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## **Public and Private Institutional Impact Related to Efficient Administration of Environmental Factors. A Comparative Study at European Level<sup>1</sup>**

### INTRODUCTION

The issues about management of environmental factors is very complex and elaborate, because requires different approaches, such as: quantity and quality of resources and environmental factors from a country, region or area (in some time), financial funds allocated for the protection and administration of those factors, the efficiency of funds management, the enrolment in the strategic international directions and approaches in terms of sustainability. All these represent just a part of aspects that could be treated in connection with the administration of environmental factors.

The paper presents a complex problem about the environmental factors administration and we intend to realize a comparative analysis of environmental factors administration modes, on the following perspectives: efficiency of management systems in public and private institutions, comparatively between two states with different European Statute (Romania – recent European Union membership and Kosovo – not European Union member). We chose this orientation starting from the assumption that the European Union Member States have received substantial grants for efficient administration of environmental factors, and the transition to the market economy has involved the privatization of a significant number of public companies, respectively we noticed that the management system in the public units is different than private units, for simply reason that each of them pursues the different goals and objectives.

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The objectives of investment in the area of environmental protection are set differently, on countries and development regions, and in the same country are differentiated according to the areas for which is choose the implementation of a specific environmental project, depending on the problems identified as major, urgent and priority. Certainly, the mainly focus will be, almost always, on establishment and realization of priority objectives of public interest. The objectives for environmental investment are correlated with objectives that underlying the European Union environmental policy, stated in Article 174 of the European Community Treaty, which are represented by [Darie, 2001]:

- conservation, protection and improvement the environment quality;
- protection of human health;
- prudent and rational utilization of natural resources.

In this paper we start from the premise that, regardless the political status of any country, all concerns about environmental factors administration should be a priority. From analysis of relevant statistical data results that, both Romania and Kosovo, are faced to the serious socio-economic problems, but this is not an excuse for neglecting the environmental concerns, at the organization level, public or private. Based on the analytical study about a set of relevant documents and documentary from specialty literature, the paper will undertake a comparative study regarding the environmental management issues in institutions from Romania, compared with those from Kosovo.

## ISSUE ABOUT EFFICIENT USE OF ENVIRONMENTAL FACTORS

The environmental policy of European Union is recognized by a several number of institutional actors and entities involved in preparation, definition and implementation and stay permanently in consultation with various industrial organizations, NGOs and groups of reflection. Since to the European level were observed many problems and special needs to ensure the effective management of environmental factors, in conditions of harmonization on European course of action, it was created a series of profile institutions.

*General Directorate for Environment* at the European level was created in 1981 and is directly responsible for developing and ensuring the implementation of environmental policy in all Member States [<http://ec.europa.eu>]. Its role is to initiate and finalize new legislative acts in this field and to ensure that such measures adopted will be implemented by Member States.

European Environmental Agency headquartered in Copenhagen (Denmark), aimed principally collection, processing and providing information on the environment to the decision makers and the public [<http://www.eea.europa.eu>]. This fact is achieved by continuous activities of environmental monitoring and timely report-

ing the emerging problems. Although is not directly involved in decision-making, communications and reports about environmental situation plays an essential role on adopting the new strategies and environmental protection measures at Community level and fundaments the most decisions of Commission in this direction.

With the European Environment Agency was established, too, the Environmental Information and Observation Network (EIONET) which is a partnership network between EEA and acceding countries and mainly serves to connect the national information networks of the Member States [<http://www.eionet.europa.eu>]. Currently, the EEA has 32 member states and 6 cooperating countries. The EEA is responsible for network development and coordination of its activities. In this respect, the EEA works closely with national focal points, typically the national environment agencies or environment ministries. These are responsible for coordination of the national networks that involves many institutions (around 300 in total). The 32 member countries include the 27 Member States of the European Union with Ireland, Liechtenstein, Norway, Switzerland and Turkey. The 6 Western Balkan cooperating countries are: Albania, Bosnia-Herzegovina, Croatia, Former Yugoslav Republic of Macedonia, Montenegro and Serbia. These cooperative activities are integrated into EIONET and support the activities of the Commission for the Stabilization and Association Process of Western Balkans Countries. EEA is also committed to a broad international cooperation outside of member countries.

