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About this Report

Europe Industrial Water Market Outlook: Trends, Drivers, and Forecasts, 2025–2030

Released July 2025

Summary

BACKGROUND

Across various sectors, European industries produced approximately €5.9 trillion in industrial output in 2023, positioning Europe as the third-largest market globally, following the U.S. and Asia. This growth is bolstered by a robust recovery post COVID-19. However, the industry is confronted with ongoing water challenges related to scarcity and contamination, significantly increasing the demand for water solutions.

Regulatory frameworks are among key market drivers with numerous significant regulatory initiatives shaping investment in Europe's industrial water market. The EU Water Resilience Strategy aims to ensure a sustainable water supply for rapidly growing industries such as semiconductors, hydrogen, and electric vehicle batteries, with an anticipated requirement of €55 billion, of which two-thirds is accessible through the Multiannual Financial Framework (MFF).

Updates to the Urban Wastewater Treatment Directive, the Net-Zero Industry Act, and the EU Chips Act are enhancing and stimulating the need for effective water management to facilitate industrial growth.

This Insight Report provides a comprehensive analysis of the European industrial market, utilizing a hybrid top-down and bottom-up forecasting methodology, along with a tailored growth rate estimation by country and industry that reflects the macroeconomic dynamics of the European market (including energy prices, historical growth rates of industrial facilities, inflation, interest rates, and regulations). This approach aims to deliver a complete overview of the market, forecasts, competitive landscape, and profiles of 20 leading companies.

report SCOPE

Backed by a transparent research methodology, this Insight Report provides **qualitative** and **quantitative analysis** to help companies understand the industrial water **market opportunities** in Europe.

report HIGHLIGHTS

- Drivers and trends shaping industrial water CAPEX in Europe
- CAPEX and OPEX inflationary scenarios
- Market comparisons for growth – countries, verticals
- Country leaderboard for industrial water management
- 6-year CAPEX forecasts for 31 total countries across 6 European regions
- Comparing verticals markets with growing opportunity: Electric Power Generation, Food, Chemicals, Pharmaceuticals, Paper, etc.
- Regional investment trends and country-level industrial concentration
- Europe water for manufacturing market opportunities by vertical
- Looking ahead: key market drivers and policy developments

Research Methodology

RESEARCH SCOPE AND METHODOLOGY

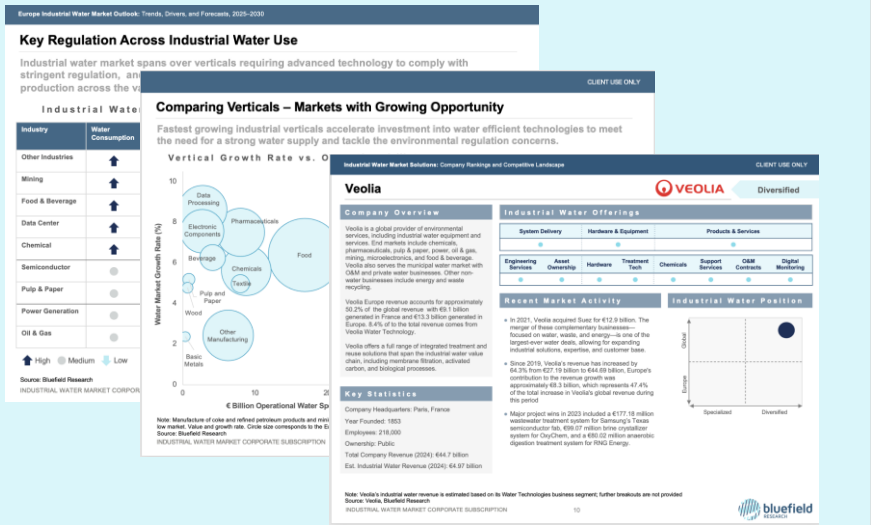
- Forecast of spend on industrial water & wastewater management across 15 industrial verticals to determine the size and growth outlook of the Europe's industrial water market from 2025 to 2030.
- Capital investment pricing and growth rates per vertical were estimated based on publicly available resources, including financial filings, facility counts, and interviews with industry professionals.

