



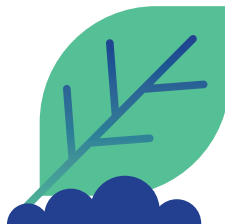
Funded by  
the European Union

**EU4GreenGen**

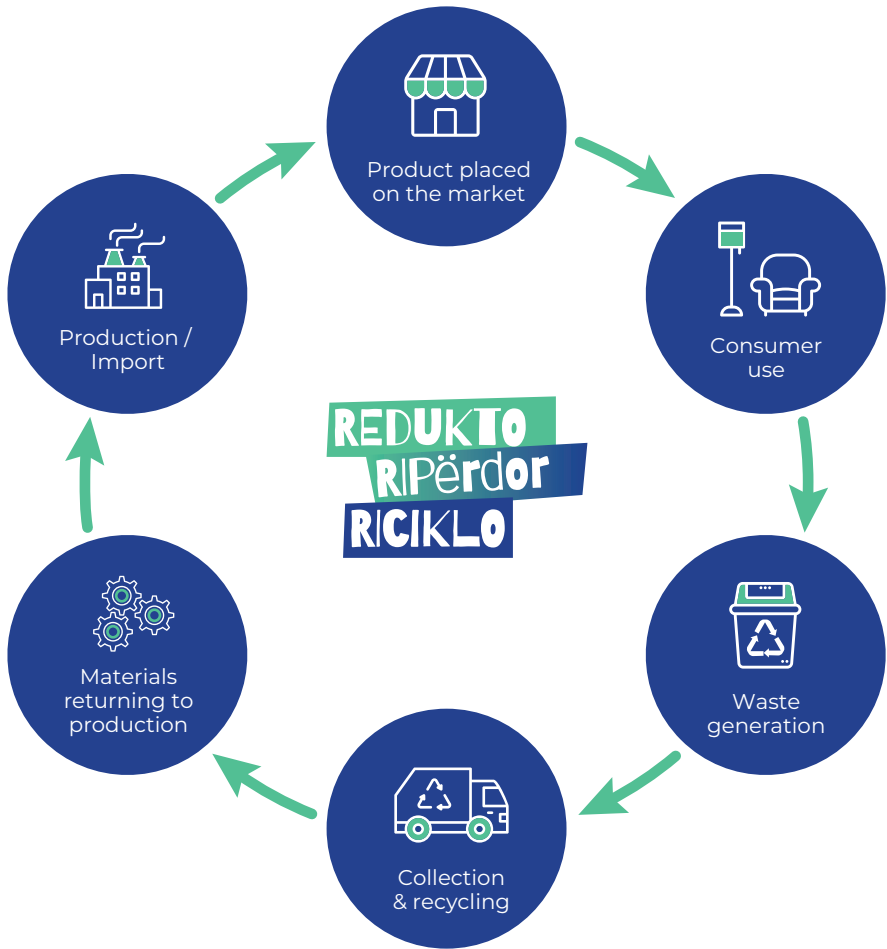
# Extended Producer Responsibility (EPR)

A Practical Guide for Businesses

**REDUCE**  
**REUSE**  
**RECYCLE**







Prepared by: Assoc. Prof. Konalsi Gjoka  
Expert in Circular Economy

This guide is prepared within the framework of the EU4Green Gen project, funded by the European Union, as part of the campaign "Reduce, Reuse, Recycle for a Greener Albania." The views and opinions expressed in this publication are those of the author only and do not necessarily reflect the views of the European Union or of the Delegation of the European Union to Albania.

# Table of Contents

LIST OF FIGURES	6
LIST OF ABBREVIATIONS	6
PURPOSE OF THE GUIDE	7
WHO CAN USE THIS GUIDE?	8
<b>I. Why should businesses prepare for EPR now?</b>	<b>9</b>
1.1 What is EPR, in simple terms?	9
1.2 Why is EPR being implemented now?	10
1.3 What changes in the way businesses should view their products?	11
1.4 Why should businesses prepare now and not later?	11
<b>II. Is your business part of the EPR system?</b>	<b>13</b>
2.1 How can you understand if you are subject to EPR?	13
2.2 Which product categories are covered by EPR?	15
2.3 Who bears responsibility within the supply chain?	15
2.4 Practical Examples from Business Practice	16
2.5 What if I am a small business — Am I subject to EPR?	16
<b>III. What does the implementation of EPR change in practice for your business?</b>	<b>17</b>
3.1 Responsibility for data and reporting	18
3.2 Financial responsibility	19
3.3 Responsibility for communication and information	20
3.4 Internal organisation: A prerequisite for the effective implementation of EPR	21
<b>IV. How should a business prepare step by step for the implementation of EPR?</b>	<b>21</b>
4.1 Identify the products and materials you place on the market	22
4.2 Calculate the Quantity and Weight of Products Placed on the Market	23
4.3 Decide how you will comply with EPR: Individually or through a PRO	24
4.4 Registration as a producer	25
4.5 Organise internal business processes	26
4.6 Report and pay financial contribution	26
4.7 Inform consumers and cooperate with the system	27
4.8 Monitor, improve and optimise	28

<b>V. How does the EPR system work in practice?</b>	29
5.1 How are the actors connected within the EPR system?	30
5.2 How does reporting work in the EPR system?	33
5.3 Why is accurate reporting in the interest of businesses?	35
<b>VI. How much will EPR cost businesses?</b>	36
6.1 What does the cost of EPR represent?	36
6.2 How is the EPR cost calculated?	37
6.3 What does not influence the cost of EPR?	38
6.4 Are these costs predictable for businesses?	39
6.5 How can a business manage EPR costs?	39
6.6 Can EPR costs become a business advantage?	40
<b>VII. What risks do businesses face if they do not comply with EPR?</b>	40
7.1 Financial risk: Fines and unforeseen costs	40
7.2 Operational risk: Suspension or restriction of activities	41
7.3 Reputational risk: Loss of trust	41
7.4 Risk of frequent inspections and controls	41
7.5 Strategic Risk: Loss of competitive advantage	42
7.6 Common mistakes that increase the risk of non-compliance	42
<b>VIII. Practical EPR models – Case studies and lessons for businesses</b>	41
8.1 The CONAI model in Italy: How a consolidated EPR system for packaging works	41
8.2 The German EPR model: The dual system and the importance of accurate data	42
8.3 The French EPR model as an instrument for eco-design and innovation	45
8.4 The Croatian EPR model: A centralised and pragmatic approach for smaller markets	47
<b>IX. Practical checklist for businesses – How to verify if you are r eady for EPR</b>	48
<b>X. From legal obligation to strategic opportunity for businesses</b>	52

## LIST OF FIGURES

Figure 1. Identifying whether a business is subject to EPR	10
Figure 2. Product categories covered by EPR	12
Figure 3. Business obligations under the EPR system	15
Figure 4. Key steps for the implementation of the EPR system	19
Figure 5. The flow of the EPR system	30
Figure 6. The cost of the EPR system	33
Figure 7. The key elements of the EPR cost	34

## LIST OF ABBREVIATIONS

**EPR** – Extended Producer Responsibility

**PROs** – Producer Responsibility Organisations

**EU** – European Union

**EEE** – Electrical and Electronic Equipment

**WEEE** – Waste Electrical and Electronic Equipment

**ELV** – End-of-Life Vehicles

**NEA** – National Environment Agency

## PURPOSE OF THE GUIDE

This guide has been developed to help businesses understand, in a clear, practical and actionable manner, the new Extended Producer Responsibility (EPR) system, which is expected to enter into force following the adoption of the new legislation.