The interest manifested for an equilibrated and sustainable environmental administration must have realized both at the level of the decision-organizing and coordinating (as above), but must have shown at the organization level too, regardless the dimension and activity profile. Therefore, we consider that is normal to develop the environmental policies at level of organization, through documents that are expressed intentions and objectives regarding the environment. We also propose to realize the guarantees about continuous improvement, pollution prevention, compliance and other requirements regarding the environment.

At European level, the 2020 Europe Strategy for sustainable development and new jobs creation was developed the initiative related to more efficient use of natural resources. These guidelines are support to achieve a competitive and sustainable regional development. In essence, through a rational, equilibrated and efficient use of resources is ensured the continuity and stability for a wide range of areas of interest: small and big business, social and food security, level pollution reduction, useless consumption reduction, etc. However, depending on the political legacy that has every European country, we find the cultural and mentality differences, which affects the quickly coordination on a path of efficient use of resources. For example, in Romania, after 50 years of communism and 15 years of severe austerity, the people tend to consume beyond their needs, and companies – from desire to meet these needs – avoids to rationalize the

uneconomic consumption. In addition, we are faced with some negative and traumatic aspects regarding a set of actions by structural and organizational type that has produced disastrous effects on perception to effectively manage the resources and environmental factors. Such actions refer to: retrocession of land and forests (which led to real social and environmental animosities), the appearance of real estate investors who are focused solely on investment in infrastructure at the expense of sustainable territorial planning, agriculture degradation and destruction of productive agricultural systems, lack of investment related to the environmental protection, etc.

### COMPARATIVE ASPECTS REGARDING THE ENVIRONMENTAL FACTORS ADMINISTRATION IN ROMANIA AND KOSOVO

In Romania, the problem of efficient management of environmental factors by investment projects is a relatively recently direction, compared to other European countries, a major scale being given after our country's integration into the European Union (2007). The concern for efficient management of the environment is constantly expanding to the institutional level, observing that in the last 5–6 years it have passed the stage of *acquirement* to *recognizing* the importance of the issue related to accumulation of funds destined to investment in environmental projects. The main factors that will determine the expansion of concerns about environmental projects are referring to [*Sustainable development...*]:

- privatization of industry that will determine the monitoring of the application directions for the environmental legislation;
- limitation of access to subsidies from the state budget;
- implementation in enterprise the environmental management systems.

In order to implement the strategic and sustainable environmental policies in the European institutions and enterprises from Romania, in order to obtain the positive effects of rational and equilibrated administration of the environmental factors and available resources, we consider that one of the main principal directions that must be followed is that of investments in environmental projects.

The specific objectives of investment policy for environmental projects from Romania cover the following issues [*Environmental project...* (http)]:

- a) waste management;
- b) environmental factors pollution (air, water, soil) and phonic pollution;
- c) protection and conservation of natural resources;
- d) forestation and forest resources conservation;
- e) urbanization and its effects on environment and human health;
- f) public awareness related to environmental problems;
- g) investments in clean technologies.

Consequently, the finality of objectives associated with the investment on environmental protection is focused on: providing the necessary resources for production and economic development processes, conservation of resources in a sustainable manner, equilibrated administration of natural resources, preservation and maintenance of biodiversity, reduction of waste production in quantities that cannot be managed properly, reduction of unnecessary consumption of resources, fact that lead to unjustified increase of the waste quantity, conservation of geographical areas with landscaping capitalized potential.

The requirement of intervention related to investment, through projects destined to environmental protection in Romania, starting from the problems and shortcomings registered in our country, related to specific environmental actions, because the level of environmental actions on a national scale did not enjoy, at least until the end of 2007, by the achievements required (Table 1).

**Table 1. Realization status of the environmental actions at national level (Romania, 2010)**

National environmental action	U.M. (%)
Realized	29,5
Realized in advance	4,7
In progress	31,4
Unrealized	29,8
Postponed	2,8
Cancelled	1,8

Source: Report on the status of environmental actions realized, data from the website: [www.anpm.ro/docfiles/view/17503](http://www.anpm.ro/docfiles/view/17503).

All European countries are interested in implementing and developing the environmental strategies, in order to protect their own environmental factors. Thus, Kosovo, the state that is the object of comparative study of this paper, has developed an environmental strategy on long term (horizon 2021) related on actions that must be followed for a rational administration of environmental factors, both at public and private level.

