



Item 07 – GRI Sector Standard Project for Compact Sector Standards – Final project proposal

For GSSB approval

Date	03 July 2026
Meeting	16 July 2026
Project	GRI Sector Standard Project for Compact Sector Standards
Description	<p>This document sets out the project proposal to develop compact Sector Standards.</p> <p>The draft proposal has been reviewed by the Supervisory Board and the Stakeholder Council. The proposal received overall supportive feedback and included concrete suggestions to improve the proposal and for its roll-out. A summary of the input received is provided in Annex 1. This document incorporates the input received from the Supervisory Board and the Stakeholder Council as well as input received via the GSSB Work Program 2026-2028 consultation.</p> <p>In accordance with the GSSB's Due Process Protocol, the proposal is now before the GSSB for approval.</p> <p>The development and submission of this final project proposal signal the intention to begin developing compact Sector Standards under the GRI Sector Program. The commencement date of this project is subject to resource availability and priorities as determined by the GSSB.</p>

This document has been prepared by the GRI Standards Team and is made available to observers at meetings of the Global Sustainability Standards Board (GSSB). It does not represent an official position of the GSSB. Board positions are set out in the GRI Sustainability Reporting Standards. The GSSB is the independent standard setting body of GRI. For more information visit www.globalreporting.org.

Contents

Project background	3
Project objectives	3
Division of responsibilities	5
Timeline	6
Annex 1 – Supervisory Board and Stakeholder Council response to the GSSB’s draft project proposal for Compact Sector Standards.....	9

This document does not represent an official position of the GSSB

1 Project background

2 In February 2019, the Global Sustainability Standards Board (GSSB) approved the [GRI Sector](#)
3 [Program](#) to improve clarity and consistency in sustainability reporting. The Sector Program aims to
4 develop sector-specific reporting standards, prioritized by the significance of their impacts.

5 Currently, four Sector Standards have been developed and released – *GRI 11: Oil and Gas Sector*
6 *2021*, *GRI 12: Coal Sector 2022*, *GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022*, and *GRI*
7 *14: Mining Sector 2024*. There are also two ongoing projects to develop Sector Standards for the
8 financial services (banking, capital markets, and insurance) and textiles and apparel sectors. Pending
9 the GSSB's approval of the 2026-2028 work program, the Standards Team aims to continue Sector
10 Standards development, while considering [the list of prioritized sectors](#) and globally relevant
11 standard-setting activities.

12 As a part of the [Sector Program review](#) conducted in 2024, a set of recommendations was presented
13 to the GSSB to enhance the application, efficacy, and reach of GRI's sector-related work. This
14 included the development of interim sector resources for sectors in priority groups 2-4, which would
15 not have a Sector Standard available in the near future. The recommendation was borne out of the
16 need to deliver sector-relevant reporting guidance at scale and with urgency, which would not be
17 feasible under the current model for developing Sector Standards.

18 During the [March 2025 GSSB meeting](#), the GSSB discussed two options for the development of
19 interim sector resources: a research paper and a reduced version of the Sector Standard. The GSSB
20 opted for the latter option as a reduced version of a Sector Standard would follow the GSSB Due
21 Process and would be included in the GRI reporting model, resulting in a more authoritative document
22 and wider adoption by reporters. The GSSB also made this strategic decision in light of the popularity
23 of Sector Standards and to respond to changes in the reporting landscape.

24 At its November 2025 meeting, the GSSB discussed a draft proposal for reduced Sector Standards,
25 referred to henceforth as compact Sector Standards. The draft proposal has been shared with the
26 GRI Supervisory Board and Stakeholder Council for feedback (see [Annex 1](#) for details on the
27 feedback received). This document incorporates this feedback as well as input received on the
28 compact Sector Standards via the GSSB Work Program 2026-2028 consultation.

29 Project objectives

30 Compact Sector Standards will be a useful tool to guide materiality assessments and can be
31 particularly important for compliance with regulatory frameworks – whether specifically related to
32 reporting or to the sector in focus. They aim to improve the consistency of sustainability reporting by
33 organizations within a sector, increase accountability over the issues that matter most, and provide
34 stakeholders with a better understanding of sector-specific impacts.

35 Compact Sector Standards can also be a stepping stone toward sustainability reporting for less
36 mature reporting organizations at the start of their sustainability journey, paving the way for more
37 comprehensive reporting with a GRI Sector Standard in the future.

38 The primary objective of this project is to develop a first cluster of compact Sector Standards for
39 sectors that either do not yet have a Sector Standard in place or are not under development.

