

The Importance of Green Economy Principles in the Development of the Service Sector

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Abstract: This article discusses the importance of green economy principles in the development of the service sector and the issues of their practical implementation. The study analyzes the essence of the green economy, its role in the service sector, and its contribution to ensuring environmental sustainability. In addition, recommendations are developed to increase economic efficiency and strengthen environmental protection by introducing green economy principles into the service sector in Uzbekistan.

Keywords: green economy, service sector, sustainable development, ecology, innovation.

Introduction

In recent years, significant transformations have been taking place in all sectors of the economy of Uzbekistan, including the service sector. The economic reforms initiated by the President of Uzbekistan, Shavkat Mirziyoyev, aimed at deepening market mechanisms, increasing the activity of the private sector, and integrating into the global economic system, have had a positive impact on the rapid development of the service sector [1]. Especially under the current conditions of increasing environmental challenges, organizing economic development based on the principles of the green economy has become one of the most pressing issues.

In Uzbekistan, considerable attention is being paid to the sustainable development of the service sector and the implementation of green economy principles, since this direction plays an important role not only in economic growth but also in ensuring environmental sustainability. In this regard, the Presidential Resolution No. PQ-436 dated December 2, 2022, "On the Strategy for the Transition of the Republic of Uzbekistan to a Green Economy," was adopted. This strategy was developed by central and local executive authorities in cooperation with international financial institutions, including the World Bank and other reputable organizations [2]. The strategy highlights several pressing issues related to inefficient use of resources in various sectors of the economy, including the service sector, low energy efficiency, insufficient implementation of environmentally friendly technologies, and weak innovative approaches. In particular, irrational use of energy and water resources in the service sector, the underdevelopment of waste recycling systems, the low share of green investments, and insufficient environmental awareness negatively affect sustainable development [3], [4].

The strategy also sets tasks aimed at increasing economic efficiency in the service sector through the implementation of green economy principles, ensuring employment for the population, reducing regional development imbalances, and minimizing negative environmental impacts [5]. The implementation of these tasks will serve as an important factor in modernizing the service

sector, widely introducing innovative technologies, and ensuring sustainable economic growth.

Today, the service sector has become one of the leading sectors of the economy and occupies an important place in the formation of the gross domestic product (GDP). At the same time, the development of this sector directly affects employment, income levels, and the standard of living of the population. However, along with the rapid development of the service sector, problems such as increased pressure on the environment, inefficient use of resources, and the disruption of ecological balance have also emerged [6], [7]. Therefore, the need to develop the service sector based on the principles of the green economy is becoming increasingly important.

In Uzbekistan, the transition to a green economy has been identified as one of the priority directions of state policy. Various regulatory and legal documents aimed at improving energy efficiency, expanding the use of renewable energy sources, implementing environmentally friendly technologies, and protecting the environment are being adopted. In this process, the service sector plays a significant role, as the application of green technologies and innovative approaches creates opportunities to increase economic efficiency.

At the same time, it should be acknowledged that there are several challenges in implementing green economy principles in the service sector. In particular, the shortage of financial resources for introducing environmentally friendly technologies, the insufficient development of systems for training qualified specialists, the low level of environmental responsibility among business entities, and the lack of environmental awareness among the population slow down this process. In addition, many enterprises in the service sector still rely on traditional methods of operation, which complicates the transition to a green economy [8].

An in-depth analysis of the development of the service sector in Uzbekistan shows that, along with noticeable growth rates, there are also regional disparities. While the service sector is developing rapidly in some regions, service infrastructure remains insufficiently developed in remote areas. This situation limits the population's access to services and negatively affects the level of economic activity. Therefore, the issue of regional development of the service sector based on green economy principles is also of particular importance [9], [10].

Based on the above considerations, this article examines the importance of green economy principles in the development of the service sector, the existing problems in this field, and possible ways to overcome them [11]. During the research, the current state of the service sector will be analyzed, and scientific and practical recommendations will be developed to ensure sustainable economic growth through the implementation of green economy principles.

Literature Review

Issues related to the sustainable development of the service sector and the implementation of green economy principles have been widely studied by economists and researchers in recent years. Scientific studies conducted in this area highlight the essence of the green economy, its role in ensuring economic growth and environmental sustainability, as well as its importance in the service sector.

I. I. Ayubov and J. S. Bozorov, in their article "The Role of the Service Sector in the Development of the National Economy," briefly describe the role and importance of the service sector in the development of the national economy, its economic and social impacts, as well as the measures implemented by the state and the practices planned to increase the volume of services [11].

Yulduz P. Urunbayeva in the article "The Role of the Service Sector in Increasing Employment of the Population" examines ways to further develop employment through the service sector. The study provides statistical data on the service sector, its changes and stages of development, proposals and recommendations, as well as various definitions and conclusions. During the analysis of this literature, key methodological approaches were used, and new recommendations and proposals were developed based on the information presented in the study.

