



Item 09 – Draft GSSB basis for conclusions for *GRI 303: Water and Effluents*

Public Comment 20 December 2017 – 18 February 2018

For GSSB information and comments

Date 28 March 2018

Meeting 11-12 April 2018

Project Review of *GRI 303: Water*

Description This document sets out the significant issues raised by respondents on the exposure draft of *GRI 303: Water and Effluents (GRI 303)*, during the second consultation period from 20 December 2017 to 18 February 2018. It incorporates public comments received via the [GRI Standards Consultation Form](#) and official feedback submissions received via email.

All individual comments received, together with an analysis of the significant issues raised, were first provided to the Project Working Group (PWG) for review and discussion, and their recommendations were later shared with the Global Sustainability Standards Board (GSSB) for review and approval. This document provides a summary of how the GSSB has responded to the significant issues raised during the public comment period. The full set of individual comments received via the consultation form and via email are available to download from the [GSSB website](#).

This document does not include any significant issues related to water quality as the PWG has not reached consensus yet on what constitutes a sensible expectation to disaggregate water withdrawal and water discharge by water quality levels.

The Standards Division will facilitate the discussions to reach consensus on this important aspect in the coming days and aims to share the final and complete version of *GRI 303: Water and Effluents* by the end of the week commencing 3 April.

The final version of this document will be updated with the changes made to the content related to water quality and how the GSSB has responded to this significant issue, and the Standards Division will highlight this content to facilitate the review in advance of the GSSB in-person meeting on 11-12 April.

This document will be updated, as needed, following the GSSB approval of *GRI 303*.

This document has been prepared by the GRI Standards Division. It is provided as a convenience to observers at meetings of the Global Sustainability Standards Board (GSSB), to assist them in following the Board's discussion. 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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Discussion document - This document does not represent an official position of the GSSB

20 About this document

21 This document sets out the significant issues raised by respondents on the [exposure draft of GRI](#)
22 [303: Water and Effluents](#) (hereafter *GRI 303*), during the public comment period, which ran between
23 20 December 2017 and 18 February 2018. It summarizes:

- 24 • comments received through the GRI Standards Consultation Form (including questionnaire
25 responses as well as detailed comments on the exposure draft);
- 26 • official feedback submissions received directly via email.

27 All individual comments received, together with an analysis of the significant issues raised, were first
28 provided to the Project Working Group (PWG) for review and discussion, and their
29 recommendations were later shared with the Global Sustainability Standards Board (GSSB) for
30 review and approval. This document provides a summary of how the GSSB has responded to the
31 significant issues raised during the public comment period.

32 The full set of individual comments received via the consultation form and via email are available to
33 download from the [GSSB website](#).

34 Introduction

35 *Background and objectives for the revision of* 36 *GRI 303*

37 The proposal for the review of *GRI 303* was approved in October 2016 by the Global Sustainability
38 Standards Board (GSSB), GRI's independent standard-setting body. The primary objective of this
39 project was to review the content of *GRI 303* in order to represent and align with internationally-
40 agreed best practice and recent developments in water management and reporting. The scope of
41 this review also included the effluents-related disclosures from *GRI 306: Effluents and Waste*
42 (hereafter *GRI 306*), which have now been incorporated in the revised *GRI 303*.

43 The revision of *GRI 303* was carried out in line with the GSSB's [Due Process Protocol](#). In
44 accordance with this protocol, a multi-stakeholder PWG was formed to develop content for the
45 review of *GRI 303*.

46 The following specific objectives were established by the GSSB when commencing the revision of the
47 Standard, and were considered throughout the project:

- 48 • revising, and where needed, expanding on the existing *Background context* information within
49 *GRI 303*, including adding background context covering effluents;
- 50 • reviewing the existing [management approach disclosures](#) section within *GRI 303* and *GRI*
51 *306*, including:
 - 52 ○ revising the existing content;
 - 53 ○ where appropriate, developing new requirements, recommendations, and/or
54 guidance;

- 55 ○ ensuring the revised management approach disclosures are compatible for
56 organizations to use together with [GRI 103: Management Approach](#);
- 57 • reviewing the existing [topic-specific disclosures](#) for water and effluents (along with their
58 related reporting requirements, recommendations and/or guidance) including:
- 59 ○ revising the existing content;
- 60 ○ where appropriate, developing new disclosures, requirements, recommendations,
61 and/or guidance in order to address areas not currently covered;
- 62 • revising and updating the existing *References* related to water and effluents;
- 63 • revising relevant definitions in the [GRI Standards Glossary](#) and, where applicable, developing
64 new ones.

