



Barbara Strozzilaan 336
1083 HN Amsterdam
The Netherlands
info@gssb.globalreporting.org

Item 06 – Terms of Reference: GRI Project Working Group for the Oil, Gas, and Coal Sector Standard

For GSSB Discussion

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Project	Project Working Group – Oil, Gas, and Coal, GRI Sector Program
Description	This document sets out the Terms of Reference of the GRI Project Working Group for the Oil, Gas, and Coal Sector Standard.

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.

Contents

Background.....	3
Project Working Group mandate.....	3
Project Working Group composition	6
Project Working Group selection criteria	6
Project Working Group commitments.....	7
Project timeline and time commitment.....	7
Project Working Group meetings.....	8
Project management	9
Public communications protocol.....	9
Annex. Project timeline 2019-2020.....	10

Contact

Noora Puro – Manager, Sector Program, Standards (Puro@globalreporting.org)

Karen Williams – Senior Coordinator, Sector Program, Standards (Williams@globalreporting.org)

1 For more information, visit the [project webpage](#) and [sign up here](#) [hyperlinks to come] to
2 receive regular updates.

3 Terms of Reference

4 These Terms of Reference outline the mandate of the *GRI Project Working Group for the Oil, Gas,*
5 *and Coal Sector Standard*, including its selection and appointment, commitments and project
6 timeline.

7 *Background*

8 The Global Sustainability Standards Board (GSSB), GRI's independent standard-setting body, has
9 identified the oil, gas, and coal sector as a priority sector for developing a Sector Standard. The
10 Project Working Group is to contribute their expertise to identify issues and develop issue
11 descriptions for impacts and stakeholder concerns related to the oil, gas, and coal sector, from a
12 sustainable development perspective.

13 The project will be carried out following the [GSSB's Due Process Protocol](#). In line with this
14 protocol, a multi-stakeholder Project Working Group will be formed to develop draft
15 recommendations.

16 See the [project proposal](#) [hyperlink to come] for more information.

17 *Project Working Group mandate*

18 The overall work of the Project Working Group (PWG) should support sustainability reporting
19 as promoted by the GRI Standards. More specifically, the work of the PWG should support an
20 organization's practice of reporting publicly on its economic, environmental, and/or social
21 impacts, and hence its contributions – positive or negative – towards the goal of sustainable
22 development. Within the context of this program, sustainable development is defined as
23 “development that meets the needs of the present without compromising the ability of future
24 generations to meet their own needs” (United Nations General Assembly, 1987, p. 43).

25 GRI Sector Standards create a common language for organizations and stakeholders, with which
26 the economic, environmental, and social impacts of organizations can be communicated and
27 understood. They are designed to enhance the global comparability and quality of information on
28 these impacts, thereby enabling greater transparency and accountability of organizations, and
29 informed decision-making by internal and external stakeholders.

30 **Scope of work**

31 The PWG will be responsible for developing a Sector Standard for the oil, gas, and coal sector,
 32 for the consideration of the GSSB. Within the context of the GRI Sector Program, the oil, gas,
 33 and coal sector is defined as oil, gas, and coal exploration and extraction; production and
 34 refining; drilling; equipment and services, storage; and transport activities. These business
 35 activities are cross-referenced against external classifications systems GICS, ICB, and ISIC in
 36 Table I below. Note that the PWG can recommend changes as needed to the key below as an
 37 outcome of the project.

38 Table I: Sector key for the oil, gas, and coal sector project

Classification Standard	Classification No.	Classification Name
GICS	10101010	Oil & Gas Drilling
	10101020	Oil & Gas Equipment & Services
	10102010	Integrated Oil & Gas
	10102020	Oil & Gas Exploration & Production
	10102030	Oil & Gas Refining & Marketing
	10102040	Oil & Gas Storage & Transportation
	10102050	Coal & Consumable Fuels
ICB	60101000	Integrated Oil & Gas
	60101010	Oil: Crude Producers
	60101015	Offshore Drilling & Other Services
	60101020	Oil Refining and Marketing
	60101030	Oil Equipment & Services
	60101035	Pipelines
	60101040	Coal
ISIC	B5	Mining of coal and lignite
	B6	Extraction of crude petroleum and natural gas
	B91	Support activities for petroleum and natural gas extraction
	C192	Manufacture of refined petroleum products

39 As part of the Sector Standard development, the PWG is tasked with providing
40 recommendations on:

- 41 • The **identification and description of issues** that represent significant impacts or
42 stakeholder concerns for the oil, gas, and coal sector (e.g. GHG emissions);
- 43 • Authoritative **evidence of the sector's impacts** or stakeholder concerns;
- 44 • Relevant **Sustainable Development Goals (SDGs) and/or SDG targets** for the
45 sector;
- 46 • **Significant issue and/or disclosure gaps** not sufficiently covered within the existing
47 GRI Standards, and the feasibility/utility of developing disclosures for these

48 The Standards Division will draft the text according to the recommendations of the PWG. The
49 GSSB will review the drafted contents and may ask the PWG to conduct further research and/or
50 develop the draft recommendations further. PWG members must be committed to support the
51 revision of draft contents in addition to the development of these contents.

