

YOUNG CONSUMERS' BEHAVIOUR IN THE CONTEXT OF EUROPEAN GREEN DEAL'S IMPLEMENTATION

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Abstract: *For decades, the environment is struggling with the growing pollution, resources' scarcity, climate change and other negative impacts; as the time is ticking and there is no reasonable solution yet, the European Union takes over the leading role in elaborating and implementing the European Green Deal, a set of objectives and strategies targeting a series of environmental issues. By meeting the European Green Deal's objective, the European citizens will benefit of higher quality air, water, soils, a richer biodiversity, energetic efficient buildings, fresher and more affordable food, developed infrastructure, green energy and technological innovation, more green jobs and more resilient and competitive economy. In order to make all these possible, the European Commission is funding the investment project in line with the European Green Deal's objective, and considering the late crisis caused by the Covid -19 pandemic, we have the highlight that positive effects of these investments as also part of a recovery plan. Considering the young population decisive in the changing process, our research aimed to assess their values and perspective regarding the environmental issues and the approach of overcoming them. Our premise implied an optimistic view of the Romanian young generation and the environment protection, and as the survey's results proved, our first assumption was right.*

Keywords: European Green Deal; climate neutrality; young population; consumption; environmentally responsible behaviour.

JEL Classification: *Q51; Q57; Q58.*

1. Introduction and methodology

The European Green Deal (EGD) brings a paradigm shift in the overall European Union's (EU) action and foreshadows major developments in the ecological transition, focusing on climate protection and biodiversity conservation, towards a sustainable development as an absolute priority. It is a part of pre-existing European policies, such as energy efficiency, waste management, circular economy, eco-design, all these needing a new and more efficient approach (European Commission, 2021).

However, the involvement and commitment of the population and of the stakeholders is the key for the EGD's success. The past proved that the success of paradigm shifting policies is met only if the citizens are fully involved in their conception. People are concerned with their jobs safety and the resources needed for their

everyday lives, and so, the European Commission prepared this action plan – the EGD – in order to ensure a higher standard of living for the Europeans, an efficient resource scarcity management and a more competitive European economy in the long term.

This paper aims to present the EGD's importance and objectives, their impact on the European economy, and also to assess the young generation's conception and concern regarding the major values and actions promoted by the EGD. They represent the future, and as we mentioned above, a successful implementation relies on citizens' conception. In order to assess their beliefs and behaviour changes, we designed a survey, which was answered by 102 persons in March 2022.

2. The European Green Deal

2.1. What is the European Green Deal?

The EGD was launched by the European commission in December 2019 and represents a package of policy initiatives designed to put the EU on the path to a green transition with the ultimate goal of achieving climate neutrality by 2050 (European Council, online). It supports the transformation of the EU into a just and prosperous society, with a modern and sustainable competitive economy, by creating opportunities for new business models, new markets, job creation, research and innovation, and so technological development.

The EGD emerged as a solutions' plan for the crucial needs to protect and conserve the natural European capital, to protect the health and well-being of European citizens against environmental risks and related impacts, while ensuring a fair and an inclusive transition of regions, industries and also workers to this more sustainable way of living and working (EU advisors, online). As it involves substantial changes, the active participation of citizens and also their trust in the transition, have an outstanding importance in making the policies work and to be accepted. The EGD highlights the need for a holistic and cross-sectoral approach, in which all relevant policy areas contribute to the ultimate climate goal. The deal covers initiatives concerning climate, environment, energy, transport, industry, agriculture and sustainable finance, all of them being interconnected (European Council, online).

EGD appears to be a European climate deal aiming to propel the EU as global leader in climate change and environment protection (Hass & Sander, 2020). The changes regard all the EU members, so there are considered additional measures to ensure a fair transition by supporting it with large investments (Greenpeace, 2020). The EGD actions will address:

- EU's goals towards climate neutrality set for 2030 and 2050;
- Stable and affordable supply of green energy;
- Industrial changes towards a green and circular economy;
- Building refurbishments in order to raise energetic efficiency and to lower resources consumption;
- Enhancing research and innovations;

- no pollution;
- manufacturing repairable, recyclable and reusable products;
- fresh air, clean water, healthy soils;
- conservation and preservation of biodiversity;
- fair, healthy, affordable food;
- accelerating the transition towards smart and sustainable public infrastructure;
- a more resilient and competitive European economy (Greenpeace, 2020).

Actually, the ultimate goal of the EGD is to dissociate economic growth from resource consumption, and to restore the quality of the environment and health of the citizens, by promoting efficient resources' use, reduced emissions and pollution, and higher adaptability to climate change.

