



ORGANIZATIONAL ASPECTS OF ECOLOGICAL AUDIT AS AN ELEMENT OF THE ENVIRONMENTAL PROTECTION SYSTEM

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Article history:		Abstract:
Received:	26 th January 2025	The article examines the organizational aspects of environmental audit as an element of the environmental protection system. Conclusions are made, proposals and recommendations for improving the organization of environmental audit are developed.
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INTRODUCTION. In recent years, positive trends have emerged in world practice aimed at solving the problems of protecting natural resources and ecosystems in order to further ensure environmentally sustainable socio-economic development. In the era of market relations, the problems of sustainable economic and ecological development are especially relevant for many regions where the deeply pressing problems of protecting natural resources and ecosystems are acute. In order to successfully solve them in practice, it is necessary to expand and enrich the tools of the economic management mechanism of natural resources on the basis of the development and introduction of its new elements and tools, including environmental regulation.

The impact of modern technical means on the environment is so great that it takes on a clearly expressed global scale, and environmental monitoring and management of natural resources in the republic is carried out with very low efficiency. This situation leads to the emergence of areas with a difficult ecological situation, emergency situations causing great economic damage, and fundamentally new negative environmental factors.

In recent years, our country has been consistently implementing comprehensive measures to ensure environmental safety, improve the ecological situation, prevent the harmful effects of waste on human health, rational use of natural resources, and create favorable conditions for improving the quality of sanitary and ecological conditions. However, the work on the introduction and implementation of environmental auditing cannot be called satisfactory.

RESEARCH METHODS. In studying the organizational aspects of environmental auditing as an element of the environmental protection system, methods such as a

systematic approach and scientific observation were widely used.

ANALYSIS OF RELEVANT SOURCES. The main mechanism of environmental protection is environmental control (audit). This implies the need to develop and use non-traditional approaches to solving existing and potential environmental and economic problems, and to search for new reserves for the development of the country.

In accordance with Article 2 of the Law of the Republic of Uzbekistan "On Nature Protection": "The main tasks of environmental control are: to prevent, detect and put an end to violations of legislative requirements in the field of environmental protection and rational use of natural resources; to monitor the state of the environment, identify situations that may lead to environmental pollution, irrational use of natural resources, and pose a threat to the life and health of citizens; to determine the compliance of planned or implemented economic and other activities with environmental requirements; to ensure compliance with the rights and legitimate interests of legal entities and individuals in the field of environmental protection and rational use of natural resources, and the fulfillment of obligations by them; to inform state organizations and other organizations and citizens about changes in the environment, its forecasted state, use of natural resources and relevant measures being taken; increasing the effectiveness of nature protection activities and ensuring the participation of citizens' self-government bodies, non-governmental non-profit organizations and citizens in the implementation of state environmental programs and other environmental programs" [2].

The Decree of the President of the Republic of Uzbekistan No. PF-81 dated May 31, 2023 "On



measures to transform the sphere of ecology and environmental protection and organize the activities of an authorized state body" sets the tasks of "fundamentally improving the ecological situation by creating a modern environmental monitoring mechanism based on digital technologies, further increasing ecological culture, preserving biodiversity and regulating waste-related work, planting trees, shrubs and organizing green areas and introducing new procedures for their protection" [3].

In the current conditions of worsening environmental problems, the market encourages commercial organizations to act rationally and combine business with solving environmental problems. According to representatives of large European companies, the "green image" is a commercial necessity, a company's ability to "look ahead". According to most business entities, the policy of timely implementation of an environmentally sound approach to business is a unique method of capital investment, which is aimed at capturing a particularly large market. The management of most large commercial organizations has recognized that it is their responsibility to act more responsibly towards the environment. The economic mechanism of environmental control is a complex multi-stage system of relations between business entities and higher authorities. The connecting link of these relations should be an environmental audit as a tool that includes organizational and economic factors of environmental protection. This allows you to choose the optimal option for environmental protection structures, organize information-analytical monitoring of the state and level of operation of environmental protection facilities, and economically evaluate the planned technical and technological improvements.

The reasons for conducting an environmental audit are as follows:

- to reduce the risk of receiving fines for the use of natural resources and payments for damage to the environment; for violation of tax legislation in the field of natural resource management;
- to increase the level of competitiveness of manufactured products and the investment attractiveness of the business;
- to develop production and bring it into line with international standards.

In the environmental audit (supervision) system, depending on who carries it out, state environmental control, production and public environmental control are distinguished. Currently, the lack of improvement of legislation on mandatory environmental insurance, environmental audit, environmental quality regulation, introduction of best available technologies, gradual reduction of environmental impact does not allow

commercial organizations to pay more attention to solving environmental problems and makes state control ineffective.