RESEARCH OUTPUT

- Analysis of key drivers and inhibitors to industrial water investment in Europe.
- Forecast of the industrial water market from 2025 to 2030 by geography (country, region), vertical, spend type, spend segment, and project type.
- Competitive analysis of companies in the industrial water value chain.
- Profiles of 15 key industrial verticals spanning power and resource extraction, manufacturing, and data center, including:
  - Vertical details: market size, projected growth rate, number of facilities, historic facility growth rate
  - CAPEX & OPEX segment breakouts
  - Addressable CAPEX assets
  - Market size by country
  - Bluefield perspective
  - Vertical definition
- Profiles of 20 key industrial water companies active in Europe:
  - Company details: headquarters, year founded, ownership, company revenue (from their last reported year)
  - Company overview
  - Industrial water offerings & positioning
  - Recent market activity (e.g., M&A)

SELECT COMPANIES MENTIONED

Diversified	Engineering Services	Hardware & Equipment	Treatment Technology	Chemical Providers
Veolia	COWI	Grundfos	Aquatech	Solenis
Ecolab	Sweco	Pentair	Ekopak	DuPont
Xylem	Arup	Huber Technology	Paques	Kemira
Veralto		Sulzer		Solvay
Kurita				
Saur				



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Forecast Methodology

Bluefield estimates CAPEX and OPEX using a variety of data inputs and assumptions.

Key Forecast Input	Key Data Inputs	Definitions and Assumptions
Forecast Period	2025–2030	
Data Sources	EUROSTAT, Organization for Economic Co-operation and Development (OECD), European Environment Agency, European Textile Industry, The Federation of Pharmaceutical Industries Associations, Global Apparel & Sourcing, The World Bank Data,) Data, Energy Conversion and Management Journal, Food Drink Europe	
Forecast Inputs	*Enterprise Numbers*	• The number of industrial enterprises defined by Eurostat as an organizational unit producing goods or services with a certain degree of autonomy in decision-making, by country and industrial vertical, is categorized by size into small, medium, and large. In the current forecast, we assume a 1:1 ratio; one enterprise corresponds to one facility.
	Water Inputs	• Water abstraction for industry production by country and industrial vertical from both conventional and non-conventional resources • Withdrawal/consumption per refinery process and conventional energy extraction • Total water usage, recycled, and disposed of • For the Data Center segment, both direct and indirect water use for electricity production and cooling
	Energy Inputs	• Oil imports per country • Gross Electricity Production, and the corresponding water footprint • Energy footprint for digital services and its projection

	Cost Inputs	• Forecasted operational and capital cost per m3 for:
		  • Acquisition
		  • Intake Treatment
		  • Reuse
		  • Discharge Treatment

Forecast Outputs	• Market size (€) for CAPEX by country and vertical • Market size (€) for OPEX by energy type, chemicals, water intake, labor, maintenance, and others	

Source: Bluefield Research

Forecast Methodology—Growth Rate Estimation

The growth rate of industries and countries for the forecasted period (2025–2030) is estimated based on macroeconomic indicators that significantly impact water market infrastructure.