65 *Second public comment*

66 The first public comment on the exposure draft of *GRI 303* was held between 10 August and 9
67 October 2017. Please refer to the documents [Full set of Comments](#) to see the feedback received
68 during the first public comment and *Basis for Conclusions* to view the GSSB's response (link to be
69 included upon approval). Due to the extent of feedback received and the resultant changes made to
70 the draft, the GSSB decided to publish the exposure draft of *GRI 303* for second public comment.

71 *Scope of the public consultation*

72 The exposure draft of *GRI 303* was open for second public comment from 20 December 2017 to 18
73 February 2018. Respondents were asked to provide feedback on specific content questions as well
74 as any other feedback on the revised exposure draft.

75 During this consultation period, the GSSB asked for feedback on the following specific areas:

- 76 • Management approach disclosures for water/effluents.
- 77 • Calculation method of water recycling and reuse.
- 78 • Substances of concern.
- 79 • Calculation method of water consumption.
- 80 • Example table for presenting information for Disclosures 303-1, 303-2, and 303-3.
- 81 • Definitions provided for terms.

82 Any comments relating to areas out of scope for the revision of *GRI 303* (such as requests to
83 develop sector guidance) will be considered by the GSSB separately to help inform future work
84 priorities.

85 *Overview of official public comment* 86 *submissions*

87 Stakeholders were able to give feedback on the exposure draft via the GRI Standards Consultation
88 Form (hereafter Consultation Form), and/or directly via email.

89 GRI Standards Consultation Form

90 The Consultation Form was the main channel for stakeholders to access, review, and comment on
91 the exposure draft. The Consultation Form included the revised draft and a short questionnaire (see
92 [Annex 1](#) for an overview of the questions) about specific contents of the draft.

93 Feedback via email

94 Although stakeholders were encouraged to utilize the Consultation Form wherever possible,
95 respondents who wanted to provide additional feedback on the exposure draft, or an official letter
96 or statement, were able to submit this via email to standards@globalreporting.org or
97 water@globalreporting.org. This feedback was reviewed and analyzed along with the comments
98 received through the Consultation Form.

99 Total participation during the public comment period

100 In total, 30 individuals and organizations submitted feedback on the exposure draft.

101 27 submissions were received via the Consultation Form, from individuals and organizations across
102 15 countries. Of these, 19 were submissions on behalf of an organization or groups of organizations
103 (such as an industry association or trade group), and eight were personal submissions.

104 Four individuals or organizations submitted feedback via email; one of these respondents also
105 submitted comments through the Consultation Form. Out of the remaining three email submissions,
106 two were on behalf of an organization or groups of organizations, and one was a personal
107 submission.

108 For more detail, see the following:

- 109 • The full set of individual comments received via the online Consultation Form and via email,
110 available to download from the [GSSB website](#).
- 111 • [Annex 2](#) for an overview of respondents who provided feedback via the Consultation Form
112 and via email.
- 113 • [Annex 3](#) for a breakdown of public comment submissions by representation, region, and
114 constituency.

115 Basis for Conclusions

116 In line with the [Due Process Protocol](#), this section summarizes the significant issues raised by
117 respondents during the public comment period, and the GSSB's responses to these issues. Every
118 comment received was first reviewed individually by the GRI Standards Division to identify significant
119 issues. All individual comments received, together with an analysis of the significant issues, were then
120 provided to the PWG for review and discussion, and their recommendations were shared with the
121 GSSB in turn for review and approval.

122 The significant issues are organized into the following sections:

- 123 • Cross-cutting themes
- 124 • Themes by disclosure

125 *Cross-cutting themes*

126 Value chain

127 Three respondents suggested combining reporting on impacts in the supply chain and related to
128 products and services and the approach for identifying and addressing them (clauses 1.2.6 and 1.2.7),
129 with reporting on the organization's interaction with water as a shared resource (clauses 1.2.1 and
130 1.2.3), to eliminate unnecessary repetition of content between these clauses and to encourage
131 reporting on impacts in the value chain in an integrated way.

132 *GSSB response:* Clauses 1.2.6 and 1.2.7 have been merged with clauses 1.2.1 and 1.2.3 as per public
133 feedback.

134 Third party

135 Three respondents commented on reporting additional information for third party water.

136 Of these, two requested clarifying that third-party water includes water supplied by or sent to other
137 organizations for use, and including a provision to disclose the identity of the third-party supplier.