40 The compact Sector Standards would be reduced versions of GRI Sector Standards, incorporating
41 their foundational structure but more narrowly focused on likely material topics and excluding sector-
42 specific reporting. They would form part of the 'in accordance' requirements for GRI Standards, as

43 laid out in *GRI 1: Foundation 2021*. The GSSB will decide at a later stage which compact Sector
44 Standards may (or may not) be developed into fully fledged Sector Standards.¹

45 The compact Sector Standards will provide information on sectors' most significant impacts on the
46 economy, environment, and people. It will thus constitute an integral input for an organization's
47 materiality assessment, and lead to disclosures that, in aggregate, are integral to stakeholders'
48 understanding of sectoral impacts.

49 The compact Sector Standard will:

- 50 • Outline the sector's profile, including its activities and business relationships.
- 51 • Identify the topics that are likely to be material for reporting organizations in the sector,
52 including a concise description of the most significant impacts relevant to each topic, along
53 with evidence and authoritative references on these impacts.
- 54 • Identify and list relevant GRI Topic Standards for reporting on those topics.

55 The main features distinguishing a compact Sector Standard from a fully-fledged Sector Standard are
56 that the former includes more concise topic descriptions and the absence of a list of disclosures and
57 additional sector reporting. Relevant GRI Topic Standards will be listed for each likely material topic,
58 allowing organizations to determine which disclosures are most relevant to their impacts, as laid out in
59 Requirement 5 under the section 'Reporting in accordance with the GRI Standards' (*GRI 1:
60 Foundation 2021*). Additionally, Disclosure 3-3 Management of material topics will be listed for each
61 likely material topic. Similar to fully-fledged Sector Standards, compact Sector Standards will include
62 references and resources.

63 In the case where an identified likely material topic does not have a corresponding GRI Topic
64 Standard, only Disclosure 3-3 will be listed. Similar to Sector Standard projects, topics identified within
65 this project for which no GRI Standard exists will be assessed and prioritized by the GSSB for future
66 GRI Standards development. Revisions or updates to other GRI Standards may also be collected.
67 Compact Sector Standards will also provide a valuable starting point for future fully-fledged Sector
68 Standards, speeding up content development and condensing the total timeline of a complete Sector
69 Standard project.

70 **Project approach**

71 Compact Sector Standards would be developed in clusters for approximately 30 sectors, but the
72 outputs would be individual compact Sector Standards for each sector. The clusters will be formed to
73 maximize synergies in the development of multiple compact Sector Standards at the same time. To
74 this end, sectors with similar impacts, production processes, value chains, and other potential
75 synergies will be grouped together. Additionally, work programs of globally relevant standard setters,
76 market demand, and developments in the reporting landscape will be considered when forming the
77 clusters. Severity of impacts and different maturity stages in reporting can also be a factor when
78 including a sector in a cluster.

79 The project will be conducted in accordance with the [GSSB Due Process Protocol](#). Compact Sector
80 Standards will have the same status that fully-fledged Sector Standards currently have with the 'in
81 accordance' requirements for GRI Standards, as laid out in *GRI 1: Foundation 2021*.

¹ Each compact Sector Standard will include a note highlighting that the GSSB will decide at a later stage if it will be developing a fully fledged Sector Standard.

82 The project will consist of the following phases (activities per cluster):

- 83 • **Project initiation** (2 months): Background research to determine the scope and boundaries
84 of each sector within a cluster; identifying relevant stakeholders; conducting scoping
85 interviews; and forming multi-stakeholder peer review group(s).
- 86 • **Exposure draft development phase** (8 months):
 - 87 ○ Desk research to document key impacts of each sector within a cluster; expert
88 consultations on scope, initial topic identification, and on emerging topics or topics not
89 covered by the GRI Standards, development of the first draft of topic descriptions per
90 topic (3 months).
 - 91 ○ Stakeholder engagement with peer reviewers to test draft contents (2 months).
 - 92 ○ Technical review ahead of GSSB approval for public exposure (2 months).
 - 93 ○ GSSB approval (1 month).
- 94 • **Public consultation** (3 months): Engagement with sector stakeholders to confirm the
95 accuracy, completeness, and relevance of the compact Sector Standards' content.
- 96 • **Content revision** (3 months): Revision of contents according to public feedback;
97 development of final drafts and bases for conclusions for GSSB discussion and approval.
- 98 • **Approval and publication** (3 months): Confirmation of due process by the DPOC; production
99 and launch of compact Sector Standards for the cluster of sectors.

