ABSTRACT

Sustainable development is a strategic concept that requires companies to balance economic growth with environmental and social responsibilities. To achieve this, the application of green accounting and material flow cost accounting reflects a company's commitment to sustainability. This study aims to empirically assess the impact of green accounting and material flow cost accounting on sustainable development, examining both their simultaneous and partial influences.

This research employs a quantitative approach with a causal-explanatory design. The study analyzes balanced panel data from 180 firm-year observations during the 2020-2023 period. The research objects are companies in the primary consumer, non-primary consumer, and basic materials sectors listed on the Indonesia Stock Exchange (IDX). This study relies on secondary data collected from corporate annual and sustainability reports. The data were analyzed via panel data regression using EViews 12, following a series of model selection and classical assumption tests to verify the model's robustness.

The results show that simultaneously, green accounting and material flow cost accounting influence sustainable development. Partially, green accounting has a positive and significant effect on sustainable development, whereas material flow cost accounting does not have a significant influence on sustainable development. This research is expected to serve as a reference for future studies, particularly to investigate other mediating or moderating factors that may influence the relationship between variables.

Keywords: sustainable development, green accounting, material flow cost accounting