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The Dilemma and Countermeasures of Accounting Industry Development Under the "Double Carbon" Target

Wanqi Wang

School of Accountancy, Harbin University of Commerce, Harbin 150028, China

ABSTRACT
"Double Carbon" target is an important measure for our country to adapt to climate change and promote comprehensive green development of the economy and society, which provides a clear idea for the common goal of the international community to solve the problem of climate change. Under the background of carbon peak and carbon neutrality, the accounting industry has ushered in a new wave of development. This paper analyzes the opportunities and challenges of the accounting industry under the"Double Carbon" target, thinks about its further development and puts forward relevant suggestions.

KEYWORDS
"Double Carbon" Target; Carbon Accountancy; Accounting Profession; Sustainable Development

Under the increasingly severe situation of global climate change, the global issue of how to reduce the emissions of greenhouse gases has aroused wide concern in the world. As the largest developing country in the world, China bears important responsibilities in addressing climate change. The "double carbon" target is not only a key component of national development strategies, but also plays a key role in global climate governance and promoting sustainable development.The realization of this target will have a deep impact on promoting all mankind to face environmental challenges and build a harmonious and symbiotic future.

All sectors of society attach great importance to promoting the realization of this goal. *The Decision of the Central Committee of the Communist Party of China on Further Comprehensively Deepening Reform and Promoting Chinese-style Modernization* puts forward a series of important deployments on improving the mechanism of green and low-carbon development, such as "implementing fiscal, tax, financial, investment, and pricing policies and standard systems to support green and low-carbon development", "optimizing the government's green procurement policy, improving the green tax system", and "building a statistical accounting system for carbon emissions". As an indispensable part of the modern economic system, the accounting industry plays a vital role in promoting the realization of the "double carbon" goal, and also faces many new opportunities and challenges.

1 Development Opportunities of the Accounting Industry under the "Double Carbon" Target

As a key recorder and interpreter of economic activities, accounting plays a central role in modern society. Driven by the "double carbon" target and supported by the relevant government policies, accounting is undergoing a significant transformation of its role and function, which also brings more possibilities for the development of the accounting industry.

Controlling carbon dioxide emissions is an important task of the "two-carbon" goal. As the main body of carbon emissions, when the total emissions exceed the upper limit, enterprises need to pay fees to enterprises with surplus emission reduction tasks to purchase carbon emission rights, and the latter will obtain certain economic benefits[1].With the promotion of the carbon emission trading market, the accounting industry is faced with the need to develop new accounting technologies, carbon cost management, carbon financial investment budget control, etc. These technologies are closely linked to the operation of the carbon market. For example, accounting treatment of carbon emissions trading, financial planning of carbon assets, etc. The evolution of these accounting practices also plays a crucial role in ensuring the effective execution of carbon trading and promoting the achievement of carbon neutrality goals. Accurate accounting can provide clear transaction records for participants in the carbon emission trading market, thus supporting the implementation of carbon emission reduction strategies and promoting the transformation of the economy to a low-carbon model.

With the proposal of the "dual carbon" target, the policy framework of green finance has been increasingly improved. Banks and other financial institutions are being encouraged to provide more green credit and investment, and to meet investors' increasing demand for transparency on environmental impacts, financial firms urgently need to adopt stricter standards to ensure that the information they disclose is comprehensive, comparable and reliable. To establish a green accounting system that meets the requirements of green finance development, the measurement methods and risk assessment mechanisms of green finance accounting will usher in a fine reform, which puts forward higher requirements for management accounting. The implementation of these changes will more accurately reflect the contribution of financial institutions to environmental protection, and at the same time achieve sustainable development by controlling the risk of green projects. In July 2024, *the Opinions of the CPC Central Committee and The State Council on Accelerating the Comprehensive Green Transformation of Economic and Social Development* pointed out that it is necessary to improve the environmental protection tax collection system and study and support tax policies related to carbon emission reduction. Regarding the green tax system, some scholars believe that when the tax paid by enterprises due to environmental pollution is greater than the cost generated by reducing pollution, enterprises are more willing to carry out technological innovation to reduce environmental pollution as much as possible, so as to reduce tax revenue [2]. In the process of promoting the green tax system, the accounting industry needs to adjust accounting policies according to the green tax system, and enterprises need to effectively identify and manage their tax costs and assess the impact of tax on investment returns through accounting. The continuous optimization of green tax policies has provided new development opportunities for the accounting industry, enabling it to play a more important role in promoting the sustainable development of enterprises. These opportunities have promoted the progress of the accounting industry, promoted the accounting industry to adapt to the development of The Times more quickly, expand the scope of services, and also provided a guarantee for the environmental protection of the country. Seizing these opportunities, accounting can not only achieve self-transcendence in the professional field, but also contribute more to the sustainable development strategy of the country.

2 Challenges the Accounting Industry Face under the "Double Carbon" Target

Opportunities and challenges coexist. The continuous promotion of the "double carbon" target has brought new development ideas and opportunities for the transformation and upgrading of the accounting industry. While seizing these opportunities, the accounting industry is also facing a series of unprecedented challenges.