The Kosovo Environmental Strategy for next period (KES, 2011–2021) should be considered as part of the long term development strategy of this country. Both social and economic development can only go hand-in-hand with a healthy and sound environment. For a new country like the Republic of Kosovo, that is not yet UE member, this aspect is crucial. The KES represents an important step forward whereby for the first time, these environmental issues can be developed, planned and managed as a long term concept. This is also clearly defined in the Constitution, Chapter II–*Fundamental Rights and Freedoms*, Article 52 which states: Nature and bio-diversity, the environment and national inheritance are everyone's responsibility; Everybody should be provided an opportunity to be

heard by public institutions and have their opinions considered on issues that impact upon the environment in which they live; Environmental impacts will be taken into consideration by public institutions during their decision-making process.

The Ministry of Environment and Spatial Planning (MESP) is responsible for drafting the KES and the legal framework is defined in the Law on Environmental Protection. This states that the KES must be made for a 10 year period and periodically revised and updated to take account of the changing circumstances as a result of new social, economic and political developments. The KES (2011–2021) therefore aims to provide answers to the present and future needs of Kosovo society and specifically addresses the environmental management obligations at national and international level. It is a document which sets out objectives and priorities which should be implemented through the National Environmental Action Plan (NEAP) 2011–2015.

The overall goal of the NEAP (2011–2015) is improved environmental management and protection in the Republic of Kosovo. This will lead to a better quality of life for all citizens and a sustainable economic, social and cultural development. These principles guide the working groups, stakeholder workshops and formulation of the actions needed for implementation of the plan. The NEAP (2011–2015) is further organized into 3 key, long-term objectives that parallel these principles namely a program and supporting actions to strengthen the environmental management system, a program of investments in critical problem areas, actions for enhancing information and public awareness. Key actions needed to implement the NEAP in 2011–2015 periods and the lead agencies from Kosovo involved in this action is presented in Table 2. They form the core of the action plan, together with the action program for enhancing environmental management.

**Table 2. Overview of investment projects and implementing lead agencies**

Investment project	Lead agency
<i>1</i>	<i>2</i>
<b>Objective 1: Strengthening the Environmental Management System</b>	
Institutional development and harmonizing the legislative framework	MESP
Harmonizing institutional authority and procedures	MESP
Environmental and development planning	MESP, Municipalities, MAFRD, MLGA
Design and implementation of economic instruments (e.g. Eco-Fund)	MESP, MoF
Implementation of key EU Regulations and Directives (Water, Air, Waste)	MESP, Municipalities, MAFRD
Classifying and managing land use capacity	MESP, Cadastre
<b>Objective 2: Investing in Critical Problem Areas</b>	
Urban environment	MESP, Municipalities
Encouraging cleaner technologies and energy initiatives	MESP, MLGA

1	2
Upgrading rural environmental infrastructure	MESP, Municipalities
Environmental management of protected areas	MESP
<b>Objective 3: Enhancing Information and Awareness</b>	
Management of environmental data	MESP, Statistics Office
Environmental education and training	MESP, MEST

Source: Revising and updating the Kosovo Environmental Strategy (KES) and National Environmental plan (NEAP). Republic of Kosovo. Ministry of Environment and Spatial Planning, 2011.

From comparative analysis of the data presented in Tables 1 and 2, result that both in Romania and Kosovo exist substantial concerns regarding the identification of current environmental issues facing each of the two states, respectively with transposition on financial plan of these problems, in sense to identify the projects which can be financed through it can find applicable solutions to the responsible environmental management. On the current achievements of Romania, we believe that the rhythm of investment efforts to support the environmental projects is relatively satisfactory (only 4.5% of projects being delayed or cancelled), but it is worrying that almost 30% of projects were not made, so that should identify the causes of their failure and identifying new viable strategies. On Kosovo, we note that are very clear distributed the institutional responsibilities related to the environment. In essence, even they are different European statute, both countries share interests in the struggle for the environmental management at the institutional level.

