

California's Climate Accountability Package: Explained

Understanding and addressing Scope 3 emissions is increasingly recognized not only as beneficial for the planet but also as a legal requirement and a smart business strategy. The GHG Protocol and most legislations **emphasize using primary data** for accurate emissions tracking, allowing for secondary data only when primary data is unavailable.

California SB 253

Purpose	Who is affected	What Is Covered	Key Action	Deadline
Mandates large companies to disclose their greenhouse gas (GHG) emissions.	Applies to all businesses, corporations, limited liability companies, and other entities operating in California with annual gross revenues exceeding \$1 billion.	Scope 1 (direct), Scope 2 (indirect from purchased energy), and Scope 3 (indirect from the value chain) GHG emissions.	Prepare to measure and report emissions in line with GHG Protocol standards, using both primary and secondary data sources.	Regulations to be adopted by January 1, 2025. Public disclosure of Scope 1 and 2 emissions starting in 2026, and Scope 3 emissions starting in 2027.

California SB 261

Purpose	Who is affected	What Is Covered	Key Action	Deadline
Mandates large companies to disclose climate-related financial risks.	Applies to large US businesses with annual revenues over \$500M USD operating in California, excluding insurance companies.	Climate-related financial risks and measures to reduce and adapt to these risks.	Assess and disclose climate-related financial risks, including risks to supply chains, and implement measures to mitigate those risks.	First report due by January 1, 2026, and biennially thereafter.

Why Accurate Primary Data Matters?

Businesses aiming to lead their industry rather than merely comply, value the importance and opportunities that primary data can offer, from transparent emissions reporting to substantial cost reductions and informed decision-making.

In contrast, secondary data falls short of providing the accuracy needed for real progress in reducing CO2 emissions and substantial cost savings.

Are you ready to take control of your Scope 3 emissions, ensure compliance with these evolving regulations, and gain a competitive advantage in this dynamic legislative landscape?

Unlock the potential of utilizing accurate primary data with  VesselBot
Enabling Sustainable Supply Chains