

Summary

Adapting to the EU Waste Framework Directive and Extended Producer Responsibility in the Western Balkans

Summary of the guideline and recommendations on adapting to the Waste Framework Directive (WFD) and Extended Producer Responsibility (EPR) for distributors, importers delivering products to the Western Balkans, manufacturers producing packaged goods and retailers serving end customers.

The Guideline

This summary presents the key messages and recommendations from the Guide **Adapting to the EU Waste Framework Directive and Extended Producer Responsibility: A Practical Guide for Producers, Importers and Distributors in the Western Balkans**. It was prepared by the six national chambers of commerce in the Western Balkans and Urban Research Institute (URI) for businesses, especially producers and importers as well as business associations, who need to prepare or improve EU environmental rules implementation.

The guideline highlights key challenges reported by companies in the Western Balkans and provides practical recommendation steps to help businesses get ready to take early action to meet compliance requirements, and strengthen business adaptability to EU standards.

What are WFD and EPR and why do they matter?

The European Union's (EU) **Waste Framework Directive (WFD)** defines how waste is managed across the EU, aiming to protect the environment and human health. It promotes the reintroduction of recycled materials into the supply chain, supporting the EU's transition to a circular economy, where materials are reused, repurposed and recycled instead of discarded. The WFD also enshrines the polluter pays principle (PPP), which ensures that those responsible for generating waste bear the costs of its proper management. By shifting the cost burden from governments and taxpayers to the businesses that create waste, the PPP incentivizes efforts to prevent pollution and reduce waste generation.

Extended Producer Responsibility (EPR) is an environmental policy approach that holds producers and importers placing certain products on the market accountable for the entire lifecycle of their products, including waste prevention, take-back options and recycling. While EPR systems differ from country to country, they are built on shared core principles, like packaging and product design improvement for greater recyclability or reusability.

As the Western Balkans move closer to EU integration, companies must align with European environmental legislation, particularly WFD and EPR. These regulations aim to:

- **Reduce environmental impact** through sustainable waste management
- **Shift responsibility** from public authorities to producers and importers
- **Enable access to EU markets**, where compliance is becoming a prerequisite