138 Two respondents suggested reporting original sources of water supplied by third party only for
139 areas with water stress, to prioritize action in those areas.

140 One respondent suggested changing the status of the requirement to a recommendation, arguing
141 that if water supplied by third parties is a significant input with material impact, organizations would
142 report on it in their value chain narrative.

143 *GSSB response:* It has been clarified in the definition of third party and in guidance for Disclosure 303-1 and
144 guidance for Disclosure 303-2 that third-party water includes water supplied by or sent to other
145 organizations. It has also been clarified in Disclosure 303-1-b-vii that original withdrawal sources of water
146 supplied by third party need to be reported only if these sources are located in areas with water stress. No
147 further change to the status of the requirement has been made.

148 *Themes by disclosure*

149 Disclosure 303-I Water withdrawal

150 **a) Water recycling and reuse**

151 Many respondents commented on water recycling and reuse, requesting more clarity on the
152 definition and calculation formula.

153 A few respondents raised concerns about correct interpretation of the formula and suggested
154 measuring the proportion of water recycled and reused against total withdrawals instead of total
155 water use.

156 One respondent suggested clarifying in the definition of recycled water that it constitutes water used
157 in one or more cycles. Another respondent suggested making a distinction between recycled and
158 reused water, where reused water is water treated internally before being reused within the same
159 process or plant.

160 One respondent requested that reuse of circulating cooling water and steam condensate in a chilling
161 plant in a cooling tower should not be considered recycling, because it is a type of a process specific
162 to the energy sector.

163 One respondent argued against the value of reporting water recycling and reuse, stating that they
164 are not indicative of reduction in water consumption.

165 *GSSB response:* The recommendation to report water recycling and reuse has been removed due to
166 respondents' concerns about the feasibility of calculating water recycling and reuse using the recommended
167 formula. It was not possible to develop a formula that would be applicable to various recycling practices,
168 therefore compromising comparability of data. Organizations can still report on their water recycling and
169 reuse, as per guidance in the management approach disclosures.

170 **b) Water stress**

171 Many respondents commented on methodologies and indicators to assess water stress.

172 A few respondents suggested clarifying that credible methodologies do not need to be publicly
173 available (e.g., in instances when these are internal company assessments), as long as they are
174 explained (requirement 2.1 in Disclosure 303-I on water withdrawal).

175 Some respondents requested clarification on the threshold for assessing 'baseline water stress', as it
176 remains unclear to readers whether the threshold implies locations with 'medium to high' water
177 stress or locations with 'high or extremely high' water stress.

178 One respondent flagged that a catchment may not always possess all characteristics of water stress
179 (e.g., availability, quality, and accessibility) as per the definition of water stress.

180 *GSSB response:* No change has been made to requirement 2.1 on assessing water stress in an area using
181 publicly available and credible tools and methodologies – as a baseline, organizations are required to use
182 publicly available methodologies, but can complement their results with their own assessments.

183 *The thresholds for assessing water stress have been clarified.*

184 *The definition of water stress has been amended to: 'water stress takes into account the availability, quality,
185 or accessibility of water'.*

186 **c) Water withdrawal sources**

187 Some respondents suggested revising the sources of water withdrawal. Of these, the majority
188 requested clarification on whether fresh surface water includes harvested rainwater, and requested
189 the addition of a definition for harvested rainwater.

190 GSSB response: *It has been clarified that fresh surface water includes harvested and collected rainwater.*

191 **Disclosure 303-2 Water discharge**

192 **a) Substances of concern**

193 Two respondents suggested merging reporting substances of concern with requirements on how the
194 organization sets standards on discharge quality in the management approach, arguing that minimum
195 standards for discharge quality are based on the identification and management of priority substances
196 of concern.

197 One respondent suggested adding more guidance on how substances of concern were identified.

198 One respondent argued that it is not meaningful to report substances of concern without
199 consideration of the profile of the receiving waterbody, adding that disclosing substances of concern
200 may be considered sensitive information. This respondent suggests reporting the category of
201 substances that are being treated, e.g., metals; hydrocarbons; pesticides, instead of specific
202 substances of concern.

203 GSSB response: *No change has been made to the status or content of requirements to report substances of*
204 *concern.*

205 **b) Surface runoff**

206 Three respondents commented on surface runoff suggesting clarifying the definition to distinguish
207 between impacts related to runoff and impacts related to water discharge. One respondent
208 suggested removing the reference to reporting impacts from runoff that occur in the value chain, in
209 order to improve the feasibility of reporting.

