Simplifying EPR

Voices from European SMEs

Copenhagen, October 2025
An Implement Consulting Group study commissioned by Amazon

Two years of research and dialogue with EU SMEs form the basis for 11 recommendations

Survey among 3,350 SMEs in 11 countries to identify Single Market initiatives that will help businesses grow within the European Green Single Market.

See our reports here

11 recommendations to create a more robust and streamlined Single Market

1	Adopt an ambitious Single Market Strategy
2	Strengthen SOLVIT by making it more proactive and increasing awareness of its services
3	Conduct a data flow test of all existing and new EU regulation
4	Upgrade the European Semester to include recommendations on how to harmonise implementation of EU regulation and close the compliance gap
5	Strengthen the use of the Better Regulation Toolbox by integrating implementation into the design of new regulation and consistently respecting impact assessment requirements
6	Map and remove regulatory barriers to trade in climate goods and services within the Single Market
7	Design the digital European product passport in a way that makes the circular work of businesses easier
8	Create a one-stop-shop to Member States' extended producer responsibility (EPR) systems
9	Create a single VAT ID and extend the VAT one-stop-shop
10	Recognise digital labelling as a true substitute for physical labelling
11	Create conditions for the development of easy, fast, reliable, and low-cost cross-border payments for both euro and non-euro payments

Extended Producer Responsibility | Lack of harmonisation and an inefficient compensation model

Extended Producer Responsibility (EPR) is central to advancing the EU's circular economy objectives. Under EPR, manufacturers and retailers are held accountable for the entire life cycle of their products, from production to end-of-life management. The initiative seeks to minimise waste and encourage sustainable material use and design across packaging types including cardboard, paper, glass, aluminium, and plastics.

As part of the Circular Economy Action Plan and the forthcoming Circular Economy Act (CEA) — expected in 2026 — the EPR framework is being reviewed. The EPR effort aims to strengthen Europe's environmental resilience and competitiveness.

However, uneven implementation of EPR across Member States risks distorting competition within the Single Market and placing unnecessary administrative burdens on European businesses — particularly small and medium-sized enterprises (SMEs).

Business burdens under EPR

Businesses support the goals of EPR but note that its implementation remains complex and uneven.

Uneven implementation and enforcement | EPR rules differ widely across Member States, creating unequal conditions and additional costs for exporters adapting to multiple national systems, preventing SMEs from entering new countries.

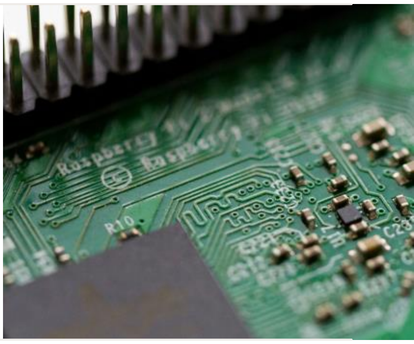
Unclear guidance and complex responsibilities | Companies report that national guidance is often limited or inconsistent, leading to duplication of effort and uncertainty about compliance.

Extensive reporting and data requirements | Reporting rules vary by material type and often require detailed data from suppliers. Collecting and validating this information is time-consuming and resource-intensive, especially for firms with long supply chains.

While the aims of EPR are widely shared, businesses emphasise the need for **greater harmonisation, clarity, and digitalisation** to ensure that compliance is efficient, fair, and proportionate — enabling the regulation to achieve its environmental objectives without unnecessary burdens.

Case | Vanpee mentions several practical and financial challenges related to business requirements and EPR for packaging

Vanpee is a Danish wholesale distributor of electrical components and solutions for industry and construction. The company supplies more than 10,000 product types, ranging from cables and lighting to automation and packaging materials. Vanpee serves both large industrial customers and smaller installers, with sales across Denmark and to selected European countries.



