



## Basis for conclusions for *GRI 303: Water and Effluents 2018*

### *Summary of Public Comments on the Second Exposure Draft of the Standard, and GSSB Responses*

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<b>Date</b>	28 June 2018
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<b>Description</b>	<p>This document sets out the significant issues raised by respondents on the <a href="#">exposure draft of GRI 303: Water and Effluents (GRI 303)</a>, during the second consultation period from 20 December 2017 to 18 February 2018. It incorporates public comments received via the <a href="#">GRI Standards Consultation Form</a> and official feedback submissions received via email.</p>
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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](#).

The final *GRI 303: Water and Effluents 2018* Standard published on 28 June 2018 can be downloaded [here](#).

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# Contents

About this document.....	3
Introduction .....	3
Background and objectives for the revision of GRI 303 .....	3
Second public comment .....	4
Scope of the public consultation.....	4
Overview of official public comment submissions.....	4
Basis for Conclusions.....	6
Cross-cutting themes .....	6
Value chain .....	6
Third party .....	7
Themes by disclosure.....	7
Disclosure 303-1 Water withdrawal .....	8
Disclosure 303-2 Water discharge .....	9
Disclosure 303-3 Water consumption.....	9
Annexes .....	10
1. Overview of questionnaire questions .....	10
2. Overview of respondents .....	11
3. Public comment submissions by representation, constituency, and region.....	13

# About this document

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

- comments received through the GRI Standards Consultation Form (including questionnaire responses as well as detailed comments on the exposure draft);
- official feedback submissions received directly 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](#).

## Introduction

### *Background and objectives for the revision of GRI 303*

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

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

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

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

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

## *Second public comment*

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

## *Scope of the public consultation*

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

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

- Management approach disclosures for water/effluents.
- Calculation method of water recycling and reuse.
- Substances of concern.
- Calculation method of water consumption.
- Example table for presenting information for topic-specific disclosures.
- Definitions provided for terms.

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

## *Overview of official public comment submissions*

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

## GRI Standards Consultation Form

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

### Feedback via email

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

### Total participation during the public comment period

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

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

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

For more detail, see the following:

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

# Basis for Conclusions

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

The significant issues are organized into the following sections:

- Cross-cutting themes
- Themes by disclosure

## Cross-cutting themes

### Water quality

#### a) Water withdrawal by quality

A few respondents flagged that reporting total water withdrawal by water quality would cause a significant burden while adding little value to understanding impact on specific catchments. Respondents argued that quality criteria will vary significantly by site/region, and suggested revising the recommendations to report a number of complaints received regarding water quality issues, or to report the number of sites meeting the quality levels as required by permits.

*Response from the GSSB: No change has been made, as reporting information on water quality is an important development in water stewardship.*

#### b) Water discharge by quality

A few respondents suggested removing requirements on water discharge by quality as these are not meaningful for understanding impact, neither on all areas nor on areas with water stress. Respondents argued that to understand the impact of discharges, it is necessary to report the profile of the receiving waterbody and how the quality of discharges is compatible with it.

*Response from the GSSB: No change has been made, as reporting information on water quality is an important development in water stewardship.*

#### c) Water quality categories

Some respondents suggested revising the quality categories as follows: (i) base them on saline content in water (e.g., freshwater vs. seawater/brackish water), (ii) remove reference to drinking water quality, because drinking water is not equivalent to raw water, (iii) base them on at least two of the following parameters: COD, pH, TSS, BOD; and on temperature.

*Response from the GSSB: Quality categories have been revised into freshwater and 'other water', where freshwater is water that has a limit of total dissolved solids (TDS) of 1,000 mg/L and 'other water' is water which has a TDS limit above 1,000 mg/L. This allows to report on freshwater resources, while at the same time reporting on water of any other quality that an organization may be managing.*

## Value chain

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

*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 feedback (Disclosures 303-1-a and 303-1-c in the final Standard).*

## Third-party water

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

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

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

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

*GSSB response: It has been clarified in the definition of third-party water that third-party water includes other organizations involved in the use of water and effluent. Further, it has been clarified in the Guidance for Disclosure 303-4 that third-party water discharge includes water sent to other organizations for use. It has also been clarified in Disclosure 303-3-b-v that original withdrawal sources of water supplied by a third party need to be reported (surface water, groundwater, seawater, and produced water) only if these sources are located in areas with water stress. No further change to the status of the requirement has been made. Finally, the Guidance for Disclosure 303-3-b-v includes a provision to report any additional information about third-party water, such as who the third-party water suppliers are.*

## Themes by disclosure

### Disclosure 303-I Water withdrawal (Disclosure 303-3 in the final Standard)

#### a) Water recycling and reuse

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

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

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

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

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

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

#### b) Water stress

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

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

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

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

*GSSB response: No change has been made to requirement 2.1 (in Disclosure 303-3 in the final Standard) on assessing water stress in an area using publicly available and credible tools and methodologies – as a baseline, organizations are required to use publicly available methodologies, but can complement their results with their own assessments.*

*The thresholds for assessing water stress have been clarified in the Guidance for Disclosure 303-3-b.*

*The definition of water stress has been amended to: 'water stress can refer to the availability, quality, or accessibility of water'.*

### **c) Water withdrawal sources**

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

*GSSB response:* It has been clarified that surface water includes harvested and collected rainwater (see Guidance for Disclosure 303-3 in the final Standard).

