

# PUBLIC-PRIVATE PARTNERSHIP ESSENTIAL TOOL FOR GREEN DEAL

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## **Abstract**

*This paper aims to highlight an incursion and an analysis in the legislative package of Green Deal measures from the perspective of preventing and combating climate change and environmental degradation in order to meet zero greenhouse gas emissions targets by 2050 and sustainable economic growth. The analysis is made from the perspective of reconfiguration and economic transformation to ensure a lasting and lasting coexistence for present and future generations, but without affecting the environment, human health and the planet, with a focus on innovation and digitalization and having as main tool investments. through the prism of public-private partnerships. An essential tool for climate and environmental investments. The paper also considered the fundamental role of young people by involving them in actions to promote public-private partnerships with a role in educating them to prevent and combat climate change and environmental protection.*

**Keywords:** climate change, environment, greenhouse gas emissions, public-private partnership.

**JEL Classification:** K23, K32

## **1. Introduction**

Climate change and environmental degradation pose a serious threat to Europe and the world, and climate studies have shown how serious the impact of climate change is on climate, the environment, society, human health, humanity and the planet. To counteract these effects, at European level, the Green Deal aims to redress and transform Europe into a modern economy, based on competitiveness and efficient in terms of sustainable use of resources, in order to meet the targets of zero emissions greenhouse until 2050 and sustainable economic growth to ensure a lasting and lasting coexistence for present and future generations, but without affecting the environment, human health and the planet.

In order not to harm the environment, human health and the planet, the Green Deal must transform the existing challenge into an opportunity to recover the entire European society through actions to prevent and combat climate change, environmental degradation and human health degradation through a green and lasting transition through the efficient and lasting use of the planet's resources. For the efficient and sustainable use of resources, a package of measures is needed to prevent and counteract the adverse effects of climate change, environmental degradation and human health degradation, so in this context a set of measures has been developed to target zero greenhouse gas emissions by 2050 and sustainable economic growth for Europe.

This package of measures, called: Green Deal, proposes a fair solution to these challenges, through a set of proposals and legislative measures aimed at ensuring the sustainability of the economy of the whole of Europe, by combating and transforming climate and environmental challenges into opportunities for all segments of society and by guaranteeing a fair transition to citizens and favorable to the inclusion of all. The Green Deal has a sizeable structure in terms of size, impact, and concept as the "New Deal", proposed in 1933 by President Franklin D. Roosevelt, and aims to reach the goal of significantly limiting emissions by 2050 carbon in the European Union<sup>3</sup>.

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<sup>3</sup> See A European Green Deal by the European Commission, available online, accessed on from 12.06.2022, [https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en); Parliament supports the European Green Deal by European Interest, available online, accessed on from 12.06.2022, <https://www.europeaninterest.eu/article/parliament-supports-european-green-deal>; Europe's Green Deal plan unveiled. POLITICAL, available online, accessed on from 12.06.2022, <https://www.politico.eu/article/the-commissions-green-deal-plan-unveiled>; European Climate Law, European Commission, available online, accessed on from 12.06.2022, [https://ec.europa.eu/clima/eu-action/european-green-deal/european-climate-law\\_en](https://ec.europa.eu/clima/eu-action/european-green-deal/european-climate-law_en); The European Parliament, the EU Council, Parliament Regulation (EU) 2018/842 European Parliament and of the Council of 30 May 2018 on the mandatory annual reduction of greenhouse gas emissions by Member States in the period 2021-2030 in with a view to contributing to climate action in

## 2. Public-private partnership essential tool for Green Deal

Green Deal is developed as a package of measures comprising a set of measures, legislative proposals and initiatives, strategies and action plans, economic and financial instruments, and non-legislative initiatives covering a wide range of sectors, such as: climate, environment, agriculture, energy, transport, trade and industry<sup>4</sup>. The European Green Deal, as it is also called, is seen as one of the most ambitious projects initiated by the European Commission, alongside the European Single Market and the introduction of the single Euro.

Green Deal aims to support actions and measures for the climate sector, but also a transformation of everything that did not work for the economic field, by changing the economic paradigm and by transitioning from a general economy based on consumerism to a green economy. To an economic increase generated by a sustainable and efficient production in the management of resources and to a consumption based on responsibility and efficient result and not an induced, stimulated and inefficient one. Green Deal's action plan is to promote the efficient use of resources by moving to a clean and circular economy, restoring biodiversity and limiting pollution in the context of meeting the proposed target of zero greenhouse gas emissions by 2050.

