



# Item 02 – Final Project Proposal for the Review of GRI Waste Disclosures

## For GSSB approval

<b>Date</b>	8 March 2018
<b>Meeting</b>	22 March 2018
<b>Project</b>	Review of <i>GRI Waste Disclosures</i>
<b>Description</b>	<p>This paper sets out the final project proposal for the review of waste-related disclosures in the <i>GRI 306: Effluents and Waste Standard</i>.</p> <p>The proposal has been slightly revised based on comments from the GRI Board (as advised by the Stakeholder Council) - see <a href="#">Annex</a> for the full set of Board and Stakeholder Council comments received.</p>

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](http://www.globalreporting.org).

# Changes since the previous version

This project proposal has been further revised based on comments received via email from the GRI Board (as advised by the Stakeholder Council) – see [Annex](#) for a full set of comments. The following changes have been made:

- After line 35, clarified that measures to ‘design out waste’ can include setting waste management policies at the core of procurement practices;
- After line 65, expanded on negative impacts of critical waste streams.

## 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.<sup>1</sup> 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.<sup>2</sup> The United Nations (UN) Environment Program estimates that prevention of waste can lead to a 15-20% reduction in GHG emissions.<sup>3</sup>

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.<sup>4</sup> 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.<sup>5</sup> 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

<sup>1</sup> The Ellen MacArthur Foundation, <https://www.ellenmacarthurfoundation.org/circular-economy>, accessed on 3 January 2018.

<sup>2</sup> United Nations Environment Program (UNEP) and International Solid Waste Associations (ISWA), *Global Waste Management Outlook*, 2015.

<sup>3</sup> United Nations Environment Program (UNEP) and International Solid Waste Associations (ISWA), *Global Waste Management Outlook*, 2015.

<sup>4</sup> United Nations (UN), Sustainable Development Goals, <http://www.un.org/sustainabledevelopment/sustainable-development-goals/>, accessed on 3 January 2018.

<sup>5</sup> United Nations (UN), Sustainable Development Goals, Goal 12, <https://sustainabledevelopment.un.org/sdg12>, accessed on 3 January 2018.

34 principles,<sup>6</sup> and e) setting waste management policies at the core of procurement practices. In July  
35 2018, Goal 12 will be reviewed in depth at the UN High-Level Political Forum.<sup>7</sup>

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

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

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

62 Besides the growing focus on reducing waste generation, new waste streams, such as plastics, food  
63 waste, e-waste, are also receiving increasing attention<sup>16</sup>. The growth of plastic waste and its  
64 mismanagement has escalated the problem of marine litter with its devastating effects on marine  
65 ecosystems. UN's Food and Agriculture Organization has assessed that one-third of all food produced

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<sup>6</sup> 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.

<sup>7</sup> United Nations (UN), Sustainable Development Knowledge Platform, <https://sustainabledevelopment.un.org/hlpf/2018>, accessed on 3 January 2018.

<sup>8</sup> G7 Summit, Leaders' Declaration, 7-8 June 2015, [https://sustainabledevelopment.un.org/content/documents/7320LEADERS%20STATEMENT\\_FINAL\\_CLEAN.pdf](https://sustainabledevelopment.un.org/content/documents/7320LEADERS%20STATEMENT_FINAL_CLEAN.pdf), accessed on 3 January 2018.

<sup>9</sup> 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.

<sup>10</sup> The European Commission (EU), *Being Wise with Waste: the EU's Approach to Waste Management*, 2010.

<sup>11</sup> International Solid Waste Association (ISWA), *Circular Economy: Trends and Emerging Ideas*, 2015, [https://www.iswa.org/fileadmin/galleries/Task\\_Forces/Task\\_Force\\_Report\\_I\\_02.pdf](https://www.iswa.org/fileadmin/galleries/Task_Forces/Task_Force_Report_I_02.pdf), accessed on 3 January 2018.

