GRI Topic Standard Project for Economic Impact – Working group terms of reference

For GSSB information

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<th>14 September 2023</th>
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<td>Project</td>
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<tr>
<td>Description</td>
<td>This document sets out the terms of reference for the Working Group for the GRI Topic Standard Project for Economic Impact for GSSB information.</td>
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Contact

Email: economicimpact@globalreporting.org
For more information: visit the project webpage and sign up here to receive regular updates.
Terms of Reference

These Terms of Reference outline the mandate of the Working Group for the GRI Topic Standard Project for Economic Impact – Phase 1 and 2 (Economic Impact Working Group), including its selection and appointment, primary objectives and time commitments.

Background

The Global Sustainability Standards Board (GSSB), GRI’s independent standard-setting body, has identified the set of topic standards relating to economic impact as priority standards for revision.

The objective of sustainability reporting using the GRI Standards is to provide transparency on how an organization contributes or aims to contribute to sustainable development. The GRI Standards enable an organization to publicly disclose its most significant impacts on the economy, environment, and people, including impacts on human rights, and how the organization manages these impacts.

The primary objective of this project is to review the existing portfolio of GRI economic impact disclosures and develop a set of new disclosures and standards that represent internationally agreed best practices. The revision must also align with the recent developments and relevant authoritative intergovernmental instruments in the field of economic growth and its impact. They are designed to enhance the global comparability and quality of information within the topic, thereby enabling greater transparency and accountability of organizations, and informed decision-making by stakeholders. It will be carried out following the GSSB Due Process Protocol.

See the project proposal for more information.

Mandate of the Economic Impact Project Working Group

Topic Standards are developed using multi-stakeholder expertise, authoritative intergovernmental instruments, and other relevant evidence. The Economic Impact Project Working Group is to contribute their expertise to the development of new disclosures on the portfolio of economic impact topic standards. The overall work of the Working Group should support sustainability reporting as promoted by the GRI Sustainability Reporting Standards (GRI Standards).

Scope of work

The Economic Impact Working Group will be responsible for reviewing and developing GRI 201: Economic Performance 2016; GRI 205 Anti-corruption 2016; GRI 206 Anti-competition, and GRI 415 Public Policy 2016 for the consideration of the GSSB.

The Working Group will be tasked with providing recommendations on:

- Revising the existing background and contextual information within GRI 201, 202, 203, 204, 205, 206 and 415.
- Developing the topic management disclosures, considering contents in the existing management disclosures section within GRI 201, 202, 203, 204, 205, 206 and 415, including:
  - developing new requirements, recommendations, and guidance.
- Ensuring the revised management disclosures are compatible for organizations to use together with GRI 3: Material Topics 2021.
- Developing topic disclosures for GRI 201, 202, 203, 204, 205, 206 and 415, building on the existing topic disclosures (along with their related reporting requirements, recommendations, and guidance) including:
  - revising the existing content;
The GSSB will also be responsible for proposals to delete existing content, where applicable. The Working Group will also be responsible for proposals to delete existing content, where applicable. This may be the case when content is outdated or not valid for reporting an organization’s impacts on distribution of value and institutions. The Working Group may also provide recommendations on considerations that may be relevant to other GRI Topic Standards. Changes to the overarching GRI system of Standards, like the 'in accordance criteria', are not within the remit of the Working Group. Impacts identified within this project for which no GRI Standard exists will be assessed and prioritized by the GSSB for future GRI Standards development.

Responsibilities of other parties

The Standards Division is responsible for:

- Overall project management and ensuring compliance with the GSSB Due Process Protocol;
- Facilitating, providing logistical support and preparing materials for Working Group meetings;
- Maintaining an online collaboration platform for the Working Group;
- Engaging with the GSSB and other GRI Governance bodies;
- Engaging other experts and interested parties in a peer review and on an as needed basis;
- Coordinating public exposure of the draft topic standards, including collecting and summarizing feedback for consideration by the Working Group;
- Undertaking research to support the development of the Topic Standard(s); and
- Drafting the content of the Topic Standard(s).

The Standards Division will draft the Topic Standard(s) and other relevant deliverables in accordance with the recommendations of the Working Group. The content of the Topic Standard(s) will be drafted in accordance with template and house rules for terminology, style and presentation. The Working Group will not be responsible for editing the stylistic and grammatical presentation of deliverables. Such edits will be undertaken by the Standards Division to ensure consistency with existing GRI documents.