Lack of a de minimis limit

Vanpee explains that reporting obligations are disproportionate in relation to the size of many businesses. Packaging reporting must be done in kilograms, which is highly time-consuming. To comply, Vanpee hired a student assistant to weigh and register packaging for approximately 10,000 products. While the initial phase was especially demanding, ongoing updates for new products continue to create a heavy financial and administrative burden. Small companies are hit hardest due to lack of internal resources and competitive pressure that prevents them from raising their prices to cover regulatory compliance costs.

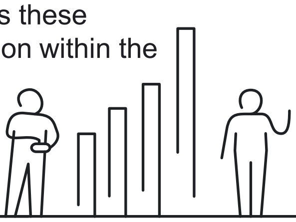
Challenges with Business ID for registration

Vanpee also reports difficulties registering with national authorities because a business ID is required. Obtaining this ID has proven highly time-consuming and difficult. As a result, packaging registration and reporting is delayed. Vanpee highlights that the process lacks clear guidance and creates significant uncertainty for firms, blocking their ability to grow and scale.

> *Right now, the packaging requirements is the biggest issue for us. It’s a huge task that we haven’t even gotten through yet. The expectation is that we register all packaging by weight and type, but often a product has several types of packaging that must be registered separately.*
>
> ***- Vanpee***

Uneven implementation and lack of enforcement

The company notes that Denmark has introduced a stricter EPR regime than other EU Member States. This creates an uneven playing field: Danish companies face higher costs due to stricter compliance and new EPR systems, while foreign sellers can bypass these requirements and remain competitive. This over-implementation distorts competition within the Single Market and creates incentives to ignore national requirements.



Source: Implement Consulting Group based on interviews with businesses incl. DI members.

Case | DS Smith experiences disproportionate administrative burdens under fragmented EPR systems

DS Smith is a leading provider of sustainable fibre-based packaging solutions, operating in over 30 countries and serving customers across consumer goods, retail, and industrial sectors. The company manages the full packaging value chain — from design and production to collection and recycling — making it directly affected by how EPR is implemented across Member States.

Fragmentation increases administrative burden

DS Smith supports the objectives of EPR but finds that fragmented national systems impose disproportionate costs. Diverging definitions, data categories and reporting rules across Member States make compliance complex and resource-intensive. Despite centralised internal processes, the company must maintain multiple reporting streams to meet local requirements — a task that demands around three full-time employees and diverts resources away from circular innovation.

At the same time, inconsistent fee structures distort cost signals: outside Denmark, paper and cardboard are priced similarly, while in Denmark, cardboard costs much more. Aligning Danish fees with European levels would better support fair and sustainable packaging design.

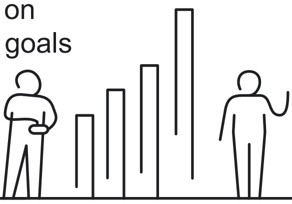
Inconsistent guidance and enforcement

EPR enforcement and interpretation vary widely between countries. Some Member States provide clear frameworks and digital systems, while others rely on manual processes or unclear guidance. This inconsistency creates legal uncertainty and distorts competition between compliant and less regulated producers, undermining both fairness and environmental outcomes.

> *We support the purpose of EPR, but the patchwork of systems makes compliance a constant challenge — without adding real environmental value.*
>
> ***- Mette Staal, DS Smith***

Need for harmonisation and digitalisation

DS Smith highlights that clearer definitions, harmonised reporting rules, and a digital 'one-stop-shop' are essential to reduce duplication and improve transparency. A unified EU framework would streamline compliance, cut costs, and allow companies to focus on innovation rather than administration — ensuring EPR achieves its environmental goals efficiently and fairly.



Source: Implement Consulting Group based on interviews with businesses incl. DI members.

Case | Bergsala's experience illustrates how clear and stable EPR systems reduce administrative complexity

Bergsala AB is a distributor of Nintendo products across the Nordics, importing and marketing consoles, games, and accessories. With operations in Sweden since 1976, the company is accustomed to ensuring compliance with national sustainability regulation, including Swedish producer responsibility schemes for both packaging and electronics.