100 Initial content will be developed through desk-based research, drawing on authoritative references,
101 internationally recognized sector-relevant guidance, sustainability reporting standards, and academic
102 sources. External consultation with subject matter experts will support content development, helping
103 identify gaps in topic identification and pre-validating likely material topics before public exposure.

104 It is proposed that dedicated working groups or technical committees not be formed, and that multi-
105 stakeholder views be collected through individual expert consultations, peer review groups, and public
106 consultation.

107 During the public consultation of the first compact Sector Standards developed, a selected number of
108 reporters will be engaged for a trial test of these Sector Standards, including their relevance in the
109 reporting landscape.

110 **Division of responsibilities**

111 A project group comprising members of the Sector Standards Team and/or the Research Team will
112 draft compact Sector Standards for the sectors in each cluster. Multi-stakeholder expert groups will be
113 formed to act as peer reviewers and help identify and validate the likely material topics. The list of
114 experts to be consulted will be approved by the GSSB.

115 The Standards Team will ensure coherence between the compact Sector Standards under
116 development and within the GRI Standards system.

117 The Standards Team will develop drafts that will be further reviewed by multi-stakeholder experts for
118 each sector. These updated drafts will then be considered by the GSSB and updated prior to the
119 approval of the respective exposure drafts and the final compact Sector Standards.

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Timeline

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Table 1 outlines the anticipated time required to develop one cluster of compact Sector Standards per phase. Because some phases of cluster development can overlap, it will take approximately 17 months to develop a cluster of compact Sector Standards.² The research part for the exposure draft development can be frontloaded for the following clusters. Subject to additional resources, different clusters of compact Sector Standards can be developed in parallel.

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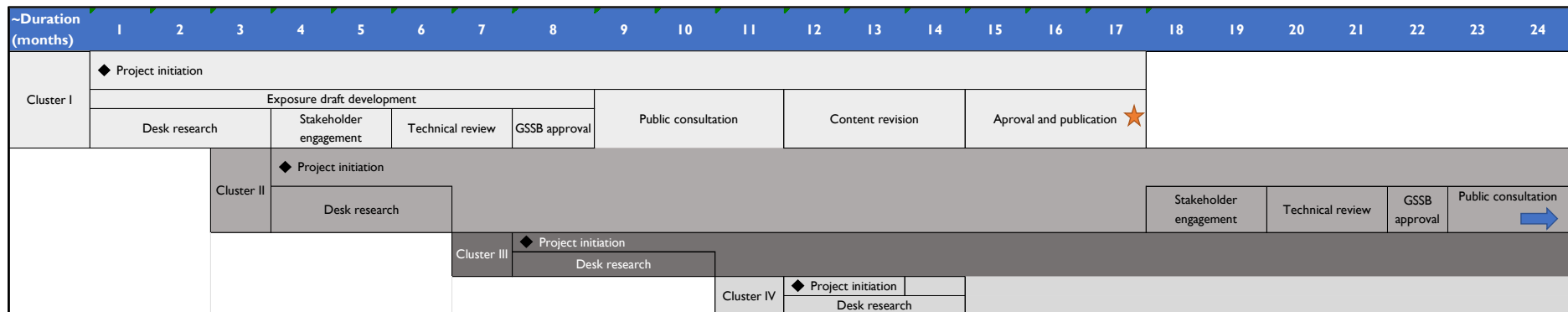
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During the development of the first cluster, further opportunities to shorten the timelines will be explored.

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Table 1. Timelines for the development of one cluster of compact Sector Standards



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² The duration of a fully-fledged Sector Standard is approximately 30-33 months. Once a compact Sector Standard is available, assuming the current level of resources, the development of a fully-fledged Sector Standard will take circa 18-20 months to ensure all steps of due process are followed. The timelines to develop compact Sector Standards have been informed by the development of the prototype for construction materials and will be further adjusted once the first compact Sector Standards are developed.

127 Implications for Universal Standards

128 As per *GRI 1: Foundation 2021*, organizations that want to report in accordance with the GRI
129 Standards are required to use Sector Standards when an applicable Sector Standard exists. The
130 compact Sector Standard will serve as an intermediate step until a fully-fledged Sector Standard is
131 developed, and is intended to be used by an organization to determine its material topics for
132 reporting. As such, the compact Sector Standards are to have the same status as Sector Standards
133 with the 'in accordance' requirements for GRI Standards.

