



## **Global Conference on Multidisciplinary Research and Innovation**

Hosted Online from Berlin, Germany

Date: 2nd April, 2026

Website: <https://econferencia.com>

---

### **ESG MANAGEMENT AND FOREIGN EXPERIENCE IN IT**

Sayfullayev Mekhroj Sayfullayevich

Doctoral student at Tashkent State University of Economics

Email: [m.sayfullayev@tsue.uz](mailto:m.sayfullayev@tsue.uz)

#### **Abstract**

This thesis analyzes the theoretical foundations of the concept of sustainable development, the stages of its formation, and its significance in modern economic, environmental, and social processes. It also analyzes institutional, strategic, and integrated management approaches to sustainable development used in international practice, and considers the possibilities of their application to the activities of economic entities.

**Keywords:** Sustainable development, "Brundtland Report", global climate change, social inequality, corporate governance, ESG report,

The central idea of the ESG concept is that economic value is created through sustainable development, not short-term profit. Therefore, ESG can be viewed as an integrated model for managing corporate value in the modern economy.

ESG is a concept that analyzes the environmental impact, social responsibility, and quality of governance in an assessment of a company's economic activities in an inextricable link with financial results, and is aimed at ensuring long-term economic sustainability and value creation.

ESG impacts all industries, as environmental, social and governance issues are not specific to any one sector. However, we can highlight aerospace and defense, automotive, construction, and retail as some of the sectors where ESG can have a particularly significant impact.



## Global Conference on Multidisciplinary Research and Innovation

Hosted Online from Berlin, Germany

Date: 2nd April, 2026

Website: <https://econferencia.com>

	ISO Code	Country Name	Region	Score	Rank 2023
	ISL	Iceland	Europe	14.61	1
	FIN	Finland	Europe	15.21	2
	SWE	Sweden	Europe	15.74	3
	NOR	Norway	Europe	15.96	4
	AUS	Australia	Oceania	19.5	5
	CHE	Switzerland	Europe	19.82	6
	PRT	Portugal	Europe	19.87	7
	EST	Estonia	Europe	19.89	8
	NZL	New Zealand	Oceania	19.93	9
	DNK	Denmark	Europe	20.44	10
	LUX	Luxembourg	Europe	20.53	11
	IRL	Ireland	Europe	21.57	12
	CAN	Canada	North America	21.73	13

**Figure 1. List of TOP-10 countries with low ESG risk.<sup>1</sup>**

ESG management plays an important role in the economic life of the countries mentioned above, and therefore the level of ESG-related problems and potential risks in these countries is considered low. This contributes to the sustainable development of the country's economy.

	AFG	Afghanistan	Asia	64.46	174
	ERI	Eritrea	Africa	65.36	175
	PRK	North Korea	Asia	67.13	176
	COD	DRC	Africa	67.85	177
	SDN	Sudan	Africa	68.44	178
	CAF	Cent. Africa	Africa	69.01	179
	HTI	Haiti	America	69.39	180
	TCD	Chad	Africa	70.06	181
	YEM	Yemen	Asia	70.8	182
	SOM	Somalia	Africa	71.17	183

**Figure 2. List of TOP-10 countries with high ESG risk.<sup>2</sup>**

<sup>1</sup> <https://risk-indexes.com/esg-index/data> used

<sup>2</sup> <https://risk-indexes.com/esg-index/data> used



## **Global Conference on Multidisciplinary Research and Innovation**

Hosted Online from Berlin, Germany

Date: 2nd April, 2026

Website: <https://econferencia.com>

From the data presented in the figure above, we can see that the high level of ESG risk is mainly attributed to underdeveloped countries. The main reason for this situation can be explained by the low importance of ESG management in the economic life of underdeveloped countries, as well as the difficult environmental, social, and economic conditions they are experiencing.

In recent years, investors have increasingly focused on Environmental, Social and Governance (ESG) issues. While seen as an uber-niche investment a few years ago, it is now often considered a deal-breaker for whether an organization succeeds or not.

The rise of mandatory ESG regulations around the world is playing a key role in this – and more is on the horizon. Indeed, the number of governments that introduced legislation last year making ESG reporting mandatory proves that ESG reporting is not just a fad – it is here to stay.

As a result, more and more companies are demanding disclosure from investors. If you haven't already, it's only a matter of time before your business starts collecting, analyzing, and reporting on ESG.

The negative impact of climate change on business is already having a significant impact across all industries, and understanding environmental, social and governance (ESG) risks is becoming increasingly important for investment decisions.

However, the lack of availability and quality of companies' ESG data prevents investors from making informed and sustainable investment decisions, thereby slowing the transition to a green economy.

To bridge the gap between investor demand for ESG information and the delivery of information by companies, more countries are adopting mandatory ESG disclosure legislation. The 2021 study identified 25 countries that had introduced ESG disclosure mandates for companies during the sample period – the majority



## **Global Conference on Multidisciplinary Research and Innovation**

Hosted Online from Berlin, Germany

Date: 2nd April, 2026

Website: <https://econferencia.com>

of which apply to financial institutions, public companies and large, listed companies. This does not mean that other businesses are not affected. SMEs are already facing increased pressure from financial institutions and companies to disclose their ESG performance.

In April 2022, the UK passed two mandatory laws on ESG disclosure. These are: The Companies (Strategic Reporting) (Climate-Related Financial Disclosures) Regulations 2022 and the Limited Liability Partnerships (Climate-Related Financial Disclosures) Regulations 2022.

