

# ACCOUNTING FOR CARBON ALLOWANCES IN FINANCIAL STATEMENTS



# OVERVIEW OF

✓ **Observed accounting approaches for compliance carbon allowances in European listed issuers' financial statements**

✓ **Impacts of such accounting policies across the different primary financial statements**

✓ **Disclosure recommendations to enhance connectivity and decision usefulness for users with respect to carbon pricing programmes**

# NEXT STEPS

Issuers, auditors and supervisory committees  
should consider:

- ✓ The materiality (qualitative and quantitative) and the specificities of the carbon allowances entered into
- ✓ ESMA's recommendations when accounting for and disclosing information about carbon allowances



# ESMA

European Securities and Markets Authority

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