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Article

Strategic Importance of State Policy in The Transition to a Green Economy

Sharopov Nurmuhammad Bobirovich*[1]

1. Tashkent Kimyo international University, Computer Operator, Information Resource Center
*Correspondance: sharopovnurmuhammad319@gmail.com

Abstract: As Uzbekistan becomes more globalized, modern trends are also developing. In the last years of the 21st century, the new term "green economy" is becoming more relevant and is developing day by day. In our country, great attention is paid to the direction of the green economy and a strategy has been adopted. This article analyzes the strategic importance of state policy in the process of transition to a green economy, its role in ensuring economic, environmental and social stability. It also highlights the importance of management mechanisms used by the state, economic incentives and institutional reforms.

Keywords: Green Economy, State Policy, Sustainable Development, Environmental Safety, Renewable Energy, Strategic Management, Green Investment

1. Introduction

In the 21st century, the aggravation of global environmental problems, climate change, depletion of natural resources and increased environmental pollution have created the need to form a new model of economic development [1]. The traditional model of economic growth has often been accompanied by excessive use of resources and disruption of the ecological balance [2]. For this reason, the concept of a "green economy" has been put forward [3].

Uzbekistan is also working on the transition to a green economy. The Resolution of the President of the Republic of Uzbekistan dated December 2, 2022 No. PQ-436 "On measures to increase the effectiveness of reforms aimed at the transition of the Republic of Uzbekistan to a "green" economy by 2030" was adopted. The following strategic documents and systems were approved by the Resolution.

A green economy is an economic system that aims to reduce environmental risks while increasing human well-being and ensuring social equality [4]. In the transition to such an economy, public policy plays a crucial strategic role. Because the green transformation is not achieved solely through market mechanisms [5], but through clearly planned and coordinated public management [6].

The need for a transition to a green economy

a. The main reasons for the transition to a green economy are:
b. Climate change and global warming [7];
c. Limited energy resources;
d. Decrease in biodiversity;

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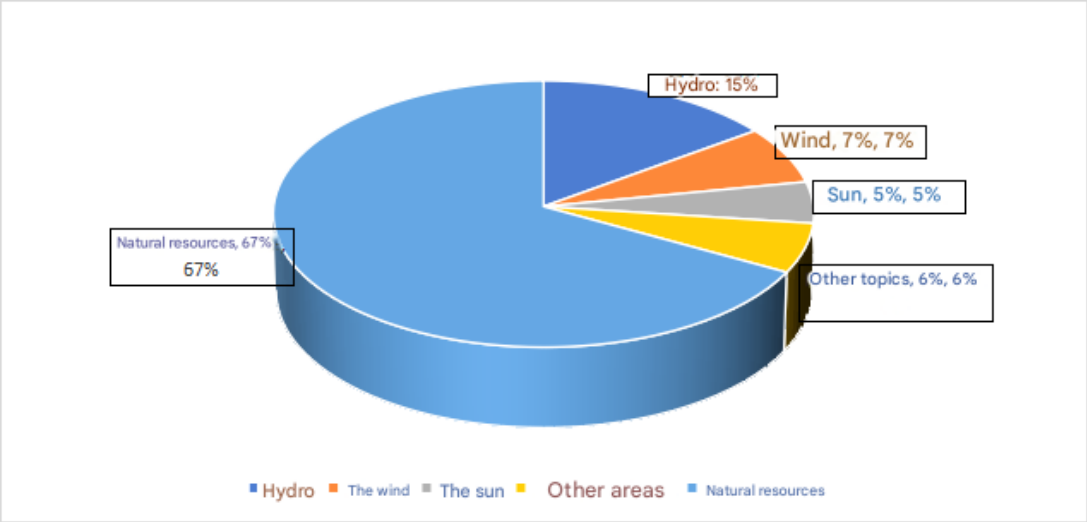
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e. Increased air, water and soil pollution;
f. Population growth and accelerated urbanization.