This guide:

- explains, in non-technical language, what EPR is and why it is being introduced,
- translates legal requirements into concrete steps that businesses are expected to undertake,
- supports producers and importers in preparing for the new financial, administrative and operational obligations,
- provides practical tools (checklists, examples and frequently asked questions) to help establish an internal EPR compliance system,
- aims to reduce uncertainty, the cost of mistakes and the risk of non-compliance during the transition phase.

The ultimate objective of this guide is to ensure that every business, regardless of its size or sector, has access to a clear, reliable and user-friendly reference document that supports informed decision-making and timely preparation for the implementation of the new EPR system.

## WHO CAN USE THIS GUIDE?

This guide has been designed for a wide range of stakeholders that are directly or indirectly involved in placing products on the market and in the waste generated by those products. Specifically, it is intended for:

- i. Businesses placing products on the market for the first time, i.e. producers as defined by the legislation, including domestic manufacturers, importers, private label distributors, traders of packaged products, and companies placing products on the market under exclusive distribution agreements.
- ii. Businesses that produce or use packaging, such as the food and beverage industry, pharmaceutical and cosmetics companies, textile manufacturers, producers of cleaning products, construction materials industries, and any business placing packaged products on the market. This also includes companies that import or sell electrical and electronic equipment, batteries, tyres and textiles, such as electronics retailers, supermarkets, automotive companies, distribution warehouses and online retailers.
- iii. Producer Responsibility Operators (PROs), including collective recycling organisations, authorised waste treatment schemes and service providers for the management of specific waste streams.
- iv. Environmental compliance consultants and specialists supporting businesses in meeting regulatory requirements.
- v. Chambers of commerce, business associations, incubators and non-governmental organisations that provide support services to businesses.
- vi. Public institutions responsible for communicating obligations and requirements to businesses.

# I. Why should businesses prepare for EPR now?

Albania is entering a new phase of environmental and economic transformation, in which businesses placing products on the market (manufacturers, importers and distributors) will be responsible not only for selling their products, but also for the impact these products generate after they have been used by consumers. This principle is known as EPR and represents one of the key pillars of the circular economy and of alignment with European Union (EU) standards.

EPR is not merely a legal requirement. It represents a shift in the business model, a new way of thinking about the product life cycle, from the design stage through to the point at which the product becomes waste. For many businesses, EPR will mean greater regulation, transparency and accountability.

For forward-looking businesses, however, EPR represents an opportunity for efficiency, innovation, credibility and access to more advanced European markets.

## 1.1 What is EPR, in simple terms?

**EPR** is the principle according to which businesses that place products on the market also assume financial and organisational responsibility for the management of the waste generated by those products after use. This means that the cost of waste management is no longer borne solely by municipalities and taxpayers but becomes part of the real cost of the product. In practice, this responsibility is fulfilled through organised systems for the collection, treatment and recycling of waste, usually implemented through specialised and authorised organisations.

## 1.2 Why is EPR being implemented now?

**The implementation of EPR is not incidental. It responds to a combination of national and international needs:**

1. Compliance with EU standards and the EU integration process. EPR is a mandatory requirement under several EU directives covering packaging, electrical and electronic equipment, batteries, textiles and other specific waste streams. For Albania, the introduction of EPR is a necessary step towards harmonising national legislation with EU law and preparing the domestic market for fair competition within the European economic space.

2. Addressing long-standing challenges in waste management. At present, the costs of waste management are often borne by municipalities and, ultimately, by taxpayers. However, a significant share of waste originates from products placed on the market by businesses. Through EPR, these costs are shifted towards those who benefit from the sale of products, producers and importers, making the system more equitable and financially sustainable.

3. Increasing recycling rates and reducing reliance on landfilling. Albania continues to dispose of a large proportion of its waste in landfills. EPR establishes a financial and operational mechanism that promotes collection, separate sorting and recycling. Higher recycling rates result in less waste being sent to landfill, lower environmental impacts and reduced long-term costs for both society and businesses.

4. Growing pressure from international markets. Consumers, foreign partners and European supply chains increasingly demand traceable products, recyclable packaging and demonstrable environmental responsibility. Albanian businesses that fail to adapt risk losing access to key markets. EPR enables domestic producers and importers to speak the same “sustainability language” as their EU partners.

## 1.3 What changes in the way businesses should view their products?

With the implementation of EPR, a product is no longer seen solely as a good for sale, but as a product together with its packaging. At the end of the product's life cycle, both the product and its packaging represent waste management costs generated as a direct result of the business placing that product on the market.



Packaging becomes as important as the product itself.



Weight and material directly affect costs.



The way a product is designed and packaged has financial

EPR links environmental decision-making with a business's economic decision-making.

## 1.4 Why should businesses prepare now and not later?

There are several strong reasons why delaying preparation increases risk, raises costs and leads to missed opportunities:

1. EPR requires data and records that many businesses do not currently maintain. To comply effectively, a business must be able to track:
  - a. the weight of packaging,
  - b. the types of materials used,
  - c. annual quantities of products placed on the market,
  - d. stock movements and flows.

These data cannot be collected overnight and require time to organise and validate.

2. Contracting a PRO and organising internal processes takes time. Businesses will need to assess and select the most efficient compliance option for their specific situation. This involves analysis, expert advice and internal decision making, all of which require adequate preparation time.

3. Fines and potential suspension of authorisations can directly affect business continuity. Non-compliance is no longer a purely administrative issue; it represents a real risk to operations, cash flow and corporate reputation.

4. Businesses that adapt earlier will benefit more. EPR can influence fee levels, cost structures and product design decisions. Early adopters are more likely to achieve:

- a. lower long-term costs,
- b. competitive advantages,
- c. stronger sustainability standards,
- d. access to new markets and partnerships.

5. EPR is not just a law, it is a new environmental and economic model. While many businesses initially perceive EPR as a regulatory burden, countries that have implemented it for years increasingly view it as:

- a. a driver of innovation,
- b. an opportunity for higher productivity,
- c. a tool to reduce waste management costs,
- d. a competitive advantage for responsible brands,
- e. a pathway to competing successfully in European markets.

This chapter has explained why EPR is being introduced and why businesses need to act now. The following chapters of this guide help businesses understand:

- Whether they fall within the scope of EPR?
- What will change in practice for them?
- Which steps do they need to take?
- How to manage costs and risks in a controlled and structured manner?

## II. Is your business part of the EPR system?

One of the most common questions businesses ask when they first hear about EPR is: “Does this law apply to my business?” The purpose of this chapter is to provide every business with an immediate, simple and accurate answer through a quick four-question test.

### 2.1 How can you understand if you are subject to EPR?

If you answer “Yes” to any of the questions below, your business automatically falls within the scope of EPR and will be subject to new obligations.



**Figure 1. Identifying whether a business is subject to EPR**

If you answered “Yes” to at least one of the questions, your business is subject to EPR. In all cases, the size of the business is not relevant; what matters is the nature of its activity.