The diversity of the European countries and cultures are perceived as potential threats and slowing down the process (Dupont & Torney, 2021), but the alienation of the EU members is mandatory and supported by large investment efforts in all economic sectors; e.g., achieving the 2030's goals concerning gas emissions'' reduction require investments of €260 billion / year by 2030 (CECCAR Business Magazine, 2019). These funds will support people and communities by facilitating employment and re-qualification opportunities, improving energy efficiency of their households and combating energy poverty; companies by making the transition to low-carbon technology more attractive for investments; and European countries and regions by investing in the creation of new green jobs, sustainable public transport and green energy infrastructure (EY, 2021).

Anyway all EU actions and policies have to contribute to the objectives of the EGD as the challenges are complex and interconnected. In order to maximize health benefits, quality of life, economic resilience and competitiveness, intensive coordination is needed to exploit the existing synergies between all policies areas. In order to implement this plan, many projects will be conducted in:

- transport: aiming a greener mobility, carbon emissions have to be lowered by 55% by 2030 for cars and by 50% for vans, targeting a zero emission for new cars by 2035;
- climate change adaption strategy;
- agriculture: reorientation of the food system towards a sustainable model, food security and safety, nutritive and affordable food supply, sustainable food production, promotion of a healthy diet and food consumption;
- industry: building refurbishments, job creation and income generation, reducing energy poverty;
- affordable and stable green energy: supporting renewable energy production, developing the energetic infrastructure, etc.;
- EU forest strategy (European Commission, 2019).

2.2. The European Green Deal in Romania

Romania should have been more prepared for this moment, because it is obvious that it will have an impact on the less prepared and poorer economies. The EGD was adopted in 2019 and we should have expected these measures. Western countries are far ahead in terms of transportation, renovation, mining and economic alternatives. For a transition to clean energy, 40% of the energy share should come from renewable sources, such as wind energy or solar energy. Romania has a huge capacity to produce renewable energy, but uses less than a third of it.

In order to avoid gaps and to help sectors and areas that could be affected by the transition, the EU has set up the Just Transition Fund (European Parliament, online). In this international context aiming to greener economies, the stakes of climate change are high for the Romanian economy, both in terms of opportunities, including by attracting European funds of about 60 billion euros - only to fund green projects (Financial Intelligence, 2021). Romanian companies operating in sectors with significant carbon emissions generate over 40% of the added value produced and accumulate over 50% of the assets of all companies in the country. With the right policies, these companies could increase their business and access to finance in a sustainable way. Romania can capitalize on these opportunities, and its position as an attractive country for foreign direct investment in the green sectors is supported by the progress made in recent decades, a period in which our country was the largest reduction in greenhouse gas emissions in the region, compared to the EU average, promoting the broadest plans for the biggest share of renewable energy in total energy sources.

In Romania, the decarbonisation of the energy sector is largely based on the support provided by the EGD. The potential of renewable energy on the local market can become the engine of decarbonisation of the Romanian energy sector, as long as public initiatives are synchronized with business intentions, according to the analysis EY (Ernst & Young) - Decarbonisation of the Romanian energy sector through renewable energy (EY, 2021). Romania is slightly ahead in terms of the share of energy from renewable sources compared to the European Union average. At the same time, we are at the top of EU countries in terms of coal dependence for electricity generation at a cost of about 50% above the average price in the energy market in 2020 (EY, 2021). Romania has reached the target of 24% of total renewable energy consumption in 2020. For 2030, the new target set by the Romanian government is 30.7%. In 2020, the production of electricity in Romania came in proportion of 16% from renewable energy sources (wind, solar panels and biomass).

3. Empirical analysis and discussion

In March 2022 we conducted a survey consisting of 24 questions. It was answered by 102 respondents, the majority of them (58%) ranging in age from 18 to 25 years,

and living in Western Romania. Most of the respondents were females, living in both in urban (54%), and rural areas (46%). Their interest regarding the conservations and preservation of the environment, but also the actions they were willing to take, were assessed by a series of questions regarding their transportation means, fuel, selective waste collection, eco-friendly behaviour, and more.

When asked about their means of transportation, we notice a high preference or dependency (considering the almost 50% of the respondents live in the rural area) on the personal cars, public transport being the next, and the fewest chose walking.

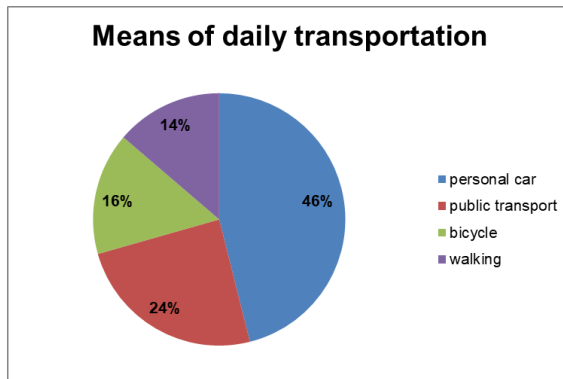


Figure 1: Means of transportation preferences

Source: own survey

The following answers make us believe the respondents are using rather their personal cars because of the poor infrastructure between the rural and the urban areas; those answers were related to their concern about being involved in making the environment healthier, 62% proving an average preoccupation, while 30% are highly interested. Even more, 80% declared themselves interested in replacing the fossil fuel with renewable fuel.

