

# GREEN ACCOUNTING VS SUSTAINABLE DEVELOPMENT

Gabriela IGNAT<sup>1</sup>, Andreea Alexandra TIMOFTE<sup>1</sup>, Florentina ACOSTĂCHIOAIE<sup>1</sup>

e-mail: gabriela@uaiasi.ro

---

## Abstract

In the knowledge society, sustainable development can be understood as a way of development that can meet the needs of the present without compromising the ability of future generations to achieve their demands. Sustainable development is not restricted to economic development, but is the glue between economic growth and environmental protection.

Samuelson believes that "the task of saving the environment must become and will become the central organizing principle of the world after the Cold War." Therefore accounting tries to regroup and consider systematically the facts related to the protection and restoration of the natural environment by respecting the traditional role of accounting to account the flows and risks related to natural environment in order to notify users of accounting information a true and fair view of the company.

A serious problem that persists in every country is finding solutions in order to use natural resources in a sustainable way. Green accounting is based on the concept that the real assessment of a nation's wealth should take into account the contributions of all economic sectors and their impact on degradation and natural resources use and requires both natural assets and the economic and environmental costs related to the degradation of these natural assets to be incorporated into the National system of Accounts.

Green accounting considers the repercussions of not only the accounting firms' activities on the natural environment after they have already been produced, but also managing the actions taken by the company to prevent such problems. The new form of accounting has to be considered a true management tool used to improve the performance in relation to the environment, management and cost control, efficient investment in cleaner technologies, promotion of production processes and products less pollutant and is dedicated both to external users and internal management of any company. In this study, the authors try to present and explain the concept of green accounting in relation with viable development.

**Key words:** green accounting, resources, sustainable development, natural assets, environment

---