

Can Green Accounting Save the Environment?

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Abstract

One of the greatest challenges facing the world today is climate change. Among the most direct, vital and fiercest forms of counterattack made by the great persecution of the natural environment is the punishment of unreasonable development methods of time and the exchange of environment for the economy. Carbon development will not harm the environment in the short term, however, in the long term, it will destroy our blue planet. Businesses need to prioritize environmental sustainability among their priorities. The lack of effective measures taken in the sustainability and sustainable development fields has caused sustainability and sustainable development to be viewed as topics of concern by society due to high pollution levels. Hence, green accounting promotes a sustainable future for enterprises. Green accounting lends enterprises an opportunity to study and grow greener by promoting sustainability. In order to achieve corporate social responsibility based on performance, companies should implement green accounting.

Keywords

Green Accounting, Green Environment, Sustainability

1. Introduction

Climate change, recycling wastes, and preserving the environment should be among the main concerns of organizations seeking sustainable development. As a result of high levels of pollution and increasingly ineffective measures, sustainability and sustainable development are considered as important issues by society. The company's values, policies, actions, and beliefs must all be consistent with its commitment to sustainable and responsible development. Since then, companies have begun communicating the financial and non-financial impacts they have on social and environmental issues, as well as investing in corporate social responsibility (CSR) strategies [1].

As a result of the environmental pollution incident, companies should pay more attention to their sustainable development. Since the government of many countries continues adopting environmental laws and regulations, and the public has become increasingly concerned about the environment, standards for their quality of life have also been continuously upgraded, and for heavy polluting companies, higher standards are currently being proposed [2].

2. Materials and Methods

The concept of green accounting is to include environmental costs into the financial results of a business. In addition to showing the development of the company in terms of economic benefits, it also reflects the environmental costs the company must pay in order to obtain economic benefits. Both are disclosed in the corporate social responsibility report. The information should be fully and truthfully disclosed. Based on the concept of the green accounting statements of the companies, it is possi-

ble to obtain more accurate information by reducing the asymmetry of information between the company and external stakeholders [3]. The sustainable development of heavily polluting companies is significantly affected by more valuable investment and financing decisions.

Green accounting involves assessing how much a country spends on its resources while also evaluating its environmental costs. The purpose of green accounting is to help enterprises manage trade-offs between environmental goals and traditional economic goals [4]. Enterprises must take steps to promote green incentives through green accounting for the present as well as the future. Using Green Accounting, enterprises can promote a sustainable future by studying and growing green. To implement sustainable development, companies must consider three aspects of performance: financial, environmental, and social. Sustainability is increasingly important in national policy.

In the meanwhile, SARS-CoV-2 has created a massive havoc in the world. It has caused serious damage to the world economy. For overcoming economic uncertainty and economic growth, non-renewable resources are being depleted, causing fuel shortages and increasing natural catastrophes [5, 6, 7]. The world must therefore integrate sustainable development into economic growth, environmental protection, and social security [8]. Companies have quietly shifted their traditional view of charitable donations as corporate social responsibility has developed. Obviously, social responsibility entails more than donating to charity [9]. Following an effective implementation of green accounting, the ability of the enterprise to sustainably develop can be significantly improved. In addition to performance-based corporate social responsibility, enterprises should implement green accounting.

3. Discussion

It is an indication of how society is performing when corporations disclose their corporate social responsibility information. Disclosure quality is a key factor in corporate social responsibility. People can gain benefits from implying green accounting and promoting corporate sustainability by implying the most essential benefits. Disclosure of social responsibility information can positively influence green accounting and the sustainability of polluting companies.

Sustainable development, corporate social responsibility reporting, and green accounting are topics traditionally associated with western economics. Following highly publicized incidents and extreme environmental pollution in developing countries, many large corporations claim they have improved their environmental and social performance. Over the last few years, CSR reporting, sustainable development, and the development of green economies through green accounting have been implemented in many developing countries, like other developing countries.

4. Conclusion

Recent research discovered that integrating green accounting into heavily polluting companies can significantly enhance their ability to manage sustainable development; social responsibility information disclosure has a significant positive correlation with sustainable development capabilities of heavily polluting companies; social responsibility information disclosure enables heavily polluting companies to implement and manage green accounting better.

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Conflict of interest

The authors declare that they have no conflict of interest.

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