

FINANCIAL FACILITATION INSTRUMENTS FOR THE TRANSITION TO A CIRCULAR ECONOMY

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Abstract: Developed countries experience, especially those in Europe, in the field of environmental management has shown that the transition to the circular economy requires investment, innovation, political support and the education of green thinking of citizens. To ensure the financial transition to a circular economy, it is necessary to implement economic instruments. In this article, we have analyzed such tools as fiscal incentives, subsidies and other types of financial allocations meant to facilitate, from a financial point of view, the transition to an economic model with minimal waste. As a result, we determined that using of the analyzed instruments has effects on consumer behavior, on public budgets, on enterprises, but also on economic systems in general. Thus, the correct and balanced application of fiscal instruments, both general and product-based, can bring significant long-term benefits, contributing to the creation of a new economy - efficient, harmless and responsible.

Keywords: circular economy, investments, fiscal incentives, subsidies.