same problem: PFAS contamination is widespread, treatment is expensive, and the utilities responsible for delivering safe drinking water did not create the contamination in the first place. In most countries, the cost nonetheless falls on utilities — and through them, on ratepayers.

The scale varies by market. In the United States, new federal standards add an estimated $1.5 billion per year in compliance costs sector-wide. In Europe, the revised EU Drinking Water Directive — which activated new PFAS limits in January 2026 — is driving a projected €3.6 billion in treatment investment across ten countries over the next decade. In Australia, the Commonwealth government has invested over AUD $807 million in defence-related PFAS remediation alone. In the United

Kingdom, Ofwat's £104 billion AMP8 investment cycle for 2025–2030 includes emerging contaminant treatment as a regulatory priority.

The common thread across all markets: the utilities that access funding earliest, plan most credibly, and pursue all available routes in parallel will be best positioned. Those that wait will face higher costs, compressed timelines, and less favourable financing terms.

Global funding sources by region

Funding source	Type	Amount / terms	Who to contact
🇺🇸 United States			
Infrastructure Investment & Jobs Act (IIJA)	Grant / Loan	$10B for emerging contaminants incl. PFAS; flows via state SRFs	State drinking water programme
WIFIA — Water Infrastructure Finance & Innovation Act	Low-interest loan	Projects >$20M; long-term low fixed rate	EPA WIFIA programme office
Drinking Water State Revolving Fund (DWSRF)	Subsidised loan / grant	Grants & forgiveness available for disadvantaged communities	State SRF administrator
EPA PFAS OUT Initiative	Technical assistance	Direct outreach + funding guidance to utilities above MCL	EPA regional office
Legal recovery / polluter pays	Settlement	Variable — Tampa Bay Water recovered $21M+; 3M settled $10.3B nationally	Water utility legal counsel
🇪🇺 European Union			
EIB Water Programme	Low-interest loan	€15B planned 2025–2027 for water resilience incl. PFAS; EIB provided €22.5M to Chromafora alone	European Investment Bank
Cohesion Fund / ERDF	Grant (up to 100%)	EU mid-term review allows up to 100% EU co-financing for water resilience investments	National/regional managing authority
Horizon Europe / EU R&I	Research grant	Funding for innovative PFAS treatment technologies and pilots	EC research portal
National programmes (e.g. KfW Germany, Agence de l'Eau France)	Grant / Loan	Vary by member state; typically co-finance EU-funded projects	National environment ministry
EU Sustainable Water Advisory Facility	Advisory + loan prep	New facility to help utilities build fundable PFAS project pipelines	EIB / EC joint facility
🇬🇧 United Kingdom			
Ofwat AMP8 (2025–2030)	Regulatory allowance	£104B approved; PFAS treatment eligible under drinking water quality enhancement	Water company business plan / Ofwat
Ofwat PFAS cost	In-period adjustment	Available 2026–2028 for utilities with significant emerging PFAS costs	Ofwat / company licence condition

change process			
UK Shared Prosperity Fund / Levelling Up	Grant	Relevant for PFAS-affected rural/disadvantaged communities	Local authority / UKSPF managing authority
🇦🇺 Australia			
Commonwealth Defence PFAS Programme	Government funding	AUD $807M+ invested to date in 28 defence-affected sites; ongoing	Department of Defence
PFAS National Coordinating Body (est. Sept 2025)	Coordination + funding	New body to coordinate Commonwealth, state and territory PFAS response	Assistant Minister for Defence
ARC Special Research Initiative (SR18)	Research grant	Funds innovative PFAS treatment technology development at universities	Australian Research Council
State water authority programmes	Grant / Loan	Vary by state; NSW, QLD, WA and NT all have active PFAS response programmes	State environment / water authority
Legal recovery	Settlement	Growing precedent; class actions filed against 3M and others in Australia	Specialist environmental law firms
🌍 Global & Multilateral			
World Bank Water Finance	Loan / Grant	Active PFAS programmes in developing economies; conditions and terms vary	World Bank country office
Asian Development Bank (ADB)	Concessional loan	Funds water quality infrastructure in Asia-Pacific member countries	ADB resident mission
Green Climate Fund	Grant / Loan	Water resilience projects in eligible developing countries	GCF national designated authority
JICA (Japan)	Concessional loan / Grant	Japanese ODA for water infrastructure in partner countries incl. PFAS treatment	JICA country office
Polluter pays — global	Legal / Regulatory	Viable in EU, UK, US, AU, Canada; increasingly so in Asia as regulation tightens	Specialist legal counsel

Key themes across all markets

1. The EU Drinking Water Directive is now in force

New PFAS limits under the revised EU Drinking Water Directive took effect in January 2026, triggering a compliance wave across all 27 member states. Granular activated carbon is expected to account for around 80% of early investment, with ion exchange and RO following as monitoring matures and requirements tighten. European utilities facing PFAS compliance should prioritise EIB financing and national co-funding programmes, and engage early — the EIB's new Sustainable Water Advisory Facility is specifically designed to help utilities build bankable project cases.