Key Forecast Input		Key Data Inputs	Definitions and Assumptions
Forecast Period		2025–2030	
Data Sources		EUROSTAT, The World Bank Data, Urban Wastewater Treatment Directive (UWWTD), Drinking Water Directive, Energy Efficiency Directive	
Forecast Inputs	Industrial Data	*Enterprise Counts and Industrial Production*	• Evolution of the enterprise number and industrial production across industries and countries over the last 10 years.
	Macro Economic Indicator Data	*Energy Inputs*	• Variation of energy prices in €
		GDP	• Current GDP value in € million
		Inflation and Interest Rates	• Annual Rate of Change
		Regulation	• Qualitative assessment of the impact of key EU regulatory targets on affected industries, rated on a scale from 1–5 (high to low impact) on CAPEX and OPEX. • Examples of the regulations considered include the UWWTD update, Drinking Water Directive, Water Resilience Initiatives, Energy Efficiency Directive, Climate Neutral Data Center Pact, REACH proposal for PFAS restrictions, Renewable Energy Directive, and Corporate Sustainability Due Diligence Directive (CSDD).
Growth Rate Forecast Methodology			• The impact of various factors was determined using Ordinary Least Squares regression, assuming linearity in the data. The most sensitive parameters to the model were GDP and the inflation rate. The final baseline growth rate is calculated as the product of factor variations and their corresponding weights. A negative coefficient was assigned to inflation and interest rates for adjustment, as lower values in these areas boost the market growth potential. Additionally, greater weight was given to the OPEX for energy prices and inflation due to their prolonged impact on the total expenditures (TOTEX). • CAPEX Growth Rate= [(Facility Count + Industrial Production + GDP)*2 + (Inflation Rate + Energy price)*-1]/5 • OPEX Growth Rate=[(Facility Count + Industrial Production + GDP)*2 + (Inflation Rate + Energy price)*-2]/5
Outputs			• Customized growth rate by industry and country in (%)

Source: Bluefield Research

Europe Industrial Water Market Model Breakdown

Bluefield framed industrial water market opportunities by integrating CAPEX and OPEX across diverse sectors, factoring in enterprise size, water usage, and treatment needs, and segmenting costs to identify total market size and growth potential.

CAPEX

Asset Base:

Number of Industrial Enterprises

Type of CAPEX Investment	Treatment Source	*Enterprise* Size
New enterprises	Connected to municipality	Small *enterprise*
		Medium *enterprise*
Upgraded enterprises	On-site treatment & discharge	Large *enterprise*

OPEX

Asset Base:

Production Output

x

Water-Use Intensity

=

Water Use

Consumption | Discharge

Verticals Analyzed:

Manufacturing

- Food
- Beverage
- Paper
- Chemicals
- Pharmaceuticals
- Semiconductors
- Metal & Mineral Products
- Petroleum & Coal Products
- Textiles/Apparel/Leather
- Wood
- Other

x

Resource Extraction

- Mining
- Oil & Gas extraction
- Electric power generation, transmission, and distribution

Data processing, hosting, and related activities, web portals

Key Market Drivers by Verticals:

- Water Demand, Regulation, Industry historical growth and output production, Facilities historical growth rate, Sustainability targets

Segmentation Breakouts:

Design/Build/Install

Engineering/Design/Build

Direct Install Costs

Equipment Costs

Treatment/Tech

Plumbing

x

Energy

Chemicals

Labor

Maintenance

Intake water

Other

=

Total Market Size & CAGR

Source: Bluefield Research

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Insights

SAMPLE TAKEAWAYS

European industrial water market expected to surpass €101.08 billion by 2030, with a 5.15% compound annual growth rate (CAGR).

The manufacturing sector is expected to dominate market spending, with leading industries such as food production, power generation, and chemicals accounting for the most significant shares of both capital expenditure (CAPEX) and operating expenditure (OPEX).

- **The European Chips Act is a major driver of expansion in the semiconductor industry.** The legislation aims to increase Europe's global market share to 20% by 2030 through €43 billion in public and private investments. Europe excels in research, chip design, and specialized manufacturing, being home to the world-leading equipment market, ASML. Significant investments and new factories (such as those by Intel in Germany) are anticipated to boost capacity in the coming years.
- **EU Green Deal, climate neutrality, and energy goals are taking a foothold.** Addressing water scarcity, flood, and droughts through combining advanced wastewater treatment solutions such as reuse, desalination, and smart water practices in irrigation is forming a new calling for a water smart society with the amin of reducing the region's water footprint by 13% by 2030.