210 GSSB response: *The definition of surface runoff has been clarified and examples have been provided in*
211 *guidance to management approach disclosures.*

212 **Disclosure 303-3 Water consumption**

213 **a) Definition of water consumption**

214 Two respondents suggested consideration of water consumed only when it is not returned to
215 freshwater. One respondent requested clarification on whether leaks and losses should be
216 considered consumption.

217 GSSB response: *No change has been made to the definition of water consumption.*

218 **b) Definition of water storage**

219 A few respondents suggested adding a definition of water storage or examples of storage in the
220 guidance. One respondent requested clarification on how storage is to be defined for the
221 manufacturing facilities, and whether it includes “on-site surge capacity” or if it is water stored on
222 site in holding tanks and retention ponds.

223 GSSB response: *Definition of water storage has been added.*

224 Annexes

225 *1. Overview of questionnaire questions*

Number	Question
Question 1	Is it clear how to report on the revised Management approach disclosures?
Question 2	Is it clear how to calculate water recycling and reuse?
Question 3	Is it clear how to report substances of concern?
Question 4	Is it clear how to calculate water consumption according to the revised definition and calculation method?
Question 5	Is Table I helpful for understanding how to present information on the requirements and recommendations in the Standard?
Question 6	Are the definitions clear?
Question 7	Other comments.

Discussion document - This document does not represent an official position of the GSSB

2. Overview of respondents

227 The table below provides an overview of the public comment respondents. Those who provided feedback via email are highlighted in gray. Those who
228 provided feedback via both the Consultation Form and email are highlighted in orange.