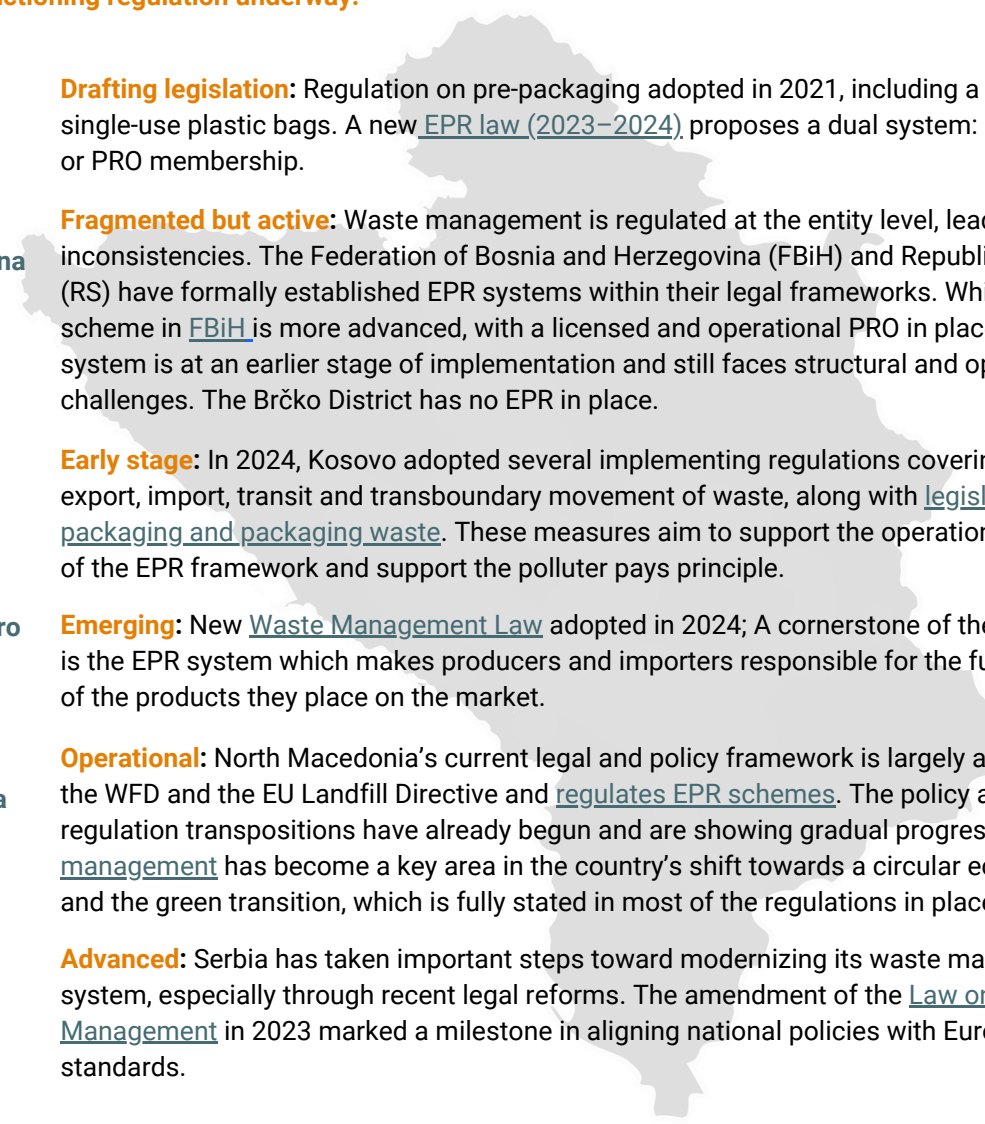


The Green Agenda for the Western Balkans (GAWB) and EU's Green Deal are reshaping expectations around waste, packaging, and circularity.

Where the region stands

EU directives provide the big picture, but implementation across Western Balkan markets differs significantly, meaning businesses face different compliance realities. By endorsing the Green Agenda for the Western Balkans (GAWB) in Sofia in 2020, the region committed to aligning with the European Green Deal's ambition of achieving carbon neutrality by 2050. The adoption of the Sofia Declaration was followed by a 2021-2030 implementation action plan.

Although most WB6 economies have introduced regulations related to the circular economy under the broader EU policy framework, implementation remains limited. **None of the economies has a fully adopted or fully functioning regulation underway.**



Albania	Drafting legislation: Regulation on pre-packaging adopted in 2021, including a ban on single-use plastic bags. A new EPR law (2023–2024) proposes a dual system: product tax or PRO membership.
Bosnia & Herzegovina	Fragmented but active: Waste management is regulated at the entity level, leading to inconsistencies. The Federation of Bosnia and Herzegovina (FBiH) and Republika Srpska (RS) have formally established EPR systems within their legal frameworks. While the EPR scheme in FBiH is more advanced, with a licensed and operational PRO in place, the RS system is at an earlier stage of implementation and still faces structural and operational challenges. The Brčko District has no EPR in place.
Kosovo	Early stage: In 2024, Kosovo adopted several implementing regulations covering the export, import, transit and transboundary movement of waste, along with legislation on packaging and packaging waste . These measures aim to support the operationalization of the EPR framework and support the polluter pays principle.
Montenegro	Emerging: New Waste Management Law adopted in 2024; A cornerstone of the new law is the EPR system which makes producers and importers responsible for the full life cycle of the products they place on the market.
North Macedonia	Operational: North Macedonia's current legal and policy framework is largely aligned with the WFD and the EU Landfill Directive and regulates EPR schemes . The policy and regulation transpositions have already begun and are showing gradual progress. Waste management has become a key area in the country's shift towards a circular economy and the green transition, which is fully stated in most of the regulations in place.
Serbia	Advanced: Serbia has taken important steps toward modernizing its waste management system, especially through recent legal reforms. The amendment of the Law on Waste Management in 2023 marked a milestone in aligning national policies with European standards.

Financial and operational impacts of EPR on businesses

For many businesses, adapting to EPR requirements means re-evaluating entire supply chains. This may involve substituting conventional packaging materials with eco-friendly, recyclable alternatives, modifying product design, and collaborating with suppliers and waste operators to ensure downstream compliance.

