

ECOVIS GLOBAL · SUSTAINABILITY SERVICES

Global Sustainability Reporting & Carbon Regulation Database

Where mandatory reporting starts, which standards apply, how carbon is priced — and where the ECOVIS network can support clients.

Edition August 2026

European Union · Bangladesh · China

Sustainability reporting and carbon pricing are no longer a European topic. Thresholds, standards and carbon market mechanisms differ from jurisdiction to jurisdiction — and they move fast. This database gives ECOVIS partners and their clients a single, verified reference point per country: who has to report, under which standard, what has to be disclosed on greenhouse gas emissions, how carbon is priced, and where the network sees advisory demand.

Prepared and verified by ECOVIS member firms. Each country profile names the responsible contact and the date of last verification. All information reflects the status as of August 2026 and is provided for general information purposes only.

Three jurisdictions, three speeds

A comparative view of mandatory sustainability reporting and carbon regulation.

The European Union has moved from build-up to enforcement: the CSRD regime is in force, the reporting population has been narrowed by Omnibus I, and CBAM has entered its definitive phase with the first financial settlement due in 2027. For companies inside and outside the EU, the question is no longer whether to report, but how to produce assurance-ready data.

China has made sustainability disclosure mandatory for the largest listed issuers under its own standards framework, broadly compatible with ESRS and ISSB, while its national emissions trading system is expanding into heavy industry and preparing the shift to an absolute cap.

Bangladesh illustrates the third pattern: no mandatory regime, no domestic carbon price — but significant indirect exposure through export markets and financial institutions. Readiness at supplier level remains the bottleneck, particularly on Scope 3 data.

Read together, the three profiles show where the advisory demand sits today: assurance and CBAM support in the EU, disclosure build-up in China, and readiness and data quality work in export-driven economies.

How to read this database

Each country profile follows the same structure: reporting thresholds, applicable standards, greenhouse gas disclosure requirements, carbon market status, carbon tax and CBAM exposure, and the resulting opportunities for the ECOVIS network. Key facts shown in the fact bar are condensed summaries — the detailed wording in the cards below is authoritative.

AT A GLANCE

Comparison

REGION / COUNTRY	MANDATORY REPORTING	CARBON MARKET	CARBON TAX / CBAM EXPOSURE
European Union ENFORCEMENT PHASE	Yes — CSRD for companies with >1,000 employees and >€450m net turnover (Omnibus I, in force 26 Feb 2026), reporting under ESRS.	EU ETS — the most mature compliance market globally; ETS2 for buildings, road transport and fuels scheduled from 2027.	CBAM in its definitive phase since Jan 2026; importers must purchase certificates, first financial settlement 2027.
Bangladesh VOLUNTARY / INDIRECT	No — public interest entities are permitted, not required, to apply IFRS S1 and S2; assurance remains voluntary.	No domestic carbon market.	No domestic carbon tax. Structural risk through planned CBAM extension to apparel (2028–2030).
China FIRST MANDATORY CYCLE	Yes, for index constituents and dual-listed issuers — roughly 450–460 companies; first reports (FY2025) due 30 April 2026.	National ETS since 2021; extended to steel, cement and aluminium in March 2025, covering over ~65% of national emissions.	No separate carbon tax; carbon pricing runs through the ETS. Pressure to strengthen domestic pricing due to CBAM.

European Union

CSRD in force, reporting population narrowed by Omnibus I, CBAM in its definitive phase.

REPORTING REGIME CSRD — mandatory	STANDARD ESRS	CARBON MARKET EU ETS ETS2 from 2027	CBAM Definitive phase since Jan 2026
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Mandatory reporting threshold

CSRD applies to companies with more than 1,000 employees and net turnover above €450m (Omnibus I, in force 26 February 2026). Non-EU groups fall in scope only if EU turnover exceeds €450m and an EU subsidiary or branch has turnover above €200m.

Applicable sustainability standards

ESRS under CSRD. A simplified ESRS delegated act is expected around September 2026; the first reports under the simplified standards cover FY2027 and are published in 2028.

Carbon footprint / GHG reporting

ESRS E1 requires Scope 1, 2 and 3 GHG disclosure and a double materiality assessment for in-scope companies. The requirement persists after the Omnibus simplification — only the number of in-scope companies has shrunk.

Carbon market status

EU ETS: the most mature compliance market globally. ETS2, covering buildings, road transport and fuels, is scheduled to start in 2027.

Carbon tax / CBAM exposure

The CBAM definitive phase has been in force since January 2026 (the transitional phase ran 2023–2025). It covers imports of cement, iron and steel, aluminium, fertilisers, hydrogen and electricity. Importers must purchase CBAM certificates; the first financial settlement falls due in 2027.

OPPORTUNITIES FOR THE NETWORK

Assurance and CBAM support at scale

- CBAM auditors
- Limited assurance engagements
- Assistance in drafting sustainability reports

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Bangladesh

No mandatory regime and no domestic carbon price — but material indirect exposure through export markets.

