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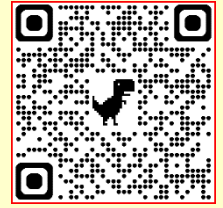
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APPLICATION OF *GREEN ACCOUNTING* AND *GREEN INNOVATION* IN WASTE MANAGEMENT OF THE ABADI SARI FACTORY (Case Study on the Immortal Sari Factory produced by Gallon Caps)

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ABSTRACT

Economic development has experienced very rapid growth. This increase has a negative impact on global warming due to industrial activities that are not environmentally friendly. In addition, economic growth will have a negative impact on the use of the fuel used. As a result, to address this problem, the company is expected to produce environmentally friendly product innovations. This research aims to find out how the concept of green accounting can be applied to green innovations in gallon cap waste management. The focus of the research is the Sari Abadi Factory in the production of gallon caps. The research method uses a qualitative method. The data source uses primary data. Data analysis techniques by collecting data, analyzing data, and reducing data. Based on the results of research on the Sari Abadi Factory, it shows that this factory has applied the 3R (Reduce, Reuse, Recycle) principle in the management of gallon cap waste, which contributes significantly to the reduction of plastic waste and its negative impact on the environment. In the aspect of environmental accounting, the Sari Abadi Factory cannot implement green accounting because the waste produced is not hazardous and does not contain B3 toxins.

KEY WORDS: Green accounting, green innovation, waste management

INTRODUCTION

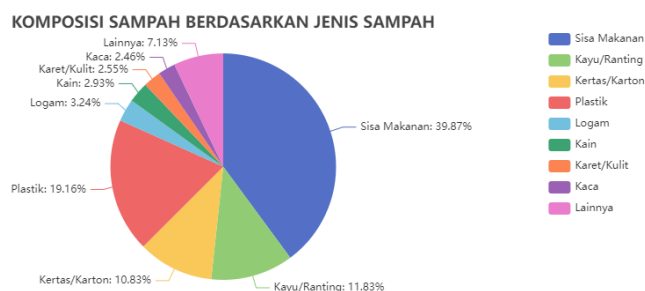
Background

The development of the world economy, especially Indonesia, has experienced very rapid growth. This increase will definitely have a negative impact on global warming due to industrial activities that are not environmentally friendly. In addition, economic growth will have a negative impact on the use of the fuel used. As a result, to address this problem, companies are expected to produce environmentally friendly product innovations, especially in the

manufacturing sector. During the production process, every industry must produce waste in different shapes and types. Sometimes, the waste produced by the company exceeds the limits, causing the quality of the environment to deteriorate. In addition to producing waste from their operational activities, manufacturing companies also produce leftover products and packaging consumed by the community (Ivan *et al.*, 2020).

Green accounting Known as environmental accounting, it is a method of accounting that includes "the costs and indirect benefits

of economic activities, such as the environmental impacts and health consequences of business decisions and plans." This means accounting that includes costs and benefits that do not directly derive from economic activities, such as the impact of business planning and decisions on the environment and health. (Simanjuntak, 2022) *Green accounting* is one way to find out how expensive waste management is. Companies must use green accounting correctly as this can affect the management of production waste without harming the environment (Safitri & Sari, 2022). This includes efforts to lower environmental impacts, comply with environmental regulations, and contribute to general preservation. Business activities are carried out by a legal entity called a company with the aim of making a profit, or "one bottom line" (Hutagalung & Butar Butar, 2021).



Picture 1. Percentage of Waste Types

Source: (SIPSN- *National Waste Management Information System*, 2023)

According to the SIPSN data above, it shows that plastic waste is the second most garbage made after food waste. However, the process of decomposing plastic waste takes time. In fact, the volume of waste in Indonesia increased by three million tons per year from the previous year. Since the end of 2023, waste generation in Indonesia has been recorded at 38.2 million tons/year (Ministry of Environment and Forestry of the Republic of Indonesia, 2023). According to data collected by the Karawang Regency Environment and Hygiene Office, waste generation in Karawang Regency was 526,379 tons per month in 2021 (Karawang Regency Environment and Hygiene Office, 2022). The Sari Abadi factory initially only produced refillable drinking water, but this factory innovated the management of gallon cap waste using the 3R (*reduce, reuse, recycle*) principle. The plant began to develop innovations that were lighter or used fewer materials, thus reducing the amount of waste in the first place. This recycling development is more efficient and effective to manage plastic waste which automatically reduces the need for new gallon caps (Source: Owner of Sari Abadi Factory).

