



UNIVERSITY OF LIFE SCIENCES "KING MIHAI I" FROM
TIMISOARA
"YOUNG PEOPLE AND MULTIDISCIPLINARY RESEARCH
IN APPLIED LIFE SCIENCES"



13-14 November 2025

THE STRATEGIC ROLE OF ACCOUNTING IN SUSTAINABLE AGRICULTURAL DEVELOPMENT

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Abstract: Accounting plays a fundamental role in the efficient and transparent management of agricultural holdings. It allows for the accurate recording of resources, costs, income and profit, facilitating strategic and operational decision-making. In the context of dynamic tax legislation and access to European funds, a well-structured accounting system contributes to the sustainability and profitability of farms. This paper highlights the importance and benefits of implementing efficient accounting practices in modern agriculture, as well as the main challenges encountered in the process of their application.

Introduction

Contemporary agriculture is no longer a purely traditional activity, but a complex field, subject to the influence of multiple economic, social and technological factors. In the context of market globalization and the digitalization of the economy, agricultural holdings must adopt modern financial management tools in order to survive and develop competitively.

Accounting is the universal language of the economy, and its application in agriculture ensures rigorous evidence of economic activities, from supply to production valorization. Through accounting, farmers can know at any time the exact situation of assets, income, debts and tax obligations.

The importance of agricultural accounting is also emphasized by the specific nature of the agricultural sector, which involves:

- the use of renewable and non-renewable natural resources;
- seasonal production cycles and dependent on climatic factors;
- high risks and volatility on the agricultural product market;
- access to financial support programs and European funds, which require clear accounting documentation.

Thus, accounting is no longer just a legal obligation, but a strategic tool for the efficient management of a modern agricultural



Results and discussions

The analysis revealed that integrating an effective accounting system in agricultural enterprises will bring multiple advantages, contributing directly to financial efficiency, legal compliance, and sustainable development.

The implementation of strategic accounting practices in agriculture produces numerous measurable and qualitative results that significantly contribute to sustainable development goals.

One of the primary outcomes is enhanced resource efficiency, which leads to both cost savings and reduced environmental impact. Accurate recording and analysis of input costs - such as water, fertilizers, pesticides, and energy - allow farmers and agribusinesses to identify excesses and inefficiencies. For example, by using precision farming techniques informed by financial and environmental data, farmers can apply fertilizers and water more precisely, reducing waste and runoff that can harm ecosystems.

Agricultural accounting serves as a bridge between economic, environmental, and social goals. The interconnection between agricultural accounting and the three fundamental pillars of sustainability can be illustrated like this:

- Economic dimension: Accurate monitoring of costs, revenues, and profitability supports efficient decision-making and investment planning.
- Environmental dimension: Green accounting allows farmers to assess the ecological footprint of agricultural activities, optimizing natural resource use and adopting sustainable practices.
- Social dimension: Contributes to transparency, equity, employment stability, and community welfare, reinforcing social responsibility in rural areas.
- By integrating these three dimensions, agricultural accounting acts as a key driver of sustainable agricultural development, balancing economic performance, environmental protection, and social cohesion.

Material and method

To carry out this work, a descriptive-analytical methodology was applied, based on:

- Analysis of the relevant legislative framework, namely Accounting Law No. 82/1991, OMFP No. 1802/2014 on accounting regulations in accordance with European directives, as well as methodological norms applicable in the agricultural field.
- Study of specialized literature - academic works and research on agricultural financial management, farm accounting and sustainable reporting tools.
- Examination of documents and guides issued by institutions such as the Ministry of Agriculture and Rural Development (MADR), the Agency for Financing Rural Investments (AFIR) and the European Fund for Rural Development (EAFRD).
- Comparative analysis of case studies, to highlight the differences between agricultural holdings that use an efficient accounting system and those that do not have such a tool.

The methodology aimed to identify the correlation between the implementation of a modern accounting system and the economic and ecological performance of the farm, as well as to highlight the competitive advantages resulting from the professionalization of accounting records.

Conclusions

Accounting in agricultural enterprises transcends its traditional function of compliance or cost management. It operates as a **strategic driver of sustainability**, enabling agricultural businesses to integrate environmental and social considerations into their economic decisions.

By adopting digital tools and incorporating sustainability indicators into financial reporting, enterprises not only strengthen their market competitiveness but also contribute actively to the broader objectives of sustainable rural development. Ultimately, the evolution of agricultural accounting reflects the transition toward a more responsible, efficient, and forward-looking agricultural economy - one that harmonizes **profitability, environmental stewardship, and social cohesion**.

Accounting in agricultural enterprises is an essential pillar of efficiency and sustainability. It provides the informational foundation for decision-making, stimulates innovation, and contributes to the balanced development of rural economies.

In summary, accounting in agricultural enterprises is not merely a function of compliance or expense management; it is a strategic investment that drives efficiency, innovation, and sustainability. By embracing robust accounting practices, agricultural businesses can enhance their performance and contribute to broader sustainable rural development goals.