Predictability reduces perceived burden

Bergsala notes that once internal routines were in place, handling administration on EPR became easier. Today, the compliance process takes roughly one day per quarter and is handled by existing staff. Clarity, continuity and simple procedures enable efficient compliance for Bergsala and other companies that have integrated EPR into their operations. Also, Sweden's EPR schemes have become less burdensome over time through stable implementation, consistent guidance, and clear rules.

A call for harmonisation

Operating across the Nordics, Bergsala finds that differences between national EPR systems – for instance between Sweden's mature regime and Denmark's newly implemented EPR schemes – create friction and costs for cross-border business.

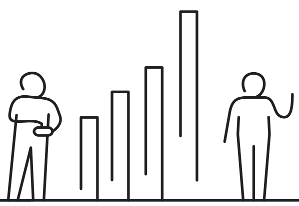
The company's experience highlights the need for greater alignment between national systems to ensure fairness and legal certainty. Even companies that have successfully integrated EPR into daily operations still face the challenge of adapting to multiple national schemes.

> *If everybody plays by the same rules, regulation does not have to harm the business.*
>
> ***- Bergsala AB***

Layering regulatory complexity

Bergsala notes that its main administrative challenge today no longer stems from producer responsibility rules, but from the growing complexity of sustainability reporting under the Corporate Sustainability Reporting Directive (CSRD). While EPR has become a stable and predictable routine, the CSRD introduces additional and overlapping requirements for data collection and disclosure.

This contrast shows how regulatory burdens shift over time: as mature systems become routine, new initiatives can reintroduce complexity when developed separately. Aligning reporting systems and data requirements may help prevent efficient frameworks from becoming burdensome again due to cumulative obligations.



Source: Implement Consulting Group based on interview with Bergsala AB.

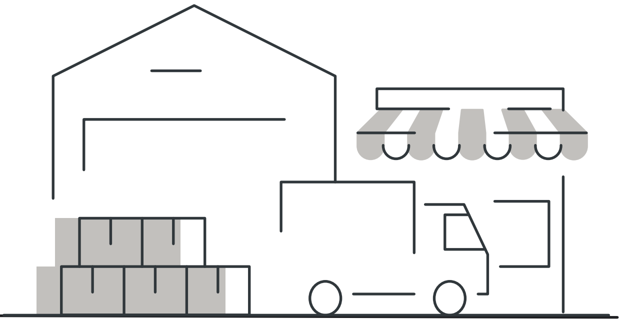
Case | Complex and heterogeneous EPR systems hinder growth in Europe

LUK Furniture

LUK Furniture is a Polish home furniture seller. While LUK Furniture has managed to expand to various European countries, this has not occurred without difficulties. For instance, national requirements add layers of complexity on top of EU regulations and require excessive documentation. One example relates to waste management – and in particular the many diverging EPR schemes across the EU. This complexity poses great uncertainties and financial risks for SMEs like LUK Furniture, leading to additional costs for e.g. consultations with local specialists. Simple, streamlined and harmonised regulation on producer responsibility is needed to help the SME scale up through the Single Market, including on EPR schemes.

Trevit

Trevit is a Swedish cosmetics company. The company finds that there are several layers of regulation to consider when entering into contracts on producer responsibility, and Member States have very different applications of EU regulations. This complexity creates significant uncertainty and financial risk for SMEs like Trevit, which faces ending up in costly and lengthy disputes.



Source: Implement Consulting Group based on interviews with businesses incl. DI members.