Household waste is one of the main issues faced in urban environments (Aji, 2020), This will damage aesthetics and pollute the environment (Surya Dewi, 2021). By (Law Number 18 of 2008 concerning Waste Management, 2008) Article 29 paragraph (1) states that everyone is prohibited from burning waste that is not in accordance with the technical requirements of waste management, and (Government Regulation (PP) Number 27 of 2020 concerning Specific Waste Management, 2020) That waste management must be carried out in an environmentally friendly way and does not cause harmful emissions, the community is given the responsibility to protect and preserve the environment, including managing waste in an orderly manner. The purpose of this waste management is to reduce waste and handle it in an environmentally friendly way. One way to combat this waste problem is to change people's perspectives on waste as a residual result of natural processes and daily human activities. All types of waste, whether from organic or inorganic materials and whether they are decomposed or not, are usually

considered worthless and are disposed of in landfills, or burned to destroy waste. This paradigm must be changed by educating people to assess waste as an economic opportunity that can be reprocessed by applying the 3R principle in waste management (Budi Setianingrum, 2020). Love for the environment will definitely increase with good waste management can improve the community's economy if waste is processed correctly.

Sari Abadi Company is a refillable drinking water business that produces gallon caps. This company has managed production waste, namely by using the 3R (*reduce, reuse, and recycle*) principle. The company does not implement *Green accounting*. This can be seen from the fact that the waste produced is harmless and does not contain B3 toxins and this gallon cap factory uses simple financial statement records with explanations that are easy for them to understand. Thus, the use of green accounting should be applied in corporate waste management so that they can determine whether the company is responsible for reducing production waste. If plastic waste from the production process, such as gallon caps, is not handled effectively, it can have a negative impact on the environment. The manufacturing industry, especially gallon cap plants, faces major challenges in terms of waste management. To address this issue, many businesses are starting to include environmental accounting in their sustainability strategies.

In line with opinion (Safitri & Sari, 2022) indicates that PT Panggung Jaya Indah does not have specific financial statements on waste management. Therefore, to control the company's responsibility, this study will apply *Green Accounting* on waste treatment. (Roni Setiawan *et al.*, 2023) shows that the company PT. Samudra Mandiri Sentosa has incurred environmental costs for production waste management and has taken actions related to production waste management. However, it has not conducted special reporting related to environmental costs.

Different results found (Mulyani, Lestari, et al. 2020) A new study in the field shows that *Green Accounting* can help control production activities by producing high-quality products and innovative products by generating revenue from waste and resale. Therefore, *Green Accounting* can serve as a tool to help improve product innovation. (Rahmah *et al.*, 2022) The Silk Fabric Factory revealed that the submission of reports to industrial business owners has run efficiently so that it can control operations in the industry, such as information about raw materials and other materials needed in the production process. It can help develop innovative products in the industry. (Mutia Ramadhany, 2023) in the Sinatria Farm Yogyakarta farm using *Green Accounting* well in waste management. Even though it is not in accordance with PSAK No.1, they still use financial reporting records that are in accordance with the needs of the farm in language that is easy for farmers to understand.

According to the results of the study (Aruan, 2021) entitled "The Implementation of Environmental Accounting for the Management of PT UAB's Animal Feed Factory Waste" has followed the company's policy as mentioned in (PSAK No. 237 on Provisions, Contingency Liabilities, and Contingency Assets, 2014) Provides that an entity may recognize a provision as a constructive obligation for environmental responsibility arising from an internal policy or published commitment. Meanwhile, (ISAK No. 29 on the Cost of Stripping of Soil Layer in the Production Stage in Open Pit Mines, 2014) explains that environmental management costs can be recognized to reduce or address the negative effects of environmental pollution due to the actions of entities. These two PSAKs are the initial reference in applying environmental

accounting principles in Indonesia. Therefore, the company follows a policy to pay environmental management costs, such as waste management costs, to reduce and control the impact of environmental pollution from factory operations.