Regarding the selective waste collection, as seen in the following figure, only 51% are permanently devoted to collect selectively the waste, and from on a scale from 1 to 5, only 60% are really concerned (4 and 5) with the selective collection of the waste.



Figure 2: Selective collection of waste

Source: own survey

From other answers, we noticed a high concern for a healthy environment, lower pollution, fresh air and water, and biodiversity, paying conscious attention to their actions and behaviours which could harm the environment. This fact is proved by their involvement in ecological activities and also their willing to reduce resource irrational consumption by renting different types of goods and so, to prolong the products life.

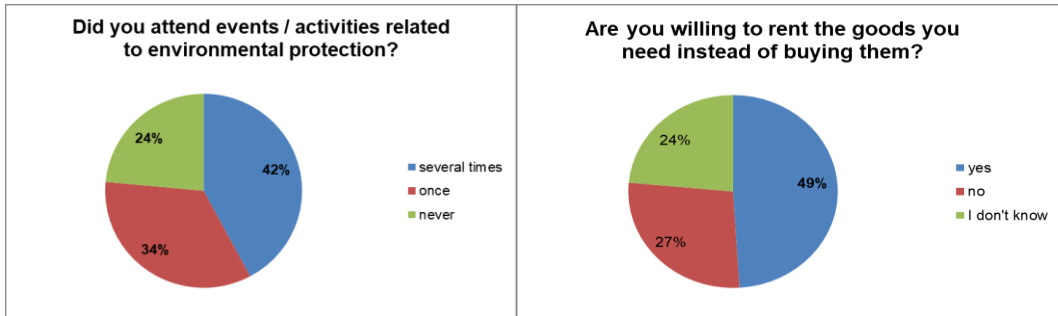


Figure 3: Active involvement in environmental behavioural changes
Source: own survey

Although the respondents show a great trust in the future of the green economies, and also a high interest for the environmental issues, when asked if they would pay more for a eco-friendly, a less-harmful product, they wouldn't make the sacrifice. The survey highlights that the young generation is aware of the climate change and environment degradation problems; they possess the information related to these matters, and also are willing to behave accordingly to the actions taken to protect the environment and to promote a sustainable development. The actions they are willing to take are consisting rather in changing their behaviour regarding consumption and waste collection, but they are not willing to pay more for eco-friendly products. This unwillingness could be motivated by the fact that Romania doesn't enjoy a very develop economy, so its citizens aren't able to afford luxuries as paying more in order to save the environment.

4. In conclusion

Only a solid and ambitious review of the framework for energy and climate change will create the proper environment for the EU to achieve, as soon as possible, climate neutrality and to avoid particularly serious consequences of the climate change. The EU's future depends on the planet's health; the current climate and environmental challenges require urgent and ambitious responses. The EGD represents the EU's strategy to a green transition.

The EU enjoys the collective capacity to transform its economy and society in order to guide them to a more sustainable path. Achieving all EGD's goals oriented towards climate and environment protection, consumers' rights and gas emissions' reduction require massive public investment and increased efforts to direct private

capital to climate and environment action, while avoiding or at least limiting the unsustainable practices. These investments represent also an opportunity for Europe to determine a decisive sustainable economic growth and development – aimed even more after the negative impacts caused by the Covid-19 pandemic - EGD being the accelerating and supporting instrument so necessary in the transition of all sectors.

The EGD launches a new growth strategy for the EU, supporting the EU's transition to a prosperous society able to face the challenges brought by climate change and environmental degradation, meanwhile improving the quality of life of nowadays and future generations (Eckert & Kovalevska, 2021). The late Covid-19 pandemic has changed the entire decision – making landscape in the entire world. The health crisis and the measures taken to address it, led to job losses, substantial financial losses, psychological problems and economic recession. Combining the funds allocate for post-pandemic economic recovery with those allocate for supporting the implementation of the EGD, the EU should enjoy in the following years of a fulminant sustainable economic growth.

The EGD is a plan with long term goals, but its success depends on individual and collective efforts; even if its objectives and outcomes are clear, the cultural diversity and the economic disparities of the European members slower the transition towards a greener European economy.

Considering the human being as the decisive factor in the EGD's implementation, we conducted a surveys aiming to assess the perception of the young population regarding the environmental issues and the environmentally responsible behaviour. Our respondents proved to be aware and concern of the current issues and actions needed to be taken in order to ensure a sustainable development in a healthy environment, are also willing to adapt and to actively involve.

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