



1 **Item 01 – GRI Sector Standards**
2 **Project for Mining – Project proposal**
3 **For GSSB approval**

Date	3 June 2021
Meeting	17 June 2021
Project	GRI Sector Standards Project for Mining

Description This document sets out the project proposal to develop a Sector Standard for the mining sector, for GSSB discussion and approval. In accordance with the [Due Process Protocol](#) the draft proposal was discussed on the 25 February 2021. Following that meeting, the project proposal was shared with the GRI Stakeholder Council and the GRI Board. The reply received from a Stakeholder Council member is provided in full in Item 02. This document incorporates this feedback, as well as input collected from other stakeholders.

The stakeholders engaged advised to exclude traders from the scope of the sector, since organizations that focus exclusively on trading have very different activities from the rest of the sector. They also advised to maintain quarrying, warning, however, that quarrying organizations are substantially different in their size, attitudes, and strategies from those in mining. Stakeholders noted that primary processing of minerals is an integral part of mining, and should be included, while agreeing that further metal processing should be the subject of a different standard (though the comment from the Stakeholder Council suggested the opposite).

Two stakeholders suggested that the time allocated for public comment seem insufficient. Considering that stakeholder engagement takes place continuously, and not only during the public comment, the Standards Division believes that the proposed timeline is appropriate.

The following changes have been made to this document since the first version:

- Traders have been excluded from the scope of the sector.
- A sentence has been introduced to clarify the difference between primary processing of minerals and further stages of processing.

Please note: the development and submission of this project proposal marks the intention for the GRI Sector Standards Project for Mining to be the next project to be commenced under the GRI Sector Program. The commencement date of this project has not yet been confirmed and it is subject to the resource availability.

This document has been prepared by the GRI Standards Division 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.

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5 Project background

6 In February 2019, the Global Sustainability Standards Board (GSSB) approved the [GRI Sector](#)
7 [Program](#) to improve clarity and consistency in sustainability reporting.

8 Since 2019 pilot projects to produce the first three GRI Sector Standards for oil and gas, coal, and
9 agriculture and fishing have been underway. These Standards are expected to be completed and
10 published in 2021 and 2022.

11 In November 2020, the GSSB approved the [list of sectors](#) that will be prioritized to have a GRI Sector
12 Standard (Sector Standard) developed. Mining was nominated to be next following on from the pilot
13 projects, because of the high sustainability impact of its activities and because developing the Mining
14 Sector Standard has synergies with the Oil, Gas and Coal Project.

15 Sector overview

16 It is proposed that the Sector Standard for mining will apply to organizations whose primary focus lies
17 on:

- 18 • Exploration and extraction of all types of minerals, metallic and non-metallic, including
19 quarrying, with the exception of oil, gas and coal.
- 20 • Primary processing of minerals.
- 21 • Support activities to mining, such as transport and storage.
- 22 • Supplying specialized goods and services to mining organizations, such as engineering,
23 procurement and construction (EPC) contractors.

24 The scope of the Sector Standard for mining is limited to extractive activities and the processing
25 stages that are closely associated with the extraction. Further processing, such as steel makers and
26 metal recyclers will be subject of another Sector Standard. While some organizations are integrated
27 along the value chain and perform both extraction and processing, and metals and mining are often
28 considered together, the sustainability impacts of the extraction and processing stages are
29 substantially different and warrant separate Sector Standards. Dividing the value chain between
30 extraction and processing was also the approach taken for the oil and gas sector.

31 Quarrying will be included in the scope of this Sector Standard as it has similar sustainability impacts
32 to non-metallic mining, particularly in terms of environmental impacts in and around their extraction
33 sites.

34 Following learnings from the pilot projects, the proposed sector includes dedicated suppliers to the
35 mining sector and some ancillary activities like transport and storage of minerals.

36 It is proposed that the Sector Standard is titled 'GRI 14: Mining Sector 20XX'.

37 The scope and name of this standard may deviate from this proposal following recommendations from
38 the Mining Working Group.

39 Table 1 lists the relevant classifications from external classification standards, specifically the Global
40 Industry Classification System (GICS®), Industry Classification Benchmark (ICB), International
41 Standard Industrial Classification of All Economic Activities (ISIC), Industry Classification Benchmark
42 (ICB), and SICS Sustainable Industry Classification System® (SICS®)¹.

43
44 *Table 1: Proposed sector key for the mining sector project*

¹ [Sustainable Industry Classification System](#)® or SICS® is the classification system of SASB.