- **Digital transformation, cloud computing, artificial intelligence (AI), and 5G are empowering the growth of data centers.** The market is expected to grow at a CAGR of 8.5%, with a total expenditure (TOTEX) of €1.02 billion from 2025 to 2030. Large technology firms are seeking scalability and efficiency, fueling growth.
- **Regional hubs emphasize the need for industrial water services.** Both Western and Southern Europe are major industrial hubs with a cumulative total market share of 64%, highlighting demand for regional industrial water services.
- **Stricter EU–wide wastewater regulations** enforced through the Urban Wastewater Treatment Directive (UWWTD), Industrial Emissions Directive (IED), and the upcoming PFAS restrictions under REACH, is pushing industrial facilities to upgrade their treatment systems.

- **Escalating chemical and maintenance costs through ongoing supply chain volatility and tightening chemical regulations across the EU** are putting pressure on the operational budgets of industrial water users. This is especially evident in sectors with high water usage such as food & beverage, pharmaceuticals, and heavy industry.

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Key Questions Addressed

What is the total forecasted capital investment in industrial water infrastructure across Europe from 2025 to 2030?

Which industry sectors are projected to drive the highest levels of industrial water CAPEX?

Which European countries and regions are expected to lead in industrial water investment over the next five years?

How is spending distributed across categories such as engineering, construction, equipment, and other costs?

What role do environmental regulations, such as the Industrial Emissions Directive (IED) and PFAS standards, play in driving investment?

How are emerging themes—like water reuse, decarbonization, and climate risk—shaping industrial water management strategies?

Where do investment opportunities exist for solution providers targeting water-intensive industries in Europe?

Europe Industrial Water Market Drivers

A range of factors—environmental, regulatory, and economic—drive investment in industrial water and wastewater management, creating opportunities for solutions providers.

Europe Industrial Water Market Drivers

Water Scarcity

Limited water availability poses significant operational and reputational risks for industrial facilities in Europe, particularly in water-stressed regions like Spain, Italy, and Belgium. Strategies such as water reuse, desalination, and efficiency improvements are increasingly critical and require significant investments.

Regulatory Pressure

The EU has stringent environmental regulations under the Water Framework Directive, the Urban Wastewater Treatment Directive, and the Industrial Emissions Directive, reflecting stricter limits on wastewater discharge. Compliance failures can lead to fines for manufacturers, which drives investments in on-site treatment and advanced pretreatment systems.

Water Quality

Ensuring high-quality intake water is critical in industries like food & beverage, semiconductors, and pharmaceuticals. Emerging contaminants (e.g., per- and polyfluoroalkyl substances (PFAS) and microplastics) are pushing European manufacturers to adopt advanced filtration and purification systems to meet regulatory standards.

Favorable Policies

European policies, such as the European Green Deal, are pushing investments in green technologies and water-efficient manufacturing. Incentives for circular economy initiatives and renewable energy projects are also driving significant water management spending in existing facilities and new developments.

Energy Transition

Europe's transition to renewable energy is accelerating demand for critical raw materials like lithium, cobalt, and rare earth metals. Renewable energy sources like hydropower and green hydrogen are reshaping industrial water demand.

Data Demand

The rapid growth of European data centers—especially in hubs like Frankfurt, London, Amsterdam, Paris, and Dublin (FLAP-D) markets—is driving demand for advanced water management. As data workloads increase, the cooling and electricity needs of these facilities require innovative water-efficient cooling systems.

Sustainability Initiatives

European manufacturers are under pressure from customers, investors, and regulatory bodies to adopt sustainable practices. Many are turning to water reuse technologies, closed-loop systems, and renewable energy integration to reduce their water footprints and align with circular economy principles.