134 Introducing compact Sector Standards to the system of GRI Standards may require an amendment to
135 *GRI 1*. Relevant sections to revise include:

136 **Requirement 5: Report disclosures from the GRI Topic Standards for each material**
137 **topic** (b. for each material topic covered in the applicable GRI Sector Standard(s), either:
138 report the disclosures from the GRI Topic Standards listed for that topic in the Sector
139 Standard(s); or provide the 'not applicable' reason for omission and the required explanation
140 in the GRI content index).

141 As a compact Sector Standard will not include disclosures from the GRI Topic Standards, it is
142 important to clarify that users are expected to consider and report the relevant disclosures from each
143 Topic Standard listed in the compact Sector Standard.

144 If needed, the inclusion of compact Sector Standards and updates to the 'in accordance with'
145 requirements would be addressed in the same *Narrow-Scope Amendments to GRI 1 and GRI 3*
146 project, proposed for the GSSB 2026-2028 Work Program.

147 Assumptions and risks

148 The following assumptions and risks have been considered in developing the project's scope,
149 timeline, and expected outcomes.

150 **Assumptions**

- 151 • **Expert input:** The proposed concept for the compact Sector Standards – to focus on the
152 likely material topics and not include reporting disclosures – relies heavily on available
153 documentation of sectors' impacts. This reduces reliance on highly technical expertise to
154 develop disclosures and is assumed to be adequately covered by targeted expert
155 engagements, peer reviews, and the public comment period. Unlike a working group, which
156 provides experts with visibility in return for their contributions, it may be difficult to obtain
157 valuable, detailed expert feedback within more informal arrangements. Public recognition
158 (e.g., on the website) for peer reviewers may provide incentives to participate.
- 159 • **Maintenance:** The compact Sector Standards will likely need to undergo an internal
160 alignment with new and revised GRI Topic Standards before a fully-fledged Sector Standard
161 is in place. However, as the Topic Standards revision progresses, the scope of the
162 maintenance work is reduced.
- 163 • **Resourcing:** Per cluster of sectors, the project is expected to require 3,5 FTE from both the
164 GRI Research and Sector teams, along with periodic support for administrative tasks,
165 communications, regional outreach, and publication, amongst others.³

³ As a reference, the development of one fully fledged Sector Standard requires currently 2 FTE from the Sector Team for a period of circa 30 months.

166 **Risks**

167 • **De-prioritization of fully-fledged Sector Standards:** If no additional resources are available
168 for developing compact Sector Standards and the GSSB prioritizes this work, resources will
169 need to be diverted from developing fully-fledged Sector Standards. However, the possibility
170 of developing compact Sector Standards may open funding opportunities with interested
171 parties, which could mitigate the risk if realized.

172 *Mitigation: Explore and pursue fundraising opportunities that the prospect of compact Sector*
173 *Standards may offer.*

174 • **Relevance of contents:** The compact Sector Standards are proposed to focus on the likely
175 material topics, feeding into an organization’s materiality process. Such resources are more
176 high-level than fully-fledged Sector Standards and are unlikely to benefit mature
177 organizations, which often consider sector-specific reporting disclosures most useful. This can
178 cause misaligned expectations, reduced stakeholder confidence, and challenges in managing
179 feedback. The similarity between the compact Sector Standards and the fully-fledged Sector
180 Standards is also likely to confuse GRI users.

181 *Mitigation: Clear communication outlining the content differences between compact Sector*
182 *Standards and fully-fledged Sector Standards, while emphasizing the compact Sector*
183 *Standards’ inclusion in the GRI Standards ‘in accordance with’ model.*

184 • **Consultation fatigue:** The GSSB has an unprecedented number of standard-setting projects
185 running in parallel, with significant needs to engage stakeholders to ensure global, multi-
186 stakeholder views. Requests for input can overwhelm certain stakeholder groups – especially
187 civil society, investment, and labor organizations, which tend to have fewer experts covering
188 broad areas of sustainability. Thus, the same individuals may receive multiple requests, with
189 limited capacity to respond to each.

190 *Mitigation: Communicate the added value of Sector Standards to stakeholders and seek*
191 *expert stakeholder input through focused engagement.*

192 • **Limited implementation:** In the current geopolitical environment, new standards might be
193 received with mixed views. Companies and governments might see it as adding to the
194 reporting burden; some companies reporting ‘in accordance with’ might shift to ‘with reference
195 to’ or drop their reporting altogether.