Classification Standard	Classification No.	Classification Name
GICS®	151040	Metals and Mining, with the exclusion of the manufacturers of aluminum and steel, and metal recycling
ICB	551020000	General Mining
	551020000	Copper
	55102050	Nonferrous Metals
	55103020	Diamonds and Gemstones
	55103025	Gold Mining
	55103030	Platinum and Precious Metals
ISIC	07	Mining of metal ores
	08	Other mining and quarrying
	099	Support activities for other mining and quarrying
SICS®	EM-3	Metals and Mining, with the exclusion of the manufacturers of aluminum and steel, and metal recycling

45 Sustainability impacts

46 The key criterion for prioritizing sectors is their sustainability impacts. This takes into account the
47 significance of the sector's impacts, considering their scale, scope, character and likelihood. It also
48 considers the size of the sector, the sector's distribution around the world and the number of
49 organizations from that sector that are able to use the GRI Standards.

50 A second criterion for prioritizing a sector is the potential to exploit learnings and synergies from other
51 Sector Standards that have been recently developed. Based on these criteria, mining has been
52 selected to be the first Sector Standard developed after the pilot projects.

53 Mining organizations have a relatively high rate of reporting. It is the seventh sector by number of
54 reports registered in GRI Sustainability Disclosure Database, and, during the public consultation on
55 the GSSB Work Program, undertaken in 2020, it was the most-requested sector to prioritize.

56 Mining has a high environmental impact, often concentrated in and around extraction sites. Because
57 many mines are in remote locations, the economic impacts can be significant for local communities
58 but because mining can also require exclusive access to large areas and the influx of large
59 workforces, social impacts can also be severe. Some mines are in conflict areas where there is a high
60 risk of human rights abuses; in other cases, there is conflict with, or effects on, indigenous peoples'
61 rights.

62 Minerals produced by this sector are fundamental for large parts of the economy; other large sectors
63 can be linked to sustainability impacts that can be traced back to mining. In many low-income
64 economies mining is a key sector, responsible for a high share of production, exports, and
65 government revenues.

66 These impacts are provided to give a first indication of the scope of issues covered by the proposed
67 project. However, the issues recommended for inclusion within a Sector Standards for the mining
68 sector will be determined by a multi-stakeholder process in accordance with the Due Process Protocol
69 and may diverge from those contained within this project proposal.
70

71 **Project objectives**

72 The primary objective of this project is to develop a Sector Standard that improves the sustainability
73 reporting of mining² organizations, making reporting more complete and consistent across the sector.

74 This Sector Standard will:

- 75 • Identify and describe the topics that are likely material for a reporting organization in the
76 mining sector based on the sector's most significant impacts.
- 77 • Provide evidence and authoritative references for these topics to assist organizations to
78 identify if they are material for them.
- 79 • Identify and list relevant disclosures for reporting on those topics.

80 Following the rollout of the revised GRI Universal Standards, organizations in the mining sector that
81 want to report in accordance with GRI Standards will be required to use this Sector Standard.

82 Recommendations may also be made by the Mining Working Group regarding:

- 83 • The scope, key and name of the Sector Standard.
- 84 • Considerations that may be relevant to Sector Standards for related sectors.
- 85 • Revisions or updates to other GRI Standards.

86 Impacts identified within this project for which no GRI Standard exists will be assessed and prioritized
87 by the GSSB for future GRI Standards development.

88 **Division of responsibilities**

89 A multi-stakeholder working group will be formed to contribute to identifying the most significant
90 impacts for the mining sector and give recommendations on the development of the Sector Standard.
91 The Standards Division will draft the Sector Standard, and the GSSB will have oversight and final
92 approval over the Sector Standard before its release.

93
94 The Standards Division will ensure coherence between the Sector Standard for mining and any
95 Sector Standards approved or under development.

96
97 The project will be conducted in accordance with the [GSSB Due Process Protocol](#).

98 **Timeline**

99 The starting date of this project has not been determined and is subject to resource availability. Table
100 2, on the following page, outlines the anticipated project duration. The starting date, along with the
101 predicted dates of other key milestones will be confirmed once known.

² For the purposes of this project proposal 'mining' or 'mining sector' refers to the organizations that fall within the description of the sector included in the Sector overview section.



Table 2: Estimated duration of Sector Standards Project for Mining³

Phase	~Duration (months)	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24
Project commencement	1	█																							
Open call & recruitment of PWG	3		█	█	█																				
GSSB approval of Working Group membership	-				◆																				
Content development by Working Group	9					█	█	█	█	█	█	█	█	█											
GSSB approval of exposure draft	1														◆										
Public comment period	3															█	█	█							
Analysis of public comments and revision of draft	6																		█	█	█	█	█	█	
GSSB approval of final standard	1																								◆
Total (months)	24																								

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³ Project scheduling changes may occur over the course of the project, including extensions to the duration of project due to approval processes or other circumstances.