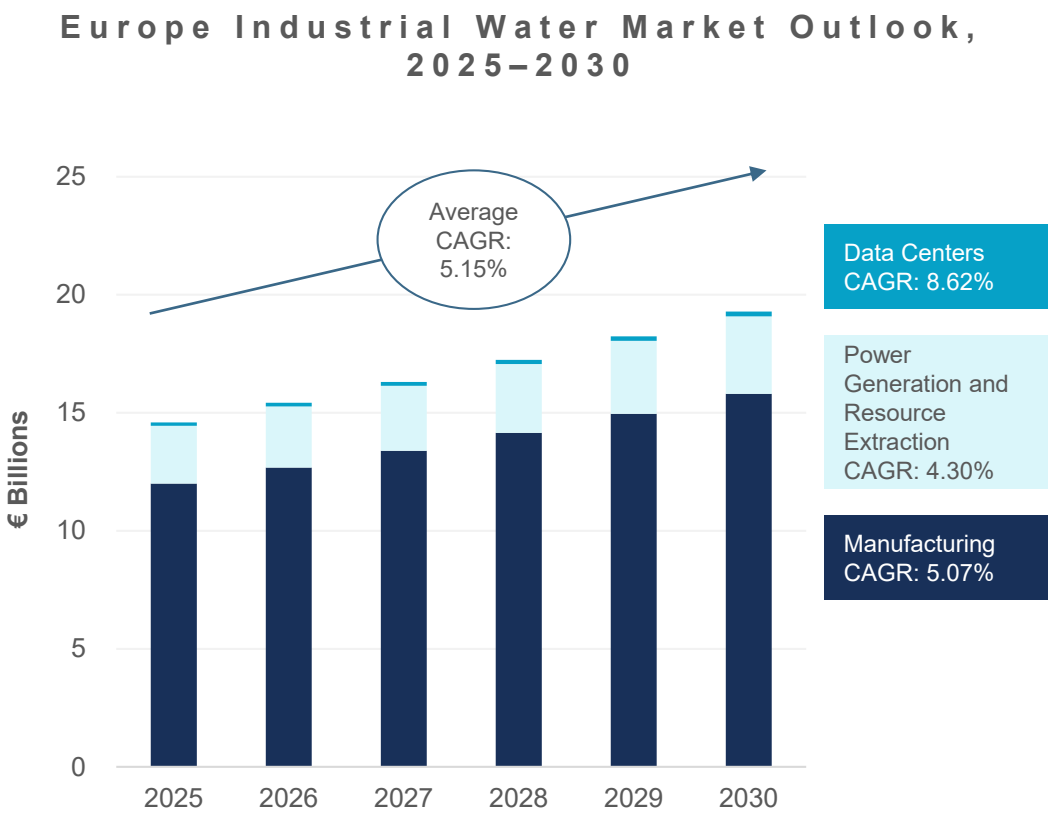
Macroeconomic Environment

Industrial production in Europe is heavily influenced by global factors such as energy prices, interest rates, and supply chain disruptions. Shifts in these variables can impact water management investment decisions, especially for the manufacturing sector.

Source: Bluefield Research

The Big Picture—Overview On Europe Industrial Water Market Opportunity

Bluefield forecasts Europe's total spend for industrial water and wastewater will scale at an average 5.15% CAGR—from €14.58 billion in 2025 to €19.29 billion in 2030—for a cumulative total of €101.08 billion.



Note: Manufacturing includes food, beverage, pulp & paper, wood, textiles, basic metals, pharmaceutical, coke and refined petroleum, chemicals, electronic components & boards, and other manufacturing. The power generation and resources extraction include the electric power generation, transmission, and distribution, mining and quarrying, and the extraction of crude petroleum and natural gas
Source: Bluefield Research

Analysis

The total spend on industrial water and wastewater growth is driven mainly by both industrial growth and regulations.

