

EDITORIAL

Sustainable finance, insurance and reporting aim to consider various environmental, social and governance issues that can impact both the sustainable growth of the company and sustainable development of the global financial system and the overall economy. Sustainability is no longer just an issue managed by the social responsibility departments of individual companies; it became a part of the core business of entire industries. Due to its strong influence, sustainable finance is assumed to play a central role in introducing sustainability standards across the board. At the same time, investors increasingly require a broader range of information that go beyond the framework of traditional financial reporting in order to link companies' strategy, governance, environmental and social performances to their long-term competitive advantage and value creation. Financial institutions, in particular insurance companies, have recognised the importance of sustainability and endeavour to integrate ESG standards into their strategy, operations and risk management.

This special issue of the journal *Facta Universitates, Series: Economics and Organization* offers a selection of papers presented at the SUFIN conference held at the University of Niš, May 24, 2021, organized within the Jean Monnet module *Sustainable Finance and Insurance: EU Principles, Practices and Challenges* (SUFIN), the Erasmus+ Programme of the European Union coordinated by the University of Niš (Project reference: 611831-EPP-1-2019-1-RS-EPPJMO-MODULE). The conference brought together academics from seven countries and eleven universities to discuss recent research on a broad array of topics on sustainable finance, insurance and reporting. From the papers submitted to the special issue of the conference, three guest editors in cooperation with Editor-in-Chief of the journal and a large panel of reviewers, selected 7 papers for publication.

The first contribution to this issue, titled "Insurance development and life quality in the European Union countries. An empirical assessment", written by *Mirela Cristea, GrațIELA Georgiana Noja, Doina Drăgoi* and *Leontina Codruța Andrișoiu*, addresses the relationship between the insurance sector degree of development and the quality of life. The authors indicate that significant differences between EU-27 Member States require specific strategies and policies in order to enhance the wellbeing by insurance services and coverage.

The next two papers dedicate specific attention to the implementation of the concept of sustainability in banking system. The sustainable banking has conditioned the transformation of banks in the direction of their greater corporate eco-efficiency and the development of banking products and services that contribute to sustainable development. Recognizing the impact of environmental risks on banks' operations, the authors of the paper entitled "Sustainable finance and banking: A challenge for regulators and risk management system", *Mirjana Jemović* and *Jelena Radojičić*, elaborate the main issues concerning banks' exposure to environmental risk. Consequently, as showed in the paper entitled "Banks' corporate social responsibility (CSR) disclosure and their role in the betterment of society in the Republic of North Macedonia", written by *Marina Trpeska, Todor Tocev, Ivan Dionisijev* and *Bojan Malchev*, larger banks are prone to be responsible toward environment and society and report on their activity.

In the article “Value-based management, long term sustainability and corporate social responsibility “, the author *Dejan Malinić* examines the compatibility of value-based management (VBM) with the requirements of other stakeholders and concludes that a broader concept of VBM further enhances the interest-based logic behind the corporations’ functioning, but at the same time enables the integration of the requirements related to sustainability and corporate social responsibility.

The authors of the paper “Moving from non-financial to sustainability reporting: Analyzing the EU Commission’s proposal for a Corporate Sustainability Reporting Directive (CSRD)”, *Josef Baumüller* and *Stefan O. Grbenic*, have recognized reporting requirements as a core element of the EU Commission’s ambitions to transform the European economy towards more sustainability. Their analysis of the new Directive proposal emphasizes that many of the new proposed requirements are excessive and raise fundamental questions concerning acceptable levels of administrative burden for companies as well as necessary conceptual fundamentals for a reporting framework.

The final two contributions discuss insufficiently explored issues that characterized current business operations. The authors of the paper titled “Intangible assets impact on sustainable growth rate of enterprises in the Republic of Serbia”, *Amer Rastić*, *Tatjana Stevanović* and *Ljilja Antić*, reveal that intangible assets of the best performing companies in the Republic of Serbia positively influence the sustainable growth rate providing a reference point for future entrepreneurs on the way to intensive involvement of intangible assets in companies. Considering digitalization and up-to-date global trends, the paper under the title “The pandemic waves’ impact on Romanian e-market: a non-linear regression model”, co-authored by *Costin Radu Boldea* and *Bogdan Ion Boldea*, reveals the dynamic of the e-market, as the main channel of sales during the SARS-COV2 crisis across Europe, and propose a model for the prediction of the overall behaviour of online buyers.

We would like to thank, first of all, the authors of the articles published in this Issue of the Journal. At the same time, we feel grateful to all the referees for their valuable help in selecting the papers and improving their quality.

Guest Editors of the Special Issue:

Asst. Prof. Jelena Z. Stanković, PhD
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