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INSURANCE, EUROPEAN FUNDS, CIRCULAR ECONOMY, AND MANAGEMENT: PILLARS OF SUCCESS IN THE NEW ECONOMY

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Abstract. This study explores the essential roles of insurance, European funds, circular economy principles, and effective management strategies in fostering sustainable economic growth. Examining corporate practices, funding approaches, and the vital function of insurance in risk management illustrates how these components work together to enhance resilience and promote resource efficiency. This research, utilizing corporate reports, policy documents, and reputable economic sources, underscores the need for a cross-sectoral framework that addresses current gaps and encourages collaboration to meet global sustainability objectives.

Keywords: *Insurance, European Funds, Circular Economy, Management Strategies, Sustainable Growth, Risk Management, Corporate Sustainability*

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Introduction

In today's rapidly changing economic landscape, sustainability has become a crucial objective for both public and private sectors. The increasing pressures from environmental issues, resource limitations, regulatory demands, and evolving consumer expectations are accelerating the shift towards sustainable economic models. Within this context, integrating insurance products, European funding initiatives, circular economy principles, and strategic management offers a promising route to sustainable growth. However, harmonizing these diverse areas to maximize their impact presents significant challenges.

This article addresses these complexities by examining how these components contribute to a resilient, resource-efficient economy. The study concentrates on four main areas: the impact of insurance on sustainable investments, the role of European funds in promoting circular economy initiatives, the adoption of circular economy practices by businesses, and management strategies that foster a culture of sustainability. This analysis aimed to showcase collaborative approaches that can significantly enhance sustainable economic growth across various industries.

To conduct this study, a mixed-methods approach was adopted that combines quantitative and qualitative data, enabling us to explore the relationships between insurance, European funding, circular economy concepts, and sustainable management practices in depth. This comprehensive methodology offers a holistic perspective on how these elements work together to promote sustainable economic development. The primary data sources include corporate annual reports, documents from the European Commission, and case studies highlighting businesses that prioritize sustainability.

1. Insurance Sector's Role in Promoting Sustainability

The insurance industry is progressively adopting sustainability by developing products that facilitate investments in renewable energy and climate resilience. This shift is evidenced by Allianz, which reported a 15% increase in its renewable energy insurance portfolio between 2020 and 2022, reflecting a growing demand for financial solutions that address the risks of green projects. Similarly, Swiss Re has implemented advanced climate risk models, achieving a 20% improvement in underwriting accuracy, which allows them to offer more competitive premiums for sustainable initiatives. Major companies such as AXA and Zurich Insurance are also advancing in this area, with

AXA's green insurance offerings expanding by 14% and Zurich's by 10% from 2019 to 2022. These developments illustrate how insurers are promoting sustainable investments by creating tailored products that lower financial obstacles to green technology and infrastructure projects.

In recent years, the insurance industry in the Republic of Moldova has begun to embrace sustainability, aligning with global trends towards environmentally conscious business practices. Although smaller and less mature than Western markets, Moldovan insurers are exploring opportunities in renewable energy projects, such as solar and wind, to support climate resilience and sustainable development. They are adopting advanced risk assessment models to improve underwriting accuracy and offer competitive premiums for sustainable initiatives. By developing tailored insurance solutions, Moldovan insurers aim to attract investments in green technology, supporting the country's energy transition and fostering a more resilient, sustainable future.

2. European Funding for Circular Economy Initiatives

European funds have been crucial in promoting circular economy initiatives, with a significant allocation of €10 billion under the Horizon Europe program from 2021 to 2027 (see table no. 1).

Table 1. Allocation of European Funds for Circular Economy Initiatives (2021-2027)

Region	Funding Allocation (€ Billion)	Primary Focus
Northern Europe	4.2	Renewable Energy
Southern Europe	3.1	Agricultural Efficiency
Central And Eastern Europe	2.7	Waste Management

Source: European Commission (2021). "Horizon Europe Program for Circular Economy Research and Innovation (2021-2027)," detailing funding allocations and regional breakdowns.

This investment underscores the European Union's dedication to encouraging sustainable economic growth and innovation among its member states. However, the distribution of these funds presents challenges in aligning them with the varied economic priorities and needs of different regions across the continent.

For instance, Northern Europe has directed over 40% of its funds towards renewable energy projects, showcasing the region's advanced infrastructure and commitment to reducing carbon emissions through sustainable energy solutions. This emphasis on renewable energy aligns with Northern Europe's broader environmental goals.

Conversely, Southern European countries have focused on agricultural efficiency, directing a substantial portion of their funding to improve productivity and sustainability in agriculture. This focus reflects the region's reliance on agriculture and highlights the need to address issues such as water shortages, soil erosion, and the impacts of climate change on agricultural output. Southern Europe aims to bolster food security and resilience against environmental changes by enhancing agricultural practices. Meanwhile, Central and Eastern Europe have prioritized waste management, allocating €2.7 billion to initiatives to reduce waste generation and improve recycling processes. This funding allocation indicates the region's urgent need to enhance waste management infrastructure and practices for minimizing environmental pollution and promoting resource efficiency.

The funding allocations outlined in Table 1 showcase the varied priorities among European regions. This diversity, however, also reveals possible shortcomings in the coordinated distribution of funds. To optimize the impact of these initiatives, it is crucial to align funding strategies with localized sustainability objectives, ensuring that investments cater to each region's unique needs and challenges. By promoting collaboration and exchanging best practices, the European Union can improve the overall efficiency and effectiveness of circular economy initiatives, fostering sustainable development throughout the continent.