The Sari Abadi factory closes gallons in Amansari Village, Rengasdengklok District, Karawang Regency, no one has ever conducted research on *green accounting*. This research aims to find out how the concept of *green accounting* can be applied to green innovations in gallon cap waste management. It is hoped that this research will provide further information on how the concept of *green accounting* and waste management principles can be used to reduce the amount of waste in the community economically.

THEORETICAL FOUNDATION

Environmental Management Theory

Environmental management theory (*Environmental Management Theory*) is an approach that emphasizes the importance of management systems to reduce, control, or prevent negative environmental impacts arising from human activities, especially in the industrial sector. This theory comes in response to the increasing environmental damage caused by unfriendly industrialization. According to (Fadilah, N., Lubis, R. N., & Pohan, 2022), *Environmental Management* is a management system designed to overcome environmental threats and problems caused by human activities. The goal is to prevent worsening environmental damage and ensure sustainable development. (Bibi, R., & Narsa, 2022) added that environmental management plays a role in minimizing the adverse impacts produced by companies throughout *Product Life Cycle* or product lifecycle, including waste management, emissions, and resource efficiency. Further (Ofori, D., Sarpong, F. A., & Mensah, 2023) states that *Environmental Management* It does not only depend on government regulations and policies, but also on the legal awareness of the company itself. Effective environmental management requires active commitment from all stakeholders, including the business world.

Overexploitation of natural resources and uncontrolled waste disposal can damage the environment. Environmental management aims to implement business practices that are able to reduce or stop environmental damage. With this step, we not only preserve nature today, but also ensure that future generations can still enjoy it (Ahmad, 2022).

Environmental theory is an important foundation to understand the urgency of *implementing green accounting* and *green innovation* in waste management. This research is relevant because it offers an understanding of how companies can adopt eco-friendly principles in their business activities. Therefore, the research entitled "*The Application of Green Accounting and Green Innovation in Waste Management*" has a strong connection with environmental theory.

Green Accounting

According to (Lako, 2018) *Green accounting* is a process of measurement, recognition, recording, summaries, and reports that are revealed with high integration that can guarantee sustainable economic development and realize social justice between generations. *Green Accounting* is a type of accounting that considers how business activities impact the environment. Purpose *Green Accounting* is to incorporate aspects of environmental preservation into business practices, such as financial statements, cost recognition, sourcing of production materials, and fuel use. *Green Accounting* encourage the company's efforts to protect the environment. According to (Farhan, 2021) *Green accounting* requires accounting that focuses on people and the Earth, not just profits. This arises

because the environmental damage caused by corporations is increasing around the world.

Green Innovation

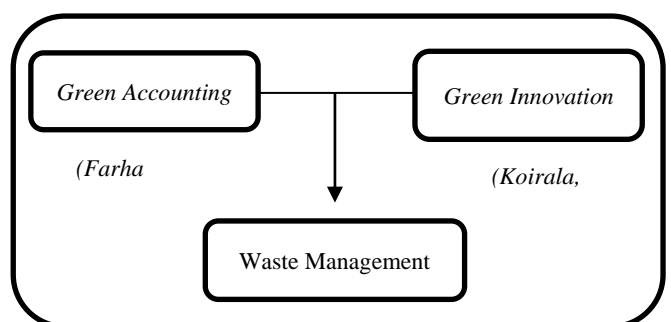
Green innovation Also known as eco-friendly innovation, is a change to production systems, practices, processes, and techniques designed to reduce environmental damage. These variables are useful for reducing pollution, recycling waste, and creating environmentally friendly products (Agustia *et al.*, 2020). Not only focusing on products, but also creating and developing new processes, marketing, and company practices (Koirala, 2020). To improve environmental protection, waste management and efficiency, *Green innovation* can be used as a proper environmental strategy. *Green innovation* can help manage solid waste, wastewater, and industrial waste. This is essential to reduce the impact of waste on the environment and reduce the limited use of natural resources (Sigh) *et al.*, 2023). *Green innovation* is a corporate social responsibility towards the environment and a business strategy that can help companies compete in a market that is increasingly concerned about environmental issues (Tonay & Murwaningsari, 2022).