- A. Berdiyev in the article “The Role of the Service Sector in the Economy of Uzbekistan and Directions for Its Further Development” broadly analyzes the role of the service sector in the economy of Uzbekistan. The study includes analyses of the service sector both at the national and regional levels [12].

Methodology

Factors influencing the sector are deeply examined, and directions for its rapid development are proposed.

Based on the analysis of the literature, it can be noted that several factors influence the development of the service sector in Uzbekistan, including investments, innovative development, the growth of industry and agriculture, and the process of digital transformation. At the same time, the effectiveness of economic reforms also plays an important role in ensuring the development of the service sector. In the future, deeper analysis of the service sector and the introduction of innovative approaches will further increase the relevance and practical significance of this research topic.

Analysis And Results

The service sector is one of the fastest-growing sectors in the modern economy and plays an important role in increasing (gross domestic product GDP), employment, and the overall welfare of the population. However, the expansion of this sector has also led to increased consumption of energy resources, growth in waste volumes, and greater negative impact on the environment. Therefore, the implementation of green economy principles in the development of the service sector has become an urgent issue.

The analysis shows that applying green economy principles in the service sector primarily contributes to reducing costs through the efficient use of resources. For example, introducing energy-efficient technologies in hotel, transport, trade, and tourism services significantly reduces electricity and fuel consumption. This, in turn, leads to lower service costs and increased competitiveness. At the same time, an environmentally responsible approach in the service sector positively influences consumer behavior. Today, the number of customers choosing environmentally friendly and socially responsible services is steadily increasing. As a result, enterprises that follow green standards gain opportunities to expand their market share [13].

According to the results of the analysis, green economy principles also stimulate the development of innovation in the service sector. The introduction of digital services, remote service delivery, and the organization of services through online platforms reduce transportation activity and decrease environmental pressure. This contributes to the sustainable and long-term development of the service sector.

Indicators of the implementation of green economy principles in the service sector:

Indicators	2020	2021	2022	2023	2024
Share of the service sector in GDP (%)	36,1	38,4	40,2	42,6	45,0
Enterprises applying green technologies (%)	12	15	19	24	30
Energy-efficient facilities (thousand units)	8,5	10,2	12,8	15,9	19,4
Reduction in energy consumption (%)	2,1	3,4	5,6	7,9	10,8

New jobs created (thousand people)	45	58	72	90	115
Reduction in CO ₂ emissions (%)	1,5	2,3	3,8	5,6	7,4

The table data show that the implementation of green economy principles in the service sector has been steadily and consistently increasing. First of all, between 2020 and 2024, the share of the service sector in GDP increased from 36.1 percent to 45 percent, indicating that this sector is becoming one of the leading components of the national economy. This growth is taking place in harmony with the principles of the green economy.

The analysis also shows that the share of service enterprises applying green technologies increased almost 2.5 times over five years (from 12 percent to 30 percent). This indicates the acceleration of the process of adapting to environmental requirements, using energy-efficient equipment, and transitioning to sustainable service provision. The number of energy-efficient service facilities increased from 8.5 thousand to 19.4 thousand, which demonstrates the growing efficiency in the use of resources within the service sector. As a result, the level of energy consumption reduction increased from 2.1 percent to 10.8 percent, which has reduced operational costs for enterprises and improved overall economic efficiency [14].

In addition, the number of jobs created through environmental services increased from 45 thousand to 115 thousand people, confirming that the green economy is an important factor in increasing employment within the service sector. This growth is particularly associated with the development of eco-tourism, “smart” services, and digital services. Indicators related to the reduction of CO₂ emissions also demonstrate a positive trend. By 2024, this indicator reached 7.4 percent, showing that the environmental burden of the service sector is gradually decreasing [15].

The results of the statistical analysis indicate that the implementation of green economy principles in the service sector simultaneously ensures economic growth, employment expansion, and environmental sustainability. This process serves as an important foundation for the long-term and sustainable development of the service sector.

Conclusion And Recommendations

In conclusion, developing the service sector based on the principles of the green economy plays an important role in ensuring the sustainable growth of the economy of Uzbekistan. This sector not only contributes to increasing employment and incomes of the population but also helps reduce environmental problems and promotes the efficient use of natural resources.

The results of the research show that the introduction of green technologies in the service sector, improving energy and resource efficiency, and applying innovative approaches significantly increase economic efficiency. At the same time, reducing regional disparities in the development of the service sector and improving service infrastructure in remote areas will expand opportunities for ensuring employment among the population.

In addition, for the wider implementation of green economy principles, it is important to strengthen government support mechanisms, attract green investments, and increase the environmental awareness of the population. Overall, the development of the service sector based on green economy principles is one of the key factors for ensuring long-term sustainable economic growth and improving the welfare of the population.

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