Through the Green Deal package, the European Union aims to achieve climate neutrality by 2050. As at European level, it has been proposed to draft legislation regulating the climate to base this political commitment on an obligation, of a legal nature. According to the provisions of art.2. para. (1) of the European Climate Law states that: "*A balance at Union level between greenhouse gas emissions and removals which are regulated by Union law by 2050 shall be ensured by 2050 at the latest, so as to achieve zero emissions. until then, and the Union aims to achieve a negative emissions balance afterwards.*"

The European Climate Law<sup>5</sup> also sets a mandatory target for climate change, meaning that net greenhouse gas emissions (emissions after deduction of emissions) should be limited by at least 55% by 2030 compared to 1990. In order to ensure that, by 2030, sufficient efforts are made to limit and prevent emissions, the Climate Law also sets a limit of approximately 225 million tons of CO<sub>2</sub> equivalent to the absorption contribution for that target. Also on this occasion, the European Union intends to obtain a higher volume of net carbon absorber by 2030.

But in order to achieve climate neutrality and economic growth, a number of measures must be taken, such as:

- making investments in ecological technologies;
- supporting research, innovation and digitalization in all economic sectors;
- the use of public and private transport in conditions of hygiene, accessibility and health for all European citizens;
- implementation of programs to ensure the decarbonisation of the energy sector;
- improving and rehabilitating the energy efficiency of buildings and homes;
- establishing and carrying out efficient and lasting collaborations with international partners in order to rebuild the environment and improve local and global environmental standards;
- establishing public-private partnerships<sup>6</sup> to support the industrial and economic sectors in order to achieve climate neutrality by 2050 and the sustainable and efficient growth of Europe's

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compliance with our commitments pursuant to the Paris Agreement and amending Regulation (EU) No. 182/2011. 525/2013, <https://eur-lex.europa.eu/legal-content/RO/TXT/PDF/? = CELEX:32018R0842&from=RO>; Regulation of the European Parliament and of the Council establishing a framework for achieving climate neutrality and amending Regulations (EC) no. 401/2009 and (EU) 2018/1999 ("European Climate Law").

<sup>4</sup> Mihaela, Stefanescu; Lidia, Lenuta Balan; Laurentiu Radu, *The European Ecological Pact: opportunities and challenges for the sustainable development of Romania*, Strategic and Political Studies, SPOS 2021, no. 3, published by the European Institute of Romania, Bucharest, 2022 ([http://ier.gov.ro/wp-content/uploads/2022/03/SPOS-nr.-3\\_Pactul-ecologic\\_final\\_site.pdf](http://ier.gov.ro/wp-content/uploads/2022/03/SPOS-nr.-3_Pactul-ecologic_final_site.pdf)), p. 73; William H. Chafe (ed.), *The Achievement of American Liberalism: The New Deal and Its Legacies*, New York: Columbia University Press, 2003, p. 112.

<sup>5</sup> The European Climate Law was published in the Official Journal of the European Union on 9 July 2021 and entered into force on 29 July 2021.

<sup>6</sup> On public-private partnership in the European Union see Cătălin-Silviu Săraru, *Contractele administrative. Reglementare. Doctrină. Jurisprudență*, Ed. C.H. Beck, Bucharest, 2009, p. 425-476.

economy.

All these measures converge towards achieving the major and ambitious goals of climate neutrality and economic growth of Europe and represent a repositioning of sectoral policies in the field of clean energy supply for all sectors of activity in industry and economy, from the production stage to the consumption stage, for large-scale infrastructure projects and works, for the transport, food, agriculture, construction, social benefits and taxation sectors.

This package of action plans involves substantial financial costs, so the European Union, through the Green Deal, also provides financial and technical support, through various European programs, to those interested, but also to those who will be affected by the transition to the economy green. Thus, by 2027, approximately 100 billion euros will be allocated for:

- creating and realizing employment opportunities and professional retraining;
- improving and rehabilitating the energy efficiency of buildings and homes;
- preventing and combating fuel poverty;
- making investments in equipment and technologies with limited carbon emissions;
- making investments through financial support for the field of research, innovation and digitalization;
- making investments for the creation of new jobs in the ecological field;
- ensuring sustainable public transport for Europe's citizens;
- building clean energy infrastructure for Europe's citizens;
- achieving and ensuring digital connectivity for the whole of Europe.