> ***PFAS health-related costs in Europe are estimated at €52–84 billion annually. The EU Water Resilience Strategy identifies PFAS elimination as a core objective alongside a 10% reduction in water consumption by 2030.***

2. The UK's AMP8 cycle is the primary vehicle

For England and Wales, Ofwat's £104 billion AMP8 investment period (2025–2030) is the dominant funding mechanism. PFAS treatment costs can be claimed through the standard regulatory allowance where they relate to drinking water quality compliance, and Ofwat has introduced a PFAS-specific cost change process allowing in-period adjustments in 2026, 2027, or 2028 for utilities facing costs above the materiality threshold. Scottish and Northern Irish utilities operate under separate regulatory frameworks — Scottish Water through the Scottish Government directly, and NI Water through the Department for Infrastructure.

3. Australia's contamination is primarily defence-originated

Australia's PFAS challenge is heavily concentrated around military bases where aqueous film-forming foam (AFFF) was historically used. The Commonwealth government has committed over AUD $807 million to its PFAS Investigation and Management Programme across 28 priority defence sites. A new PFAS National Coordinating Body, established in September 2025, is strengthening coordination between Commonwealth, state, and territory governments. For utilities affected by defence-originated contamination, the primary route is engagement with the Department of Defence and the National Coordinating Body rather than conventional infrastructure funding programmes.

4. The polluter pays route is viable globally

Across all major markets, legal recovery from PFAS manufacturers is an increasingly realistic funding route. The 3M settlement — $10.3 billion distributed to US water utilities — created a global template. Similar actions are underway or being explored in Australia, the Netherlands, Belgium, and the UK. In the EU, the legal framework for environmental liability is strong, and the principle that polluters rather than utilities bear remediation costs is well-established. Any utility with demonstrable contamination from an identifiable industrial or military source should take legal advice before committing ratepayer funds to treatment.

5. Developing markets face the greatest gap

For utilities in Asia, Africa, Latin America, and other emerging economies, PFAS awareness is growing but regulatory frameworks and domestic funding are lagging. The World Bank, ADB, and Green Climate Fund are the primary sources of concessional finance for water quality projects in these markets. JICA, the German KfW development bank, and bilateral aid programmes can also be relevant depending on geography. Utilities in these markets should engage their national designated authorities for multilateral funds and actively seek technical partnerships with universities and research institutions — several of which are conducting PFAS research with industry-relevant applications.

What utilities should be doing right now — wherever you are

1. **Complete PFAS monitoring as early as possible.** You cannot access most funding programmes without documented data. Early data gives you maximum time to plan and qualify for funding.

2. **Identify which funding landscape applies to your jurisdiction.** The table above provides a starting point. Your national environment ministry or water regulator will have jurisdiction-specific guidance.

3. **Assess your legal position.** If your contamination originates from an identifiable industrial or military source, take legal advice before committing public funds to treatment.

4. **Build a credible project case.** Pilot data, site assessments, technology comparisons, and costed implementation plans are the currency of all major funding programmes globally. Start building this evidence base now.

5. Engage your regulator early. Whether it is the EPA, Ofwat, the EIB, or a state authority, early engagement signals readiness and builds the relationships that determine funding priority.

> ***No utility should be funding PFAS treatment in isolation. Peer benchmarking, shared procurement, regional treatment hubs, and collective legal action are all being pursued by utilities globally — and all can dramatically reduce per-utility costs.***

The window is closing

Compliance deadlines vary by jurisdiction — 2027 for US monitoring, 2031 for US treatment, January 2026 (already active) for the EU, 2025–2030 for UK AMP8 — but in every market, the planning and funding cycle is longer than the compliance timeline appears. Utilities that begin in earnest in 2026 will be in a fundamentally different position from those that begin in 2028.

The PFAS problem was created by manufacturers, not by utilities or the communities they serve. But the practical burden of solving it falls on utilities now. The funding exists — in regulatory allowances, government programmes, multilateral loans, and legal settlements. The challenge is knowing where to look, moving early, and pursuing every available route in parallel.

PFAS Series — coming next

- Article 2 — PFAS Compliance: Why Your State May Matter More Than the EPA Right Now
- Article 3 — Europe's PFAS Crackdown: Source Bans, Treatment Standards & What They Mean for the Water Industry
- Article 4 — The Hidden PFAS Pipeline: Industrial Discharge and What's Coming in 2026
- Article 5 — The Disposal Dilemma: What Happens to PFAS After You Remove It?
- Article 6 — PFAS and Environmental Justice: Why the Burden Falls Hardest on Vulnerable Communities

All articles available at TheWaterNetwork.com

Explore PFAS solution providers on TheWaterNetwork

21 organisations listing PFAS as their expertise are available at TheWaterNetwork.com — covering destruction, filtration, remediation, monitoring, and advisory services across multiple continents.