

Procedia on Digital Economics and Financial Research

ISSN: 2795-5648 Available: https://procedia.online/index.php/economic

Guidelines and priorities for the shift to the "green economy"

Turaeva Adiba Ikramovna

Tashkent State University of Economics

Abstract: This article's abstract covers the relationship between ecology and economics, the effects of economic activity on the environment, and the study's findings. The benefits of the green economy are emphasized in order to drastically lower the dangers to the environment, prevent the status of the economy from getting worse, and prevent a decline in national output. The experience of other nations in the areas of eco-innovation and green investment during the shift to the "green economy" is also covered in this article.

Keywords: environmental sustainability, concerns related to the environment, sustainable development, "green economy".

INTRODUCTION

The process of globalization requires the qualitative renewal of the technological base of the industrialized countries, the transition to a modernized economy to a new technological structure that ensures the improvement of the quality of life and living environment while increasing the level of production efficiency and competitiveness. Abroad, the "green growth" economic policy that makes this transition has been adopted by the Organization for Economic Co-operation and Development (OECD) as a strategic direction for the long-term (until 2030) development of all its members.

From the point of view of anti-crisis potential, eco-innovations, green investment and, in general, green economy, increase employment, reduce unemployment, stimulate activity in all sectors of the economy, and allow to get out of recession faster.

Eco-innovation is defined as any form of innovation aimed at significant and clear growth in achieving the goals of sustainable development, reducing the harmful impact on the environment and using natural resources more effectively and rationally, and the generally accepted definition of the green economy is the reef does not exist. The United Nations Environment Program (UNEP) considers the "green economy" as an economic activity and offers a broad understanding of this concept, i.e. "a green economy improves human well-being and ensures social justice, environmental significantly reduces risks and degradation of nature". This definition of "green economy" is almost no different from the well-known concept of sustainable development.

In a more narrow sense, the "green economy" refers to the control and reduction of emissions of pollutants and greenhouse gases, the monitoring and forecasting of climate change, as well as the creation, production and use of energy and resource saving technologies and technologies for renewable energy sources. use is understood. This includes the creation, production and use of technologies and materials to protect buildings and structures from sudden changes in temperature, humidity and wind load; production of environmentally friendly products, including agricultural (food, natural fibers) and consumer goods (natural and natural-based medicines and personal care products without chemical additives), in other words, "green economy" economy includes the types and results of economic activities that contribute to the improvement of quality of life and living conditions along with modernization and increase of production efficiency.

At the same time, "green economy" is reflected differently in the official documents of different countries: first of all, among developed countries, competition, jobs, in developing countries - sustainable development, solving poverty problems, citizen participation and equality issues, and in BRICS countries - defined as the efficiency of resource use. However, the most urgent problems in the field of environmental development, first of all, limitations in the field of environmental protection, do not



Procedia on Digital Economics and Financial Research

ISSN: 2795-5648 Available: https://procedia.online/index.php/economic

appear in the definitions of "green economy" in any of these documents. This shows that the most important aspect of the green economy is the economy itself and its socio-economic sphere(8). In the European Community's strategy for the transition to the "green economy" until 2050, it is emphasized that the "green economy" should show a system that combines ecosystems (natural resources), economy (material resources) and society.

The scale of the "green" sector in the world economy is still relatively small, so the term "green buds" of the economy is usually used in special literature along with the concept of "green economy". In fact, the value of products and services in this area in 2010 was 2 trillion. US dollars or 2.7 percent of the world's gross domestic product, and the profit is 530 billion. US dollars, employment - 10 mln. established a person. However, the contribution of the "green" sector to the development of the economic complex of some countries, which concentrate the main part of the potential and investments in this area, is significantly higher: in the USA, the "green economy" provides more than 600 billion dollars of products and services (4.2% of GDP), employment estimated at 3 million people; In Japan - 3.4 percent of GDP and 1.5 million, respectively. ; 2.5% of the total GDP and more than 3.4 million people in the countries of the European Union; however, in some countries these indicators are higher: in Germany it is 4.8% of GDP, in addition, Germany is one of the world's leading countries in the export of environmentally friendly products and services (in particular, more than 12% of the world trade in climate-saving equipment); In Great Britain, which is the world leader in terms of the share of the "green" sector in GDP, this figure is 240 billion dollars (or 8.8% of GDP), its share in exports is 5%, and the overall employment rate is 3 percent.

