GREEN ACCOUNTING – INSTRUMENT FOR IMPROVEMENT ENVIRONMENT POLICIES

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Green accounting is a system for registering, organizing, management and delivering information and data related to the environment. This accounting form is an essential instrument for analyzing the concept "sustainable" development, which will not compromise the natural resources, which are vital for the future generations. In the last 10 years, the involvement of human activities in environmental projects has grown, locally and globally, demonstrating that the environmental costs are no longer factors which can be ignored, especially where specific elements for evaluation and accounting are absolutely necessary.The connections between general economical activity and environmental deterioration, as well as the impact on the population's welfare are complex, bringing out many analysis and measurement difficulties.The effects that economical activities have over the environment don't respect the geographical or administrative boundaries; the environmental deterioration is often caused by the existence of an important temporal lag between the cause occurrence and effects' impact.Wich we advance to analyze in this article is literal the analysis of immediate impact that economical activities have over the natural environment cannot always indicate and costs and risks associated with environmental deterioration. Another issue of national accounting is the manner it treats the environment. We can state that the economic functions of the environment are: insuring of the resources, the absorption and the neutralization of the residues as well insuring other services for people. In the process of the human activity the human resources can dissolve, and the environment can become degraded due to pollution and destination modifications. As well as in the case of the consumption of produced capital, the continuous exploitation and degradation implies the fact that in the future times the environment will decrease or even have no efficiency in fulfilling its functions. Although, some functions of the environment are vital for the economy and for the human life. That is why the actual manner of "using" the environment is considered "non-sustainable" and it cannot be continued in this manner. Separating the natural environment and the economic resources is difficult. We can bring the argument that nature is a part of the economy. What is important is that the natural resources could be used so that we could state from all points of view that this use is rational. From here it derives the need of a criterion of demarcation of rational usage of natural resources.

Key words: *sustainable development, environment policies, environment accounting.*

The European Union has made from the economy- environment combination one of its quasi- constitutional missions. So EU must get the appropriate instruments for this mission, instruments that are detailed in the EU communications. As far as the manner in which nature should be considered within the national accounting is concerned, there are more opinions. These various opinions appear because of the variety of the approaches on the environment, the differences between the economic and environment approaches can be synthesized as follows: the national accounting registers only the monetary flows, while the environment is characterized by the flows and physical inventories, the national accounting deals with what is happening today, the environment contains an analysis on a longer term.

MATERIAL AND METHOD

The protection for the environment has appeared as a problem of today mankind, respectively when the man has conquered the entire space of the Earth, favorable for life. Now, the riches and the energy resources have been affected in such a measure that the rapid evanishment of one of these if foreseen, and some essential conditions to the human being, such as water and air, present signs of poisoning.

Confronted with the complex issues generated by the dangers that threaten the environment and the limited volume of the resources, the problems that appear at first sight to be the most urgent can prove in practice not to be the best choice in money terms. In Eastern Europe, in spite of the acute need for cleaning the polluted rivers, the calculations and the studies made by the specialists have proved that greater benefits would arise from reducing the pollution of the air (atmosphere). The policies for sustainable development of the environment are those that promote the economic growth and the environment administration. This type of policies includes the elimination of the grants for the use of resources, the classification of the property rights, the acceleration of the education and of the programs for the population. These policies should not be controversial, being known the fact that there is need for political support and funds for their implementation. More controversial can be those types of policies that aim at stopping the behavior of producing the damage to the environment by regulations and stimulants, the mistaken implementation of these policies can cause great distortions in economy. The ecology has always had a reduced relevance for those interested in the area of the business, but in the past few years the situation has changed, reflecting another perception on the manner in which people influence their use and conservation of the natural resources. Initially the natural resources were considered “free goods” and the unlimited economic growth prevailed.

RESULTS AND DISCUSSION

One of the most important characteristic of industrial economic growth has been the activities transfer from the level of the household, where they were not paid, towards specialized units that function on the market. The national accounts, calculated in this manner, consider the activity on the new markets as being an increase of the production, while in fact this increase is equal to the value of the new activity deployed on the market that replaces the activity previously realized by the household. Consequently, excluding the non-monetary production from PIB

(Gross Domestic Product) underestimates the real production. “The national accounts” are being presently drawn up by defining a “limit of the production” that distinguishes between the productive and non-productive activities, the distinction being necessarily conventional.

