

# Study on Environmental Cost Control of Enterprise based on College Students' Entrepreneurship Team

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**Abstract:** This paper studies the environmental cost control of college students' entrepreneurship team. The experience of environmental cost research abroad is compared. From the perspective of eco-economy, this paper discusses the scope, classification and measurement of environmental costs of college students' entrepreneurship team enterprises. Through comparative analysis and induction, this paper puts forward the basic idea of environmental cost control of college students' entrepreneurship team, and analyses the environmental cost and profit distribution of college students' entrepreneurship team in environmental coexistence network. Environmental cost control theory is the basic theory of enterprise environmental cost control. Finally, the external control of environmental cost accounting and the means of national environmental management are summarized.

## 1. Introduction

The traditional view of development is the only sign of economic growth and the creation of modern civilization as a measure of development. The serious consequences of this concept of development are: the rapid deterioration of the environment, the growing shortage of resources, development and ultimately unsustainable. Faced with this dilemma, the United Nations Commission on Environment and Development has put forward the concept of "sustainable development", that is, economic development should meet both intra-generational equity and intergenerational equity. At present, sustainable development has been generally recognized by all countries in the world, both developed and developing countries, as a macroeconomic development guidance strategy. In 1992, the Chinese government formulated the "China's Agenda 21", the sustainable development strategy identified as the modernization drive must always follow a major strategy. The 16th National Congress of the Communist Party of China (CPC) reaffirmed the importance of "putting sustainable development in a very prominent position", "achieving speed and structure, quality and efficiency, economic development and population, resources and environment". The sustainable development strategy challenges traditional western accounting theory. Traditional Western accounting theory to market economy led to the price mechanism to measure economic matters, to measure the performance of the focus of profit. In this context, enterprises to maximize the benefits as the goal, business decisions fully consider the profit bottom line and market share, ignoring the ecological and economic benefits. As the external environment of the property rights is not clear, companies will not independently measure environmental costs, environmental cost decisions, thereby increasing the state of the enterprise management of environmental difficulties. Objectively speaking, the long-term operation of traditional accounting system has played a role in fueling today's resource and environmental dilemma.

## 2. The Analysis of Enterprise Environment Cost

Enterprise environmental cost accounting is the main content of environmental accounting, it is generally accepted that environmental accounting is a basic assumption that environmental costs are measurable, therefore, only the monetary cost of environmental costs can enter the accounting scope of the current accounting. However, the national standard of corporate discharge standards is too loose, environmental taxes and penalties are not perfect, resulting in a large number of

enterprises even if the discharge standards still have a serious impact on the environment, the proposed "environmental costs in a narrow sense" does not include the current can not Accurate measurement of this part of the "missing" environmental costs.

Costs incurred in complying with environmental standards enforced by environmental protection legislation. At present, China's environmental standards, including environmental quality standards, pollutant discharge standards, environmental basic standards, environmental standards and environmental standards for sample standards. Enterprises to meet these standards, is bound to occur to increase investment in environmental protection equipment and operating costs.

Costs incurred by the enterprise when the State implements economic measures to protect the environment. For example: the implementation of the state environmental taxes, environmental protection fund levy and the sewage charges imposed on enterprises exceeding the standard, etc., belong to the national use of economic adjustment means the cost of business occurred. In addition, there are enterprises and enterprises through market transactions and environmental costs incurred, such as our country is currently being implemented pilot emissions trading market system", between enterprises and enterprises can trade through the sale of emission rights market, Resulting in environmental costs or environmental governance benefits.

In order to fulfill environmental responsibility, the enterprise in the internal management of the expenditure incurred.

### **3. The Necessity of Enterprise Environment Cost Control**

Industrial ecosystems are in the provision of resources and energy at the same time, but also to receive all kinds of enterprises and the public waste discharge. However, the resources and energy is limited, to absorb waste, purification and recovery capacity is limited. If humans exceed the capacity of the Earth's environment, it will bring immeasurable losses. Today, the degradation of the Earth's resources, air and water pollution, mineral forest resources significantly reduced, the global greenhouse effect, species reduction and other issues have become increasingly prominent.

The emergence of environmental problems and the production and operation of enterprises are closely related. According to experts on the various sources of pollutants made by the analysis of the current natural environment to accept 80% of pollutants from the enterprise, and there is an increasing trend. In this regard, the international community put forward the strategy of sustainable development, environmental education, public awareness has been greatly improved and corporate behavior on environmental pollution has been more and more widely constrained. Specific performance is:

International declarations on environmental protection, international standards and laws and regulations around the world have been introduced, more and more stringent constraints on the enterprise. China has also set up in 2000, China's environmental protection in 2000 the goal of establishing an environmental impact assessment system and environmental management system. With the continuous introduction and strict implementation of environmental protection policies, regulations and standards, enterprises will gradually transition to "environmental management orientation", and their environmental behavior will be more and more constrained. 2. From the enterprise's own profit target, enterprises need to bear environmental responsibility. At present, consumers are increasingly favoring green products. Some countries have banned products without environmental (green) signs from entering the market. In 1992, China officially started the certification of environmental labeling of products. This will make products harmful to the environment be excluded. China's financing mechanism has also begun to pay attention to environmental image, the People's Bank of China has provided loans at all levels of banks must cooperate with the environmental protection departments to good customs, environmental projects are not approved by the non-lending. 3. Environmental problems increase the cost of enterprises, increase the environmental risk and reduce the operating profit. (2) for some serious pollution of the environment, the implementation of the restrictions on the use of raw materials and prohibit the use of direct impact on the production costs of enterprises; (3) the state of the right to The scope of corporate environmental responsibility will expand the provisions of the environmental

responsibility of enterprises has no longer remain in the production and operation of waste emissions, but to expand the use of the product process of environmental pollution (such as vehicle exhaust emissions) and Use, recycling and so on.

#### **4. Analysis of Environmental Cost Supply Chain**

The generation and deduction of environmental costs are not completed by isolated enterprises, and must be combined with multidisciplinary and multi-disciplinary fields to explore their interaction mechanism in industrial ecosystems, and to find ways and means to solve them in the ecological network. At all stages of the life cycle, business operations affect the environment in varying degrees and ways. In order to clarify the connection between environmental cost supply and the relationship with the external system, the environmental costs can be controlled by the ecological management of each stage of the product life cycle. Based on this, the environmental cost is divided into four parts:

Enterprises in the production preparation stage to reduce the control of environmental load will occur in the larger environmental costs. At this stage, companies from raw materials and industrial ecosystems to obtain energy. In order to reduce the follow-up environmental impact, enterprises should try to coordinate with suppliers to select alternative materials with low environmental load, reduce the use of scarce resources, pay attention to the use of environmentally friendly energy-saving equipment, pay attention to R & D investment, environmental regulations permit and the initial environmental education and training. In addition, it is possible to construct and operate a resource recycling system, and to increase the cost and durability of the product.

In the process of production, energy and resources are consumed, intermediate wastes are discharged into industrial ecosystems, and a large number of environment-related manufacturing costs and prevention costs are incurred, such as environmental personnel wages, environmental taxes, training and training, Public relations costs, environmental reports, maintenance and maintenance costs, storage costs.

The resources that are put into the enterprise system, the energy that does not constitute the product entity or the substances that are not completely consumed to create the conditions for production, usually appear in the form of waste, waste residue, waste water, waste gas and so on. In the waste disposal stage at the end of the enterprise system, the cost of construction, operation, and management of waste disposal and recycling facilities, the cost of recycling the product after use, and the possible penalties, accidental damages , Emissions trading fees. Such costs have a "gatekeeper" role in the discharge of waste to the environment and are directly related to the achievement of discharge standards.

#### **5. Enterprise Environmental Cost Control Means**

The market is the most effective means to achieve the best allocation of resources, recognition of sustainable development does not mean that companies give up economic man hypothesis. The economic man hypothesis does have the effect of improving the efficiency of resource allocation. However, it is only under the precondition that the sustainability criterion is considered as an established constraint, then it is possible to optimize the allocation of resources according to the economic man hypothesis. Therefore, only in the state through the means of interventions to create a sustainable macro environment, the market system under which enterprises can be based on the principle of maximizing interests. As a means of external control of enterprise environmental costs, market mechanism are mainly embodied in the best use and allocation of resources in the market competition, and promote the survival of the fittest under the guidance of environmental goals. Market emissions trading system is the environment into commodities and its integration into the price mechanism as a way to reduce environmental spending is also an external choice. Pollution permits can be seen as fixed "pollution rights", and pollution control costs can be considered "pollution price", the combination of the two on the establishment of a market in which the right to trade pollution. In mid-June 2002, Shandong, Shanxi, Jiangsu, Henan, Shanghai, Tianjin and other

places have pilot implementation of emissions trading.

Although the market emissions trading is an effective way for external control enterprises to engage in environmental management, the market mechanism can not provide the incentive for enterprises to measure environmental costs on their own initiative. In some underdeveloped countries, food and clothing is not yet resolved, people's environmental awareness is also very weak, relying on market pressure from the implementation of environmental cost control is absolutely impossible. Even in developed countries with strong environmental awareness, it is futile to rely on environmental pressure from the public and hope for corporate consciousness. According to the United Nations conducted a number of multinational companies on the implementation of the environmental accounting survey showed that the survey of multinational companies in the publication of environmental information is not active, published environmental information is not high quality, incomplete and comparability is poor, very little quantitative information , It is not possible to assess the environmental performance of the company and the impact of the company's environmental activities on the financial results.

## **6. Conclusion**

Based on the eco-economic theory of corporate environmental cost control is the implementation of internal environmental cost control methods and ideas of the extension. In this paper, the connotation of environmental cost is analyzed from the view of ecological economy, the measurement method of environmental cost and the control method of reduction are put forward, and the relationship between environmental cost and income in the symbiosis environment is analyzed. Distribution is although the conclusions are superficial, but for the follow-up environmental cost control technology to improve the ideas and basic techniques.

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