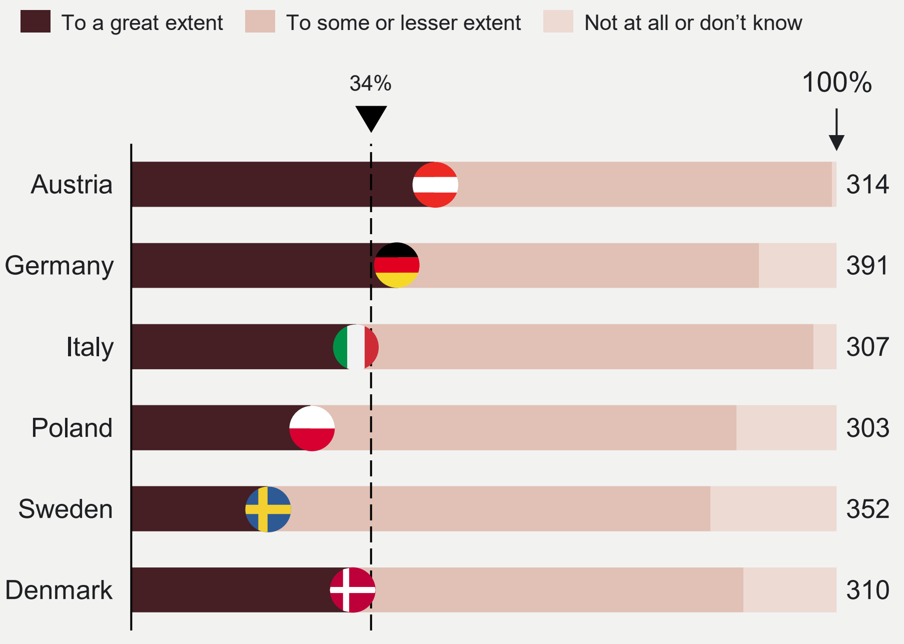
Proposed solution | Create a one-stop-shop to member states' EPR systems

With over 100 different EPR schemes, each with unique registration and reporting requirements, the system is highly fragmented. This lack of standardisation imposes significant administrative burdens on businesses operating in multiple Member States and product categories.

To address the fragmentation of EPR schemes in the EU, we support:

- A digital EPR 'one-stop-shop' for registration, reporting and payment to enable registration across Member States and product categories through one single platform.
- The European Commission oversees the portal, ensuring it provides up-to-date EPR information for all Member States.
- Standardisation of EPR schemes across Member States and products is given high priority, while respecting Member States' mandates over EPR schemes.

To what extent would a digital one-stop-shop for EPR help your company grow?

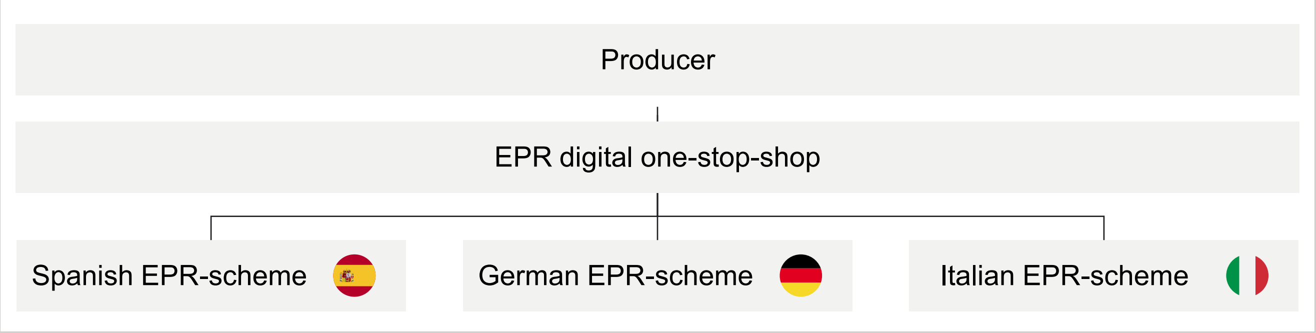


Source: Implement Economics based on a survey of 2,087 SMEs in six countries.
Note: Response to question: 'To what extent would the following initiatives to create a Circular Single Market help your company grow?', n = 1,977.