Waste Management

According to (Law Number 18 of 2008 concerning Waste Management, 2008), waste management is defined as activities that are carried out systematically, complexly, and iteratively to achieve the goal of waste reduction and handling. According to the type and nature of waste, there are several approaches to managing waste independently, known as "3R", which means (*Reduce, Reuse, Recycling*).

Waste, also known as waste from industrial activities, is a waste that is considered useless during the production process. The type of waste varies depending on the product produced by an industry. Waste is the rest of the business and/or activity. Industrial waste is defined as residual business and/or activities derived from industrial processes. Different types of waste are generated based on industrial processes and raw materials used to produce industrial products.

Frame of Mind



Picture 2. Frame of mind

Processed: Researcher

RESEARCH METHODS

Research design

This study uses a descriptive qualitative research method with a case study approach. The research location was carried out at the Sari Abadi Factory located on Jl. Raya Amansari RT 007 RW 002 Kel. Amansari, Kec, Rengasdengklok, Kab, Karawang, and focused on the production of gallon caps and related waste management.

Data collection techniques

The interview was conducted directly with the informant. The form of the interview is semi-structured. Interviews were conducted with

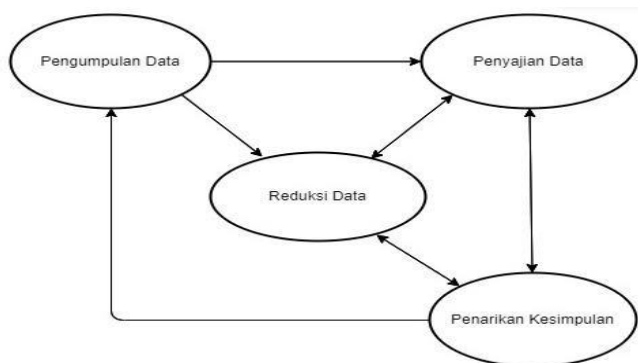
the owner of the Sari Abadi Factory, employees, and academics. This researcher conducted in-depth interviews to gain information about the understanding of *Green Accounting* and *Green Innovation*.

Data source

Primary data obtained from the results of observations, documentation and interviews regarding waste management at the Sari Abadi Factory. Interviews were conducted with the owner of the Sari Abadi Factory, and employees related to the management of gallon cap waste.

Data analysis techniques

The data analysis used is by adopting the Miles & Huberman Model in 2017, which has four stages of qualitative research procedures, namely data collection, data analysis, data reduction, selecting main things that are in accordance with the focus of the research, presenting data in the form of narratives, and decision-making to be able to draw conclusions.



Picture 3. Milles & Huberman data analysis procedure in 2017

RESULTS OF RESEARCH AND DISCUSSION

Research results

Overview of the research object

The Sari Abadi Factory is a factory that produces a wide range of gallon products, such as gallons, gallon caps, water filters, and gallon refillable water. This factory has been running for 3 years and has a fairly stable production system. In the production process, of course, there is waste produced, especially from the remains of plastic gallon caps that are defective or unusable. This factory manages waste on gallon cap products with the 3R (*Reduce, Reuse, and Recycle*) principle. This recycling development is more efficient and effective for managing plastic waste which automatically reduces the need for new gallon caps.

Waste management activities carried out by the Sari Abadi Factory, the waste produced is inorganic waste. Waste that cannot be decomposed and takes a long time to return to nature is known as inorganic waste.

Implementation of Green accounting

Green accounting at the Sari Abadi Factory is still in its early stages. They do not yet have a special accounting system that separates environmental costs from production costs. But, they have started to record some important things such as:

- Plastic waste collection and sorting costs
- Cost of purchasing a recycling machine
- Employee fees

These records are still simple, usually combined in daily or monthly operational reports. But this shows that there is an early awareness to start calculating environmental impacts and costs more seriously.