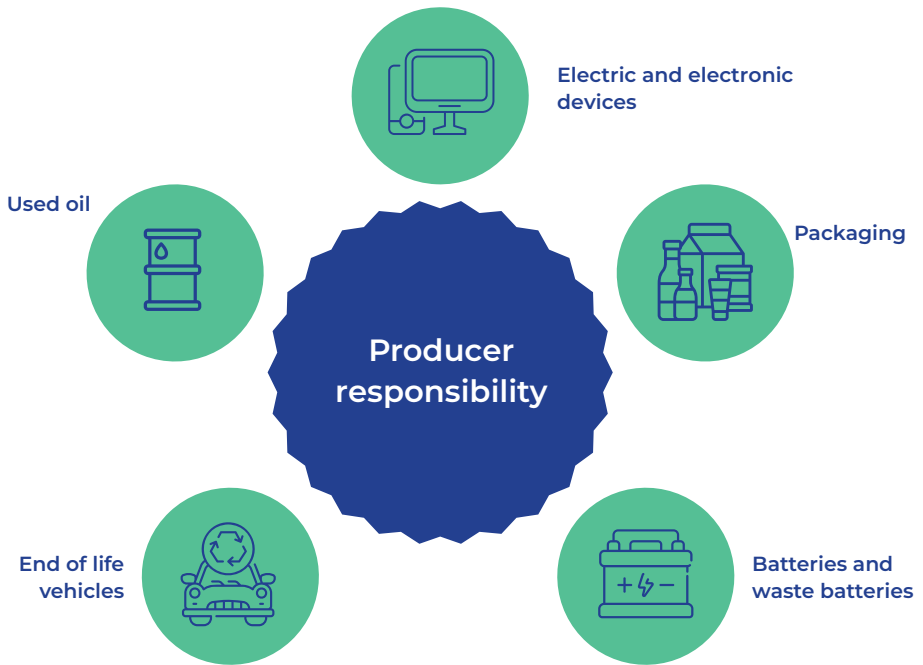
## 2.2 Which product categories are covered by EPR?

EPR applies to products that, after use, are transformed into waste with a significant environmental impact. These categories are defined by law and are implemented in phases. The product categories that are currently mandatory for businesses under the EPR legislation are:

- i. Packaging: Cardboard, plastic, glass, metal, wood, packaging of food products, detergents, cosmetics, goods sold in supermarkets, etc.
- ii. Electrical and Electronic Equipment (EEE / WEEE): TVs, mobile phones, computers, printers, household appliances, small kitchen appliances, lamps, solar panels, etc.
- iii. Batteries and Accumulators: Portable batteries, automotive batteries, industrial batteries.
- iv. End-of-Life Vehicles (ELV): Metal parts, plastics and mixed materials, oils, batteries and accumulators, tyres, and integrated electrical and electronic equipment.
- v. Used oils: Engine and industrial lubricating oils, hydraulic oils, transmission oils, oils from vehicles, industrial machinery, and mechanical equipment.

However, the current EPR legislation provides that the scope of EPR may be expanded in the future to include additional product categories, through secondary legislation and phased implementation, in line with EU policies and market developments.

In European practice, EPR is also applied to other waste streams such as textiles, tyres, waste oils, furniture, and construction materials. These categories are not yet part of the mandatory scope of EPR, but they are expected to be included in the legislation in the future.



**Figure 2. Product categories covered by EPR**

## 2.3 Who bears responsibility within the supply chain?

One of the most common misconceptions is the belief that responsibility always lies with the original manufacturer. In practice:

- Importers are responsible for the products they place on the Albanian market.
- Domestic manufacturers are responsible for the products they place on the market.
- Private label brand owners are responsible, even if they do not manufacture the products themselves.

The principle is simple: the party that benefits from selling the product must also take responsibility for the waste generated by that product.

## 2.4 Practical Examples from Business Practice

---

- 1. Supermarket or grocery store** Sells packaged products produced domestically or imported. For this reason, it is considered an EPR-obligated entity for all packaging that it places on the market for the first time.për herë të parë në treg.
  - 2. Importer of electronic equipment** Imports and places on the market mobile phones, laptops, household appliances, and other electronic equipment. This entity is required to comply with EPR obligations both for electrical and electronic equipment (EEE/WEEE) and for their associated packaging.
  - 3. Bottled water producer** Produces and packages drinking water in various types of packaging. This business is subject to EPR obligations for bottles, caps, and any other packaging components placed on the market.
  - 4. Automotive service** Sells or replaces vehicle tyres, batteries, or oil during maintenance services. For these products, the entity is required to comply with the EPR scheme for oils, tyres, and batteries, in accordance with the relevant legal obligations.
  - 5. Clothing boutique** Imports and sells ready-made garments from foreign markets. In this case, the business is considered an EPR-obligated entity for the textiles that it places on the market for the first time.
- 

## 2.5 What if I am a small business — Am I subject to EPR?

Yes. If you place products on the market, you are subject to EPR, regardless of the size of your business. However, obligations are often simpler for smaller businesses, including:

- smaller quantities to be reported,
- lower financial contributions,
- simplified procedures through PROs,
- reduced administrative burden.

The objective is not to penalise small businesses, but to ensure that each business contributes to waste management in proportion to the actual impact of the products it places on the market.

This chapter has helped businesses understand whether they fall within the scope of EPR. The following chapter explains what changes are in practice for your business once you become part of the system.

### **III. What does the implementation of EPR change in practice for your business?**

This chapter aims to provide a clear answer to this question in a practical and straightforward manner. Extended Producer Responsibility (EPR) does not require businesses to change their operating model overnight; rather, it requires better organisation, greater transparency, and clearer responsibility for the products placed on the market.

Under the traditional model, once a product was sold, the business's responsibility ended. Waste was managed mainly by municipalities and financed through citizens' taxes. With the entry into force of the EPR law, this model changes:

- businesses become active participants in waste management,
- costs are distributed more fairly,
- responsibility is directly linked to the quantity and type of products placed on the market.

With the introduction of the EPR system, businesses that fall within its scope will have several new obligations. These obligations are interlinked and can function effectively only if they are addressed in an organised manner:

1. Responsibility for data and reporting
2. Financial responsibility
3. Responsibility for communication and information

These responsibilities are not isolated from one another and do not require a change in the business model, but rather improved organisation, transparency, and planning.



**Figure 3. Business obligations under the EPR system**

### **3.1 Responsibility for data and reporting**

After registering as an EPR subject, the business is required to establish, maintain, and report accurate data on the products and packaging placed on the market. In practice, this means that the business must create an internal EPR register on which it continuously records:

- the categories of products placed on the market;
- annual quantities;
- the weight of products and packaging;
- the types of constituent materials.

These data must:

- be reported to the PRO, where the business participates in a collective compliance scheme;
- be reported to the Ministry of Environment/AKM, in accordance with legal requirements;
- be accompanied by an annual self-declaration confirming the fulfilment of obligations for the following year.

Even when reporting is carried out through a PRO, the business remains responsible for the accuracy and reliability of the data provided.



### **Practical tips:**

- Do not aim for perfection in the first year; focus on consistency and proper documentation.
- Use existing sources of information, such as customs records, invoices, warehouse data, and supplier documentation.
- Keep all supporting documents properly archived.
- Assign a responsible person for maintaining the EPR register, even if this is a secondary role.

## **3.2 Financial responsibility**

Financial responsibility is the core element of the EPR system. Businesses are required to contribute financially to the management of the waste generated by their products after use. This contribution:

- covers the collection, transport, and recycling of waste;
- supports the achievement of national recycling targets;
- finances public awareness activities and the operation of the system.

The financial contribution is not an additional tax. It does not depend on the company's turnover or profit. Instead, it is determined by:

- the quantity of products and packaging placed on the market;
- their weight;
- the type of material used;
- the product category.

Businesses may fulfil this responsibility:

- through a Producer Responsibility Organisation (PRO), which is the most common and practical option; or
- through an individual compliance scheme, which is suitable only for very large businesses with strong administrative capacities.



### **Practical tips:**

- Treat EPR as a product cost, not as a penalty.
- Plan the EPR contribution within the annual budget.
- Analyse the weight and design of packaging, as this is often where the greatest cost savings can be achieved.
- Select a PRO not only based on fees, but also on transparency and the range of services provided.

## **3.3 Responsibility for communication and information**

The EPR system also requires businesses to take responsibility for informing consumers and end users about the management of products at the end of their life cycle.

This includes:

- providing clear information on recycling and product return options;
- using labels, icons, or simple instructions;
- cooperating in awareness-raising campaigns with the PRO and public authorities.