196 *Mitigation: Work with GRI colleagues in regions and the policy team to educate stakeholders*
197 *on the value of Sector Standards and their contribution to the reporting landscape.*

198 The development and submission of this final project proposal signal the intention to begin developing
199 compact Sector Standards under the GRI Sector Program. The commencement date of this project
200 has not been determined and is subject to resource availability and priorities as determined by the
201 GSSB. If resources are only available for one or a few Compact Sector Standard(s), this should not
202 delay their development.

203 Lessons learned from the development of those Standards should inform the future development of
204 additional compact Sector Standards.

205 **Annex 1 – Supervisory Board and** 206 **Stakeholder Council response to the** 207 **GSSB’s draft project proposal for** 208 **Compact Sector Standards**

209 **General support for the Compact Sector Standards**

210 All respondents expressed broad support for the Compact Sector Standards project. Recurring
211 themes they raised included their timeliness, practicality for resource-constrained organizations,
212 especially smaller companies, and their value as an interim step toward fully-fledged Sector
213 Standards.

214 **Prioritization of sectors**

215 Two respondents offered views on which sectors should be prioritized:

- 216 • Water was flagged as a priority by one respondent, given its connections to energy, food,
217 climate, biodiversity, and human health. A concern was raised that water-related activities are
218 currently spread across separate sectors, including under ‘Utilities and Heavy Machinery’ and
219 ‘Transport’ rather than being treated holistically as a single sector.
- 220 • Real estate and infrastructure were suggested as the next logical focus, given projections that
221 68% of the global population will be urbanized by 2050.
- 222 • One respondent noted the absence of wood and wood derivatives from the scope of the
223 Compact Sector Standard Prototype on Construction materials, highlighting their relevance to
224 the housing industry in certain markets.⁴

225 **Governance and GSSB involvement**

226 A concern raised by one respondent is that the expedited process proposed by the compact Sector
227 Standards may shift content development authority away from the GSSB toward operational teams,
228 potentially weakening GRI’s core multi-stakeholder model:

- 229 • GSSB oversight in approving peer reviewers and making final strategic decisions should
230 remain non-negotiable.
- 231 • The integrity of the multi-stakeholder approach must be preserved even as the process is
232 streamlined.

233 **Peer reviewers**

234 On the shift to peer review groups, some comments were raised by a respondent asking that:

- 235 • A robust mechanism for public recognition of contributors is needed to maintain quality and
236 incentivize participation.
- 237 • Feedback integration must remain transparent to ensure ‘likely material topics’ reflect multi-
238 stakeholder input.

⁴ Wood and steel are excluded from the scope of the prototype because they are covered by the ‘Forestry’ and ‘Metal Processing’ sectors, respectively. The ‘Construction Materials’ sector focuses on the impacts from construction materials processing (e.g. cement, tiles, glass) rather than the raw material production.

239 **Reporting quality and continuous improvement**

240 Several respondents reflected on the implications for reporting depth and maturity:

- 241 • Compact Sector Standards are seen as a useful catalyst for less mature organizations by
242 reducing 'cherry-picking' and improving sector comparability.
- 243 • However, there is a risk that reporting becomes overly focused on qualitative management
244 approaches rather than granular, sector-specific metrics.
- 245 • Clear criteria for transitioning from compact to fully fledged Sector Standards are considered
246 essential for managing long-term expectations.
- 247 • One respondent suggested that each compact Sector Standard should explicitly inform users
248 that the GSSB may (or may not) later develop it into a fully fledged Sector Standard.

249 **'In accordance' requirements**

250 Multiple respondents emphasized the importance of ensuring compact Sector Standards carry
251 equivalent status to full Sector Standards:

- 252 • Planned amendments to *GRI 1* and *GRI 3* must be communicated with precision to avoid
253 stakeholder confusion.
- 254 • User instructions should clearly explain what compact Sector Standards are, and what they
255 are not.

256 **Interoperability across different jurisdictions**

257 One respondent raised practical concerns about multinational companies operating across divergent
258 regulatory environments, and noted that while GRI provides linkage maps and interoperability tools,
259 there is a lack of formal guidance to help organizations address conflicting regulatory requirements
260 across jurisdictions:

- 261 • GRI should provide mapping notes to help users align compact Sector Standard outputs with
262 ISSB and ESRS frameworks.
- 263 • A 'single dataset, multiple outputs' approach is recommended: one set of materiality
264 conclusions usable across different jurisdictions and reporting formats.

265 **Acknowledgments**

266 Several respondents thanked the Standards Team and GSSB for their work and for consulting
267 stakeholders on this evolution of GRI Sector Standards.