The dominant convention in the present is that if the goods and services are accompanied accordingly by the monetary flows (in a reversed sense), then they are a part of the national product. An exception to this rule is represented by the services made by the buildings of the owners- inhabitants and by the agricultural production obtained and consumed in the households of the population, the value of both categories being estimated at the current prices of the market and included in the national produce. Any monetary flow that is not accompanied by an appropriate flow of goods and services represent transfers that are not included in the national produce. In the same way, due to the passage of the activities on the market in the process of modern economic development, it is overestimated systematically the economic growth.

Another important source of omissions in national accounting is the lack of economic measurement of the modifications occurred in the human and social/ organizational capital. The measurement of the economic growth has identified very detailed ways of differentiation of the input quality under the form of the labor force. The different activities, which reflect different productivities, come from a heterogeneous human capital inventory, that could be evaluated mainly function of the:

- the value of the inputs needed for creating, maintaining and increasing the inventory; in practice this task appears to be too ambitious. These situations appear in the case where the expenses for health and education that represents the other component of the creation and maintenance of human capital. As far as the measurement of the social and organizational capital in concerned, the statistic difficulties are even greater;
- the associated productivity of the services rendered by the labor force and expressed by the present value of income that the inventory is generating.

There is the point of view according to which the national accounting measures the services brought by the natural capital at a very low level, so it can be exploited in excess, and because of this the “real” national income is underestimated. However, it can be possible to treat the exploitation of the natural resources as capital consumption in the same way as the depreciation of the capital produced. Such an evaluation is not considered to be realistic by some specialists, because of the uncertainty and the difficulties in measuring the functions of the environment. From practical reasons it is preferably to continue establishing the limits of the production to human economy using the present conventions of the national accounting system, but any exploitation of the natural capital due to economic activity should be treated as capital consumption and we should try its deduction from the PIB in order to determine an adjusted PNB – approach that is recommended by UNO as well in their system of integrated accounting of the environment and the economy. This approach maintains the treatment of the aggregated measures in national accounting as a measure of production and not of wealth.

Within the societies in collective name (SNC), the natural assets are taken into calculation only if they produce benefits for the near future. The possible benefits or losses that can result from the modification of the initial natural balance are not highlighted and not even taken into consideration. The use of the natural assets can have as effect the consumption of a part of them of the deterioration of their quality. In the first case, the use of the natural resources leads to the degradation of the surrounding ambient.

The natural assets can be analyzed from the perspective of their integration in the capital goods category. Thus, the resources of the subsoil get the shape of some structures of raw material, the land represents a fixed asset and the forested surfaces are also inventories. The forested surfaces can represent also a fixed capital because it represents a supplier of atmosphere gases an on other hand the land must continuously taken care of in order to supply the comparable from a year to year. That is why the too strict classifications lose their relevance within the analysis of the usage of the natural resources. It is important to watch the level and the quality of the productive and consumption services that various natural assets supply to the economy.

CONCLUSIONS

The connections between the economic activity in general and the deterioration of the natural environment, as well as the repercussions of the deterioration on the well fare of the population have a complex nature, raising multiple difficulties of analysis and measurement.

The effects of the economic activities on the environment do not respect the administrative or geographic borders; the deterioration of the natural environment is often produced in the conditions of the existence of an important temporal difference between the appearance of the causes and the manifestations of the effects. Thus the analysis of the immediate impact of the economic activities on the natural environment cannot always reveal the costs and the risks related to the environment degradation; a special importance must be given to the repercussion effects of the degradation state of the natural environment over the conditions of the development of the economic activities and their performances.

The measurement of the costs is made through the costs of maintenance, costs requested by the prevention or the attenuation of deterioration of the natural environment. The concept of cost of maintenance reflects practically the insurance of the necessary exigencies for the economic development of a country in the sense of maintaining the natural environment intact from quantitative and qualitative point of view.

The new paradigms of the human development and last and lasting development, as well as the structural modifications in the economic activity have created new challenges for the international statistic communication, in order to answer to these challenges there have been partnerships created between statistics persons and data users.

The concerns regarding the economic increase have taken the place of an obsession related to the ability to support this increase. The environment indicators and the green accounting indicators try to give the interactions between the economy and environment. There is actually a search for a better quality of the development that could be seen even as a condition of the development.

The purpose of the environment indicators and those of green accounting is to discover the way to a sustainable development, as well as to help at the understanding of the policies impact, the attitudes or simply the contemporary lifestyles.

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