THE ROLE OF EUROPEAN FUNDING ON THE PROTECTION AND  
ADMINISTRATION OF ENVIRONMENTAL FACTORS

The accession of Romania into European Union led to obtain some benefits in certain socio-economic lines, with condition that the national institutions would want to capitalize these benefits. Also, based on models of recently Member States, the countries that are not yet members could use the strategic viable models, compatible with our deep needs. Thus, one of the obvious advantages enjoyed by Romania is the opportunity to attract funds, targeted to the areas of interest. For example, the SAPARD programme was one of the main tools useful to finance the investment projects (including the environment), and after Romania’s accession to the European Union, was launched the Operational Programme Environment (SOP ENV) whose general objective is the protection and improvement of environment quality and the living standards in Romania. The SOP ENV specific activities create the investment opportunities focused solely on specific environmental problems of our country and can be a “source of inspiration” for environmental actions necessary in any organization. Thus,

the use of EU funds can represent a real help in order to improve the environmental standards in Romania and make contributions completed and embodied in: development on long-term the investment plans on environmental protection area; increasing the efficiency of natural and energetic resources use; development of a viable market of waste recycling; introduction of renewable energy production systems; development of touristic potential on the natural area of interest.

For Romania, the financing of environmental investment projects is a new sector, being of understanding and development. The main factors that stimulate the investment need in environmental projects are:

- a) status of our country as membership of the European Union;
- b) industry and key sectors privatization on large scale in our economy;
- c) need for enforcement and compliance with environmental legislation;
- d) limited access to subsidies from the state budget;
- e) organizational implementing of environmental management systems.

The objectives realization related to specific investment for environmental projects is placed in an organized framework, based on activities planning depending on priority areas of intervention. Thus, the project proposals to be funded for environmental protection in Romania are grouped by specific environmental areas (Table 3).

**Table 3. Distribution of selected project proposals on environmental area**

Domains of proposal projects	U.M. (%)
Water quality / air quality	45 / 11
Waste management	7
Biodiversity	14
Planning, noise	11
Soil	4
Education	8

Source: Report on status of projects implementation from national action plan for environmental protection, 2010. Ministry of Environment, Romania. Environmental Protection Agency.

The data Table 3 shows that for some directions are numerous proposals, evidence of the existence and recognition of a important number of issues (water quality, biodiversity), while for other directions the proposals are not very numerous (soil and education). We believe that the project proposals for education by only 8% are a warning about the prospects for the environmental management in national institutions.

The Ministry of Environment from Romania, the main coordinator of environmental investment projects, has prepared a broad portfolio of environmental projects, too, that aim the accessing of Structural Funds. This portfolio includes over 80 major investment projects in infrastructure, water / wastewater, waste,



heat and floods, worth over 4 billion Euros, representing about 70% of European funds available for environmental sector in 2007–2013 period.

The major projects are large projects for which are applied the specific Community regulations and which involve the development of some financing complex applications. A key criterion for the allocation of proposals funding project is the funding source (Table 4).

**Table 4. Distribution of proposals projects selected by the funding source**

Source of funding	U.M. (%)
External funds	44
Environmental funds	25
Local and national budget	19
Own sources	4
Other sources	8

Source: Report on status of projects implementation from national action plan for environmental protection, 2010. Ministry of Environment, Romania. Environmental Protection Agency.

From the data of Table 4 we note that foreign funds have the largest share in financing of environmental investment projects (44%) – evidence of beneficial effects of Romania accession to European Union, and the national environmental fund has become a very useful tool on financing the environmental investments (25%). However, it is worrying that their own sources are an insignificant contribution to these guidelines, reason for which we consider that the financial involvement of institutions must take a series of changes.

Therefore, we consider that the ranking of projects and environmental investment objectives are crucial, depending on the category of employment, new investment, modernization / expansion / development, so that can be established the strategic measures in order to determine a positive impact of rational administration funds oriented to the environmental protection. The investment projects proposed for this purpose in Romania have the following distribution: Table 5.

**Table 5. Distribution of project proposals by category which is included**

Categories of projects proposlas	U.M. (%)
New investment	59
Modernization	23
Development / Expansion	18

Source: Report on status of projects implementation from national action plan for environmental protection, 2010. Ministry of Environment, Romania. Environmental Protection Agency.

We note that the new investments are a consistent contribution (59%), and this fact is a positive signal regarding the taking into consideration the environmental issues at the institution level, public or private.

Another essential criterion for the distribution of investment projects in environmental protection area is the type of establishment that makes the project proposal (Table 6). Thus, it can be realized a clear tie between the interests of the public and private institutions and, therefore, can be taken measures of institutional harmonization and reconsideration of the issue not only of economic and financial nature, but also environmental, at the same time.

