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Project Proposal

Review of GRI Waste Disclosures

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Project background

As part of the revision of the *GRI 303: Water* Standard (2016-ongoing), several disclosures covering effluents have been moved from *GRI 306: Effluents and Waste* to the updated *GRI 303: Water* Standard. This creates the need to revise and adjust the remaining content in *GRI 306* covering the topic of waste, to remedy the gaps left by the moved content and update the disclosures to reflect the latest trends and practices in waste management.

Since the last revision of the GRI disclosures on waste in 2006, there has been a great paradigm shift in resource use and management, particularly with the rise of the circular economy model, which looks beyond the "take, make and dispose" extractive industrial model, and aims to redefine products and services to 'design waste out', while minimizing its negative impacts when they occur.[1] Current GRI waste disclosures largely include provisions on treating waste *after* it has been created, whereas latest developments in waste and resource management address the problem at its source by preventing the generation of waste.[2] The United Nations (UN) Environment Program estimates that prevention of waste can lead to a 15-20% reduction in GHG emissions.[3]

This new paradigm has been well reflected in international legislation and policy. The UN Sustainable Development Goals (SDGs) feature waste management, explicitly or implicitly, in nearly half of the 17 goals.[4] Goal 12, for instance, aims to "ensure sustainable consumption and production patterns". Target 12.5 explicitly identifies prevention, reduction, recycling and reuse as the levers to reduce waste generation by 2030.[5] Businesses have direct influence over the production of their goods, and can play a major role in reducing waste generation. A wealth of measures can be introduced to 'design waste out' at the production stage of goods that will be consumed later. Examples of such measures include: a) rethinking product design, using function as the starting point for design rather than material input, b) designing products for durability, repair, and disassembly to improve their recycling potential at the end of life, c) improving the properties of materials used in the product and the production processes to reduce the use of hazardous materials, d) introducing responsible sourcing principles,[6] and e) setting waste management policies at the core of procurement practices. In July 2018, Goal 12 will be reviewed in depth at the UN High-Level Political Forum.[7]

While it is harder for businesses to exercise control over materials (e.g., packaging) and waste generation once the product reaches the consumer, businesses can implement measures to influence more sustainable consumer behavior by raising resource use awareness and setting up take-back schemes. Ultimately, businesses should aim to have more oversight and control over waste during all stages of the value chain, from designing waste out during the production stage, to the circular use of waste (or rather, resources) once it is created, and better management of waste once it leaves the 'facility', e.g., by selecting private and public waste treatment operators with responsible recycling schemes, and engaging with the consumers.

[1] The Ellen MacArthur Foundation, https://www.ellenmacarthurfoundation.org/circular-economy, accessed on 3 January 2018.
[2] United Nations Environment Program (UNEP) and International Solid Waste Associations (ISWA), *Global Waste Management Outlook,* 2015.
[3] United Nations Environment Program (UNEP) and International Solid Waste Associations (ISWA), *Global Waste Management Outlook,* 2015.
[4] United Nations (UN), Sustainable Development Goals, http://www.un.org/sustainabledevelopment/sustainable-development-goals/, accessed on 3 January 2018.
[5] United Nations (UN), Sustainable Development Goals, Goal 12, https://sustainabledevelopment.un.org/sdg12, accessed on 3 January 2018.
[6] United Nations Environment Program (UNEP), *Design for Sustainability: A Step-by-Step Approach,* 2009, http://wedocs.unep.org/bitstream/handle/20.500.11822/8742/DesignforSustainability.pdf?sequence=3&isAllowed=y, accessed on 3 January 2018.
[7] United Nations (UN), Sustainable Development Knowledge Platform, https://sustainabledevelopment.un.org/hlpf/2018, accessed on 3 January 2018.

At their latest summit in 2015, the Group of Seven (G7) leaders built on the 'Kobe 3R Action Plan (Reduce-Reuse-Recycle)' and established a G7 Alliance on Resource Efficiency.[8] With the aim of promoting an exhange of concepts to increase resource efficiency, the G7 Alliance intends to host workshops covering the topics of circular economy, eco-design, industrial symbiosis, and life-cycle based decision-making tools.[9]

The Organization for Economic Co-operation and Development (OECD) member countries have been at the forefront of the shift towards a circular economy, along with the European Union (EU) member states. The EU's Sixth Environment Action Program (2002-2012)[10] identified waste prevention and management as one of its top priorities, marking a shift from thinking about waste as an *unwanted burden* to seeing it as a *valuable resource*. Its successor, the Seventh Environment Action Program, sets a long-term vision in which 'Europe's prosperity in 2050 stems from an innovative circular economy, where nothing is wasted and natural resources are managed sustainably'.[11] China and Japan have been leaders in setting up innovative frameworks to transition to a circular economy.[12] China, which accounts for 70% of waste generation in East Asia and has the fastest rate of municipal solid waste (MSW) growth[13] in the world, has been embedding principles of the circular economy in its national plans since 2002[14]. It has ambitious goals to upgrade 75% of its national industrial parks to adopt circular operations, and has innovative plans to set up online platforms for waste trading, among others.[15]

Besides the growing focus on reducing waste generation, new waste streams, such as plastics, food waste, e-waste, are also receiving increasing attention[16]. The growth of plastic waste and its mismanagement has escalated the problem of marine litter with its devastating effects on marine ecosystems. UN's Food and Agriculture Organization has assessed that one-third of all food produced in the world is lost or wasted.[17] E-waste is the fastest growing waste stream globally due to the increased consumer demand of electronic products, their perceived obsolesce, and rapid changes in technology and invention of new electronic devices.[18] The composition of waste itself is becoming increasingly complex, due to the rapid growth in production of hi-tech products and creation of 'novel entities'[19]. Today, waste flow can contain anything from precious metals to nanomaterials, micro-plastics, synthetic organic pollutants, and radioactive materials. These various waste streams and waste types require different handling and treatment approaches compared to the waste disposal methods offered in the current GRI waste disclosures.