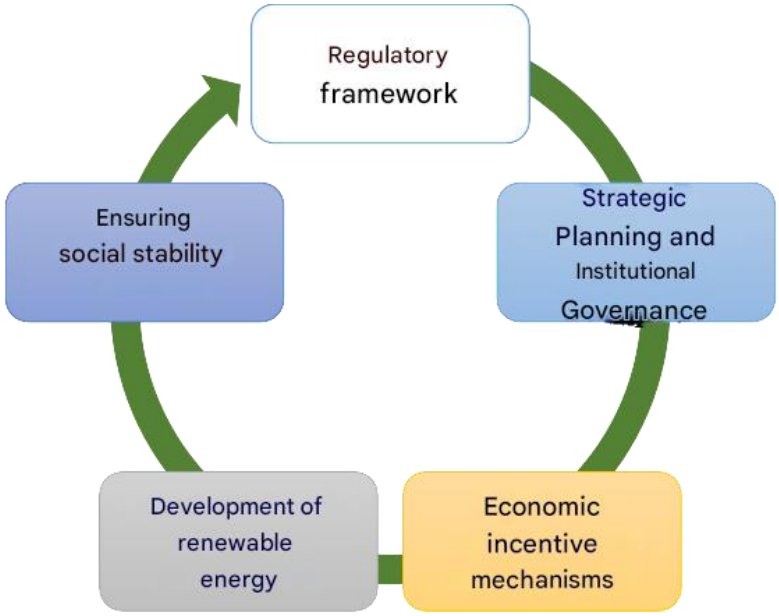
Total share of green energy (for separate chart)

Renewable energy share is:



These factors require a fundamental shift in economic policy. Economic growth is now measured not only by GDP growth, but also by environmental sustainability.

The strategic importance of state policy is reflected in the picture:



Source: The drawing shows the strategic importance of state policy. Created by the author

1. Formation of a regulatory framework

The first and main task of the state in the transition to a green economy is to create a solid regulatory framework [8]. Environmental standards, emission standards, energy efficiency requirements and waste management systems are regulated on a legal basis.

Availability of a legal framework:

a. Establishes clear rules for business entities;
b. Improves the investment climate;
c. Enhances environmental responsibility.

Long-term national strategies (e.g. green development strategies for 2030 or 2050) also provide a stable political direction.

2. Strategic planning and institutional governance

The state will implement a strategic planning system to gradually implement the green transformation. This process includes:

a. Diversification of the energy sector;
b. Expanding renewable energy sources;
c. Increasing energy efficiency in industry;
d. Modernizing the transport system.

In this regard, the activities of specially authorized bodies, ministries of ecology, energy agencies and regulatory structures are of great importance.

3. Economic incentive mechanisms

The transition to a green economy requires significant financial resources. Therefore, the state uses the following economic mechanisms:

a. Tax incentives and preferences;
b. Subsidies and grants;
c. "Green" loans and bonds;
d. Carbon taxes and quota systems.

These tools increase interest in the introduction of environmentally friendly technologies. The "polluter pays" principle is implemented through market mechanisms.

4. Development of renewable energy

One of the important directions of state policy is the development of solar, wind, hydro and biomass energy. This not only ensures environmental safety, but also:

a. Increases energy independence;
b. Creates new jobs;
c. Stimulates innovative development.

The state actively attracts the private sector by supporting investment projects.

5. Ensuring social stability

A green economy is not only ecological, but also socially important [9]. The state:

a. Trains personnel in "green" professions [10];
b. Increases environmental culture [11];
c. Supports vulnerable segments of the population [12].

This ensures that the green transformation is implemented on the basis of the principles of social justice [13].

Priority areas of state policy in the conditions of Uzbekistan

In recent years, Uzbekistan has adopted a number of strategic documents on the transition to a green economy. State programs are being implemented to develop renewable energy sources, rational use of water resources, and improve the waste recycling system [14].

The implementation of large-scale projects to develop solar and wind energy in the country is a practical result of state policy [15].

2. Conclusion

The transition to a green economy in our country is a complex and long-term process, which cannot be effectively implemented without state policy.

State:

a. Sets strategic direction;
b. Creates legal and institutional framework;

c. Introduces financial and economic incentive mechanisms;
d. Ensures social stability.

The following tasks for the green economy are set out in the Decree PF-158 "On the Strategy of Uzbekistan - 2030", signed by President Shavkat Mirziyoyev on September 11, 2023:

a. Expansion of renewable energy capacity
b. Introduction of environmental standards in industry
c. Widespread use of energy-saving technologies
d. Strengthening of environmentally sustainable development policies

Therefore, the green economy has been identified as a priority area of state policy. Therefore, state policy is the main driving force in the transition to a green economy. The balance between sustainable development, environmental safety and economic growth is ensured precisely through effective state governance.

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