2.1 Carbon Accounting Standards and Laws and Regulations Are Not Yet Complete

It is a global task to establish and improve the accounting standards of carbon emission rights. At present, there has not been a set of widely recognized international standards, which brings great challenges to the further development of carbon trading market. Compared with some countries that carried out relevant work earlier in the world, China started relatively late in the development and practice of carbon accounting. Although China has been committed to building a carbon accounting standard system in line with its own reality, it is still not perfect. In 2019, *the Ministry of Finance issued the "Interim Provisions on Accounting Treatment of Carbon Emission Trading*" (hereinafter referred to as *Interim Provisions*), which promoted the development of carbon accounting in China to a certain extent, but there are also certain shortcomings. On the one hand, the *Interim Provisions* pointed out that the enterprise obtained carbon emission quota free of charge does not carry out initial recognition and subsequent measurement, and only when the enterprise purchased carbon emission quota, the corresponding accounting treatment is carried out, which is not in line with the definition of assets in China's accounting standards. At the same time, carbon emission quota can be used to fulfill the obligation of quota settlement and can be sold for profit, and there are multiple links in the process of allocation, trading and performance of carbon quota, which leads to many disputes in the confirmation process of carbon trading quota[3]. On the other hand, there are still disputes about the historical cost measurement attribute adopted in the *Interim Provisions*. Some scholars believe that although the adoption of historical cost measurement is the best choice under the current situation of low vitality of the carbon market and insufficient uniformity of market standards, the market conditions of the carbon market change frequently, and then the carbon market continues to mature, the adoption of historical cost measurement will have major drawbacks. Historical cost measurement or fair value measurement should be chosen based on market conditions[4]. These problems all reflect the inadequacies of the *Interim Provisions*.

Although carbon accounting has an important place in combating climate change and promoting sustainable development, relevant laws and regulations have not been fully established or updated. The Accounting Law and the Certified Public Accountants Law have not fully incorporated the relevant norms and requirements of carbon accounting, which makes the binding force of carbon accounting relatively weak at the legal level. At the same time, the legal awareness and integrity cognition of carbon accounting of all social classes have not yet reached the ideal level, especially in the enterprise management and accounting personnel, the deficiency is particularly obvious. The existence of this situation may have a negative impact on the development of enterprises and the fulfillment of social responsibilities. Therefore, it is particularly urgent to update and improve carbon accounting laws and regulations, strengthen legal education and integrity awareness in the field of carbon accounting.

2.2 Problems Exist in Carbon Information Disclosure

Carbon information disclosure refers to the process in which enterprises confirm, measure and report their performance of low-carbon responsibilities, energy conservation and emission reduction in the form of currency, physical unit measurement or written expression. Effective carbon information disclosure can play a key role in promoting green and low carbon development of enterprises, guiding enterprise investment decisions and promoting international exchanges and cooperation. However, there are many problems in carbon information disclosure in our country. First, carbon emission information disclosure standards are not uniform. At present, China's carbon information disclosure lacks a standardized framework, and it may be difficult to effectively compare the disclosed data among different enterprises, which weakens the credibility and practicality of the disclosed information.Second, policies related to carbon information disclosure are weakly targeted. In 2024, *the Interim Regulations on the Management of Carbon Emission Trading* issued by the Ministry of Ecology and Environment (hereinafter referred to as *the Interim Regulations*) clearly stipulates that key emission units shall statistical and accounting data in accordance with the provisions to ensure the authenticity, integrity and accuracy of their annual emission reports. *The Interim Regulations* do not make specific requirements on the carbon information disclosure of other non-key emitters, which may lead to non-key emitters' lack of attention to and thinking about carbon information disclosure and inability to effectively use carbon information disclosure. By taking H energy as an example, Zhang Zemin concluded that presently the carbon accounting information of most Chinese enterprises is mainly published through the sustainable development report, and the disclosure content is limited to the future emission reduction plan of the enterprise, the carbon management system established by the enterprise and other pure text descriptions, lacking quantitative data[5]. This also reflects that most enterprises need the guidance of relevant policies. Third, the lack of carbon information disclosure related talents. Carbon accounting belongs to a new branch of accounting, which is a comprehensive cross-applied subject composed of accounting, environmental ecology and sustainable development theory[6]. Carbon information disclosure is an important task of carbon accounting. Because carbon accounting is a new concept, the people who have deep professional knowledge in the field of carbon emission are short at present.