In order to achieve these measures and action plans in order to achieve climate neutrality and economic growth, it is necessary to create public-private partnerships. These partnerships are a tool for cooperation between the public and private sectors and aim to produce opportunities, the implementation of strategic projects and efficient and lasting investments for investors, public authorities, communities and citizens.

The use of the public-private partnership mechanism at national, European and international level is an efficient system for making investments in combating climate change, environmental degradation, achieving climate neutrality, economic growth and the transition to the green economy. This system is proving to be effective in view of the current economic situation, which is characterized by some budgetary constraints, especially in terms of significant investments in environmental infrastructure.

Through the European Commission and the European Investment Bank Group, the Investment Plan for Europe has been launched to support economic recovery and transition by facilitating and stimulating investment in the economy, especially in the area of infrastructure by mobilizing public sector financial resources and the private one by using the public-private partnership mechanism.

In the context of combating climate change and environmental degradation, the European Commission supports and at the same time participates in a series of partnerships to achieve climate neutrality by 2050. Thus in middle 2021, between the European Commission and an energy company called Breakthrough Energy Catalyst, was the basis of a partnership through which to make investments in the period 2022 - 2026 in clean equipment and technologies that converge towards a neutral European economy in terms of carbon emissions. This partnership aims to carry out European projects designed to help meet the economic and climate ambitions of the Green Deal, initially for four sectors, such as green hydrogen, sustainable aviation fuels, direct air capture and long-term energy storage that later these sectors be extended.

The partnership aims to develop equipment and technologies that determine and generate greenhouse gas emission limits, but which are currently expensive to apply on a large scale and which cannot compete with fossil fuel-based equipment and technologies existing on the market. The public-private partnership will play a role in reducing the costs of these critical equipment and technologies, accelerating their takeover and use, which will later become financial instruments and grants. Innovation, through Invest EU.

The Breakthrough Energy Catalyst program will include private equity and philanthropic

funds needed to fund selected climate and environmental projects and will also be open to national investment for EU member states. This occasion will focus on innovative investments in the climate field, especially for new industries, technologies and equipment to limit emissions, but which will also contribute to job creation and support for businesses and innovators in the European Union.

Through this partnership, the European Union will pave the way for a new stage of technology, science and engineering, and the decarbonisation of the world economy is the greatest opportunity for global innovation. This partnership will lay the groundwork for a set of policies that will play a transformative role for Europe and all of humanity, a world open to change and transformation, a world in which digitalization and green energy will be key elements in reconfiguring the environment, health, society and humanity in general.

These policies will pursue:

- increasing the level of ambition of the European Union in the climate field for the years 2030 - 2050;
- delivery of clean, safe and affordable energy to citizens;
- training the industrial sector for the transition to a clean and circular economy;
- construction and rehabilitation of buildings and homes in terms of energy efficiency and resource use;
- accelerating the transition to sustainable and intelligent mobility;
- "from farm to consumer," the achievement of a fair, healthy and ecological food system;
- conservation and restoration of ecosystems and biodiversity;
- limiting pollution to zero in an environment free of toxic substances.

### 3. Conclusions

These areas of activity, as can be seen, are closely interlinked and intertwined, but the possible trade-offs between the economic, environmental and social objectives to be made must be carefully considered, and the Green Deal will use all the tools and policy levers, such as: regulation, standardization, research, innovation, digitalization, investment, national reforms, international cooperation and dialogue with the social partners.

According to the Green Deal, citizens and communities will also play a key role in achieving climate neutrality and protecting the environment, encouraging them to take appropriate action to prevent and combat climate change, limiting their carbon footprint and environmental action. Individually and collectively, actions that facilitate the creation and sustainable maintenance of a decent life and a life in accordance with nature, by promoting biodiversity, protection and implementation of a sustainable solution based on respect, resilience, environmental protection, of sustainable energy consumption as well as on efficient waste management.

Through the provisions and measures established in the Green Deal, the aim will be to strengthen awareness of the protection of the new generation through adequate systems of education and active involvement of young people in climate and environmental actions by establishing public-private partnerships in the field (such as would be for example: schools, kindergartens, universities with private entities).

These actions will be carried out through the exchange of knowledge, experiences and commitments with the local, national, international communities as well as with the decision-makers from the public and private environment, and in this context it is necessary to elaborate at European level an adequate legislative framework to contribute to the development and evaluation of information, knowledge, skills, abilities and compartments of young people in the field of climate change, environmental protection and sustainable development of society.

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