The GSSB votes on the approval of a draft of the Topic Standard(s) for public exposure and the final content of a Topic Standard(s). The GSSB will review the drafted contents and may ask the Economic Impact Project Working Group to conduct further research and/or develop the draft recommendations further. Working Group members should be committed to support the revision of draft contents in addition to the development of these contents. Further information on the role and authority of the GSSB can be found in the GSSB Due Process Protocol.

Additional considerations

The development of the Topic Standard(s) is to be carried out within the existing structure and template of the GRI Standards, including preserving the hierarchy, coherence and implementation approach of the GRI Standards. The content of Topic Standard(s) must be in line with the in accordance with the model outlined in GRI 1: Foundation 2021.

The Economic Impact Project Working Group should aim to develop topic descriptions that are clear, consistent, and focused on impacts from a sustainable development perspective. Content should also seek to be in line with key authoritative inter-governmental instruments (such as instruments of the United Nations, the International Labour Organization, and the OECD) and consider the content of
other business and human rights reporting frameworks, such as the UN Guiding Principles Reporting Framework.

The discussions of the Working Group are confidential, but any recommendations made by the Working Group to the GSSB will be publicly available in accordance with the GSSB Due Process Protocol.

GRI will hold the copyright of any deliverables associated with the project.

Composition of the Economic Impact Project Working Group

It is anticipated that the Working Group will have approximately 15 members. The Working Group will aim to have at least one person drawn from each of the constituencies on which the membership of the GSSB is based: business enterprises, investment institutions, labor, civil society, and mediating institutions.

In addition, geographical, gender and cultural diversity will be considered. There can only be one representative per organization in the Working Group.

Table 1: Descriptions of constituencies represented on the Working Group

| Business enterprise | a) An enterprise (other than a mediating or investment institution) that has been established in order to generate a profit for the benefit of its investors or owners; or  
|                     | b) An organization representing the collective interests of those falling into category ‘a’.  
| Investment institution | An enterprise that is primarily concerned with the direct or indirect, long-term investment of funds in business – including, but not limited to, asset owners, asset managers, development banks, exchanges, ratings agencies and market information brokers.  
| Labor | An organization established independently of employers and governments to represent the interests of workers.  
| Civil society | An organization established in order to promote or secure a public good relating to sustainability (environmental, social and governance) and that does not fall into any of the categories defined above.  
| Mediating institution | An individual or organization that provides goods and/or services associated with the reporting process and derives benefit from doing so.  

A GSSB sponsor(s) may join Working Group meetings.

Selection criteria

In accordance with the GSSB Due Process Protocol, members of the Working Group are appointed by the GSSB. The principal criterion for selecting the Working Group is relevant knowledge and experience related to the impact of a broad range of sustainable development issues on inclusive economic growth, inequality, employment and business influence on public policy.

Members must be able to participate in Working Group meetings held in English and provide written English feedback when requested.

In addition, the following criteria will be considered:
• relevant knowledge of sustainability reporting related to an organization’s economic impact
  with particular expertise in the areas of economic performance, anti-corruption, anti-
  competitive behavior and responsible political engagement;
• familiarity with the needs of users of sustainability reports;
• related experience with multi-stakeholder initiatives;
• understanding of and willingness to work in a consensus-based, multi-stakeholder working
group.

Working Group commitments

Working Group members are expected to:

• act in an individual capacity, exclusively in the public interest, and according to due process
  as defined in the GSSB Due Process Protocol;
• review the materials provided by the Standards Division in advance of Working Group
  meetings, in order to be able to actively participate;
• provide timely feedback on documents or other materials distributed by the Standards
  Division;
• work in the manner that aims at achieving consensus.

The development of the Topic Standard(s) for Phase 1 and Phase 2 of the Economic Impact project is
expected to take up to 24 months following the appointment of the Working Group. See the timeline
included in Appendix 1. Proposed project timeline

Working Group members commit to attending approximately 40 hours of meetings and reviewing the
draft Topic Standard(s) a minimum of three times during that period. Working Group members also
commit to plan sufficient time to prepare for meetings, review other materials and engage in
supplementary content creation methods. It is estimated that this may result in up to 60 hours of time
commitment across the project (excluding any necessary travel time).

