

GREEN TAXATION IN THE WESTERN BALKAN COUNTRIES

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Ultimate goal of environmental taxation is to prevent environmental pollution. Green taxation is based on the Polluter-Pays Principle. The purpose of this lecture is to present the main findings about the state, perspectives and problems of green taxation in the Western Balkan countries (WBCs). While Bosnia and Herzegovina, Montenegro and North Macedonia have already made some significant steps towards environmental taxation with the aim of faster adaptation to the Carbon Border Adjustment Mechanism (CBAM), Serbia and Albania are still significantly behind them. Due to the lack of key empirical data on green taxation, the lecture focuses on North Macedonia and Serbia, where energy taxes play the dominant role, followed by transport and pollution taxes. Unlike North Macedonia, Serbia should pay more attention to pollution problems if it really wants to converge towards EU environmental standards. In the future, the WBCs will also need to pay much more attention to keeping green statistics, as well as to their general commitment to green issues.

Key words *environmental taxation, green taxes, environmental pollution, Western Balkan countries, Carbon Border Adjustment Mechanism (CBAM)*