In most cases, communication activities are coordinated by PROs; however, the business remains responsible for its participation and for ensuring that the information it provides is consistent and aligned with the system.



### **Practical tips:**

- Avoid technical language – simplicity is more effective.
- Start with basic tools such as labels, website information, and point-of-sale materials.
- Align communication activities with the PRO.
- Transparency, even through small actions, helps build consumer trust.

### 3.4 Internal organisation: A prerequisite for the effective implementation of EPR

The successful implementation of all these obligations requires a minimum level of internal organisation. In practice, businesses should:

- appoint a person responsible for coordinating EPR-related activities;
- ensure cooperation between finance, warehouse, and logistics functions;
- clearly define:
  - who maintains the data register,
  - who communicates with the PRO and public authorities,
  - who is responsible for reporting and making payments;
- keep documentation in a structured and well-organised manner.

For most businesses, particularly small and medium-sized enterprises (SMEs), these tasks can be handled by a single person, provided that roles and responsibilities are clearly defined.



#### **Practical tips:**

- Businesses that integrate EPR into existing finance and logistics processes, rather than treating it as a parallel system, achieve higher compliance with lower overall costs

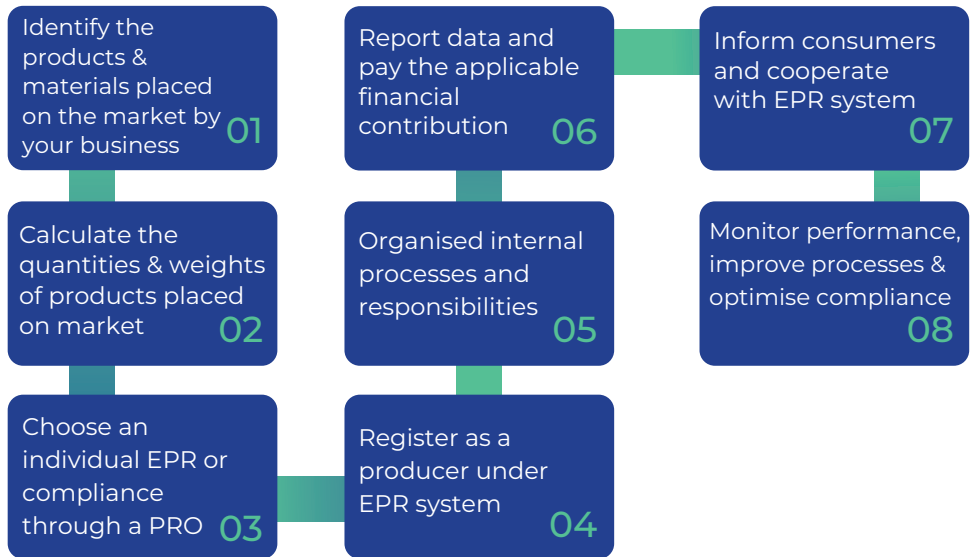
This chapter has explained the responsibilities that businesses have under the EPR system. The following chapter of the guide translates these responsibilities into concrete actions, guiding businesses step by step on how to prepare and act in a practical and controlled manner.

## **IV. How should a business prepare step by step for the implementation of EPR?**

Once a business has understood that EPR applies to its activities and what changes with the introduction of the new system,

the most important question becomes: What does the business need to do in practice, and where should it start?

This chapter describes the practical steps that every business should follow—from identifying products and packaging to reporting and payments—presented in a logical, structured and actionable sequence.



**Figure 4. Key steps for the implementation of the EPR system**

## 4.1 Identify the products and materials you place on the market

Preparation for EPR starts with a simple, yet critically important analysis: Which products and which materials does your business actually place on the market?

Every business should develop a clear overview of:

- the main products it sells, imports or manufactures;
- their packaging (primary, secondary and tertiary);
- the constituent materials (plastic, cardboard, metal, glass, textiles, etc.).

Many businesses make the mistake of reporting only the product and not the packaging. Under EPR, packaging is just as important as the product itself.



### **Practical tip:**

- Start by identifying your top-selling or highest-volume products rather than attempting to map your entire portfolio at once.
- Use existing documentation such as product lists, bills of materials, supplier specifications and packaging invoices to avoid creating new data from scratch.
- Pay particular attention to packaging components, including primary, secondary and tertiary packaging, which are often overlooked.
- When information is missing, work with suppliers to obtain standard material compositions and average weights.

## **4.2 Calculate the Quantity and Weight of Products Placed on the Market**

EPR is based on a very simple principle: the more products and packaging you place on the market, the greater your responsibility. For this reason, businesses are required to calculate:

- the number of products placed on the market during the year;
- the average weight of the product and its packaging;
- the total annual weight for each material type.

In practice, this can be done by:

- using data from imports, invoices and warehouse records;
- obtaining weight information from suppliers or manufacturers;
- applying average weights where individual measurements are not available.

Mathematical perfection is not required. What matters is consistency, transparency and proper documentation.



**Practical tips:**

- Use annual data as a starting point; monthly or quarterly refinement can follow once systems are in place.
- Where exact measurements are not available, apply reasonable averages and document the assumptions used.
- Ensure that quantities reported are consistent with accounting, import and inventory records to avoid discrepancies.
- Focus on data consistency over time, rather than perfect precision in the first reporting cycle.

**4.3 Decide how you will comply with EPR: Individually or through a PRO**

At this stage, the business needs to make a strategic decision.

<b>Option A – Individual compliance</b>	<b>Option B – Compliance through a PRO (Most common option)</b>
<p>The business:</p> <ul style="list-style-type: none"> <li>• organises collection and recycling independently;</li> <li>• contracts waste operators directly;</li> <li>• reports directly to the authorities;</li> <li>• bears the full administrative burden.</li> </ul> <p>This option is generally suitable only for:</p> <ul style="list-style-type: none"> <li>• very large companies;</li> <li>• producers with high volumes;</li> <li>• businesses with strong internal administrative capacities.</li> </ul>	<p>The business:</p> <ul style="list-style-type: none"> <li>• contracts an authorised Producer Responsibility Organisation (PRO);</li> <li>• pays the applicable financial contribution;</li> <li>• the PRO manages collection, recycling, reporting and compliance with targets.</li> </ul>



### **Practical tips:**

- Assess your internal capacity honestly before choosing an individual compliance scheme; administrative effort is often underestimated.
- For most businesses, joining a PRO offers cost predictability, administrative simplicity and reduced compliance risk.
- Compare PROs not only on fees, but also on services provided, reporting support and transparency.
- Review contracts carefully to understand roles, responsibilities and exit conditions.

## **4.4 Registration as a producer**

Once the business has clarified the products it places on the market and the chosen compliance approach, the next step is formalisation. Registration includes:

- identifying the business as an entity placing products on the market,
- declaring the relevant product categories,
- linking the business to the selected compliance scheme (a PRO or an individual scheme).

Registration should not be viewed as a mere formality. It is the foundation of the entire EPR system



### **Practical tips:**

- Prepare all necessary information in advance, including company details, product categories and estimated quantities, before starting registration.
- Ensure that the information submitted during registration is consistent with internal records and future reporting.
- Keep confirmation documents and registration numbers securely archived, as they may be required for audits or inspections.
- Update registration details promptly when product categories or business activities change.

## 4.5 Organise internal business processes

EPR cannot function without a minimum level of internal organisation. Businesses need to clearly define:

- who collects the data (finance, warehouse, logistics),
- who communicates with the Producer Responsibility Organisation (PRO),
- who submits reports,
- where documentation is stored.

In most cases, appointing one responsible person for EPR is sufficient. There is no need to create a new organisational structure.