According to experts, the "green economy" can increase GDP growth, per capita income and employment at the same or higher rates in the short term than the traditional "brown economy". . Recent international discussions show the need for a clear development of the concept of "green economy", a deep analysis of the measures for its implementation from the point of view of the interests of all countries. The strategy of transition to "green economy" is a complex process that requires large investments (up to 2% of GDP per year) and affects almost all sectors of the economy. World experience shows that the "green economy" stimulates regional development, contributes to social stability, it is possible to increase the economic potential by creating new jobs in the "green economy" sectors.

According to forecasts of the Organization for Economic Co-operation and Development (OECD), if the modern way of production and consumption continues, by 2050, compared to the year 2000, 61 to 72 percent of the flora and fauna will be lost and and natural areas 7.5 mln. will be reduced to sq.m. In 2015, according to the calculations of the team of scientists of the Global Footprint Network project, the annual resources of our planet (the amount of resources that can be used and then regenerated) were exhausted in only 7 months and 13 days. Scientists have been making such calculations since the 1970s, and every year they witness that the annual resources are being used up faster and faster. For example, in 2015, the amount of resources was exhausted six days earlier than in 2014, which certainly shows the need to promote the idea of rational use of resources and ensuring the development of countries without harming the environment. If a new economic policy is not implemented, according to the OECD's 2050 forecasts, the world's energy demand will increase by 80%. If it is analyzed on the scale of countries, it is expected that South Africa's energy demand will increase by 15%, OECD European countries by 28%, Japan by 2.5%, and Mexico's energy demand by 112%. Greenhouse gas emissions will increase by 50% and worsen air pollution. Urban pollution will become the biggest problem by 2050. Drinking water pollution and poor sanitation are leading in this. Finally, the number of premature deaths caused by heavy air pollution reaches 3.6 million per year, and the share of China and India is significantly higher. The earth's surface will shrink up to 10%, especially in the countries of Asia, Europe and South Africa. It is predicted that the area of natural forests will decrease by 13%. In order to prevent these global risks, the main attention should be focused on the ecologization of the economy. There are a number of measures, such as transition to "green economy", introduction of eco-innovations and ecological investments.

When analyzed at the level of countries, Germany is one of the advanced countries in this field, which has created a zero-waste production cycle in introducing green principles to all sectors of the



Procedia on Digital Economics and Financial Research

ISSN: 2795-5648 Available: https://procedia.online/index.php/economic

economy. Germany is a world leader in waste processing and recycling. In Germany, 23 percent of patented technologies belong to the environment, and more than 30 percent of companies in the field of wind and solar energy belong to German companies. The number of workers in German companies working in the green sector, i.e. in areas related to environment and climate protection (energy, transport, recycling, waste disposal, etc.), is approximately 2 million people or a total of 4.5 percent of the economically active population. Today, this indicator has a growing tendency. Sweden's experience in eco-innovation is important. Sweden is a world leader in the use of renewable energy and local fuel sources. When the list of "green" countries on the planet was developed by the scientists of Yale University, Sweden took the first place in this rating. Today, the country's government is conducting an active policy of introducing green principles in all areas of the economy. Energy efficiency and renewable energy sources are the main and priority directions, and the sphere of energy and environmental protection has been brought to the policy level.