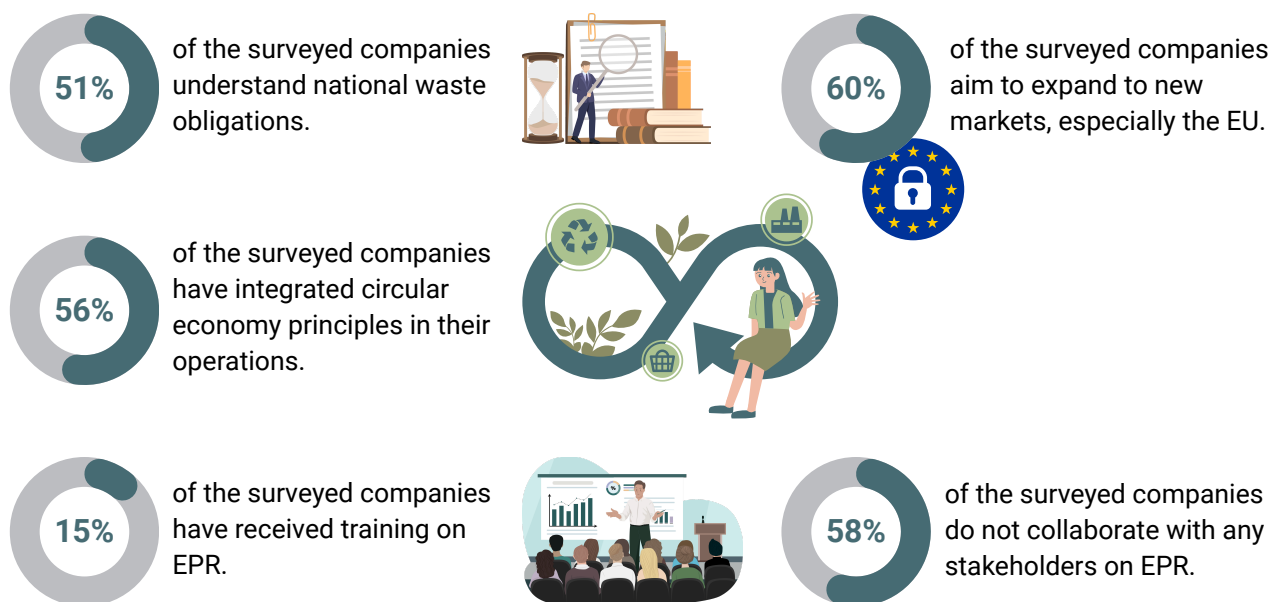


The EPR also presents opportunities. It encourages businesses to:

- Innovate in the field of sustainable product and packaging design,
- Respond to consumer demand for more environmentally responsible products,
- Strengthen their brand reputation by demonstrating commitment to sustainability.

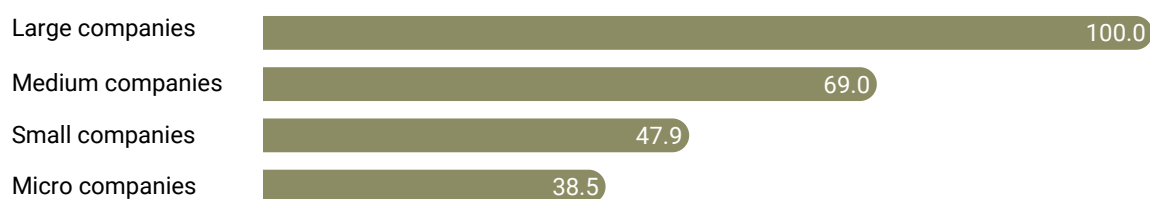
What businesses in the Western Balkans say: Experiences and gaps in waste policy implementation

A survey of 146 companies across the region shows critical insights into implementation readiness and key operational challenges.