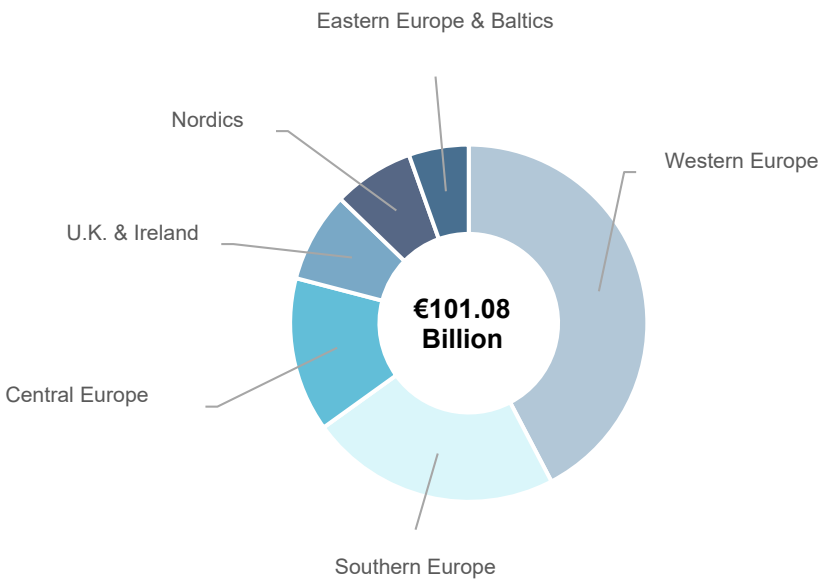
- Manufacturing dominates the total market spend. Food, beverage, chemical, pharmaceutical, electronic components and boards, along with other manufacturing, account for a total spend of €82.98 billion. The common growth factors driving these industries are GDP and regulatory compliance.
- Other key market drivers include the energy transition and growing water scarcity. The European Green Deal underpins industry-specific sustainability targets focused on improving water and energy efficiency.
- Data centers are expected to witness a high growth rate (CAGR of around 8.62% in a non-inflated scenario), translating into €1.02 billion of cumulative investments. The sector already experienced a rapid expansion in the last five years, boosted by the high demand for AI integration in various sectors and tech leader companies switching from legacy facilities to hyperscale data centers.
- The rising demand for data centers is driving the growth of the two related sectors, semiconductors and electric power generation, the latter accounting for a total CAPEX of €25.89 billion at a respective growth rate of 7.55% and 6.40%.

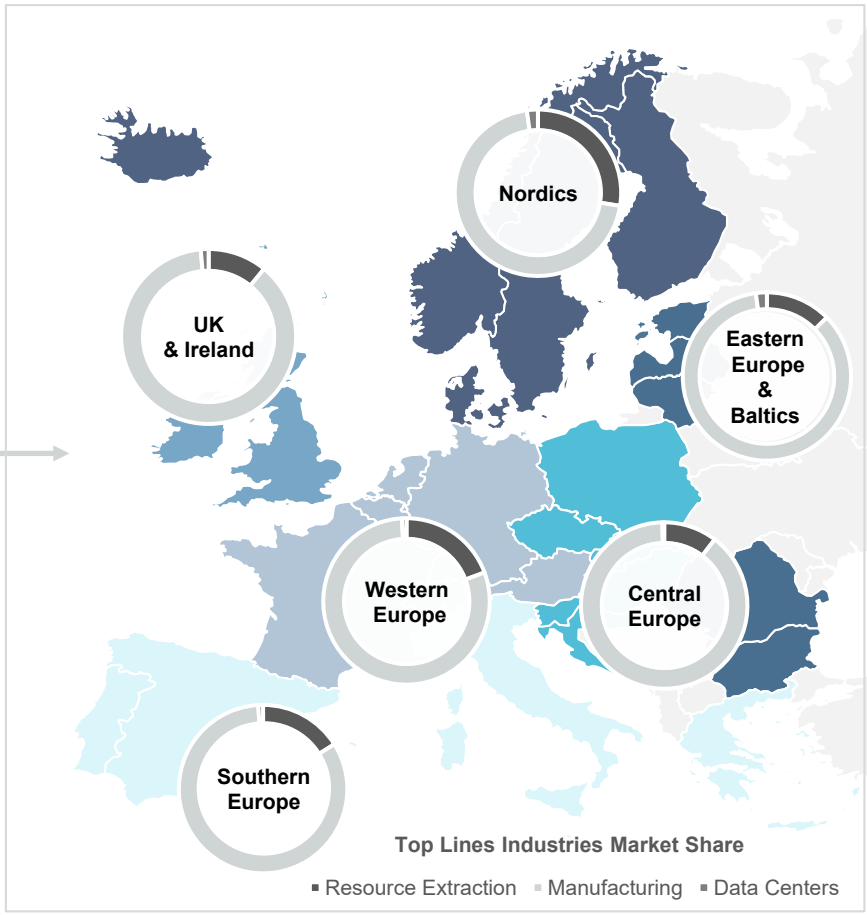
Hot Spots—Europe Industrial Water Forecasts by Region