## **Disclosure 303-2 Water discharge (Disclosure 303-4 in the final Standard)**

### **a) Substances of concern**

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

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

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

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

### **b) Surface runoff**

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

*GSSB response:* The definition of runoff has been clarified.

## **Disclosure 303-3 Water consumption (Disclosure 303-5 in the final Standard)**

### **a) Definition of water consumption**

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

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

### **b) Definition of water storage**

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

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

# Annexes

## *1. Overview of questionnaire questions*

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

## 2. Overview of respondents

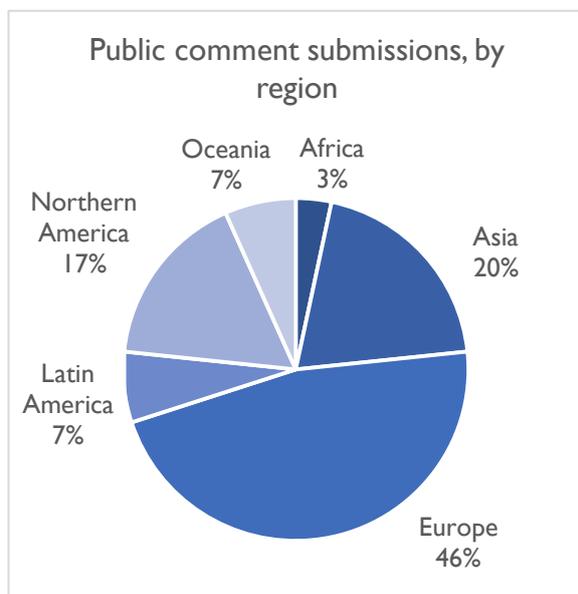
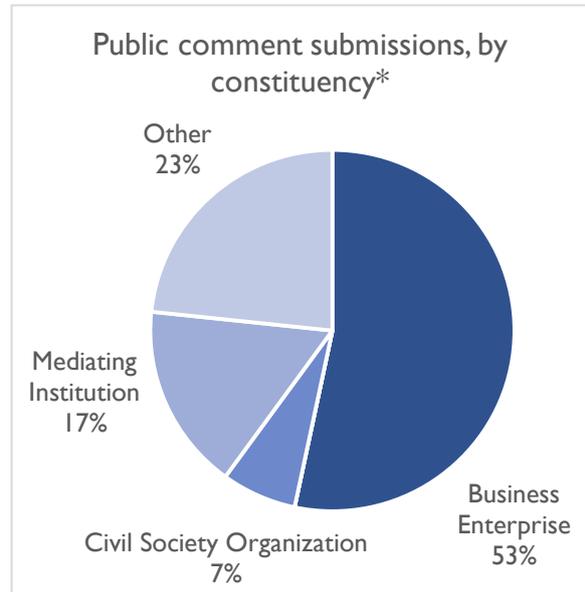
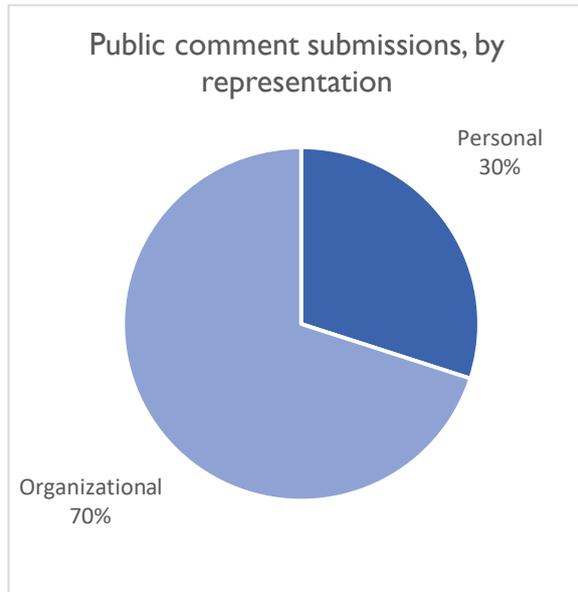
The table below provides an overview of the public comment respondents. Those who provided feedback via email are highlighted in **gray**. Those who provided feedback via both the Consultation Form and email are highlighted in **orange**.

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

### 3. Public comment submissions by representation, constituency, and region

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



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