2.3 Difficulties Exist in the Coordinated Development of Enterprises' Digitization and Greening

The digitization of carbon emission trading accounting is the necessary way to comply with the trend of digital development and improve quality and efficiency [7]. In recent years, digital transformation of accountancy is a major trend, which helps improve the quality and efficiency of accounting work, and can also provide more accurate and timely information for enterprise in decision-making. In the context of "double carbon", the use of digital information systems can help enterprises improve efficiency, reduce energy consumption, promote the construction of enterprises' carbon management system, and promote the green and low-carbon transformation of enterprises. However, at present, most enterprises have difficulties in the transformation and upgrading of accounting information system. First of all, the carbon accounting information system is still only a concept and has not been formally put into use. Secondly, there is the problem of enterprises' cognition. Enterprise managers have limited cognition of the "double carbon" target and lack the awareness of combining digitization with green and low-carbon work. Finally, the updating of accounting information system involves technology, process change, capital investment and other issues, which requires enterprises to carry out strategic planning and continuous investment, and the updating cost is high.

3 Suggestions on the Development of Accounting Industry under the "Double Carbon" Target

Accelerating the comprehensive green transformation of economic and social development is key work. As a bridge connecting enterprise business activities and environmental protection responsibilities, the accounting industry needs to better serve the realization of the "double carbon" target through a series of adjustments and innovations to promote the green transformation and sustainable development of economic and social development.

3.1 Strengthening the Theoretical Research and Standard System Construction of Carbon Accounting

Strengthening the study on carbon accounting theory can provide solid theoretical support for carbon accounting practice. To strengthen the theoretical research on carbon accounting, it is necessary to clearly classify the specific objectives of carbon accounting, making it closely integrate with environmental protection and sustainable development strategy and ensuring that carbon accounting practice matches with environmental policies at the macro level to form a synergistic effect. Secondly, for enterprises with different characteristics, different carbon accounting methods should be formulated to ensure that they can accurately reflect the carbon emissions of each enterprise.In addition, these carbon accounting methods should be easy to accept and understand, provide clear guidance to enterprises, and reduce the difficulty of enterprises in carbon emission management and reporting while ensuring the accuracy of enterprise carbon emission data. Finally, it is necessary to transform the theoretical results into reality and promote the extensive application of carbon accounting methods in enterprises.

The lack of carbon accounting standard system is an urgent problem for the accounting industry. Here are some suggestions. First, establishing a comprehensive set of carbon accounting standards to provide standardized processes for companies to quantify, monitor and report carbon emissions. Second, strengthening relevant policy guidance. Although China has introduced relevant accounting policies one after another, the coverage of the policies is not comprehensive enough. Therefore, more comprehensive accounting policies need to be formulated to support and help more enterprises to carry out carbon emission accounting and promote the coordinated development of enterprises’ digitization and greening. Third, strengthening the construction of carbon accounting legal system and elaborating the practical requirements of carbon accounting through legal provisions, including the recording, reporting and auditing of carbon emission data, so as to ensure the legality and compliance of its operation process and enhance the transparency and credibility of the report.

3.2 Cultivating Professional Accounting Talents under the "Double Carbon" Target

To cultivate interdisciplinary talents with accounting knowledge, carbon emission management and accounting ability under the "double carbon" target, it is necessary to consider various factors such as education system, course contents and practical ability.At present, many universities in our country have begun to attach importance to low-carbon education, integrating the concept of green and low-carbon development into curriculum teaching, but most of them are limited to engineering majors.As an indispensable part of promoting the development of green economy and society, accounting industry should also pay attention to the training of carbon accounting talents. First, the integration of disciplines should be carried out, advocating the integration of accounting major, environmental science, computer and other majors, cultivating composite accounting talents with comprehensive knowledge structure and professional ability through interdisciplinary education. Second, attaching importance to students' innovative and practical ability. At present, many students only possess theoretical knowledge and lack practical ability. In terms of training carbon accounting talents, universities need to pay more attention to students' practical ability. By adding carbon accounting practical courses and conducting school-enterprise cooperation, students can have a deeper understanding of carbon accounting knowledge in practice and improve their professional ability. Third, strengthening the education of students on policies related to carbon emissions.

3.3 Promoting the Integration of Carbon Accounting and Management Accounting

The purpose of management accounting is to strengthen the internal management of enterprises and improve the economic benefits of enterprises, providing help and support for enterprises in business decision-making. IMA Institute of Management Accountants proposed a study combining the carbon strategy with management accounting tools to transform " cost reduction target" into " carbon reduction target", exploring the implementing path of enterprises' "carbon" strategy. Lu Yunzhi proposed in her research that low-carbon concept should be reflected in the framework of management accounting and low-carbon management should be integrated into the research scope of management accounting[8].

4 Summary and Prospect

As an indispensable part of promoting social and economic development, the awareness of development and change of the accounting industry continues to increase. Under the "double carbon" target, the relevant policies in the economy and management field of our country have been introduced and promoted, and these important measures have brought opportunities for the accounting industry, but they also put forward higher requirements. The accounting industry should adapt to the development of The Times, seize opportunities, face challenges, actively respond to the requirements of accelerating the comprehensive green development of China's economy and society, constantly improve carbon accounting methods and flexibly use technology and other means to improve the accuracy and transparency of carbon emission information disclosure and improve the sustainable development ability of the industry in the process of promoting the realization of the "double carbon" target.

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