The scientific literature covers the issues of organizing environmental audit, its place and role in the structure of state control. The tasks, objectives, criteria, objects and subjects of environmental audit are defined. The issues of the methodology of the concept of environmental audit are reflected. Specialists of the Ministry of Ecology, Environmental Protection and Climate Change of the Republic of Uzbekistan are working on the introduction and implementation of this tool in business practice, which allows regulating the ecological and economic relations between an economic entity and the natural environment in market conditions. However, environmental audit, as a form of control in market conditions, will be effective only when it is equipped with a scientifically sound regulatory and legal framework and methodological tools.

In the context of an innovative economy, independent environmental audit control takes on the functions of a catalyst for the activation of entrepreneurial activity based on the principles of environmentally friendly and sustainable development.

According to the Resolution of the President of the Republic of Uzbekistan dated December 12, 2020 No. PQ-4938 "On measures to ensure the implementation of the Law of the Republic of Uzbekistan "On the State Budget of the Republic of Uzbekistan for 2021", "from January 1, 2021, the procedure for mandatory annual revaluation of fixed assets for all business entities, and 3-year revaluation for micro-firms and small enterprises shall be canceled" [4]. However, it will help to identify industrial sectors using old equipment, workplaces with harmful working conditions, and sources of environmental hazards. This will increase the burden on obsolete production assets. As a result, organizations that actively invest in updating their material and technical base, bringing production to world standards, and using environmentally friendly technologies will be recognized as winners.

It is necessary to introduce mandatory certification as a form of state control over product safety to ensure control before products enter the market. The introduction of this measure will reduce the risk of harm to the life and health of citizens, property of individuals and legal entities, and the environment from the use of counterfeit products, as well as prevent actions that mislead consumers.

Definition of environmental audit According to Article 3 of the Law of the Republic of Uzbekistan "On Environmental Audit", "environmental audit is a systematic, documented, independent assessment conducted by an environmental audit organization of



compliance with the requirements of regulatory documents in the field of technical regulation of economic and other activities carried out by the subject of environmental audit, as well as regulatory legal acts in the field of environmental protection and rational use of natural resources" [5].

According to the definition given by the International Chamber of Commerce in Auditing, "environmental audit includes a systematic, documented, periodic and objective assessment of the effectiveness of the management and equipment established as a management tool to perform the environmental protection function:

- strengthening control and management over environmentally friendly actions;
- taxation in accordance with the requirements;
- assessment of the organization's activities in accordance with the presented standards and requirements" [6].

Thus, "the environmental audit should be complete and continuous, that is, the audit should be carried out by independent experts to ensure a complete assessment of how environmental requirements are being met by the registrant" [7].

In our opinion, the environmental audit is a component of the organizational and management mechanism for ensuring national security in the environmental sphere and a means of guaranteeing the environmental rights

of citizens. An environmental audit, by its very nature, is a professional type of entrepreneurial environmental activity, which is interconnected with state, industrial and public environmental control. At the same time, auditing is considered a manifestation of fundamental qualitative changes in the approach to solving environmental protection problems.

An environmental audit can be used:

- when improving the system of industrial and environmental control;
- during public and state environmental control;
- when improving the territorial monitoring system;
- during environmental protection, including public and state expertise;
- when improving territorial environmental programs;
- in the development of business plans.

ANALYSIS AND RESULTS. Ecological audit serves as one of the factors for increasing the pace and efficiency of development of the republic's economy, preserving its environment and is aimed at implementing the measures listed in Table 1.

Environmental audit is one of the areas of environmental control, and it is necessary to determine the goals and objectives of the environmental audit; there are

different views on the goals and objectives of the environmental audit.

Table 1
Measures taken by ecological audit and the results achieved through them

Measures taken by the ecological audit	Natija
Intensification of environmental protection activities of a commercial organization	sanoatga milliy va ayniqsa xalqaro investitsiyalarni amalga oshirish maqsadida ularning investitsion jozibadorligini oshirish
Increase in the production of finished products	tabiiy resurslardan foydalanish samaradorligini oshirish va ishlab chiqarish jarayonida tejashga erishish orqali
Increase in the competitiveness of the republic's products	ekologik omilni oshirish orqali
Increase in consumer demand for products	tijorat tashkilotlarining "yashil" imidjini oshirish
Greening of the technological process	energiya tejovchi va kam chiqindili texnologiyalarni joriy etish
Timely prevention of technogenic and ecological disasters	so'nggi paytlarda transport, tozalash va sanoat uskunalarning katta eskirishi tufayli dolzarb bo'lib qoldi
Improvement of environmental health	hozirgi va kelajak avlodlar salomatligini asrash

Determining the specific goals and objectives of the environmental audit depends on the scope and object of the audit, as well as the wishes of the client.

