What is carbon accounting?

corporate sustainability

Carbon accounting is the quantification of greenhouse gas (GHG) emissions, typically expressed as carbon dioxide equivalent (CO2eq).

Carbon accounting is complemented by carbon reporting to:

- Quantify and measure GHG emissions
- Calculate methodologies and standards
- Monitor GHG emissions
- Collect data and keep records

Carbon accounting regulations are applicable to various sectors, such as:

- Industrial
- Commercial
- Public entities

The transition from voluntary to mandatory

As the global demand for more transparent climate-related data accelerates, many jurisdictions are transitioning from voluntary guidance to mandatory standards for companies to measure and report their emissions.
This regulatory switch has been further motivated by:

- **The Paris Agreement** setting emission reduction targets
- **The European Green Deal's** targets toward climate neutrality by 2050
- **The International Sustainability Standards Board (ISSB)** establishing a global baseline for climate-related financial disclosures

These drivers and the expanding scope of climate-related accountability will most likely mean global companies will be required to comply with mandatory climate reporting regulations within the next few years.

Learn more about how you can prepare your business as this regulatory topic continues to grow in our eBook, *Getting ahead of carbon accounting.*

Download the ebook