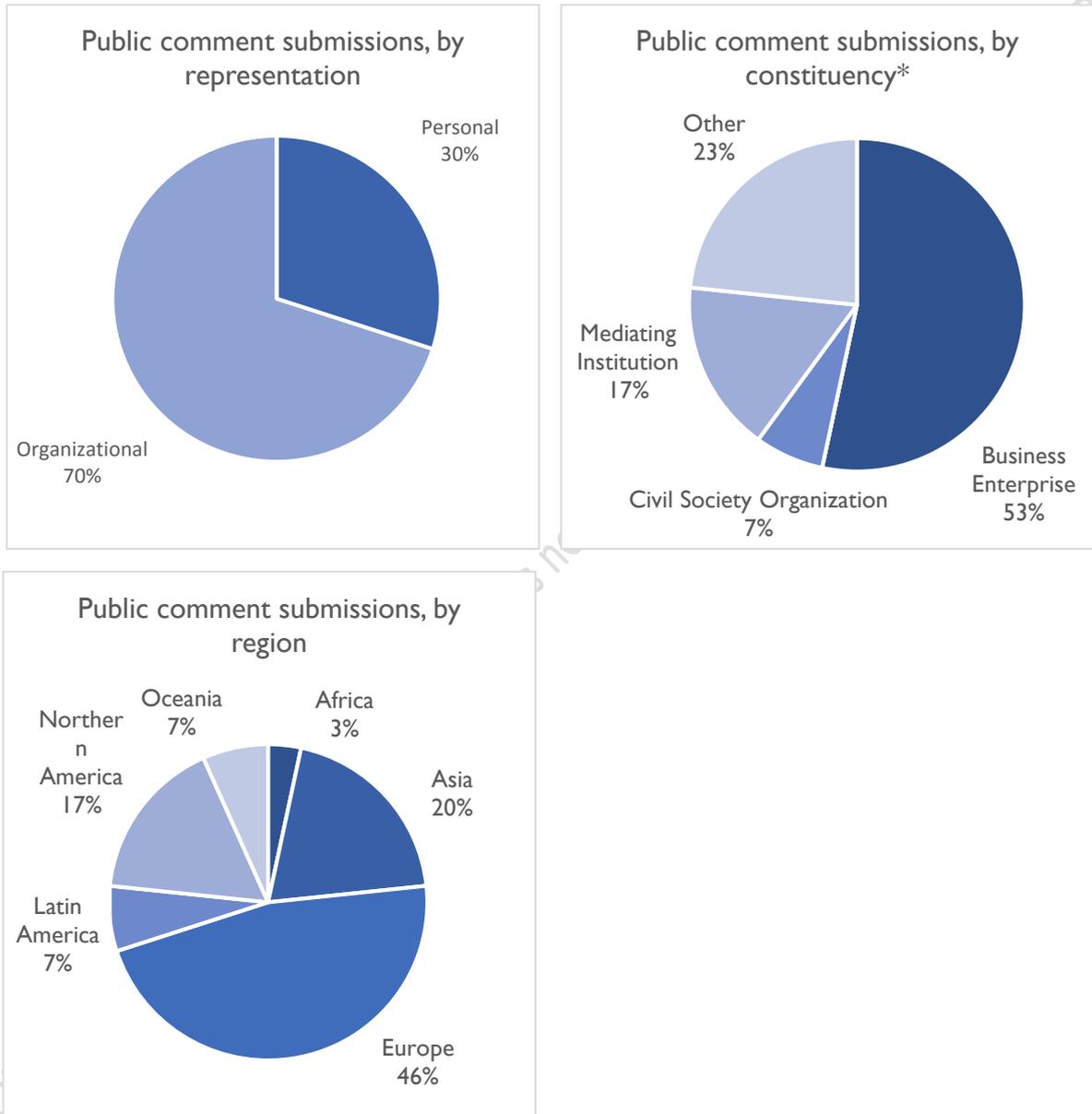
First name	Last name	Representation	Organization	Country	Region	Constituency
Carol	Adams	Organizational	GRI Stakeholder Council	Australia	Oceania	Civil Society Organization
FATIMA	ASSAGA	Personal		Morocco	Africa	Other
Lina	Azuero	Organizational	Dell	United States	Northern America	Business Enterprise
Fawn	Bergen	Organizational	Intel Corporation	United States	Northern America	Business Enterprise
Margit	Blok	Personal		Netherlands	Europe	Business Enterprise
David	Builes	Organizational	Cementos Argos	Colombia	Latin America	Business Enterprise
Lingaraj	Dinni	Organizational	Wipro	India	Asia	Business Enterprise
Karen	Drozdiak	Organizational	First Solar, Inc.	United States	Northern America	Business Enterprise
Giulia	Genuardi	Organizational	Enel	Italy	Europe	Business Enterprise
Inês	Gomes	Organizational	EDP - Energias de Portugal, SA	Portugal	Europe	Business Enterprise
Sergio	Guida	Personal		Italy	Europe	Business Enterprise
Praveen Kumar	Kambhampati	Organizational	Thought Leaders Consulting	India	Asia	Mediating Institution
Artemis	Kostareli	Organizational	IPIECA	United Kingdom	Europe	Mediating Institution
Assunta Filareto	Life Cycle Engineering	Personal		Italy	Europe	Other
Paulo	Luz	Personal		Portugal	Europe	Other
Suman	Majumdar	Organizational	JSW Steel Ltd.	India	Asia	Business Enterprise
Nadia	Martin	Organizational	Lexmark International, Inc.	United States	Northern America	Business Enterprise
Chris	McCombe	Organizational	ICMM	United Kingdom	Europe	Mediating Institution
Tommaso	Pacetti	Organizational	Watis - Water Integrated Solutions	Italy	Europe	Other

First name	Last name	Representation	Organization	Country	Region	Constituency
Dr. Prachi Ugle	Pimpalkhute	Organizational	Eco Endeavourers Network	India	Asia	Other
Gianluca	Principato	Personal		Italy	Europe	Business Enterprise
Shannon	Quinn	Organizational	The Procter & Gamble Company	United States	Northern America	Business Enterprise
Kazuhiko	Saito	Organizational	KPMG AZSA Sustainability Co., Ltd.	Japan	Asia	Mediating Institution
thomas	senac	Organizational	sanofi	France	Europe	Business Enterprise
Gustavo	Sinner	Organizational	AG SUSTENTABLE	Argentina	Latin America	Mediating Institution
Maria	Stoica	Personal		United Kingdom	Europe	Other
Tammy	Tong	Personal		Hong Kong	Asia	Business Enterprise
Corinne	Unger	Personal	The University of Queensland	Australia	Oceania	Other
Pawel	Wojciechowski	Organizational	Locus.edu.pl	Poland	Europe	Civil Society Organization
Thomas	Wolf	Organizational	F. Hoffmann-La Roche Ltd	Switzerland	Europe	Business Enterprise

229

230 *3. Public comment submissions by*
 231 *representation, constituency, and region*

232 Breakdown of the Consultation Form and email submissions combined by representation,
 233 constituency, and region:



234 *There were no submissions received from the 'investment' and 'labor' constituencies.