Driven by food manufacturing, and power generation and distribution, Western Europe is expected to hold the highest share of industrial water cumulative investment through 2030, accounting for €42.79 billion of the total.

Europe Industrial Water Spend Outlook by Region, 2025–2030 Cumulative

Europe Total by Region





Source: Bluefield Research

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Sample Company Profile

GRUNDFOS

Hardware & Equipment

Company Overview

Grundfos is a leading global pump manufacturer. More recently, the company has diversified its offerings to include water treatment technologies for various industrial verticals, such as food & beverage, automotive, aerospace, data centers, pharmaceuticals, and semiconductors.

Grundfos generates more than half of its revenue in the European market, which accounts for approximately 50% of its total sales. Given Grundfos's total revenue of €4.50 billion in 2024, Europe contributed roughly €2.25 billion. The Industry Business segment accounts for approximately 30% of total revenues. The industrial division delivers pumping and water treatment solutions for industrial facilities, including reuse systems, system integration, energy & process optimization, and digital offerings.

Key Statistics

Company Headquarters: Bjerringbro, Denmark

Year Founded: 1945

Employees: 20,000

Ownership: Private (Grundfos Foundation & Employee Owned)

Total Company Revenue (2024): €4.50 billion

Est. Industrial Water Revenue (2024): €1.35 billion

Note: Grundfos's industrial water revenue is estimated based on its Industry division; Water Treatment and "Other" divisions may include additional industrial water revenues
Source: Grundfos, Bluefield Research

Industrial Water Offerings

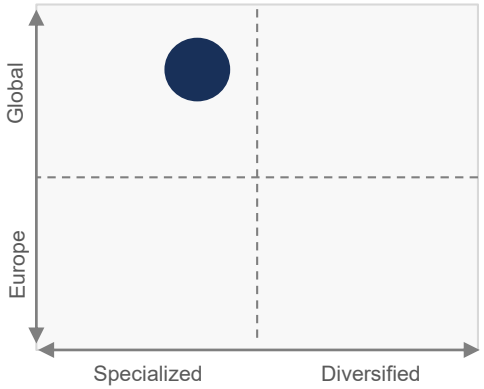
System Delivery	Hardware & Equipment	Products & Services
●	●	●

Engineering Services	Asset Ownership	Hardware	Treatment Tech	Chemicals	Support Services	O&M Contracts	Digital Monitoring
●	●	●	●				●

Recent Market Activity

- In 2022, Grundfos acquired Mechanical Equipment Company (MECO), a water purification solutions engineer and manufacturer serving various industries. Headquartered in the U.S., the acquisition expanded Grundfos's foothold in North America. Under Grundfos, MECO acquired Water Works, a California-based ultrapure water solution provider, in 2023, expanding its scope in the life sciences and biopharmaceuticals market.
- To diversify into the treatment space, Grundfos acquired Eurowater in 2020. The acquisition strengthens Grundfos's portfolio offerings with solutions such as filtration, RO, UV disinfection, ion exchange, and deaerators. The acquisition was pivotal in Grundfos's expansion strategy.
- Additionally, in 2024, Grundfos acquired the European commercial & industrial business of Culligan, a provider of water treatment systems & solutions, to further expand its treatment offerings. Although these deals have a European focus, they broaden Grundfos's solutions portfolio, increasing attractiveness to global consumers.