**Table 6. Distribution of project proposals according to requesting unit**

Type of organization	U.M. (%)
Local public authorities	62
Economic operators	21,5
Public institutions	14
NGO's	2,5

Source: Report on status of projects implementation from national action plan for environmental protection, 2010. Ministry of Environment Romania, Environmental Protection Agency.

We observe that the largest contribution (62%) is of the local government, fact which seems to be normal in a society where the environmental guardianship is largely of these authorities. However, the public institutions have few proposed projects (14%), while the private institutions or economic operators have such projects in the percentage of over 21% – this shows the increase of interest level in the company related to on better administration of available resources. Comparatively, with how the local authorities are involved in these projects and into the correct formulation of the objectives of environmental investment, especially other actors of investment space will be motivated to support the proposals and efforts in this endeavour.

In Romania, the best known economic and financial tool for environment protection is the *Environmental Fund* for supporting and achieving the environmental public interest. The Environmental Fund revenue shall be collected, used later in environmental investment projects. Most of the resources that constitute the environmental fund are produced by revenues from privatization, taxes, excise, and vehicle registration fees. *Environment Fund Administration* is the main institution that provides the financial support for realization of projects and programs for environmental protection, established on the principles of “polluter pays” and “producer responsibility”. By Environment Fund are financed the investment projects oriented to protecting and preserving the environmental factors and ensuring the quality of life.

Concretely, the mechanism of assurance the constituting revenue of the Fund used on investment for environmental projects, is based on: the state budget, fees and environmental taxes, taxes on natural resources, product taxes and administrative charges, debt exchange, profit financial activities, grants and loans from donors and international financial institutions, donations.

To clarify the aspects regarding the financial objectives of projected oriented to the environmental investment, is essentially to determine who identify the financial goals, in what context and for what purpose.

In Kosovo, the *financing plan* for the NEAP will depend upon the following sources:

- Governmental resources – revenues from central government, local government resources, charges on publicly-provided services, other environmental fees and environmental taxes;
- Private sector support – e.g. financing by industry for their pollution expenditures, and public-private partnerships to finance environmental infrastructure and services;
- International financing – borrowing foreign exchange from overseas banks, credits and grants from bi-lateral donors and international NGOs, and grants and loans from international development agencies.

No matter how difficult the decision-making will be, there is no getting away from the fact that the critical problem areas for the environment will take multi-million Euro investments, especially for the so-called EHCIPs. Such funds are limiting for any country never mind one in transition like the Republic of Kosovo. Although this may at first sight appear daunting to the funding sources, it should be remembered that these are critical investments and must be made at some stage, if Kosovo is to meet the EU Regulations and international environmental standards.

Furthermore, the estimate of the costs is to provide an indication of the order of magnitude of environmental investments needed in the short to medium-term. It does not take account of ‘willingness to pay’ (WTP) nor ‘ability to pay’ (ATP) criteria. In addition, it is the rate of return upon investment that is *the* key issue. With proper management (by the MESP-PIU), efficient cost recovery mechanisms in place (polluter pays principle) *all* citizens and industry should contribute to the cost of the environmental services being provided. This will also be supported by other economic instruments and the establishment of the Eco-Fund is thus seen as one of the first priority actions for the NEAP (2011–2015). This will be critical for sustainable financing in the future and can also be a ‘kick-start’ for attracting new investments in cleaner and more modern technologies.

By comparative analysis of the realities and concerns on financing the environmental investment projects, at public and private level, in Romania and Kosovo, we noted that depending on number and severity of environmental problems facing the various European Union countries, namely by importance of granting environmental investment projects, coupled with investment priorities, the percentage of financing environmental projects varies considerably from country to country. Thus, the financing requirements imposed to the applicants for funding the environmental projects, in different countries, varies (Table 7).

**Table 7. The co-financing rates of environmental projects in some European countries**

Country	Fund	%
Bulgaria	National Fund for Environmental Protection	< 70%
Bulgaria	Eco-fund National Trust	< 30%
Czech Republic	Public Fund for Environment	< 80%
Lithonia	Investment Fund for Environment	20% – 80%
Lithuania	Investment Fund for Environment	< 80% for credit, < 40% for grants
Poland	National Fund for Environment Protection and Waters Management	< 70% for credits (50% for private sector, 30% for grants)
Poland	Eco-fund	< 80% for nature protection, < 50% for other projects
Slovakia Republic	National Fund for Environment	< 100%
Slovenia	Fund for Environment Development	< 50%

Source: Working Party on Economic and Environmental Policy Integration, Economic Instruments for Pollution Control and Natural Resources Management in OCDE Countries: A Survey, Cancels & replaces the same document, 1999.

