

FOREWORD

Welcome to the latest issue of the Journal of Financial Studies. In this edition, we present a collection of papers that delve into diverse topics within the realm of finance, shedding light on pressing issues and offering insightful and innovative research themes. These papers encompass a wide range of themes, including tax complexity, corporate social responsibility, energy sector dynamics, the COVID-19 pandemic's impact, profitability determinants, non-financial reporting, environmental and financial performances, financial stability, and circular economy development. Each contribution brings forth unique perspectives for the Romanian Journal of Financial Studies, contributing to our understanding of the multifaceted nature of finance and its implications for the global economy.

The paper "Elimination of Tax Complexity Issue through Financial Literacy" examines the role of financial literacy in addressing the complexities associated with taxation. By emphasizing the importance of informed decision-making and financial education, this research highlights how enhanced financial literacy can contribute to more efficient and transparent tax systems.

Moving on, "Corporate Social Responsibility and Value Creation in Romania" explores the relationship between corporate social responsibility (CSR) and value creation in the Romanian business context. The paper investigates how CSR initiatives can generate economic, social, and environmental value, and provides valuable insights for companies striving to integrate sustainability into their operations.

Next, "The Impact of the Altman Score on Energy Sector Firms" investigates the applicability and effectiveness of the Altman Score, a well-established bankruptcy prediction model, in assessing the financial health of firms within the energy sector. This study sheds light on the potential implications of financial distress and bankruptcy risk for energy companies and offers guidance for industry practitioners and policymakers.

"COVID-19 Impact on Corporate Sustainability: Bibliometric Analysis" presents a comprehensive analysis of the scholarly literature pertaining to the effects of the COVID-19 pandemic on corporate sustainability practices. By synthesizing existing research, this paper provides valuable insights into the challenges and opportunities faced by businesses in maintaining sustainable practices during times of crisis.

"Analysis of the impact of financial balance indicators on the stock market performance of companies listed on the Bucharest Stock Exchange" examines the impact brought by the factors that contribute to the determination of financial balance indicators on the profitability of Romanian companies. By analyzing the existence of

the link, the outcomes of the paper can provide investors, financial analysts and other stakeholders with valuable information on the importance of financial balance in making investment decisions.

The paper "The Contribution of the EU FDIs to the Reduction of Romania's Manufacturing Production CO2 Emissions: Higher Exports and GDP Growth" aims to assess the impact of rerouting the foreign direct investments made in Romania towards low carbon manufacturing processes. This can help Romanian economy to gain a larger access to the broader European market, which is reflected in a higher GDP growth.

"Internal Determinants of the Profitability of Algerian Public Banks" focuses on exploring the factors influencing the profitability of public banks in Algeria. By examining internal determinants such as risk management, capital adequacy, and operational efficiency, this study aims to enhance our understanding of the drivers of profitability in the Algerian banking sector.

The following paper, "Financial Literacy and Employment: An Overview and Bibliometric Analysis" investigates the scientific literature regarding the relationship between financial education and employment, conducting a bibliometric analysis. The results of the paper highlight the importance of financial literacy for developing countries, entrepreneurial initiatives, decent jobs, investments in the stock market and rational consumption, and also outlines that there should be collaboration networks between authors, organisations or countries for more effectively financial decisions in the long-term.

The paper "From CSR to ESG: Non-Financial Reporting, Its Benefits and Legislative Implications" examines the transition from CSR to Environmental, Social, and Governance (ESG) reporting. The paper analyzes the benefits of non-financial reporting and explores the evolving legislative landscape surrounding ESG disclosures, providing valuable insights into the changing expectations for corporate transparency and accountability.

Shifting the research focus to the environmental dimension, "The Environmental and Financial Performances on the Energy Sector: Case Study in North America" investigates the relationship between environmental performance and financial performance within the energy sector, with a specific focus on North America. This study explores the potential trade-offs and synergies between environmental stewardship and financial outcomes, contributing to the ongoing debate on sustainable business practices.

"K-Means and Agglomerative Hierarchical Clustering Analysis of ESG Scores, Yearly Variations, and Stock Returns: Insights from the Energy Sector in Europe and The United States" examines the potential relationship between Environmental Social and Governance (ESG) scores, their year-over-year variations, and annual stock returns

for some companies operating in the energy sector in Europe and the United States. The results could use to investors that need to adhere to specific ESG investment directives.

In the following paper, "Banking Groups and Aggregate Indicators for Financial Stability in the Romanian Banking Market", the authors delve into the dynamics of banking groups and their implications for financial stability in the Romanian banking market. By examining aggregate indicators of systemic risk, this research enhances our understanding of the interplay between banking groups and financial stability, offering insights for regulators and policymakers.

The paper "Impact of Sustainable Development on Smart Cities" highlights the importance of accessing European funds for the creation of a Smart City urban area. The benefits of implementing such projects with non-reimbursable financing are primarily represented by the achievement of sustainable development and implicitly contribution to the protection of the environment and the reduction of pollution.

Lastly, the opinion, "The Implications of Circular Economy Development at European Level" explores the implications of circular economy development within the European context. By examining the benefits, challenges, and policy implications of the transition to a circular economy, this study contributes to our understanding of the potential economic and environmental gains associated with circularity.

The papers presented in this special number of the Journal of Financial Studies offer a wealth of knowledge and valuable insights into various facets of the financial research. From the elimination of tax complexity through financial literacy to the implications of circular economy development, each paper contributes to our understanding of critical issues in finance. I hope that the research presented in this journal will inspire further inquiry and stimulate meaningful discussions among scholars, practitioners, and policymakers, ultimately leading to advancements in the field of economics and finance.

Assoc. Prof. Ph.D. Adrian T. Mitroi

Member, Scientific Council of the Institute of Financial Studies