

**IMPROVING ORGANIZATIONAL AND ECONOMIC MECHANISMS FOR GREEN
DEVELOPMENT IN REGIONAL ECONOMIES.**

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Abstract: Green development has emerged as a key paradigm for achieving sustainable regional economic growth while preserving environmental integrity. Improving organizational and economic mechanisms is essential to integrate ecological objectives with economic performance at the regional level. This paper examines the theoretical foundations and practical mechanisms of green development, emphasizing the roles of organizational coordination, green finance, industrial structure upgrading, digital economy development, and energy utilization efficiency. Using a systemic perspective, the study highlights how coordinated policy frameworks, financial incentives, technological innovation, and institutional collaboration can enhance regional green economic efficiency. The findings demonstrate that comprehensive organizational and economic mechanisms are critical for fostering sustainable development, reducing environmental risks, and ensuring long-term regional competitiveness.

Keywords: green development, regional economy, green finance, organizational mechanisms, sustainable development

In the context of increasing environmental degradation and climate change, the integration of environmental sustainability with economic growth has become a strategic priority for regional development. Traditional economic growth models, which often prioritize output expansion over environmental protection, have proven unsustainable. As a result, the concept of green development has gained global recognition as an effective pathway toward sustainable economic transformation.

Green development emphasizes the rational use of natural resources, the reduction of environmental pollution, and the promotion of environmentally friendly technologies, while maintaining economic growth. At the regional level, achieving green development requires not only technological innovation but also the improvement of organizational and economic mechanisms. These mechanisms determine how policies are designed, how stakeholders cooperate, and how financial and industrial systems incentivize green practices.

This paper aims to analyze the core organizational and economic mechanisms that support green development in regional economies. By synthesizing existing theoretical and empirical research, the study provides a comprehensive framework for understanding how regions can enhance green economic efficiency and achieve sustainable development goals.

Organizational mechanisms play a foundational role in coordinating stakeholders involved in green development. These mechanisms define institutional arrangements and governance structures that enable cooperation among government agencies, enterprises, non-governmental organizations (NGOs), and scientific institutions.

Strategic regional planning is a key organizational tool. Integrating green development objectives into regional economic strategies ensures policy coherence and long-term sustainability. Advanced evaluation methods, such as the Entropy Weight–TOPSIS–Coupling Coordination Degree model based on the DPSIR (Drivers–Pressures–State–Impact–Response) framework, allow policymakers to assess regional green economy development as a complex system. Such approaches improve decision-making by identifying coordination gaps between economic growth and environmental protection.

Additionally, the establishment of Innovative Scientific and Technological Centers (ISTCs) has proven effective in promoting green development. These centers act as regional growth poles by fostering green technologies, providing preferential regimes for innovation, and strengthening the link between research institutions and industry. National and regional development strategies further reinforce organizational mechanisms by aligning local initiatives with broader sustainability goals.

Economic mechanisms complement organizational structures by shaping incentives and resource allocation. Among these mechanisms, green finance plays a decisive role in supporting regional green development.

Green finance refers to financial instruments and policies that channel capital toward environmentally friendly and low-carbon projects. These instruments include green credit, green bonds, green investment funds, green insurance, and carbon trading markets. Empirical evidence shows that green finance reforms significantly enhance regional green innovation levels and promote sustainable industrial transformation.

By reducing financing constraints for green enterprises, green finance accelerates the adoption of clean technologies and mitigates environmental risks associated with traditional industries. Moreover, the interaction between green finance and consumption structure upgrading further strengthens regional sustainable development by encouraging green consumption patterns and improving resource efficiency.

Industrial structure upgrading is a critical pathway for achieving green development. Regions are increasingly transitioning from resource-intensive and pollution-intensive industries toward green and high-value-added sectors.

Green industry agglomeration, such as the clustering of green comprehensive industries, generates significant environmental and economic benefits. Studies indicate that industrial agglomeration enhances green economic efficiency through multiple mechanisms, including technological innovation, natural resource decoupling, industrial layout optimization, labor mobility, and human capital development. Furthermore, spatial spillover effects—such as knowledge diffusion and cross-regional industrial synergy—amplify the positive impact of green industry clusters on surrounding regions.

These findings highlight the importance of coordinated industrial policies that encourage green

The digital economy has become an important driver of regional green development. Digital technologies enhance production efficiency, optimize resource allocation, and promote green innovation. Empirical analyses demonstrate that the digital economy significantly improves green economic development through mechanisms such as technological innovation, green sharing platforms, and industrial upgrading.

Energy utilization efficiency is another core element of green development. Improved energy efficiency contributes to total factor productivity growth and generates positive external effects across regions. Through knowledge spillovers, industry linkages, and market integration, energy efficiency improvements enhance regional competitiveness and support coordinated regional development.

Both market mechanisms and government interventions—such as infrastructure investment and environmental regulation—play essential roles in maximizing the green development effects of energy efficiency improvements.

Green development strategies must account for regional differences in resource endowments, industrial bases, and environmental conditions. For example, regional development strategies aimed at reducing economic disparities have demonstrated that targeted green policies can improve provincial green economic efficiency.

In environmentally sensitive regions, such as arid zones, green development evaluation systems often adopt multidimensional indicators, including green growth, green welfare, and green wealth. Comprehensive evaluation frameworks that integrate economic development, social welfare, scientific and technological progress, and environmental quality provide a holistic assessment of regional green economy performance.

Improving organizational and economic mechanisms is essential for fostering green development in regional economies. Organizational mechanisms ensure effective coordination among stakeholders and integrate sustainability objectives into regional planning. Economic mechanisms—particularly green finance—provide critical incentives for green innovation and industrial transformation.

The upgrading of industrial structures, the expansion of the digital economy, and improvements in energy utilization efficiency further strengthen regional green development by enhancing productivity and reducing environmental pressure. Given regional heterogeneity, tailored green development strategies and comprehensive evaluation systems are necessary to achieve balanced and sustainable outcomes.

Overall, the integration of robust organizational frameworks and effective economic incentives forms the cornerstone of green development, enabling regions to achieve long-term economic growth while safeguarding environmental sustainability.

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