### Practical tips:

- Assign a single point of responsibility for EPR coordination to avoid fragmentation of tasks.
- Clearly define the roles of finance, logistics and procurement in data collection and reporting.
- Integrate EPR related tasks into existing workflows, rather than creating parallel systems.
- Document internal procedures in a simple internal note or checklist to ensure continuity, especially during staff changes.

## 4.6 Report and pay financial contribution

Based on the data collected:

- the business reports the quantities of products placed on the market,
- the financial contribution is calculated,
- payment is made in accordance with the applicable deadlines.

These funds are used for:

- collection,
- recycling,
- public awareness and information,
- achieving national waste management targets.



### **Practical tips:**

- Start with simple and conservative estimates during the first reporting cycles and refine data quality over time.
- Align EPR reporting timelines with existing financial and inventory reporting cycles to reduce duplication of work.
- Keep all supporting documents (invoices, import declarations, supplier specifications) properly archived, as they may be requested for verification.
- When working with a PRO, clarify reporting formats, deadlines and payment schedules in advance to avoid delays or penalties.

## **4.7 Inform consumers and cooperate with the system**

EPR is not only about finance and reporting. Businesses are also required to:

- provide clear information on recycling,
- use labelling or instructions where appropriate,
- avoid obstructing take-back and collection systems.

This helps build consumer trust and improves brand reputation.



### **Practical tips:**

- Use clear and simple messages for consumers; complex environmental language is not necessary.
- Start with basic communication tools, such as labels, icons, short instructions on packaging or information on your website.
- Coordinate consumer information activities with your PRO, which may already run national or sector-wide awareness campaigns.
- Remember that transparency builds trust: even small actions can significantly improve how consumers perceive your brand.

## **4.8 Monitor, improve and optimise**

Businesses that treat EPR as an ongoing process benefit the most. Over time, a business can:

- reduce packaging weight,
- change materials,
- optimise costs,
- improve reporting quality.



### **Practical tips:**

- Review EPR data at least once per year to identify trends and cost drivers.
- Focus first on low-cost improvements, such as reducing unnecessary packaging layers or switching to lighter materials.
- Involve suppliers early when considering packaging or material changes.
- Treat EPR as part of continuous improvement, not as a one-off compliance exercise

This chapter has outlined the key steps businesses should follow to prepare for the implementation of EPR in a structured and practical way. While the process may initially seem complex, breaking it down into clear actions makes compliance manageable and predictable.

By approaching EPR step by step, businesses can reduce risks, control costs and gradually integrate environmental responsibility into their everyday operations. The next chapter focuses on how businesses can manage costs, risks and compliance more strategically, turning EPR from an obligation into a manageable and potentially beneficial business process.

## **V. How does the EPR system work in practice?**

After a business has been registered, has selected its compliance option, and has started reporting, another very important question naturally arises: “What actually happens to my products and my waste after that?”

This chapter explains how the EPR system works in practice, who does what, and how all parts of the system are connected from businesses to recycling and final reporting.

The EPR system does not function as a direct relationship between businesses and the state. Instead, it operates as an interconnected network of actors, each with a distinct and complementary role. Businesses place products on the market and finance the system, while collection, recycling, reporting, monitoring, and enforcement are carried out through structured cooperation between collective schemes PROs, recycling operators, municipalities, and public authorities.

For businesses, understanding these links is essential, because compliance with EPR does not depend only on paying the financial contribution, but on how the entire system functions as an integrated chain.

## 5.1 How are the actors connected within the EPR system?

**Businesses** are the starting point of the EPR system, as the need for waste management arises from their market activity. In practice, their role includes:

- o placing products and packaging on the market,
- o providing data on quantities, weights, and materials,
- o financing the system through the EPR contribution,
- o establishing a contractual relationship with a PRO (in most cases),
- o cooperating in reporting, verification, and consumer information.

Businesses are not directly involved in collection or recycling, but they remain responsible for the accuracy of their data and for legal compliance throughout the entire chain.

**PROs** are the central hub of the EPR system, linking businesses with practical implementation on the ground. Their core role is both coordinative and operational:

- o collecting data and financial contributions from member businesses,
- o organising and financing the collection and recycling of waste,
- o contracting licensed collection and recycling operators,
- o consolidating and reporting data on behalf of businesses,
- o ensuring the achievement of national recycling targets,
- o coordinating information and awareness-raising campaigns.

For businesses, the PRO is the main operational partner for implementing EPR in practice.

**Collection** and recycling operators are the actors that operate directly in the field and carry out the physical part of the system. In practice, they:

- o collect waste from various collection points,
- o transport waste to appropriate facilities,
- o carry out treatment and recycling in line with standards,
- o report treated quantities to PROs.

Operators usually do not have direct contractual relationships with individual businesses, but operate through PROs under approved contracts.

**Municipalities** play an important role in the local implementation of the system, particularly with regard to separate collection. Their role includes:

- o organising local waste management services,
- o creating conditions for separation and selective collection,
- o cooperating with PROs and operators,
- o providing access within their territory for EPR schemes.

Municipalities do not finance the EPR system, but they are a key part of its practical operation.

Public institutions do not carry out field operations, but ensure that the system functions legally, fairly, and transparently

**Ministry of Environment** has a policy-making and regulatory role within the EPR system. In practice, it:

- o defines the legal framework and secondary legislation,
- o sets national recycling targets,
- o establishes the rules for system operation,
- o oversees the overall implementation of EPR policy.

**National Environment Agency (NEA)** has a monitoring and administrative role. It:

- o manages registers of EPR subjects and PROs,
- o receives and analyses reports,
- o verifies reported data,
- o monitors the performance of the EPR system.

The NEA is the main technical authority of the state within the system.

**State Inspectorates** have a control and enforcement role, by:

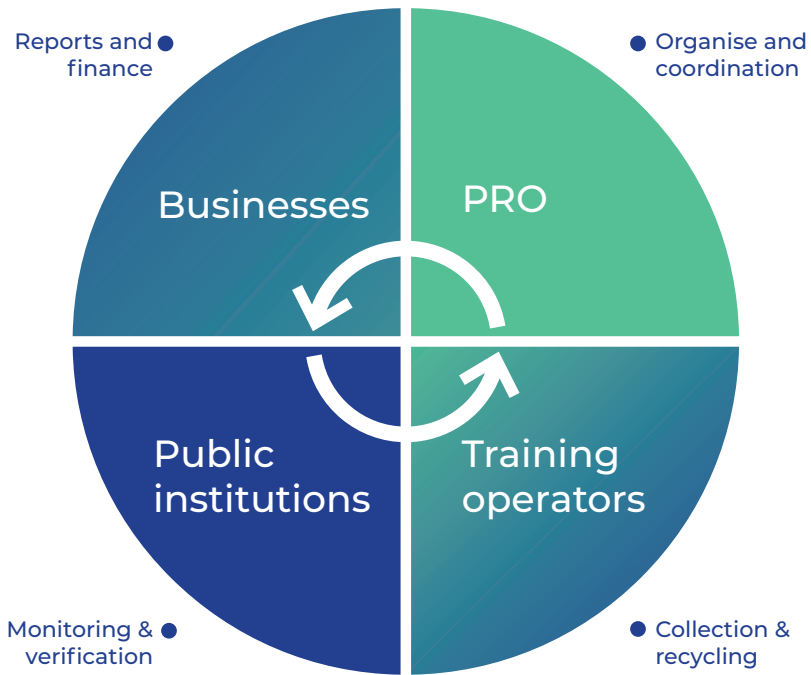
- o conducting inspections and controls,
- o verifying compliance with legislation,
- o imposing administrative measures and penalties in cases of non-compliance.

Their role ensures that the EPR system does not remain purely formal but is effectively implemented.