If we look at the Dutch experience of financial incentives for environmental investments, the Dutch MIA and VAMIL are considered as two separate measures to encourage the use of environmental technologies by Dutch companies. - events have many similarities. VAMIL allows companies to independently determine the depreciation period of technologies specified in the official list of the Ministry of Environmental Protection (up to 75% of its value). Therefore, VAMIL provides entrepreneurs with a financial advantage through rapid amortization of technologies. At the same time, it is difficult to accurately define the possibility of using the VAMIL method, because it depends on the specific conditions of entrepreneurs applying for participation in VAMIL. This opportunity is estimated to be equal to 3-8% of capital investments.

MIA allows companies to deduct up to 36% of their investment value for environmental investments. Profits with the MIA system depend on the applicable tax regime and capital investment (corporate or income tax). The percentage share of capital investments exempted from tax is clearly defined in the ecological list. 15, 30, 40% can be deducted depending on the nature of capital investments and technologies used. Both systems can be used by any company. At the same time, 93% of the applicants are small and medium-sized enterprises, most of them are engaged in agriculture, because the network associations of these sectors effectively determine the opportunities that enterprises receive as a result of using this tax tool.

In order to increase the share of the green sector in the state economy, tax incentives such as accelerated depreciation, property tax or income tax reduction can be used, especially preferential loans and green can make investments in technologies. But it is not considered correct for the state to provide business subsidies to ensure environmental compliance. Instead, state authorities should expand private banks and insurance companies that reflect the criterion of focusing on environmental factors in stimulating the financial status of enterprises. That is, banks may require a list of environmental indicators before approving a loan, and insurance companies may draw up an identification declaration on environmental risks and measures to reduce them. Also, banks and insurance companies can offer preferential favorable contract terms for companies with high environmental efficiency. In "Green Business" practice, providing direct subsidies and providing free technical assistance to enterprises to ensure their initial participation and dissemination of information is very effective. However, currently, many countries do not have enough legal norms on financing for the introduction and promotion of "green practices". financial allocations to show help long-term eco-economic stability of enterprises.

Conclusion

The world experience shows that the "green economy" stimulates regional development, social stability, and the increase of economic potential through the creation of new jobs in the "green economy" sectors. "Green economy" mainly helps economic development and ensures the growth of the gross domestic product, increase of the country's income, providing employment to the population, reducing the level of unemployment in the country. At the same time, the transition to a "green economy" will reduce the risk of global threats such as climate change, the loss of minerals and the scarcity of water resources. , when today's world civilization has gathered strength and reached the peak of its power, if all the countries of the world do not choose an ecologically oriented model for economic development, the



Procedia on Digital Economics and Financial Research

ISSN: 2795-5648 Available: https://procedia.online/index.php/economic

entire planet will gradually decline and completely disappear under the conditions of globalization. we can come to the conclusion that there is a risk of going.

References

1. Keynes, J. M. The General Theory of Employment, Interest and Money. - N.Y.: BN Publishing, 2008. -296p.

2. Маршал А. Основы экономической науки. / Пер. с англ. – М.: Эксмо, 2007 г. -832 с.

3. Милль Дж.С. Автобиография. История моей жизни и убеждений. / Пер. с англ. – М.: Рипол-Классик, 2020 г. - 384 с.

4. Рикардо Д. Начала политической экономии и налогового обложения. / Пер. с англ. – М.: Эксмо, 2016 г. -1040 с.

5. Смит А. Исследование о природе и причинах богатства народов. / Пер. с англ. – М: Эксмо, 2016 г. -1056 с.

6. Фридман М., Фридман Р. Свобода выбирать: Наша позиция / Пер. с англ. – М.: Новое издательство, 2007. - 356 с.

7. Хайек Ф.А. Конституция свободы / Пер. с англ. –М.: Новое издательство, 2018 г. - 528 с.

8. Одегов Ю.Г., Карташов С., Лукашевич В. Управление человеческими ресурсами. Учебник. / Под ред. Одегов Ю.Г, Лукашевич В. – М.: Кнорус, 2020 г. – 222 с.