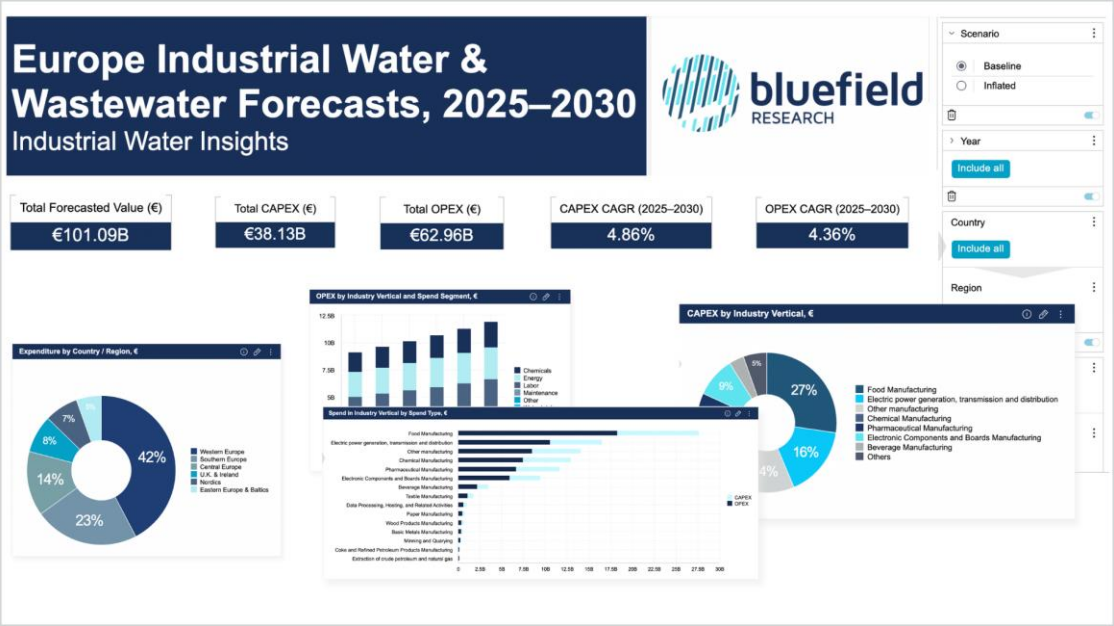
Industrial Water Position



Related Data Dashboard

Data underpins Bluefield's breadth of insight reports and analysis. This report is accompanied by a data dashboard that is available in Bluefield's flexible and interactive Data Navigator platform.

SAMPLE DATA DASHBOARD



Dashboard Widgets US$:

- Expenditure by Country / Region
- Spend in Industry Vertical by CAPEX, OPEX
- Spend over time by industry category
- CAPEX by industrial vertical, by project type, by spend segment
- OPEX by industrial vertical
- CAPEX by industrial vertical, by spend segment

More on this dashboard

Talk to us about our data or book a demo.

Book 30-min demo

See the power of Data Navigator

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Global companies across the value chain are developing strategies to capitalize on greenfield opportunities in water—new build, new business models, and private investment. Bluefield Research supports a growing roster of companies across key technology segments and industry verticals addressing risks and opportunities in the new water landscape.

Companies are turning to Bluefield for in-depth, actionable intelligence into the water sector and the sector's impacts on key industries. The insights draw on primary research from the water, energy, power, mining, agriculture, financial sectors and their respective supply chains.

Bluefield works with key decision makers at utilities, project development companies, independent water and power providers, EPC companies, technology suppliers, manufacturers, and investment firms, giving them tools to define and execute strategies.

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