**Tax Authorities.** The tax administration has a supporting role in control and verification, by:

- o providing financial and commercial data,
- o supporting cross-checking of declarations,
- o assisting environmental authorities in identifying inconsistencies.

The EPR system functions only if all actors perform their roles in a coordinated manner. Businesses finance the system and provide data, PROs implement and coordinate it, operators deliver field operations, municipalities support local implementation, and public institutions ensure rules, monitoring, and enforcement.



**Figure 5. The flow of the EPR system**

## 5.2 How does reporting work in the EPR system?

Reporting is the mechanism that connects all actors within the EPR system and ensures that financing, recycling activities, and national targets are based on real and verifiable data. In practice, reporting is not a single action, but a flow of information that moves from businesses to PROs and then to public institutions.

### Reporting by businesses: the starting point of the system

Every business subject to EPR is required to report data on the products and packaging it places on the market. This data includes, among other things:

- product categories,
- quantities placed on the market during the year,
- the weight of products and packaging,
- the types of materials used.

A key element of the system is the annual self-declaration by the business regarding the fulfilment of its EPR obligations. This self-declaration:

- confirms that the business has reported accurately,
- demonstrates that financial contributions have been paid,
- serves as a basis for monitoring in the following year.

In most cases, businesses do not report every detail directly to public institutions, but do so through the PRO with which they have a contract. Nevertheless, responsibility for the accuracy of the data always remains with the business.

### **The role of PROs in data consolidation and reporting**

PROs act as the main filter and consolidator of reporting. They:

- collect data from all member businesses,
- check the consistency and completeness of the information,
- process data by product category and material,
- submit consolidated reports to the National Environment Agency and the relevant institutions.

At the same time, PROs also report:

- quantities of waste collected,
- quantities of waste recycled,
- achievement of recycling targets.

In this way, the system links what businesses declare they place on the market with what is actually collected and recycled.

## **Institutional reporting and verification**

NEA and other public institutions use reporting to:

- monitor the functioning of the system,
- verify compliance of businesses and PROs,
- cross-check data from different sources (reports, customs, tax authorities),
- assess the achievement of national targets.

Reporting therefore does not serve only statistical purposes, but also as a basis for control, planning, and decision-making.

In practice, reporting functions as a closed annual cycle, in which:

1. businesses report products placed on the market,
2. PROs report treated and recycled waste,
3. institutions verify and monitor performance,
4. the system is improved for the next cycle.

### **5.3 Why is accurate reporting in the interest of businesses?**

For businesses, reporting is not merely a formal obligation. Accurate reporting:

- reduces the risk of fines and penalties,
- avoids overestimation of financial contributions,
- increases credibility with institutions and business partners,
- creates predictability and cost stability.

In practice, businesses that report regularly and consistently face fewer inspections and fewer problems than those that react only when an inspection occurs.

## VI. How much will EPR cost businesses?

Once it is understood how the EPR system operates in practice, a question naturally arises for every business: How much will this cost me?

This chapter aims to explain the cost logic of EPR, the factors that influence these costs, and the ways in which businesses can plan and manage EPR-related costs in a controlled and predictable manner.

### 6.1 What does the cost of EPR represent?

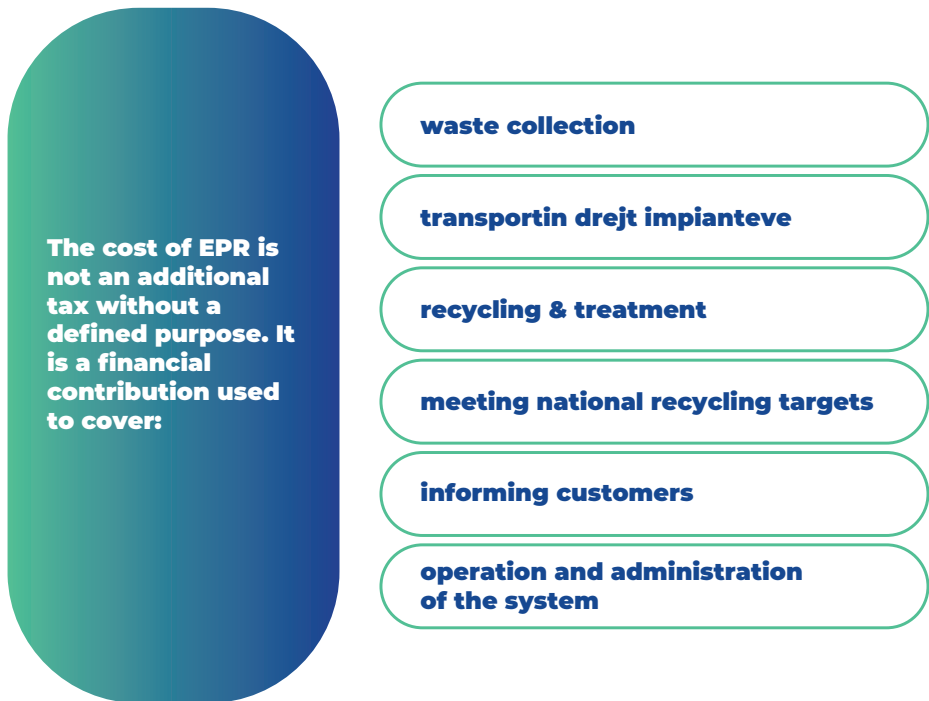
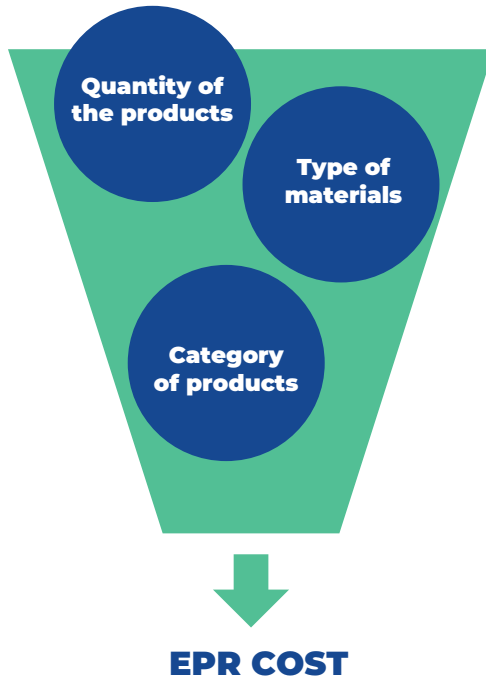


Figure 6. The cost of the EPR system

## 6.2 How is the EPR cost calculated?

The cost of EPR is not fixed and is not linked to the legal size of the company. Instead, it is mainly based on three key elements:



**Figure 7. The key elements of the EPR cost**

1. Quantity of products placed on the market. The more products and packaging a business place on the market, the higher the financial contribution.

2. Type of material. Different materials involve different treatment and recycling costs:

- plastics generally entail higher costs,
- mixed or composite packaging is more expensive to treat,
- materials that are easily recyclable usually have lower costs.

### 3. Product category, such as:

- packaging,
- electrical and electronic equipment,
- batteries,
- tyres,
- textiles.

Each category has its own specific characteristics and cost structure.

The fundamental principle is simple: you pay in proportion to the impact your products have on the waste management system.

## 6.3 What does not influence the cost of EPR?

It is equally important to clarify what does not affect EPR costs, to avoid misunderstandings:

- the legal size of the company (small or large),
- annual turnover,
- company profit,
- number of employees.

A small business placing limited quantities of products on the market will pay less than a large business placing high volumes of products on the market, even if the latter has a lower annual turnover.