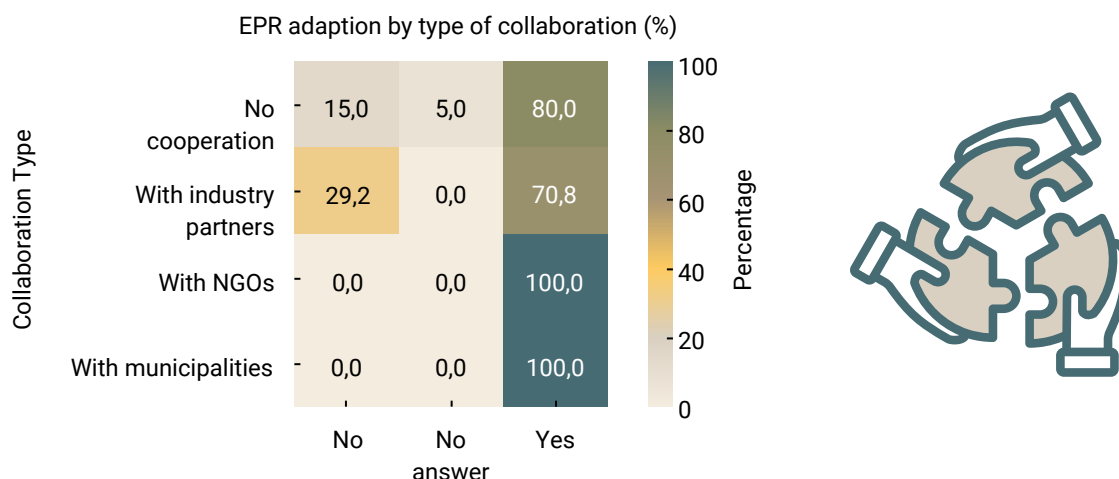
Key findings

- **Adaptation to EPR is uneven:** 56% of businesses have adapted their operations to align with EPR goals, while 42% have not yet done so.
- **Company size matters:** All large companies reported adaptation to EPR, but only 38% of micro-enterprises had done so, highlighting capacity gaps.

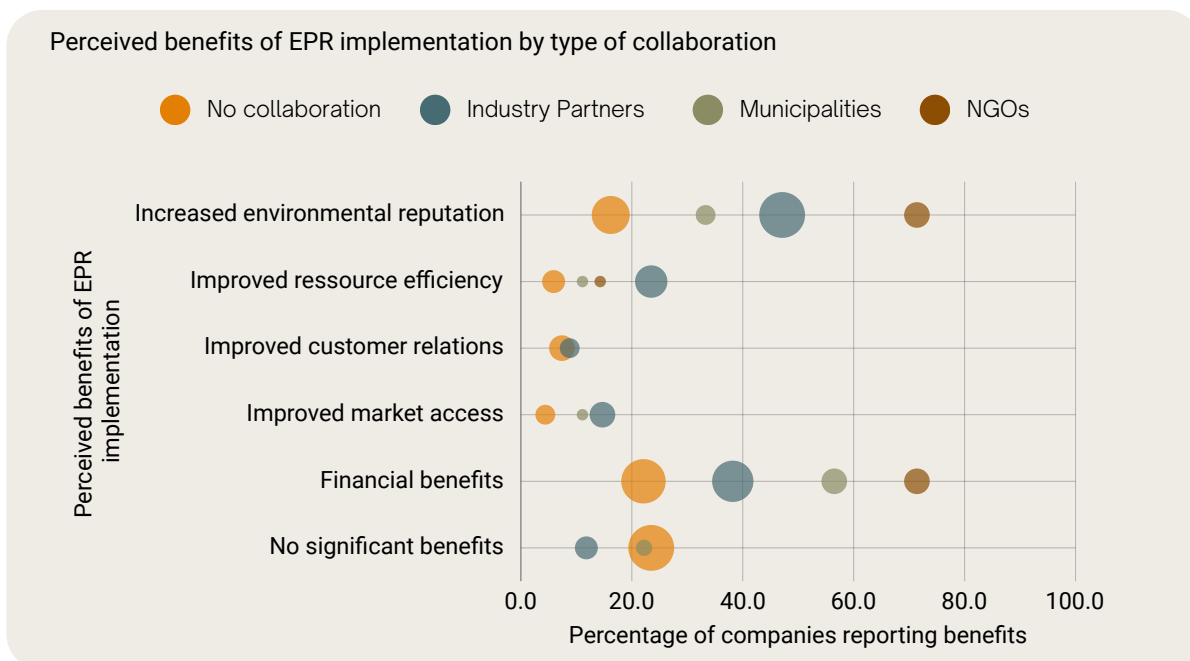


- **Export orientation drives compliance:** Firms serving international markets are much more likely to implement EPR than those focused on local markets.
- **Clarity of legislation is crucial:** 72% of businesses that find national legislation clear have adapted, compared to just 40% among those who find it confusing.
- **Training makes a difference:** Participation in EPR-related training correlates with higher and more consistent implementation scores.