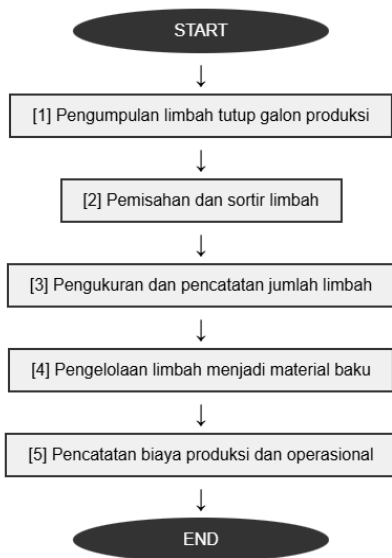
Waste management costs at the perennial sari factory

According to the results of the interview with the factory owner, "From an operational perspective, we have indeed made a lot of innovations, especially in utilizing gallon cap waste so that it is not wasted. We process and reuse as much as possible, so that waste can be something useful. But in terms of recording or financial statements, we have not focused on it and it has not been considered a priority, so it has not been implemented. Until now, there has been no special reporting that records the costs or benefits of these waste management activities. All are still combined in the general operational report."

The following are the costs for waste management:

No.	Cost/Revenue Breakdown	Amount (Rp)	Information
1.	Initial Investment Costs		
	Plastic Melting Machine Purchase	30.000.000	Machines for melting plastic waste
	Purchase of Gallon Cap Printing Machine	150.000.000	New gallon cap product printing machine
	Investment Subtotal	180.000.000	
2.	Monthly Operating Costs		
	Labor Wages (5 people x IDR 2,500,000)	12.500.000	Labor operation and production
	Electrical & Machinery Maintenance	2.000.000	Estimated electricity and maintenance costs
	Operational Subtotal	14.500.000	per month
3.	Revenue from Sales		
	New Gallon Cap Sale (720,000 pcs x Rp 85)	61.200.000	Estimated sales per month
	Total Revenue	61.200.000	per month
4.	Monthly Financial Summary		
	Total Operating Costs	14.500.000	
	Total Revenue	61.200.000	
	Operating Profit/Loss	46.700.000	Profit

Recording procedure from gallon cap waste management to new gallon cap products:



Picture 4. Recording of waste management costs

The recording of the cost of managing gallon cap waste at the Sari Abadi Factory starts from the stage of collecting production waste which is then sorted to ensure the quality of recyclable materials. Every volume of waste that is ready to be processed is measured and recorded as an alternative raw material to support *green accounting* in recording raw material costs.

Furthermore, waste is processed through technical stages such as shredding and smelting to produce new raw materials. All costs related to this process, including the electrical energy used, the labor involved, and the maintenance of the equipment are recorded in detail.

The recycled materials are then used in the production process of new gallon caps which must be in accordance with quality standards. After production, the amount of finished products is recorded as the output of waste management. Cost evaluation is carried out to compare expenses with the efficiency and added value obtained from the implementation of *this green innovation*.

This procedure not only supports transparency and accountability of environmental costs, but also encourages the development of sustainable innovations that contribute to waste reduction and optimal use of resources.

Green innovation in waste management

In terms of innovation, the Sari Abadi Factory has done several things, namely:

- Internal recycling: Waste gallon caps that are no longer used or disposed of are collected and melted to be used as raw materials for new gallon caps.
- Machine modifications: The technical team modifies the printing press to minimize the remaining wasted materials.

Table 1. The condition of the company of the Sari Abadi Factory

Aspects	Current conditions	Potential for development
Green Accounting	Only limited to simple recording	Can be developed into a complete reporting system using accounting services
Green Innovation	Already running,	Can be expanded to new products from waste

	especially in internal recycling	
Challenge	HR, Budget, and recording tools	Need training and sustainability

Source : Researcher, 2024

Discussion

Implementation of Green Accounting at Sari Abadi Factory

The concept of applying environmental accounting according to Hansen and Mowen (2003) in (Aruan, 2021) To disclose environmental costs incurred in a company, in accordance with the conceptual framework of financial reporting, a process of identification, recognition, measurement, presentation, and disclosure is required.

1. Identification.

Identification in this context refers to the process of recognizing costs or revenues associated with environmental management (Kurniawan *et al.*, 2022). At the Sari Abadi Factory, the identification of waste management costs includes labor costs, plastics, sacks, electricity, and gallon cap waste.