### ***Illustrative examples:***

Without referring to specific fee levels, the underlying logic can be illustrated as follows:

- A bottled water producer that reduces the weight of its plastic bottle automatically reduces its EPR contribution.
- A business that switches from mixed packaging to mono-material packaging lowers treatment and recycling costs.
- An electronics importer with accurate and timely reporting avoids penalties and additional payments.

In many cases, EPR costs are influenced more by product and packaging design choices than by the fee levels themselves.

## 6.4 Are these costs predictable for businesses?

Yes. One of the key advantages of the EPR system is that, once:

- products have been identified,
- quantities have been calculated,
- a PRO has been selected

the business is able to:

- plan its annual EPR costs,
- include them in its budget,
- transparently incorporate them into the final product price.

Compared to unpredictable fines and penalties, EPR provides greater cost predictability and financial control.

## 6.5 How can a business manage EPR costs?

This is one of the most important aspects of the guide. EPR costs can be managed through the following actions:

### 1. Optimising packaging

- reducing packaging weight,
- using recyclable materials,
- eliminating unnecessary packaging.

### 2. Improving data quality. Accurate reporting helps avoid:

- overestimation of weights,
- penalties,
- additional administrative costs.

### 3. Choosing the right PRO

- Fees, services and levels of transparency vary between organisations.

### 4. Integrating EPR into the business strategy

Businesses that view EPR as part of their sustainability strategy, rather than as a burden, achieve better long-term results.

## **6.6 Can EPR costs become a business advantage?**

Yes, indirectly. Businesses that manage EPR effectively can:

- reduce operational waste management costs,
- improve brand image,
- increase consumer trust,
- meet the requirements of international partners,
- improve access to green financing and sustainability-focused projects.

## **VII. What risks do businesses face if they do not comply with EPR?**

EPR is not a formal requirement that can be ignored without consequences. In practice, non-compliance with EPR creates tangible risks for the operation and long-term sustainability of a business. This chapter explains the real risks businesses face if they fail to prepare and act in a timely manner.

### **7.1 Financial risk: Fines and unforeseen costs**

Non-compliance with EPR may result in:

- administrative fines for failure to register,
- penalties for non-reporting or inaccurate reporting,
- additional payments for undeclared quantities,
- increased costs due to late corrections.

The main risk is not only the fine itself, but the fact that these costs are:

- unpredictable,
- not planned in the budget,
- often higher than the regular EPR contribution.

## **7.2 Operational risk: Suspension or restriction of activities**

In cases of continued non-compliance, businesses may face:

- suspension of authorisations,
- blockage of import activities,
- restrictions on placing products on the market,
- disruptions in the supply chain.

These consequences directly affect:

- customer supply,
- relationships with business partners,
- contract performance.

## **7.3 Reputational risk: Loss of trust**

In a market that is increasingly sensitive to environmental issues:

- non-compliance with EPR can damage brand image,
- international partners may refuse cooperation,
- consumers may lose trust,
- the business may be perceived as irresponsible.

Reputation takes years to build but can be lost very quickly.

## **7.4 Risk of frequent inspections and controls**

Businesses that:

- are not registered,
- report inaccurately,
- lack complete documentation,

are more exposed to:

- frequent inspections,
- detailed audits and verifications,
- requests for clarifications and corrective actions.

By contrast, compliant businesses benefit from:

- a lower inspection risk,
- fewer disruptions to day-to-day operations.

## **7.5 Strategic Risk: Loss of competitive advantage**

In many sectors, compliance with EPR is increasingly becoming:

- a condition for accessing new markets,
- a criterion for cooperation with international partners,
- a differentiating factor between businesses.

Businesses that fail to adapt:

- fall behind competitors,
- lose access to financing opportunities and partnerships,
- risk being unprepared for future EU requirements.

## **7.6 Common mistakes that increase the risk of non-compliance**

Some of the most common mistakes made by businesses include:

- failing to correctly identify themselves as EPR-obligated entities,
- reporting only products and not packaging,
- underestimating weights to reduce costs,
- lacking supporting documentation,
- delays in registration and reporting,
- selecting a PRO without proper analysis.

These mistakes are usually the result of lack of information rather than bad intent, and fortunately, they are fully avoidable.

## **VIII. Practical EPR models – Case studies and lessons for businesses**

EPR is not a theoretical concept. It has been operating for decades in EU Member States through different institutional and operational schemes. This chapter presents a selection of practical case studies from the EU; chosen for their structural similarities or the practical lessons they offer for Albania. The objective is not to replicate these models, but to understand the principles that make them work.

### **8.1 The CONAI model in Italy: How a consolidated EPR system for packaging works**

#### **How does a consolidated EPR system for packaging work?**

In the CONAI model, businesses that place packaging on the market are the starting point of the system, as they supply the system with data and finance it through the eco-contribution. CONAI acts as a central coordinating body, linking businesses to the practical implementation of EPR and ensuring a unified system at national level. Operational management is carried out through material-specific consortia, which organise the collection and recycling of packaging in cooperation with licensed operators.

Municipalities organise separate collection at local level, while the additional costs related to packaging waste management are covered by the CONAI system. This creates a clear division of responsibilities between the public and private sectors. The state plays a supervisory and regulatory role without intervening in day-to-day operations, ensuring transparency, control and achievement of national recycling targets. This combination of business self-organisation and public oversight forms the basis of the long-term stability and success of the Italian model.

## How does the scheme work in practice?

1. Businesses report packaging data and pay the eco-contribution.
2. CONAI allocates responsibilities by material through specialised consortia.
3. Municipalities collect separately sorted waste.
4. Operators recycle and report quantities treated.
5. CONAI consolidates data and reports system performance.

## What distinguishes this model?

- Very clear material-based differentiation
- Technically justified fee structure
- Structured relationship with municipalities
- High transparency for businesses

## Key lessons for Albania

- Central coordination increases system stability
- Differentiated fees create real incentives
- Transparency improves business compliance
- Simplification for SMEs is critical

## 8.2 The German EPR model: The dual system and the importance of accurate data

In the German model, businesses are directly responsible for their data and for choosing their EPR compliance scheme, as they are required to contract a licensed EPR organisation operating in the market. Unlike the Italian model, there is no single central coordinating body; instead, several EPR organisations compete with each other, each providing collection and recycling services on behalf of their contracted businesses. These organisations connect businesses with recycling operators and manage operational reporting.

The state plays a very strong role in control and verification by cross-checking data from businesses, EPR organisations,

recycling operators, customs and tax authorities. This high level of monitoring creates a system in which accurate reporting is a fundamental condition for proper functioning. Municipalities remain responsible for public waste services, while the dual system operates in parallel to ensure that packaging is managed in line with EPR targets. The strength of the German model lies in combining competition with rigorous control.

### **How does the scheme work in practice?**

1. Businesses declare packaging data accurately.
2. EPR organisations calculate fees based on declared data.
3. Operators treat the waste.
4. Authorities cross-check data from multiple sources.

### **What distinguishes this model?**

- Presence of multiple EPR organisations in the market.
- Very strong state control.
- Real penalties for under-reporting.
- Fees closely linked to packaging design.

### **Key lessons for Albania**

- Without accurate data, the system cannot function.
- Self-declaration must be accompanied by verification.
- Competition only works with strong oversight.

## **8.3 The French EPR model as an instrument for eco-design and innovation**

In the French model, businesses finance the system and provide data, while implementation is carried out through authorised EPR organisations. These organisations not only coordinate collection and recycling, but also finance reuse, repair and innovation initiatives, extending the role of EPR beyond

traditional waste management. The relationship between businesses and the system is direct and oriented towards product improvement.

The state plays an active role in setting rules and targets, particularly regarding eco-modulation of fees and performance monitoring. Municipalities and local operators implement collection on the ground, while EPR funds are used to support the transition to a circular economy. Communication between actors is structured and results-oriented, making the French system a strong example of EPR as a strategic market instrument.