These Rules require certain companies to provide climate-related financial information in their strategic reports. These companies:

- All UK companies currently required to report non-financial information, which have more than 500 employees and have other securities traded on a regulated market in the UK, or are banking companies or insurance companies (relevant public interest entities (PIEs));
- Companies with more than 500 employees listed on AIM with UK-listed securities;
- UK-registered companies not included in the above categories, with more than 500 employees and a turnover of more than £500 million;
- Large LLCs with more than 500 employees and a turnover of more than £500 million, which are not trading or banking LLCs;
- Trading or banking LLCs with more than 500 employees.

The impact of the new law will not only affect the UK's largest companies and financial institutions, but also thousands of businesses in their supply chains - reiterating the importance of getting an ESG report, whether it directly affects you or not.

Previously, some large companies in the European Union (around 11,000 entities) were required to disclose ESG information under the Non-Financial Reporting



## **Global Conference on Multidisciplinary Research and Innovation**

Hosted Online from Berlin, Germany

Date: 2nd April, 2026

Website: <https://econferencia.com>

---

Directive (NFRD). However, in 2023, the NFRD was replaced by a new ESG reporting directive, the Corporate Sustainability Reporting Directive (CSRD). The CSRD significantly expands the scope of companies that must comply to around 50,000 companies in the European Union, representing 75% of the turnover of EU companies.

There are currently no mandatory ESG disclosure requirements at the federal level in the US. However, in May 2022, the US Securities and Exchange Commission (SEC) proposed "amendments to the rules and reporting formats to promote consistent, comparable, and reliable information to investors about the integration of environmental, social, and governance (ESG) factors by funds and advisors."

If passed, the proposal would set disclosure requirements for funds and advisors that market themselves as having an ESG focus, and would be a major victory against ESG greenwashing.

In April 2022, the Canadian federal government announced its 2022 budget, in which it pledged to introduce mandatory climate-related reporting requirements for federally regulated banks and insurance companies. Financial institutions in this sector will be required to disclose climate-related information in accordance with the TCFD framework starting in 2024.

Although the regulation is aimed at federally regulated financial institutions, the government expects it to have an impact on the entire Canadian economy.

"Because federally regulated banks and insurers play a critical role in shaping the Canadian economy, OSFI's guidance will have a significant impact on how Canadian businesses manage and report on climate-related risks and impacts," the budget document states.

Malaysia has been one of the first countries to introduce ESG reporting, with ESG reporting mandatory for all publicly listed companies since 2016. Currently, there



## **Global Conference on Multidisciplinary Research and Innovation**

Hosted Online from Berlin, Germany

Date: 2nd April, 2026

Website: <https://econferencia.com>

is no mandatory ESG reporting framework. However, a proposal announced in March 2022 would require companies across all sectors to disclose information in line with the TCFD recommendations – an update that is likely to take two to three years.

China currently has no mandatory ESG reporting legislation. However, on June 1, 2022, China’s first (voluntary) set of guidelines for Chinese companies to report on ESG metrics came into effect – the Enterprise ESG Disclosure Guidance. It was developed by the Beijing-based China Enterprise Reform and Development Association and focuses on Chinese companies, laws, regulations and policies. While it is not mandatory, the framework offers “a glimpse into what mandatory disclosure might ultimately look like in the country,” according to Bloomberg.

The New Zealand government has passed legislation making climate-related disclosure mandatory for large companies, insurers, banks, non-bank deposit takers and investment managers that subscribe to it from the 2023 financial year and beyond.

The legislation requires reporting from financial institutions covered by the Law on Financial Markets, which are:

- registered banks, credit unions and building societies with total assets of more than NZD 1 billion;
- Registered investment scheme managers with total assets under management exceeding NZD 1 billion;
- Licensed insurers with total assets of more than NZD 1 billion or annual premium income of more than \$250 million.

In a rapidly evolving financial landscape, ESG regulations are gaining increasing attention. The term encompasses a set of standards and requirements aimed at shaping the sustainability of strategies implemented by financial entities. Taking



## **Global Conference on Multidisciplinary Research and Innovation**

Hosted Online from Berlin, Germany

Date: 2nd April, 2026

Website: <https://econferencia.com>

these criteria into account allows companies to better anticipate environmental, social and governance issues, while also regulating and meeting societal expectations.

Whether it's a bank, insurance company or asset management company, every player needs to understand these concepts in order to focus on a sustainable approach. In this article, we'll take a closer look at what the world of ESG regulations entails. We'll look at their definition, scope, and the obligations they place on companies in terms of data management. Our goal is to provide a clear and educational overview tailored for institutional investors and financial institutions.

The ESG concept encompasses three dimensions that influence the strategy of any company. The first dimension concerns the environmental dimension, which combines measures aimed at protecting the environment and combating climate change. The social dimension emphasizes the need to apply responsible practices towards employees, partners and society. Finally, governance addresses internal organizational, transparency and ethical issues in the management of the company.

### **List of used literature**

1. Crabbe P (1997), Sustainable Development: Concepts, Measures, Market and Policy Failure at the Open Economy, Industry and Firm Levels. Ottawa, Institute for Research on Environment and Open Economy, University of Ottawa.
2. Mawhinney M (2008), "Sustainable development: understanding the green debates", John Wiley & Sons, 15 April 2008, Page 6.
3. Rogers P, Kazi F, Boyd J (2012), "An introduction to sustainable development", Earthscam, Page 43.



## **Global Conference on Multidisciplinary Research and Innovation**

Hosted Online from Berlin, Germany

Date: 2nd April, 2026

Website: <https://econferencia.com>

- 
4. Barbier E (2016), "Sustainability and development", Annual Review of Resource Economics, vol 8, issue 1, Pages 261-280.
  5. Clandine O (2004), "La dynamique de l'évaluation face au développement durable : Limoges 2003", l'Harmattan, Page 30.
  6. Rumpala Y (2009), " Mesurer le développement durable pour aider à le réaliser ? ", Histoire et Mesure XXIV 1, Pages 211-246.