Additional considerations

52 The work of the PWG is part of a pilot project, which means that discoveries will be made
53 during the project on the details of content and structure to be developed. The Standards
54 Division will provide the PWG with templates as needed to refer to in developing
55 recommendations and will actively solicit feedback from the PWG on the usefulness of these
56 templates and suggested features of the Sector Standard, which may be amended during the
57 course of the project.

58 The PWG should ensure that the sector name and key accurately describe the organizations
59 that are meant to use the Sector Standard; that the produced content is applicable to the sector
60 as described; and that produced content is accessible and practicable for a global user base.

61 The PWG should aim to develop issue descriptions that are clear, consistent, and focused on
62 impacts from a sustainable development perspective.

63 The PWG should seek to produce content in line with key authoritative inter-governmental
64 instruments (such as instruments of the UN, the ILO, and the OECD) and consider the content
65 of other business and human rights reporting frameworks, such as the UN Guiding Principles
66 Reporting Framework.

67 The Standards Division will draft, style and edit the content, applying house rules for text and
68 presentation. The PWG will **not** be responsible for editing the stylistic and grammatical
69 presentation of the deliverables. Such edits will be undertaken by the Standards Division to
70 ensure consistency with existing GRI documents.

71 *Project Working Group composition*

72 The PWG will aim to have at least one person drawn from each of the constituencies on which
73 the membership of the GSSB is based: Business Enterprise (or reporters more generally),
74 Investment Institution, Labor, Civil Society Organization, and Mediating Institution. In addition,
75 geographical, gender and cultural diversity will be considered.

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 Organization	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.

76 It is anticipated that the PWG will have up to 15 members. There can only be one
77 representative per organization in the PWG.

78 **GSSB subcommittee** – A GSSB subcommittee will (at a high level) follow the progress of the
79 PWG and represent the work of the PWG back to the GSSB.

80 *Project Working Group selection criteria*

81 In line with the [GSSB's Due Process Protocol](#), Project Working Group (PWG) members are
82 appointed by the GSSB. The principal criterion for selecting PWG members shall be relevant
83 knowledge and experience of a broad range of sustainable development issues for the oil, gas,
84 and coal sector.

85 In addition, the following criteria will be considered:

- 86 • Relevant knowledge of sustainability reporting for the sector;
- 87 • Familiarity with the needs of users of sustainability reports;
- 88 • Related experience with multi-stakeholder initiatives;
- 89 • Understanding of and willingness to work in a consensus-based, multi-stakeholder PWG;
- 90 • Ability to participate in PWG meetings held in English and provide written English
91 feedback when requested.

92 These criteria will be considered by the GSSB in making a final decision on membership of the
93 PWG.

94 *Project Working Group commitments*

95 PWG members are expected to:

- 96 • act in an individual capacity, exclusively in the public interest, and according to due
97 process as defined in the [GSSB's Due Process Protocol](#);
- 98 • review the materials provided by the Standards Division in advance of the online and in-
99 person meetings, to be able to actively participate;
- 100 • provide timely feedback on the documents distributed by the Standards Division;
- 101 • work in the manner that aims at achieving consensus on the discussed topics.

102 PWG members commit to attending one in-person meeting in Amsterdam of 2 days (excluding
103 travel time) and 3-4 teleconferences (of 1.5 hours each) during the drafting of contents.
104 Additional meetings may be required for revising drafted contents.

105 Teleconferences are normally held between 1:00-2:30 pm Central European Time (CET), so that
106 members in most time zones can join (although this can be adjusted due to the final geographical
107 representation).

108 PWG members also commit to plan sufficient time to prepare for meetings and review materials
109 in order to meet the project deadlines (see 'Project timeline and time commitment' for
110 estimated time commitments).