REPORTING REGIME	STANDARD	CARBON MARKET	CBAM
Voluntary (PIEs)	IFRS S1 / S2 in practice	None	Indirect risk apparel 2028–2030

Mandatory reporting threshold

Public interest entities (PIEs) are permitted — not required — to use IFRS S1 and S2. An entity qualifies if any one of the following criteria is met:

- Workforce: 50 or more employees
- Revenue: BDT 50 crore or more
- Assets: BDT 30 crore or more
- Liabilities: BDT 10 crore or more

Applicable sustainability standards

The financial reporting standard is IFRS as issued. IFRS S1/S2 sustainability reporting is current practice for PIEs, but assurance remains voluntary and is not yet mandatory. Full migration to IFRS S1/S2 for all sustainability reporting is expected over time, to stay consistent with financial reporting.

Carbon footprint / GHG reporting

Practice is uneven. The banking sector, driven by the central bank, has reported ESG data for two to three years, mostly starting from GRI and migrating toward IFRS S1/S2. Scope 3 emissions remain a major gap, with banks relying on unrealistic proxy data for their loan portfolios.

Carbon market status

No domestic carbon market.

Carbon tax / CBAM exposure

No domestic carbon tax. While Bangladesh's immediate financial exposure under CBAM is minimal, the country faces severe structural risk: the EU, its largest export market, plans to extend the mechanism to apparel by 2028–2030. Studies project an additional carbon cost of 4.5% to 4.8% on garment exports if current grid emission levels persist. Overall business awareness and Scope 1–3 reporting readiness among local suppliers remain low.

OPPORTUNITIES FOR THE NETWORK

Readiness build-up before CBAM reaches apparel

- CBAM auditors
- Limited assurance engagements
- Assistance in drafting sustainability reports and disclosures

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China

First mandatory disclosure cycle under national standards, with a rapidly expanding emissions trading system.

REPORTING REGIME	STANDARD	CARBON MARKET	CBAM
Mandatory for index constituents	CSDS + exchange guidelines	National ETS since 2021	No carbon tax pricing via ETS

Mandatory reporting threshold

Mandatory for constituents of the SSE 180 and STAR 50 (Shanghai), SZSE 100 and ChiNext (Shenzhen) indices, plus all dual-listed issuers — roughly 450 to 460 companies, around half of listed market value. The SME-focused Beijing Stock Exchange remains voluntary. In addition, all A-share listed companies controlled by central state-owned enterprises are required to issue a SASAC ESG Special Report, covering approximately 450 issuers.

Applicable sustainability standards

China Sustainability Disclosure Standards (CSDS) — the Basic Standard was finalised in December 2024 — together with the SSE/SZSE/BSE Sustainability Reporting Guidelines as operational guidance. The framework is structured around governance, strategy, impact/risk/opportunity management, and metrics and targets. Its architecture is broadly compatible with ESRS and ISSB, but carries Chinese characteristics, such as the "ecological civilisation" narrative, dual materiality and a value-chain orientation.

Carbon footprint / GHG reporting

Dual materiality approach. Scope 1 and 2 GHG emissions disclosure is mandatory for in-scope issuers. The first mandatory reports, covering FY2025, are due on 30 April 2026.

Carbon market status

The national ETS has been operating since 2021 and now covers power generation plus, since March 2025, steel, cement and aluminium — 8.3 billion tCO₂ (published July 2026), over roughly 65% of national emissions. The system will start shifting from an intensity-based to an absolute cap from 2027.

Carbon tax / CBAM exposure

No separate national carbon tax; carbon pricing runs through the ETS. China is under pressure to strengthen domestic carbon pricing, partly to keep CBAM-related revenue onshore rather than paying it to the EU on exports.

OPPORTUNITIES FOR THE NETWORK

No engagement so far — a five-year window

While most SMEs are not yet directly bound by binding legislation such as the CSRD, they face mounting indirect pressure from larger corporate clients, financial institutions and consumers. There should be opportunities for ESG-related business in the next five years.

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One network, one methodology

Sustainability reporting rarely stops at a border — and neither does the network.

Groups with entities in several jurisdictions face the same practical problem: different thresholds, different standards, different data expectations — and one consolidated report. ECOVIS member firms work from a shared methodology so that local disclosure obligations and group reporting stay consistent.

The typical entry points are an in-scope assessment, a gap analysis against the applicable standard, GHG accounting across Scope 1 to 3, and preparation for limited assurance.

Where CBAM applies, the work usually starts earlier in the chain: identifying affected goods, collecting embedded emissions data from suppliers, and setting up a process that survives an audit.

This database is maintained by the member firms named in each profile and updated as regulation changes. Contact the country expert directly, or your usual ECOVIS contact for cross-border coordination.

CONTACT

Need clarity on which reporting obligations apply to your group?

Our country experts assess scope, standards and carbon exposure — and coordinate across jurisdictions.

[Contact ECOVIS →](#)



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Sustainability reporting
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EDITION

Status: August 2026
Next review: on regulatory change
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