2. Confession.

Recognition in this context is when a transaction meets the requirements and criteria for recognition, which is then recorded in the form of words or monetary value and included in the financial statements (Liana *et al.*, 2021). Waste management costs have not been separated from production costs however, Ibu Sari Abadi uses a cash-based recognition method, where costs and revenues are recognized when cash is received.

3. Measurement

According to the Basic Framework, measurement refers to the process of determining monetary value when elements of financial statements are recognized and recorded in financial statements (Pratiwi, 2020). The preparation of Financial Statements, measurement and assessment of costs incurred and income obtained by Pabrik Sari Abadi is carried out in rupiah currency, based on the amount that occurred at the time of the transaction.

4. Serving

According to the Financial Accounting Standard Statement paragraph 12 on the Presentation of Financial Statements, companies are also allowed to present additional reports such as environmental reports and value-added statements. The presentation of this report is relevant to companies operating in sectors with a very important environmental impact, as well as to companies that see employees as one of the main users of financial statements. The presentation of environmental costs can be interpreted as costs incurred in an effort to achieve a certain goal (Sigh *et al.*, 2021). There is no specific report made by the Sari Abadi Factory on waste management as a simple report only covers cash receipts and expenditures. However, the Sari Abadi Factory plans to separate the cost of waste treatment in its financial statements.

5. Disclosure

Disclosure is made to provide assistance to financial statement users in understanding how transactions, events, and other conditions are reflected in the financial performance report presented (Sutrisna, 2019). Because the presentation has not been carried out, the waste

management fee is calculated separately, so the report does not meet accounting standards for disclosure.

Based on the results of the research on the financial statements of the Sari Abadi Factory, it was found that the factory had not prepared a comprehensive financial report. Pabrik Sari Abadi only prepares simple and concise financial statements in the form of receipts and expenditure reports. Recording carried out by the Factory follows the transactions that occur during the production process, so that the cost of waste treatment is included in the cost of the production process. According to Mrs. Meliana Puspitasari, S.E., M.Ak said "Waste management costs can be included in production costs, if the waste is the result of the company's main production process". The Sari Abadi plant plans to separate the cost of waste treatment in the financial statements after the gallon cap products can be distributed. This reflects the Sari Abadi Factory's concern for the disclosure of information related to environmental management.

According to Mrs. Meliana Puspitasari, S.E., M.Ak said, "The application of green accounting has an important role, because it allows companies to identify, measure and manage environmental costs to minimize the environmental impact resulting from the company's operating process for sustainability in the future. For the Sari Abadi Factory which is engaged in the production of gallon cap waste, by implementing green accounting, the factory can identify environmental costs related to gallon cap waste, such as waste management costs, environmental cleaning costs, and potential environmental damage costs. To improve the sustainability of the factory's business."

Green Innovation at Sari Abadi Factory

According to Mr. Dr. H. Puji Isyanto, S.E., M.M said, "Environmental management in the current conditions is indeed very important, yes, it is even a program of one of President Prabowo's so that to face the current times for the environment, we must increase the attention so that from the government side we also provide support in the form of budgets, activities and so on. Regarding the environment, this is very important because this will be sustainable, yes, sustainability to the community, to the surrounding residents so that we will grow into a healthy country about the environment."

The Sari Abadi factory, which is engaged in the production of gallon caps, has applied the principles of green innovation through the management of recycled waste. The plant adopts a 3R (*Reduce, Reuse, Recycle*) approach in its production process, which not only reduces its impact on the environment but also increases operational effectiveness.

1. Reduce

The reduction in the context of the Sari Abadi Factory is carried out by reducing the use of disposable gallon caps. This plant encourages the use of refillable gallons that are more environmentally friendly. By reducing reliance on single-use products, factories contribute to reducing the volume of plastic waste generated.

2. Reuse

The Sari Abadi factory also utilizes used gallon lids for various purposes, such as handicrafts and other creative products. In this way, unused gallon caps can be reused, thus reducing the amount of waste that is discharged into landfills. This initiative is not only about minimizing waste but also providing added value for the community.