[8] G7 Summit, Leaders' Declaration, 7-8 June 2015, https://sustainabledevelopment.un.org/content/documents/7320LEADERS%20STATEMENT_FINAL_CLEAN.pdf, accessed on 3 January 2018.
[9] G7 Summit, Annex to the Leaders' Declaration, 7-8 June 2015, http://www.mofa.go.jp/mofaj/files/000084023.pdf, accessed on 3 January 2018.
[10] The European Commission (EU), *Being Wise with Waste: the EU's Approach to Waste Management,* 2010.
[11] International Solid Waste Association (ISWA), *Circular Economy: Trends and Emerging Ideas,* 2015, https://www.iswa.org/fileadmin/galleries/Task_Forces/Task_Force_Report_1_02.pdf, accessed on 3 January 2018.
[12] International Solid Waste Association (ISWA), *Circular Economy: Trends and Emerging Ideas,* 2015, https://www.iswa.org/fileadmin/galleries/Task_Forces/Task_Force_Report_1_02.pdf, accessed on 3 January 2018.
[13] International Finance Corporation (IFC), *What a Waste: A global Review of Solid Waste Management,* 2012, http://www.ifc.org/wps/wcm/connect/1e5ca7004c07698db58eb7d8bd2c3114/What-A-Waste-Report.pdf?MOD=AJPERES, accessed on 3 January 2018.
[14] United Nations Centre for Regional Development (UNCRD), *Role of the Circular Economy in Achieving the SDGs – Case of China, 2016.* http://www.uncrd.or.jp/content/documents/4414Background%20paper-Jinhui%20Li_Final-PS-1.pdf, accessed on 3 January 2018.
[15] The 13th Five-Year Plan for the Economic and Social Development of the People's Republic of China, 2016-2020, http://en.ndrc.gov.cn/newsrelease/201612/P020161207645765233498.pdf, accessed on 3 January 2018.
[16] United Nations Environment Program (UNEP) and International Solid Waste Associations (ISWA), *Global Waste Management Outlook,* 2015.
[17] United Nations Food and Agriculture Organization (FAO), *Global food losses and food waste—extent, causes and prevention,* 2011, http://www.fao.org/docrep/014/mb060e/mb060e00.pdf, accessed on 5 February 2018.
[18] International Solid Waste Association (ISWA), *Global Waste Management Outlook,* 2015.
[19] Welcome to the Anthropocene, http://www.anthropocene.info/pb2.php, accessed on 3 January 2018.

In response to all these developments, the GSSB has requested the GRI Standards Division to develop a proposal for the review of GRI waste-related disclosures. This project proposal sets out an overview of the project objectives and scope, for discussion and approval by the GSSB.

Project objectives and scope

The primary objective of this project is to review waste-related content in the *GRI 306: Effluents and Waste* Standard, so that it represents internationally-agreed best practice and aligns with recent developments in waste management and reporting.

A multi-stakeholder Project Working Group (PWG) will be formed, as outlined in the GSSB's Due Process Protocol, to help contribute to the revision of waste-related content in *GRI 306*. This PWG will be responsible for developing recommendations for revising the content and disclosures related to waste. The drafting of new or revised text for the Standard will be carried out by the GRI Standards Division, and the GSSB will have oversight and final approval over the Standard before its release.

The overall scope of work includes reviewing the existing waste-related content in *GRI 306* (along with any relevant content from *GRI 301: Materials,* including but not limited to Disclosure 301-3 Reclaimed products and their packaging materials) and, where appropriate, updating, expanding, creating, or deleting content in order to ensure that the revised disclosures reflect leading practice in waste management and reporting, while remaining accessible and feasible for GRI's global user base.

The review of waste-related disclosures in *GRI 306* will also include developing requirements, recommendations, and/or guidance specifically related to reporting the management approach for waste. Any additional content in the management approach section is to be compatible for organizations to use together with *GRI 103: Management Approach*.

The review of waste-related disclosures in *GRI 306* will be carried out within the existing structure and template of the GRI topic-specific Standards – such as preserving the hierarchy of requirements, recommendations, and guidance. The Standards Division will provide the Project Working Group with a template of the structure for reference while revising the content.

Next Steps

The project follows the Due Process Protocol, the implementation of which will be overseen by the Due Process Oversight Committee (DPOC). The DPOC has the mandate to assess whether due process has been followed effectively by the GSSB in its standard-setting activities.

Project Commencement: This proposal has been prepared by the Standards Division based on research and on appropriate consultation within the Global Sustainability Standards Board (GSSB), to be presented to the GSSB for approval, amendment, or rejection. The project proposal will also be circulated to the GRI Board and GRI Stakeholder Council to identify matters of possible relevance to the project.

Appointment of Project Working Group (PWG): The Standards Division expects to develop Terms of Reference for the PWG in late January 2018 (taking into account input from the GSSB, the GRI Board, and the Stakeholder Council) and to issue a call for nominations for PWG members in late March 2018.