Navigating Scope 3 Emissions Reporting:

Key EU Regulations

The necessity of collecting and utilizing primary data is emphasized in most European legislation and in the GHG Protocol, which demands primary data, allowing for secondary data **only if primary data is unavailable.**

	Purpose	Scope 3 Relevance	Deadline	Need for Primary Data
Corporate Sustainability Reporting Directive (CSRD)	To mandate sustainability reporting for a wider range of companies and standardize reported information.	Mandates detailed disclosures, including Scope 3 emissions.	Fiscal year 2024 onwards, with the first reports due in 2025 (for companies already subject to the Non-Financial Reporting Directive)	**High;** aims to align with the GHG Protocol, which strongly recommends using primary data collected for Scope 3 activities targeted for GHG reductions.
European Sustainability Reporting Standards (ESRS)	To provide detailed rules and requirements for sustainability reporting under the CSRD.	Mandates detailed disclosures, including Scope 3 emissions.	Aligned with CSRD deadlines.	**High;** ESRS emphasizes using primary data for accurate and reliable sustainability reporting.
EU Carbon Border Adjustment Mechanism (CBAM)	To prevent carbon leakage by putting a fair price on the carbon emitted during the production of carbon-intensive goods entering the EU and, therefore, ensure the effectiveness of the EU climate policy.	Affects the upstream emissions of imported goods.	Transitional reporting starts October 1, 2023. Full compliance from 2026, with reporting due by May 31, 2027.	**High;** it refers to primary data as "actual emissions", that is, the emissions calculated based on primary data from the production processes of goods.
Corporate Sustainability Due Dilligence Directive (CS3D)	To ensure businesses assess and manage their impact on ESG factors throughout their operations and supply chains, integrate sustainability into their business strategies, and foster responsible business activities.	Reflects a broader trend toward strengthening environmental governance and promoting sustainability within the corporate sector.	Varies depending on company size, starting from 2025 for very large companies.	**Medium;** While not explicitly mentioning primary data, the CS3D emphasizes the importance of identifying and assessing "actual or potential adverse human rights and environmental impacts" in a company's operations, subsidiaries, and value chain.

The true value of primary data

The benefits of primary data are profound, from **accurate emissions reporting** to **operational efficiency** gains and significant **cost reductions**. Secondary data, on the other hand, fail to offer valuable insights to companies and hinder the progress in reducing CO2 emissions and, therefore, achieving cost savings.

VesselBot can help you streamline the process of collecting, analyzing, and reporting emissions data from your entire value chain effortlessly and efficiently, giving you the confidence to meet your compliance requirements.

VesselBot

Enabling Sustainable Supply Chains