It is noted that for each example of country exist an environmental fund (or more) that ensures the involvement in investment projects administration and resources protection. We remark that countries such as Slovakia, Lithuania, Czech Republic, Poland where the involvement of the Fund is very high.

In Romania, the functional funding mechanism is the interest subsidies and guaranteed loans to commercial banks. These mechanisms are no longer used in any country that has environmental funds, because these provisions have led to the failure of environmental funds in Central Europe. In addition, in an unstable economy and with many gaps is difficult to specify the total amount of required environmental actions. In Romania, due to environmental advanced degradation, the financing needs of the environmental actions are high, reaching up to 3–4% of GDP.

An environmental fund budget situation in 2010 shows – clearly – the destination of revenue from national environmental fund (Table 8).

At the end of 2010, Romania was finished 190 investment projects of environmental protection (in accordance with investment and financial advanced objectives), with a total of 803,310,736.52 lei of financing contracts. On the same date (December 31, 2010), running projects were spread over a number of 439 contracts, with a corresponding amount of 1,857,936,624.19 lei. Contracts established in 2010 were 596 in number, with a total value of 1,452,704,168.99 lei.

**Table 8. Distribution of the Environmental Budget Fund  
(Thousand lei)**

Programme name	Commitment appropriations	Budget appropriations
Reducing the impact on the atmosphere, water and soil, including air quality monitoring	21.669	38.870
Waste management, including the hazardous waste	33.864	77.848
Biodiversity conservation and management of protected areas	1.000	5.350
Education and public awareness on environmental protection	24.448	9.853
Increasing production of renewable energy	1.075.334	143.000
Closing the mining tailing	100.000	20.000
"Green house"	335.100	186.006
"Scrappage"	0	722.000
Programme to realize the timetable for tracks	54.250	5.000

Source: Environmental Fund Administration, nr. 5023/19.01.2010. Report on environmental fund management in 2010.

In order to clarify the aspects about financial objectives of projects oriented to investment on environment, is essential to establish who will identify the financial goals, in what context and for what purpose. Of course, the financial objectives of environmental projects should aim the ensuring of a substantial budget allocated to the environmental projects, equitable distribution of the amounts as necessary and, in particular, efficiency / profitability of investments in environmental projects. But all this will be achieve with the condition that the objectives regarding the evidenced investment priorities by environmental projects to be realistic, based on concrete analysis, on data and information collected and processed correctly, so that it reflects reality.

## CONCLUSIONS AND PROPOSALS

Currently, the quality assurance of environmental factors, regarded as support future economic development, as the manifestation of concerns for their protection, are a necessity for survival and progress, because it presents an issue of major interest for economic and social evolution and development of any country, regardless the current development level.

In Romania, as well as Kosovo, the financial targets of projects oriented to environmental investment are established and formulated in line with reality on the state of the environment, starting from the need to promote the European principles of *Polluter pays* and *Producer responsibility*. Thus, for the institutions that coordinate the environmental investment projects, these objectives are

an operational strategic priority. One of the most important institutions in Romania, the Environment Fund Administration is very concerned with the promotion and creation of a financial and legal framework that will permit the collection of financial resources in order to finance the priority projects for environmental protection. In the context of the urgent need to save and protect the environment against to social and economic activities with potential major risk on the environmental factors, it should *reconsider the investments* in environmental protection area that takes place in the official specific priority programs, that aim to achieve all priority objectives.

While in Romania, as in many other countries with economies that have passed from centralized system to the market system economy, were introduced some pollution charges, penalties and charges for non-compliance, they served only as mechanisms for incomes increasing. Previous systems of budget were centralized and redistributed the enterprises incomes and they had only a minor role as independent decision factor, at the microeconomic level. We propose as facilitation tools of starting and developing the environmental projects, for an equilibrated administration of environmental factors, the use of aids tools such as: the polluter pays principle, ecological balance sheet, social balance, environmental standards implementation (ISO 14001), LCA product (pre-production, production, distribution, use and decommissioning – as a systematic framework for evaluation of all impacts associated with the environment that has a product during its life cycle).

In order to develop an environmental management system that perform the requirements of ISO 14001 or EMAS, a company must identify their environmental problems. The ecological balance sheet is the tool that enables companies to identify all aspects of environmental issues.