### **How does the scheme work in practice?**

- Fees vary according to product environmental performance
- Funds are used for recycling, repair and reuse
- EPR is directly linked to the circular economy

### **What distinguishes this model?**

- Advanced eco-modulation
- Direct financing of innovation
- Strong focus on waste prevention

### **Key lessons for Albania**

- EPR can be used as a development instrument
- Product design directly affects costs
- Linking EPR with circular economy policies increases impact

## **8.4 The Croatian EPR model: A centralised and pragmatic approach for smaller markets**

In the Croatian model, the state acts as the central node of the EPR system, directly coordinating registration, reporting, fund collection and enforcement. Businesses contribute financially and report data through standardised procedures, while the system is designed to be simple and easy to implement, particularly for small and medium-sized enterprises. The scope for private self-organisation is more limited than in larger EU markets.

Municipalities and local operators implement collection and treatment on the ground, while EPR funds are centrally managed to cover costs and ensure financial stability of the system. State inspectorates and monitoring bodies guarantee high compliance and practical enforcement. This model demonstrates that for smaller markets, a centralised and pragmatic approach can ensure effective EPR implementation without complex institutional structures.

### **How does the scheme work in practice?**

- Standardised procedures
- Stable system financing
- Strong focus on compliance and practical implementation

### **What distinguishes this model?**

- Low system complexity
- Direct state control
- Well suited to SMEs

### **Key lessons for Albania**

- Simplicity increases compliance
- Phased implementation is essential
- A strong state role is critical in early stages

## IX. Practical checklist for businesses – How to verify if you are ready for EPR

For many businesses, the main challenge related to EPR is not a lack of willingness, but a lack of clarity about their current position and the concrete steps they should have already completed. This chapter provides a practical checklist, structured into logical phases, enabling businesses to:

- assess their level of preparedness,
- identify gaps,
- plan next steps in a structured and systematic way.

This checklist is not a legal audit tool, but a practical self-assessment instrument

---

Is your business subject to EPR?

Key questions to consider:

- Do you manufacture or import products placed on the Albanian market?
- Do you place packaging on the market, even if you do not manufacture the product?
- Do you sell products under your own brand?
- Do you import packaged products for resale?

If the answer is “yes” to at least one of these questions, your business falls under the EPR system.

---

## Identification of products and packaging

The business must have a clear overview of the products and packaging it places on the market.

- Is there a list of products that are sold?
- Has the packaging for each product been identified?
- Have packaging materials been separated (plastic, paper, metal, glass, etc.)?
- Have primary, secondary and tertiary packaging been identified?

If these elements are not documented, EPR preparedness cannot be considered complete.

## Data and records

EPR is based on reliable data. The business should verify:

- Are annual quantities of products available?
- Are there records on packaging weights?
- Are data supported by documents (invoices, customs declarations, warehouse records)?
- Is the same reporting methodology used consistently each year?

Approximate data are acceptable only if they are consistent and properly documented.

<p>Choice of EPR compliance method</p>	<p>The business should have made a clear decision and confirm:</p> <ul style="list-style-type: none"> <li>• Has compliance through a PRO been analysed?</li> <li>• Has the option of individual compliance been realistically assessed?</li> <li>• Is the administrative burden of each option clearly understood?</li> </ul> <p>In most cases, joining a PRO is the safest and most cost-effective solution.</p>
<p>Registration and formalisation</p>	<p>EPR compliance requires formal registration. The business should confirm:</p> <ul style="list-style-type: none"> <li>• Is the business registered as an EPR- obligated entity?</li> <li>• Have product categories been declared?</li> <li>• Is there a contract with a PRO (if applicable)?</li> </ul> <p>Without this step, the business remains formally outside the EPR system.</p>
<p>Internal organisation</p>	<p>Although EPR does not require new structures, it does require clear responsibilities. The business should confirm:</p> <ul style="list-style-type: none"> <li>• Has a responsible person for EPR been appointed?</li> <li>• Is there coordination between finance, warehouse and logistics?</li> <li>• Are documents stored in a structured manner?</li> </ul> <p>In many businesses, EPR can be managed successfully by a single person, provided the role is clearly defined.</p>

<p>Reporting and payments</p>	<p>The business should verify whether:</p> <ul style="list-style-type: none"><li>• reporting is carried out within deadlines;</li><li>• data are verified before submission;</li><li>• payments are planned within the budget;</li><li>• documentation for completed payments is available.</li></ul> <p>These elements are critical for avoiding penalties.</p>
<p>Risk management and continuous improvement</p>	<p>The most prepared businesses treat EPR as an ongoing process. The business should confirm:</p> <ul style="list-style-type: none"><li>• Are data reviewed periodically?</li><li>• Are opportunities to reduce packaging analysed?</li><li>• Is EPR considered in the design of new products?</li><li>• Are legislative changes monitored?</li></ul>

This checklist may be used:

- i. as an initial self-assessment tool,
- ii. as preparation before inspections or audits,
- iii. as a basis for cooperation with consultants or PROs,
- iv. as a guiding document for management.

If most of the checklist items are covered, the business is on the right path towards EPR compliance.

## **X. From legal obligation to strategic opportunity for businesses**

For many businesses, EPR is initially perceived as a new legal obligation that brings additional costs, administrative requirements and uncertainty. However, European experience and market practice show that businesses which understand and integrate EPR early are able to transform this obligation into a strategic element that strengthens both competitiveness and long-term sustainability.

This chapter concludes the guide by offering a forward-looking perspective and demonstrating how EPR can be used as a development tool, rather than merely a compliance requirement.

### **EPR as part of modern business management**

In European markets, EPR has become an integral part of how businesses plan products, supply chains and cost structures. Companies that treat EPR as an element of risk management and financial planning benefit from greater stability and avoid administrative and financial surprises. For Albania, this means that EPR should be seen as part of good corporate governance practices, rather than as a temporary external requirement.

### **EPR and product design improvement**

One of the most significant impacts of EPR is its role in driving improvements in product and packaging design. Businesses that analyse their packaging from the perspective of recyclability, weight and material composition not only reduce their EPR contributions, but also improve logistical efficiency and brand image. In the medium term, these improvements often result in lower operational costs and increased product value in the eyes of consumers.

## **EPR and business reputation**

Consumers, commercial partners and investors are placing increasing importance on the environmental performance of businesses. Compliance with EPR and clear communication of waste management efforts contribute directly to building trust and strengthening reputation. For Albanian businesses targeting foreign markets or cooperation with international companies, EPR is gradually becoming an essential element of their sustainability profile.

## **EPR as an opportunity for innovation and the circular economy**

EPR creates economic incentives to rethink products and business models. Reuse, repair, recycling and the use of recycled materials open opportunities for innovation, new products and additional services. Businesses that view EPR as part of the transition towards a circular economy are better positioned to benefit from green financing, pilot projects and public–private partnerships.

## **EPR and preparation for future EU requirements**

The Albanian EPR law represents only one step in a broader process of alignment with EU policies. In the coming years, reporting requirements, recycling targets and eco-design criteria are expected to become more demanding. Businesses that prepare today will have a clear advantage over those that react only when obligations become stricter. In this sense, EPR is an investment in the long-term readiness of the business.

## Conclusion

**EPR** is not a burden to be avoided, but a reality to be managed intelligently. Businesses that act early, organise effectively and understand the logic of the system not only mitigate risks, but also create added value for themselves and for society.

This guide aims to serve as a practical tool to make this transition as clear, manageable and beneficial as possible for Albanian businesses. EPR is a journey, not a one-off action. The earlier preparation begins, the greater the benefits will be.



**REDUKTO**  
**RIPërdor**  
**RIKIKLO**