The purpose of the environmental audit is to determine the reliability of the organization's

environmental reporting. At the same time, other goals are also set, such as bringing environmental protection activities into line with the requirements of legislative and regulatory documents, optimizing the use of natural resources, reducing and regulating energy



consumption, reducing waste, preventing accidental discharges, waste and man-made disasters. Environmental audit should combine and expand the existing types of audits - production, financial activities, compliance audit programs and methods.

The main goals of the environmental auditor are:

- verifying compliance with environmental protection legislation by the user of natural resources in the course of his activities;
- to form and express an opinion on the compliance of the enterprise's activities in the environmental sphere with regulatory legal acts and the reliability of the organization's environmental (statistical) reporting;
- to substantiate the organization's environmental strategy and environmental policy;
- to reduce the risk of emergency situations related to environmental pollution;
- to monitor the implementation of environmental protection measures and assess their effectiveness.

In environmental practice, an environmental audit is presented as an objective, independent analysis and assessment, the development of recommendations and proposals for environmentally significant activities. The main difference between an environmental audit and other types of audits is that it requires the collection, analysis and documentation of a large amount of specific information on the organization's environmental activities and does not have strictly regulated procedures and standards for the implementation of audit programs.

Analyzing the current legislation in the field of environmental audit regulation, we can highlight the main principles of its formation:

- prevention of environmental damage;
- protection of human life and health;
- citizens are obliged to treat the environment with care (Constitution of the Republic of Uzbekistan. Chapter XI. Duties of citizens. According to Article 62 [1]);
- protection of the fauna and flora by mankind;
- involvement of citizens and the public in the environmental protection and decision-making mechanism;
- ensuring the rational use of natural resources;
- free access to environmental information;
- payment for the use of nature;
- taking into account environmental requirements in the economic and other activities of the organization;

- harmonization of the legislation of Uzbekistan in the field of environmental protection with generally recognized international principles and norms.

Thus, the main goal of the formation of environmental legislation is to ensure environmentally sound, sustainable economic and social development.

Comprehensive control should identify the quality of economic and management decisions immediately before losses occur, since exceeding production costs (including due to environmental pollution) or the release of environmentally harmful products leads to the loss of sales markets. The formation of market relations, the emergence of various forms of ownership in the production, exchange and consumption of products necessary for society, introduces significant changes in the microeconomic management system and its functions, in particular, financial and economic control and environmental control.

The object of environmental audit is the activities of industrial enterprises and their activities in the environmental sphere.

At the same time, the following audit objects can be indicated in the organization:

- the environmental policy of the organization;
- environmental accounting documents, environmental reporting;
- environmental protection management system;
- production process;
- production and consumption waste;
- impact on the environment.

Stages of the environmental audit procedure:

- audit of the environmental policy of the organization;
- audit of the internal environmental control system;
- environmental audit of the organization's production activities, i.e. inspection of the technological process of manufacturing finished products; control of the composition, structure and condition of fixed assets for environmental protection purposes; audit of production and consumption waste;
- environmental audit of the organization's financial activities;
- audit of statistical (environmental) reporting;
- audit of the environmental passport of nature use.

Environmental audit, along with environmental certification, can act both as an independent type of environmental activity, and as an organizational and legal measure to study the compliance of economic and other activities with environmental requirements.



The information base of the environmental audit is presented in Table 2.

Table 2
Environmental audit information base and list of documents in it [7]

Information base of ecological audit	List of documents
1. Regulatory and legal documents: external and internal	A complete list of regulatory legal acts regulating activities in the field of environmental auditing; Environmental policy; Accounting policy
Report 2.1. External statistical report: 2.2. Internal environmental report	Environmental passport of the nature user; Quarterly and annual reports on the state of the air in the enterprise's work area; Report on the progress of the construction of water protection structures and the cessation of wastewater discharge; Balance of water consumption and water discharge for the year; Annual report on the implementation of environmental protection measures; Planned and actual calculations of payments for pollution of the natural environment
3. Ecological accounting documents	Orders and analytical accounting journals for calculations of expenses, capital investments, settlements with budgetary and extra-budgetary funds, waste inventory report for accounting of financial results; Calculation of tax for the use of subsoil; Calculation of excise tax amounts; Calculation of land tax; Calculation of fees for the discharge of environmental pollutants and waste disposal
4. Technical and technological documents	Technical passports of equipment and fixed assets; Logbook of emission sources; Schedule for monitoring wastewater discharged into rivers and urban sewage systems; Schedule for monitoring sources of pollutants into the atmosphere
5. Non-accounting (other) documents	Environmental assessment report; Expert opinion on the safety declaration; Licenses for the implementation of enterprise activities; Environmental protection efforts; Regulations of environmental protection bodies; Court decisions; Permits for the release of pollutants.