3. Recycle

The recycling process at the Sari Abadi Factory begins with the collection of used gallon caps from various sources, such as drinking water depots and households. Once collected, the gallon caps are sorted by type of plastic and color to ensure the quality of the recyclable results. This process includes washing, crushing, melting, and remolding into new gallon caps. In this way, the plant not only reduces the need for new raw materials but also reduces the environmental impact of plastic waste.

According to Mr. Dr. H. Puji Isyanto, S.E., M.M said , "In order for the Sari Abadi Factory to implement green innovation effectively and sustainably, first ensure that all waste management permits, both ordinary and B3 waste (up to the provincial or ministerial level), are complete and in accordance with regulations. Second, invest in adequate and optimal facilities and infrastructure, including environmentally friendly transportation and wastewater disposal systems. Third, prioritize education and socialization to the community around the factory about waste management, including pollution handling procedures and quick response to incidents, in order to prevent fatalities and other negative impacts. With these three steps, the Sari Abadi Factory can be an example of the implementation of effective and sustainable green innovation."

Benefits of Green Innovation for the Abadi Sari Factory

Green innovation at the Sari Abadi Factory provides various benefits, both in terms of environment and economy. Some of these benefits include:

- a. Reduction of Production Costs: By recycling gallon cap waste, factories can reduce the costs incurred to purchase new raw materials. This contributes to the overall cost efficiency of production.
- b. Improvement of Corporate Image: By adopting eco-friendly practices, Abadi Sari Factory can improve the company's reputation among consumers. Products that get the eco label show the company's commitment to sustainability, which can attract more customers.
- c. Compliance with Environmental Regulations: The implementation of green innovation helps the Sari Abadi Factory to comply with increasingly stringent environmental regulations. By managing waste effectively, the plant can avoid the sanctions and fines that may arise as a result of violations.
- d. Contribution to Environmental Sustainability: By reducing plastic waste and promoting reuse and recycling, the Abadi Plant contributes to global efforts to reduce environmental pollution and support sustainability.

Challenges in the Implementation of Green Innovation

Although the Sari Abadi Factory has successfully implemented *Green Innovation*, there are obstacles that must be overcome, including:

- a. High Initial Costs: Investments in recycling technology and environmentally friendly production processes often require high start-up costs. Factories need to plan budgets well to address these challenges.
- b. Public Awareness: The public needs to be more aware of the importance of recycling and the use of environmentally friendly products. The Sari Abadi Factory can play a role in raising this awareness through educational campaigns.

- c. Availability of Raw Materials: The availability of used gallon caps for recycling can be challenging. Factories need to establish partnerships

CONCLUSION AND IMPLICATIONS

Conclusion

Based on the results of research on the Sari Abadi Factory which is engaged in the production of gallon caps. The plant has implemented the 3R (*reduce, reuse, recycle*) principles in its production process, this not only emphasizes on reducing environmental impact but also on improving operational efficiency. In the aspect of environmental accounting, the Sari Abadi Factory cannot implement *green accounting*, this factory only presents simple financial statements and there is no special separation between production costs and waste management costs. The waste produced is harmless and does not contain B3 toxins. The application of *Green Innovation* at the Sari Abadi Factory through the recycling of gallon cap waste provides cost efficiency that is important for the sustainability of factory operations. In addition, improving the company's image in the eyes of consumers through environmentally friendly practices and compliance with environmental regulations is an added value that cannot be ignored. Overall, it not only offers financial benefits, but also supports environmental sustainability.

Implication

Advice about the Sari Abadi Factory to be more serious in implementing *green accounting* as a whole. Among the important actions that may be taken are to separate environmental costs from production costs in financial statements, as well as to prepare financial statements that are more transparent and accountable. The implementation of this structured environmental accounting system not only demonstrates the business's dedication to environmental and social responsibility, but also has the potential to increase trust from consumers, business partners, and other stakeholders. In addition, *green innovation* can continue to be improved, factories have a great opportunity to develop more sustainably and can even be used as an example for similar industries. For further research, it is expected to use industries that are more vulnerable to hazardous waste to find out environmental accounting for hazardous waste management.

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