<sup>12</sup> International Solid Waste Association (ISWA), *Circular Economy: Trends and Emerging Ideas*, 2015, [https://www.iswa.org/fileadmin/galleries/Task\\_Forces/Task\\_Force\\_Report\\_I\\_02.pdf](https://www.iswa.org/fileadmin/galleries/Task_Forces/Task_Force_Report_I_02.pdf), accessed on 3 January 2018.

<sup>13</sup> 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.

<sup>14</sup> 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-I.pdf](http://www.uncrd.or.jp/content/documents/4414Background%20paper-jinhui%20Li_Final-PS-I.pdf), accessed on 3 January 2018.

<sup>15</sup> The 13<sup>th</sup> 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.

<sup>16</sup> United Nations Environment Program (UNEP) and International Solid Waste Associations (ISWA), *Global Waste Management Outlook*, 2015.

66 in the world is lost or wasted.<sup>17</sup> E-waste is the fastest growing waste stream globally due to the  
67 increased consumer demand of electronic products, their perceived obsolesce, and rapid changes in  
68 technology and invention of new electronic devices.<sup>18</sup> The composition of waste itself is becoming  
69 increasingly complex, due to the rapid growth in production of hi-tech products and creation of ‘novel  
70 entities’<sup>19</sup>. Today, waste flow can contain anything from precious metals to nanomaterials, micro-  
71 plastics, synthetic organic pollutants, and radioactive materials. These various waste streams and waste  
72 types require different handling and treatment approaches compared to the waste disposal methods  
73 offered in the current GRI waste disclosures.

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

## 77 Project objectives and scope

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

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

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

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

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

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<sup>17</sup> 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.

<sup>18</sup> International Solid Waste Association (ISWA), *Global Waste Management Outlook*, 2015.

<sup>19</sup> Welcome to the Anthropocene, <http://www.anthropocene.info/pb2.php>, accessed on 3 January 2018.

## 100 Next Steps

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

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

109 Appointment of Project Working Group (PWG): The Standards Division expects to develop Terms of  
110 Reference for the PWG in late January 2018 (taking into account input from the GSSB, the GRI Board,  
111 and the Stakeholder Council) and to issue a call for nominations for PWG members in early February  
112 2018.

# 113 Annex

## 114 *Board Feedback (as advised by the SC) on GSSB Project* 115 *Proposal for the review of GRI Waste Disclosures*

### 116 **Project objectives and scopes**

- 117 • Good proposal. Current standards do not reflect the latest practices and trends in waste  
118 management and need to be reviewed and updated to reflect a more circular way of handling  
119 waste.
- 120 • When applying a circular model on waste management other standards could be relevant, eg  
121 301-3 1 and 301-2.
- 122 • Good to encourage business to have more oversight of all stages of the value chain. But issue  
123 is complex for business and data availability challenging.
- 124 • Consider a focus on special products (or material products) to reduce the workload for the  
125 companies.
- 126 • Consider a (disclosure) focus on Ocean plastic (micro plastics) waste removal and improved  
127 control for avoiding more plastic entering our oceans.
- 128 • Consider increasing focus on disclosure of plastic creation at source and decomposition  
129 activities.
- 130 • Consider focus on disclosure relating to e-waste including improved separation and recycling.
- 131 • Consider focus on disclosure of supplier development programmes to help small businesses.

### 132 **Other issues**

133 After line no.27, could add to the list of “design out waste” measures:

- 134 • f) Communication of the company policy of waste management to stakeholders involved in  
135 purchasing / production of goods and have clause included in supplier agreements so that they  
136 can embed same in their business strategy.
- 137 • g) Communication of policy re choosing professionals (interior designer, contractors,  
138 architects e.g. for building & renovation) who have waste management at the core of their  
139 strategy and who can easily align their proposals to the company policy.

140 After line no.56, could add to the list of negative impacts of waste on the environment, food and on  
141 human health.