In conclusion, we can appreciate that both Romania and Kosovo, are a growing presence in achieving of greater environmental projects, both domestically and internationally plan, by completion some partnerships in order to realize the best possible cooperation in environmental protection area. In the context of the intensifying collaboration between these two analyzed country and other countries, on the environment area, have signed various agreements and international conventions and have decided measures that provide necessary to achieve a sustainable development.

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### *Summary*

The new status of some European countries, obtained by adhesion to the European Union, has produced a series of essential changes, reflected on typology of economic activities and institutional framework for their deployment. In this paper we will realize a comparative analysis, based on statistical data, related to the administration of environmental factors in economic units, public and private, for two countries with different European status: Romania – newly member of the European Union and Kosovo – that is not member of the European Union.

The aim of this paper is to highlight the differences caused by institutional framework related to environmental factors administration and their effects for the efficiency of administration. The comparison will be realized for a set of public and private institutions from Romania and Kosovo. The present study starts from some premises and notices about the differences from entrepreneurial administration. So, we observed the major changes caused by privatization of public institutions, but without general benefices for national economy. For this paper we selected the changes directly connected with environmental factors. Thus, we noted: in forestry, the retrocession of forest is affected by an inefficient administration; by agrarian reform, the agricultural land were returned, and now, after 20 years, the agriculture has become one of subsistence; a lot of agricultural areas were transformed, by private investors, in land with real estate destinations; although we got the financial supports in the pre-accession period (SAPARD funds), the investment in administration and protection of environment protection weren't a priority.

In final of the paper, based on the elaborated conclusions, we will formulate a set of proposals about the efficiency of environmental factors administration, with hope that the institutional experience of a country member of the EU will be a model for institutions from countries that is not yet EU member. The main proposal will focus on public-private partnerships.

## **Wpływ publiczno-prywatnych instytucji na efektywność administrowania czynnikami środowiskowymi. Studium porównawcze na poziomie europejskim**

### *Streszczenie*

Nowa sytuacja niektórych państw europejskich, wynikająca z akcesji do Unii Europejskiej wytworzyła szereg istotnych zmian odzwierciedlonych w typologii działalności gospodarczej i instytucjonalnych ramach jej rozwoju. W opracowaniu dokonuje się porównawczej analizy, opartej na danych statystycznych, odnoszącej się do zarządzania czynnikami środowiskowymi w jednostkach gospodarczych publicznych i prywatnych, dla dwóch państw z odmiennym statusem europejskim: Rumunii – nowego członka Unii Europejskiej oraz Kosowa, które nie jest członkiem Unii Europejskiej.

Celem opracowania jest ukazanie różnic mających swoje przyczyny w otoczeniu instytucjonalnym, odnoszących się do zarządzania czynnikami środowiskowymi i ich znaczenia dla efektywności administrowania. Porównania dotyczą zestawu publicznych i prywatnych instytucji z Rumunii

i Kosowa. Opracowanie rozpoczynają uwagi odnośnie do różnic w zarządzaniu przedsiębiorczym. Obserwowane są istotne zmiany następujące w wyniku prywatyzacji instytucji publicznych, które jednak nie przynoszą ogólnych korzyści gospodarce narodowej. Dla celów niniejszego opracowania zostały przeanalizowane zmiany bezpośrednio związane z czynnikami środowiskowymi. Zaobserwowano w tym zakresie: w leśnictwie: wpływ nieefektywnej administracji na proces zwrotu terenów leśnych; w reformie rolnej: ziemia rolnicza została zwrócona i obecnie, po 20 latach, rolnictwo stanowi jedno ze źródeł utrzymania zapewniających przetrwanie; liczne obszary rolnicze zostały przekształcone przez prywatnych inwestorów w działki budowlane; pomimo finansowego wsparcia w okresie przedakcesyjnym (fundusze SAPARD) inwestycje w administrowanie i ochronę środowiska nie były priorytetem.

W końcowej części opracowania, opartej na wypracowanych wnioskach, został sformułowany zestaw propozycji dotyczących efektywności administrowania czynnikami środowiskowymi, z nadzieją, że instytucjonalne doświadczenia kraju członkowskiego UE będą stanowiły model instytucjonalny dla państw niebędących członkami ugrupowania. Główna propozycja dotyczy partnerstwa publiczno-prywatnego.