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

114 *Project timeline and time commitment*

115 Most of the Project Working Group (PWG)'s work is expected to be carried out between July
116 and November 2019, through a series of one in-person meeting (in Amsterdam) and 3-4 virtual
117 meetings. PWG members will be expected to spend 10 hours reviewing content materials
118 before the in-person meeting, and 3-4 hours to prepare for virtual meetings reviewing and
119 commenting on draft documents. Additional work may be required in March - June 2020 to
120 revise draft contents, including 2-3 virtual meetings.

121 The table below outlines the high-level project timeline and expected time commitment from
122 each PWG member. See the [Annex](#) for a more detailed project timeline.

123 Availability to travel to Amsterdam for the in-person meeting in week 2 of September 2019 is
124 expected. Specific dates for virtual and in-person meetings will be defined based on the
125 availability of PWG members within the time frames indicated below. This timeline is subject to
126 change due to, for example, PWG members' availability or changes to the project scope.

Milestone	Time Commitment	Completion Date
#1 PWG Meeting (virtual)	2 hours meeting + 2 hours review of preparatory materials	Week 2 July 2019
#2 PWG Meeting (in-person)	14 hours meeting + 10 hours review of documents prior to the meeting	Week 2 Sept 2019
#3 PWG Meeting (virtual)	1.5 hours meeting + 2 hours review of documents	Week 1 October 2019
#4 PWG Meeting (virtual)	1.5 hours meeting + 2 hours review of documents	Week 4 October 2019
Public comment period	n/a	March 2020
Follow-up PWG Meeting 1 (after public comment period)	1.5 hours meeting + 2 hours review of documents	TBD
Follow-up PWG Meeting 2 (after public comment period)	1.5 hours meeting + 2 hours review of documents	TBD
Follow-up PWG Meeting 3 (after public comment period)	1.5 hours meeting + 2 hours review of documents	TBD

127 The time commitment for draft development is estimated at 45 hours, with roughly half related
 128 to preparation for and attendance at the in-person meeting. Not that this time commitment
 129 excludes travel time for the in-person meeting.

130 *Project Working Group meetings*

131 Project Working Group (PWG) meetings are convened and chaired by the Standards Division.

132 PWG meetings are not open to the public. The GSSB subcommittee may join the PWG
 133 meetings.

134 Meeting agenda and materials will be typically circulated to the PWG at least 10 working days in
 135 advance of each meeting. Meeting summaries will be normally circulated within 5 working days
 136 following the meetings.

137 PWG meeting materials are confidential and shall not be distributed to anyone outside the PWG
 138 without prior permission from the Standards Division.

139 The PWG seeks to reach decisions by consensus. Where unanimity cannot be achieved,
 140 minority opinions will be documented for consideration by the GSSB. A PWG should report to
 141 the GSSB and seek guidance whenever it requires further advice in order to advance the project
 142 or when its members cannot reach consensus.

143 *Project management*

144 The Standards Division is responsible for overall project management and implementation,
145 according to due process. This includes:

- 146 • preparing meeting agendas, meeting materials, and meeting summaries, for all Project
147 Working Group (PWG) meetings
- 148 • providing logistical support for in-person PWG meetings and teleconferences
- 149 • producing working versions of draft recommendations, based on PWG input
- 150 • conducting ad-hoc research, as needed
- 151 • conducting an initial ‘fieldtest’ or expert roundtable before public comment, as needed
- 152 • maintaining an online collaboration platform for the PWG work
- 153 • collecting and summarizing public inputs on the exposure draft(s)
- 154 • managing all internal (with GSSB) and external communications about the project and its
155 outcomes

156 The Standards Division will supervise the formatting and production (as well as the stylistic and
157 grammatical presentation) of the final deliverables. GRI will hold the copyright of the
158 deliverables.

159 *Public communications protocol*

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

164 The names and bios of the PWG members will be published on the GRI website. PWG
165 members are welcome to publicize their participation in the PWG, and the activities of the
166 PWG, in channels such as press releases or on social media. PWG members are asked to work
167 with the GRI project lead to coordinate any such activity ahead of time together with the GRI
168 communications team.

169 PWG members are advised to use the following formulation when referring to their
170 participation in this process:

171 “[name of member] has been appointed by the Global Sustainability Standards Board (GSSB),
172 GRI’s independent standard setting body, to serve on a Project Working Group to produce an
173 Oil, Gas, and Coal Sector Standard.”

174 **Annex. Project timeline 2019-2020**

175 Note: This timeline is subject to change due to, for example, PWG members' availability or changes to the project scope.

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Key:

- GSSB Approvals ◆
- Project Working Group Meetings (Virtual) ★
- Project Working Group Meetings (In-person) ○