In conclusion, although the varied distribution of funds showcases regional priorities, a more unified strategy could improve the effectiveness of these investments. By aligning funding with localized sustainability objectives and promoting collaboration between regions, Europe can progress its circular economy agenda more effectively, leading to a more sustainable and resilient future.

3. Corporate Adoption of Circular Economy Principles for Romania

Corporations increasingly adopt circular economy principles in their sustainability strategies, recognizing these practices' environmental and economic advantages (see table no. 2).

Table 2: Corporate Sustainability Metrics in Leading Corporations (2022)

Company	Circular economy initiatives (%)	Plastic reduction (%)	Recycled material usage (%)
Unilever	40	15	22
Nestlé	30	12	20
Allianz	25	10	18
Axa	35	10	15

Sources: Unilever's 2022 "Progress Report on the 'Waste-Free World' Initiative," Nestlé's 2022 "Annual Sustainability Report," Allianz's 2022 "Sustainability Report," and AXA's 2022 "Sustainability and Environmental Impact Report," retrieved from their respective corporate websites.

Unilever's "Waste-Free World" initiative has made significant strides in cutting down plastic waste, achieving a 15% reduction in virgin plastic usage by 2022, to reach a 50% reduction by 2025. This initiative is part of a more significant commitment to lessen environmental impact and encourage sustainable resource management. Similarly, companies like Nestlé and Procter & Gamble focus on reducing waste and using recycled materials, showcasing the effectiveness and benefits of implementing circular economy practices on a large scale. These efforts promote environmental sustainability, enhance corporate reputation, and ensure compliance with increasing regulatory demands.

These metrics demonstrate a solid dedication to sustainable practices in the corporate sector, but they also highlight opportunities for improvement, particularly in the use of recycled materials. By increasing efforts in this area, companies can speed up their journey towards a fully circular economy, improving resource efficiency and minimizing environmental impact. Greater collaboration and innovation in circular economy practices could further facilitate this transition, aiding broader sustainability objectives across various industries.

4. Circular Economy Initiatives in the Republic of Moldova

The Republic of Moldova, located in Eastern Europe, has gradually embraced circular economy principles to promote sustainable development. Despite considerable resource challenges and funding shortages, Moldova's dedication to sustainability has been strengthened by assistance from the European Union (EU) and other international partners. This case study explores Moldova's initiatives to enhance waste management and resource efficiency through targeted programs and strategies.

One of the critical initiatives in The Republic of Moldova's circular economy strategy is the **"Waste Management and Recycling Program,"** which is co-funded by the EU and the United Nations Development Programme (UNDP). This program is designed to improve waste sorting and recycling capabilities nationwide, focusing on urban and rural areas to ensure widespread access. From 2020 to 2023, the program established over 200 waste collection points in major municipalities, greatly enhancing the waste management infrastructure. As a result of this expansion, national recycling rates have increased by 10%, highlighting the program's effectiveness in fostering sustainable waste practices. The program's success can be linked to careful planning, community involvement, and international cooperation, all of which have played a crucial role in advancing waste management efforts.

In addition to its waste management initiatives, the Republic of Moldova has introduced the **EcoTech** grant program aimed at helping small and medium enterprises (SMEs) embrace sustainable business practices. EcoTech offers financial and technical assistance to motivate SMEs to adopt innovative solutions that lessen their environmental footprint. By 2022, over 50 SMEs had taken advantage of EcoTech funding, allowing them to implement reusable packaging solutions and decrease waste production. This program not only promotes environmental sustainability but also boosts the competitiveness of the Republic of Moldovan businesses by aligning them with

international sustainability standards. It highlights the significance of incorporating circular economy principles into business practices, nurturing a culture of sustainability within the private sector.

The Republic of Moldova embrace of circular economy principles showcases the possibilities for sustainable development in resource-limited settings. The country is making notable progress in waste management and resource efficiency through focused initiatives such as the Waste Management and Recycling Program and the EcoTech grant initiative. Ongoing collaboration with international partners and a dedication to innovation will be essential in addressing current challenges and reaching long-term sustainability goals.

Conclusion

In summary, combining insurance, European funds, circular economy principles, and effective management strategies creates a strong foundation for sustainable economic growth. These components are essential for building a more resilient and resource-efficient economy. The insurance sector has demonstrated its dedication by backing sustainable investments, while European funding initiatives supply the necessary resources to promote circular economy practices.

Companies that adopt circular economy principles and cultivate a culture of sustainability through strategic management are leading the charge toward a greener future. The challenges of aligning these diverse yet interconnected areas are manageable.

Effective management strategies are vital in integrating sustainability into an organization's culture and practices. Leadership is critical in promoting sustainability initiatives and ensuring they align with the business strategy.

While the Republic of Moldova's initiatives in the circular economy have shown promising outcomes, considerable challenges remain to address. To expand these efforts, enhancements in infrastructure, increased public awareness, and more significant domestic investment are essential. The Republic of Moldova's experience illustrates the potential for smaller economies to embrace circular practices. However, it also emphasizes the need for customized support from larger funding organizations, like the EU, to navigate resource constraints and promote ongoing development.

Existing gaps can be bridged and work together toward common sustainability goals by focusing on collaboration and open dialogue among stakeholders. Leveraging these pillars can establish a more sustainable and prosperous economy for future generations.

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