Proposed solution | Create a one-stop-shop to member states' EPR systems

To make EPR both effective and manageable, the EU should establish a digital "one-stop-shop" platform for registration, data submission, and reporting. Such a system could allow companies to fulfil all EPR obligations for multiple Member States through a single interface, reducing duplication and improving data quality. The platform should:

- **Enable single registration** for companies operating across several markets, automatically routing data to relevant national systems.
- **Standardise reporting formats and data fields**, ensuring consistency across material types and product categories.
- **Integrate AI-driven assistance** — for example, smart classification tools that help businesses match products to relevant EPR categories, flag data inconsistencies, and pre-fill reporting templates based on historical submissions.
- **Provide real-time feedback and guidance**, reducing uncertainty and human error while improving regulatory oversight.

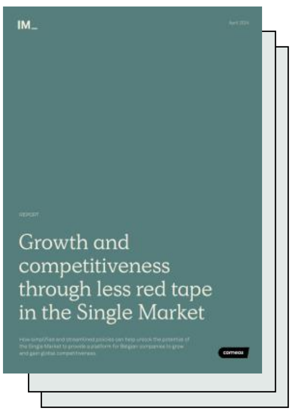


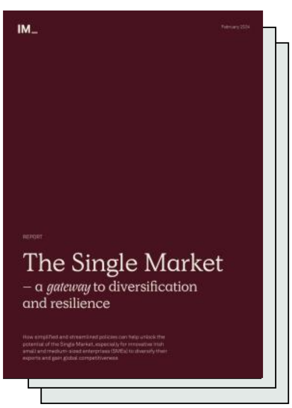
A digital one-stop-shop would not only simplify compliance but also strengthen the **Single Market** by ensuring equal conditions for all producers — enabling EPR to achieve its environmental goals through a system that is both **smarter and simpler, while respecting the autonomy of Member States**.

Challenge	Current state	With One-Stop-Shop
Registration	Fragmented national systems requiring multiple entries	Single EU-wide registration portal automatically linked to national systems
Reporting	Non-harmonised templates and inconsistent data requirements	Standardised digital templates with common data fields across Member States
Data quality	Manual entry prone to errors and duplication	AI-assisted validation and smart data pre-filling for improved accuracy
Oversight	Limited visibility and slow coordination across authorities	Real-time monitoring, analytics, and traceability for regulators

Further readings on recommendations to simplify regulation

Implement Consulting Group has released a series of high-level reports, commissioned by Amazon, directed at national and EU policymakers and outlining 11 specific and impactful recommendations to simplify and streamline processes and regulation – thereby creating a more robust and unified Single Market. These reports and recommendations are built on comprehensive SME surveys and interviews, together with a detailed literature review. We hope this catalogue serves as a valuable resource for policymakers, industry stakeholders, and the wider EU community in cultivating an environment where SMEs can thrive.





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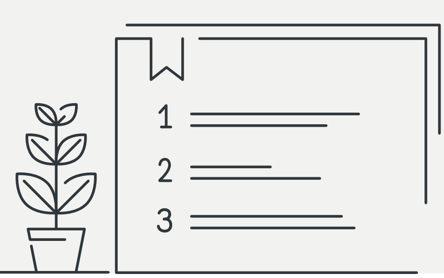

About Implement Economics

Implement Economics is the economics expert unit of Implement Consulting Group. Our experts are advisers to corporate and government decision-makers within regulation, trade, digitalisation, decarbonisation, and globalisation. The team applies economic modelling, data analytics and econometrics to help solve worthwhile problems.

Headquartered in Copenhagen with offices in Aarhus, Stockholm, Malmö, Gothenburg, Oslo, Zurich, Munich, Hamburg and Raleigh (NC), Implement Consulting Group employs more than 1,600 consultants working for multinational clients on projects worldwide.

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