Thus, the set of information resources necessary for conducting an environmental audit and obtaining sufficient relevant audit evidence can be combined into five groups: regulatory legal acts, reports, documents of the environmental accounting system, technical and technological documents and non-accounting (other) documents. The forms and types of environmental documents at each specific enterprise may be different, and the volume of the information base largely depends on the scope of its activities. The lack of information negatively affects the quality of the auditor's conclusions, therefore it must be supplemented by other sources.

The consumers of the results of the environmental audit are: government bodies, the media, the public, investors, creditors, suppliers, customers, management, shareholders and employees. The environmental audit of a commercial organization

affects the interests of many individuals and legal entities.

"The conclusion of the environmental auditor must contain the following information:

1. Conclusions on the compliance of production activities with legislative and regulatory documents on environmental protection and environmental protection.

2. Conclusion on the state of financial and economic reporting, accounting, timeliness and amount of current environmental payments, targeted spending of fixed assets allocated for environmental protection;

3. Assessment of the impact of the audited economic entity on the state of the environment, the health of production and management personnel, the ecology of the region, information on the presence and amount of emissions (discharges) of pollutants, the production of which is limited or prohibited by the international obligations of the state;



4. Results of an analysis of production growth rates and the amount of emissions and waste of pollutants, consumption of energy and material resources;

5. Results of a comparative analysis of the main indicators of the environmental and production activities of the inspected economic entity.

6. Assessment of the potential risk of the inspected economic entity in the event of an emergency, the effectiveness of the developed work plan to eliminate sources of the accident, the availability of the necessary material and technical resources.

7. Conclusion on the professional qualifications of the employees of the environmental services of the economic entity, their provision with modern technical means to monitor compliance with permissible levels of pollution.

8. Awareness of management and production personnel about the amount and nature of environmental pollution by their economic entity, the level of pollution, the availability of material and moral incentives to reduce the energy and material capacity of manufactured products" [8].

The standard methodology for conducting an environmental audit, despite all the advantages and possibilities of its application, has a number of tasks that need to be solved in order to bring the environmental audit methodology into the correct form:

- automation of the procedure for conducting an environmental audit, that is, to present it in a more convenient form not only for a computer, but also for a person. Solving this problem allows us to maximize the objectivity and reliability of decisions made on the results of the audit and reduce the influence of subjective factors of the environmental auditor;

- improvement of the methodological base in the field of environmental audit, since it is currently outdated or does not exist at all, which allows turning environmental audit into one of the most important elements of the environmental quality management system in an organization;

- since it is necessary to study all aspects of the organization's economic activity in order to determine a comprehensive assessment of its activities, environmental audit should combine and expand the programs and methods of existing types of audits - production, financial activities, compliance audits.

Using the conclusion of an environmental auditor, a specific problem can be solved using various, often alternative, methods. Depending on the radicality of the decision made and the severity of the problem, the necessary measures to protect the environment can range from organizational measures and increased control over the operation of technological processes

and environmental protection equipment, to the closure of the business entity with its subsequent re-profiling. One of the important factors contributing to the development of environmental auditing in the world is the procedure for implementing the program. Identifying and punishing the guilty is not the main goal in the process of conducting an environmental audit.

The state should help identify and combat unfair competition in the audit services market. In general, the government should approve the "Signs of unfair competition in the audit services market".

Such signs include the dissemination of false information about the audit organization itself (its employees, the scope of its activities, membership in the network), disparaging comments about competitors, illegal use of methodological developments of other persons, as well as the use of information constituting a trade secret of another person to carry out audit operations (if during the audit the audit organization received confidential information that was important for such a transaction), inflating prices in agreement with competitors and, conversely, lowering the audit price by dumping or simultaneously increasing the price of consulting services, etc.

In general, the emergence of such a document will be a big step forward. The main goal is to adapt it to the current activities of auditors. Therefore, it is necessary to constantly work on this document in order to constantly monitor and analyze the work practices of audit organizations.

Environmental audit has not yet found widespread application in our republic. The reasons that hinder the development of the audit are the imperfection of the legislation on environmental audit and the lack of interest of clients in conducting a qualified environmental audit.

The government of the country has the task of not conducting environmental audits of commercial organizations, not establishing an extensive list of grounds for conducting a mandatory environmental audit, but first of all developing a voluntary environmental audit, making its implementation a useful, convenient tool for managing environmental protection in the organization.

CONCLUSION. Thus, in the conditions of an innovative economy, independent environmental audit control takes on the functions of a catalyst for activating entrepreneurial activity based on the principles of environmentally friendly and sustainable development. Along with control functions, eco-audit carries out economic and environmental assessments for attracting capital, developing investments, reducing environmental costs, etc. The expert function of all types of audit is an important direction in the



development of financial, economic and environmental control in the effective use of capital in free enterprise. In our opinion, environmental audit is an independent study of the economic activities of organizations of various forms of ownership in order to determine the degree of direct or indirect impact on the environment.

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