



Amsterdam, 6 March 2020

**SUBJECT: Submission to the OECD/G20 Base Erosion and Profit Shifting Project Public consultation document: Review of Country-by-Country Reporting (BEPS Action 13)**

Dear Sir or Madam,

GRI welcomes the OECD's invitation for comments on the questions raised throughout the public consultation document: Review of Country-by-Country Reporting (BEPS Action 13). As the global standard-setter for environmental, social and governance (ESG) reporting, GRI encourages the OECD to align with the newly released GRI Tax Standard, *GRI 207: Tax 2019*, in the review of BEPS Action 13.

GRI is an international, independent, non-profit organization pioneering sustainability reporting for the past 20 years. The GRI Sustainability Reporting Standards (GRI Standards)<sup>1</sup> help to communicate, and thus mitigate, the impact of business on critical sustainability issues such as climate change, environmental degradation, human rights, and many others. The GRI Standards are used by 75% of the 250 largest reporting companies worldwide<sup>2</sup> and are referenced in 168 policies in 67 countries.<sup>3</sup>

In December 2019, GRI launched *GRI 207: Tax 2019 (GRI 207)*<sup>4</sup>, the first global reporting standard to combine management approach disclosures on tax strategy, with public country-by-country reporting of business activities, revenues, profit and tax. *GRI 207* helps organizations to be more transparent by using a framework for reporting that is developed in the public interest and follows international best practice. With this Standard, GRI aims to pave the way for more informed public debate on tax and its contribution to sustainability, and to enable better policy and investment decisions.

The Standard was developed by an expert multi-stakeholder Technical Committee<sup>5</sup> under the oversight of the Global Sustainability Standards Board (GSSB). This engagement highlighted the strong demand for reliable, publicly reported tax information from a range of stakeholders, including investors, civil society, labor and mediating institutions. For example, investors have

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<sup>1</sup> <https://www.globalreporting.org/standards/>

<sup>2</sup> <https://assets.kpmg/content/dam/kpmg/xx/pdf/2017/10/kpmg-survey-of-corporate-responsibility-reporting-2017.pdf>

<sup>3</sup> Source: GRI internal policy database (February 2020)

<sup>4</sup> <https://www.globalreporting.org/standards/gri-standards-download-center/gri-207-tax-2019/>

<sup>5</sup> <https://www.globalreporting.org/standards/media/1915/gri-tax-tc-member-bios.pdf>

confirmed that they currently lack the disclosures necessary to assess corporate tax practices and inform their engagement and investment decisions. The strong interest of this constituency was demonstrated during the public comment period on the draft standard, which saw 43% of the 85 submissions received – and 55% of the organizations represented – come from investment companies, who collectively manage assets worth in excess of 2.5 trillion US dollars globally.

GRI believes that taxes play a vital role in the achievement of the Sustainable Development Goals and that they are a key mechanism by which organizations contribute to the economies of the countries in which they operate. GRI supports organizations to work towards public tax reporting and believes that *GRI 207* provides the suitable disclosures to enable this. As such, we encourage the OECD to align the review of BEPS Action 13 with the country-by-country reporting requirements included in *GRI 207*.

*GRI 207* was developed for the purpose of public reporting and the requirements included are considered to most clearly provide insight for a variety of stakeholders. Alignment with GRI 207 will enable organizations to better prepare for public reporting of tax information, ensure consistency of reporting requirements and comparability of reported information.

In view of the above points, I invite you to read this response in parallel with the submission developed by the members of the expert GRI Tax Technical Committee who developed the draft Standard.

I remain available for any clarifications and look forward to supporting the OECD throughout the process leading to the review of country-by-country reporting.

On behalf of GRI,

Yours sincerely,



Tim Mohin

Chief Executive