Meetings and other engagement methods will vary depending on the needs of the Working Group and
the project. Commonly used methods include full group meetings in-person and virtually, sub-group
workshops, and use of digital content creation platforms. The use of these methods will also take into
account any travel restrictions or risk factors.

Virtual meetings are normally held between 1.00-2:30 pm Central European Time (CET), so that
members in most time zones can join. This will be adjusted based on the final geographical
representation of the Working Group.

In the event of an in-person meeting, Working Group members will be asked to attend a two-day
meeting in Amsterdam (excluding travel time).

See Appendix 2. Meeting schedule for the proposed meeting schedule and an itemized time
commitment.

Working Group members volunteer their time. There is no fee or compensation associated with
participation in the Working Group. Upon request, Working Group members will be eligible for travel
and accommodation reimbursement for in-person meetings, in accordance with GRI policies.

Public communications protocol

Public communication on issues related to the activities of the Working Group and the development of
the GRI Standards is the responsibility of the GSSB. Working Group members may publicly express
their personal opinions and views but may not speak on behalf of the Working Group, GSSB or GRI.

The names and bios of members will be published on the GRI website. Members are welcome to
publicize their participation in, and the activities of the Working Group, in channels such as press
releases or on social media. Members are asked to work with the Standards Division or GRI’s communication team to coordinate any such activity ahead of time.

Working Group members are advised to use the following when referring to their participation in this process:

"[name of member] has been appointed by the Global Sustainability Standards Board (GSSB), GRI’s independent standard setting body, to serve on a Working Group to produce a Standard for the Topic Project for Economic Impact."
How to apply

Once the open call is launched, all interested experts will be able to nominate themselves to be part of the Working Group, by submitting their CV and the application form to economicimpact@globalreporting.org

These links are also available in the project website.
Appendix 1. Proposed project timeline

The commencement date of this project is 14 September 2023. Figure 1 provides an overview of the timing of each phase of the project. Further details relating to the timing of Phase 1 and Phase 2 of this project can be found in the project proposal.

Figure 1: Economic Impact project timelines
Appendix 2. Meeting schedule

The following table outlines the minimum number of meetings expected to occur throughout the course of the project. Engagement as a Working Group is currently predicted to be predominantly virtual, however an in-person meeting may be planned and replace some virtual engagements. In this case, the Working Group will be provided with sufficient notice and scheduling will be subject to member availability.

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<tr>
<th>Meeting</th>
<th>Time commitment</th>
<th>Approximate date</th>
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<tbody>
<tr>
<td>Working Group meeting 1</td>
<td>2-hour virtual meeting + 2 hours review of preparatory materials</td>
<td>February 2024</td>
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<tr>
<td>Working Group meeting 2</td>
<td>2-hour virtual meeting + 2 hours review of preparatory materials</td>
<td>April 2024</td>
</tr>
<tr>
<td>Working Group meeting 3</td>
<td>2-hour virtual meeting + 2 hours review of preparatory materials</td>
<td>June 2024</td>
</tr>
<tr>
<td>Working Group meeting 4</td>
<td>2-hour virtual meeting + 2 hours review of preparatory materials</td>
<td>September 2024</td>
</tr>
<tr>
<td>Working Group meeting 5</td>
<td>2-hour virtual meeting + 2 hours review of preparatory materials</td>
<td>December 2024</td>
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<tr>
<td>Working Group meeting 6</td>
<td>2-hour virtual meeting + 2 hours review of preparatory materials</td>
<td>April 2025</td>
</tr>
<tr>
<td>Working Group meeting 7</td>
<td>2-hour virtual meeting + 2 hours review of preparatory materials</td>
<td>June 2025</td>
</tr>
<tr>
<td>Working Group meeting 8</td>
<td>2-hour virtual meeting + 2 hours review of preparatory materials</td>
<td>September 2025</td>
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In addition to the meetings listed above, it is expected that the Working Group will participate in a survey following Working Group meeting 1, review the draft Topic Standard(s) in-full three times, twice prior to the public exposure and once following, and participate in stakeholder engagement activities during the public exposure period and to support the launch of the Standard as relevant.