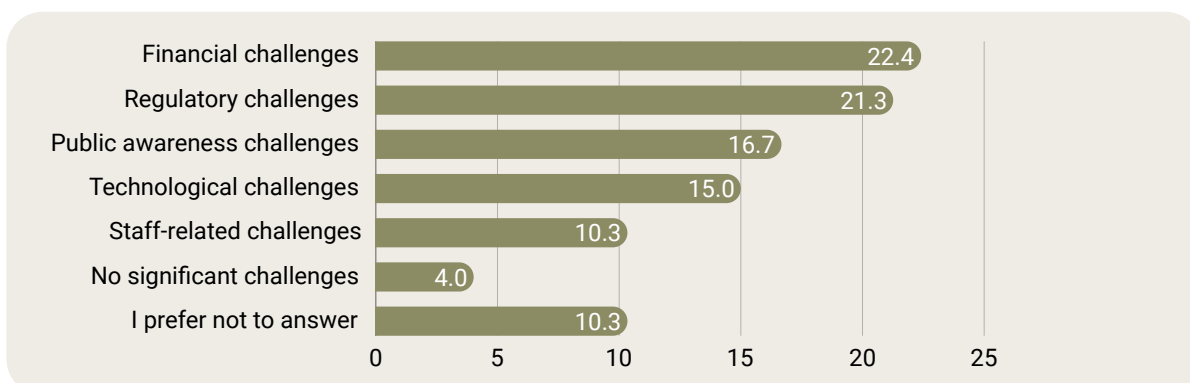
- **Collaboration is limited but impactful:** 58% of businesses do not collaborate on EPR at all, yet those who partner with NGOs or municipalities show a 100% adaptation rate.



- **Perceived benefits of EPR vary by engagement:** Companies collaborating with external actors, like NGOs or municipalities, report more financial and reputational benefits than those operating in isolation.



- **Key barriers remain:** Financial constraints, regulatory complexity, lack of infrastructure, and limited access to support services are the main challenges to EPR implementation.



Practical Recommendations for Businesses



1. Understand and monitor legal requirements

- Track national laws and bylaws on waste and packaging.
- Identify whether your products fall under EPR obligations (e.g. packaging, electronics, batteries etc.).
- Follow updates from chambers, ministries and PROs.

2. Join or establish a Producer Responsibility Organisation (PRO)

- Join an existing PRO in your country to manage EPR compliance cost-effectively.
- If none exists, collaborate with other businesses or associations to establish one.

3. Improve product and packaging design

- Use recyclable, reusable, or compostable materials.
- Redesign packaging to minimize waste and improve resource efficiency.



4. Build internal compliance systems

- Set up systems to track materials and packaging placed on the market.
- Ensure accurate reporting and record-keeping on waste and recycling data.

5. Collaborate and exchange knowledge

- Partner with municipalities, NGOs or chambers for technical support.
- Participation in stakeholder platforms significantly improves adaptation and benefit realization.

6. Invest in training and staff capacity

- Train employees on EPR compliance and circular economy principles.
- Focus especially on small businesses, where knowledge gaps are largest.



7. Assess and prepare for financial impacts

- Include EPR fees and reporting costs in financial planning.
- Seek opportunities to reduce costs through collaboration or innovation.

8. Use EPR as a strategic advantage

- Leverage EPR compliance to improve market access, especially in the EU.
- Strengthen your environmental brand and attract sustainability-oriented customers.

The guideline was drafted in 2025 within the framework of the Chamber Partnership Project Western Balkans by the six national chambers of commerce in the Western Balkans, Chamber Investment Forum (CIF) in cooperation with Urban Research Institute (URI) in Tirana. The project is financed by the German Federal Ministry for Economic Cooperation and Development.



U.C.C.I.A.L



VANJSKOTRGOVINSKA KOMORA BOSNE I HERCEGOVINE
СПОЉНОТРГОВИНСКА КОМОРА БОСНЕ И ХЕРЦЕГОВИНЕ
FOREIGN TRADE CHAMBER OF BOSNIA AND HERZEGOVINA



ODA EKONOMIKE | KOSOVA CHAMBER
E KOSOVES | OF COMMERCE



CHAMBER OF
ECONOMY OF
MONTENEGRO



СТОПАНСКА КОМОРА
НА СЕВЕРНА МАКЕДОНИЈА
ECONOMIC CHAMBER
OF NORTH MACEDONIA



CHAMBER OF
COMMERCE AND
INDUSTRY OF SERBIA



Supported by



Federal Ministry
for Economic Cooperation
and Development

In the context of



Partners in
Transformation
Chambers and
Associations

Implemented by



UR
I
URBAN
RESEARCH
INSTITUTE