

THE ROLE AND IMPORTANCE OF ACCOUNTING IN THE GREEN ECONOMY

**B.Umirkulov**

Associated professor, PhD

Tashkent branch

of Samarkand state university

of veterinary medicine,

livestock and biotechnology, Uzbekistan

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**Abstract.** The article reveals the essence of the green economy, conservation and rational use of natural resources in enterprises, and also emphasizes the role and importance of accounting in terms of the use of renewable energy sources and ensuring sustainable socio-economic development.

**Keywords:** green economy, agriculture, productivity gains, environmental spending, environmental investment.

Decree of the President of the Republic of Uzbekistan No. PF-16 of January 30, 2025 "On the State Program for the Implementation of the Uzbekistan-2030 Strategy in the Year of Environmental Protection and Green Economy" was adopted. This decree defines the following priority tasks: conservation and rational use of natural resources, ensuring environmental stability, widespread implementation of the principles of a "green economy," and sustainable financing of projects aimed at adapting the economy to climate change. The objectives include increasing the share of renewable energy in the republic's energy balance, including the creation of large "green" energy stations based on public-private partnerships, expanding the network of small and micro hydroelectric power stations in the regions, encouraging the installation of solar panels in households, and reducing the carbon footprint of the economy through the widespread use of modern energy-saving technologies in the economic and social sectors.

We believe that the fact that the Ministry of Agriculture of the Republic of Uzbekistan has been tasked with increasing the average productivity and yield of key agricultural products, effectively implementing drip irrigation technologies, and achieving a neutral balance with respect to land degradation will also ensure the sustainability of the green economy on the part of our government<sup>1</sup>.

In Uzbekistan, a "green economy" is an economic system aimed at ensuring sustainable development, efficient resource use, reducing environmental damage, and improving the population's quality of life. In recent years, the transition to a "green economy" has been identified as a strategic priority in the country.

If we look at the main areas of green economy development in Uzbekistan, we will see that a number of projects are also being carried out in the area of renewable energy sources. In particular, solar, wind and hydropower projects are developing rapidly. Cooperation with foreign investors in the construction of solar and wind power plants has expanded. In addition, by 2030, it is planned that 30% of electricity will come from renewable sources.

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<sup>1</sup> Decree of the President PP-4477 "On approval of the Strategy for the transition of the Republic of Uzbekistan to a "green" economy for the period 2019-2030" dated October 4, 2019.

In order to improve energy efficiency and transition to a clean transportation system, our country is currently implementing energy-saving technologies in manufacturing facilities, and expanding the use of thermal insulation, meters, and LED lighting systems in homes and public utilities. Customs duties have been introduced on the import of electric vehicles. The number of charging stations is increasing in a number of cities. Programs are being implemented to modernize public transport using gas and electricity.

Based on the above, the Asian Development Bank (ADB) has launched a new cooperation strategy for Uzbekistan for 2024–2028, aimed at supporting the country's reforms to transition to a green and inclusive economy.

As part of the new five-year strategy, ADB is working closely with the government of Uzbekistan to help the country transition to a green economy, support the development and competitiveness of the private sector, and stimulate investment in human capital.

Overall, ADB's new strategy for Uzbekistan aims to support the country's transition to a green economy. The bank assists with projects in energy, public sector and natural resource management, finance, transport, agriculture, and urban development.

The importance of the green economy for Uzbekistan is reflected in the following factors:

- Environmental protection;
- Sustainable economic growth;
- Creation of new jobs (green jobs);
- Investment attractiveness;
- Improving public health and quality of life.

We now find it necessary to think directly about the green economy, as well as the problems and solutions.

A green economy is an economic system that, while ensuring economic growth, strives to protect the environment, rationally use natural resources and achieve sustainable development. In these circumstances, accounting must reflect not only financial results but also environmental performance.

The main goal of the "green economy" is the efficient use of natural resources, waste reduction, the use of renewable energy sources and ensuring sustainable socio-economic development. As a result, there is a need to take into account the impact of enterprise activities on the environment.

In our view, accounting in the green economy differs from traditional accounting in the following ways:

- Accounting for the environmental impact of business activities;
- Determining environmental costs and benefits;
- Maintaining records of resources associated with the use of natural resources;
- Accounting for environmental investments and "green assets";
- Preparing sustainability reports (e.g., ESG reports).

Environmental (green) accounting is a system for determining a company's environmental impact by incorporating ecology-related information into traditional accounting. Its components are:

- Environmental assets (filters, process equipment, energy-efficient technologies);
- Environmental liabilities (waste treatment, remediation costs, etc.);
- Environmental costs (energy conservation, waste recycling, resource recovery);
- Environmental benefits (resource savings, environmental benefits, economic benefits from reduced energy consumption).

In the context of environmental reporting and transparency of information, the results of accounting in a green economy should be accessible not only to government agencies, but also to the public and investors. This is why companies produce sustainability reports.

Such reports include:

- energy and resource consumption;
- waste volume and recycling rates;
- carbon footprint;
- social and environmental investments.

In conclusion, in the context of a green economy, accounting becomes a system that evaluates not only the economic efficiency of enterprises, but also their impact on the environment. We believe that this will enable us to ensure sustainable development, reduce environmental risks and, in particular, to report in accordance with international standards in the

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