

Stakeholders engage to comment on the draft G3

The public comment period for the draft G3 Guidelines attracted the most responses in a comment period ever in GRI's history, with 275 individuals or organizations, across diverse geographies and constituencies, submitting formal responses. The public comment period ran from January 2-March 31, 2006, and all interested parties were invited to submit feedback. Over the same timeframe, close-to three thousand stakeholders partook in G3 'Sneak Peeks', events held all around the globe that aimed to introduce stakeholders to the G3, and solicit informal feedback.

The public response and engagement to the draft G3 Guidelines has been overwhelming thus far. The breadth and depth of responses to the draft G3 public comment period further evidences stakeholders' interest in the G3 and their willingness to engage in order to develop robust Guidelines.

Who responded?

The GRI network has been increasingly expanding over recent years. This was reflected in the number and type of responses to the public comment period. 275 individuals or organizations – triple the number from the 2002 Guidelines – submitted feedback. An impressive 31 countries contributed, and the G3 public comment period witnessed first-time written input from some countries, including Korea and Chile. There was also increased input from Japan, India, Brazil and Hong Kong. In 2002, there were only 11 respondents from countries outside of Europe and North America submitted feedback. This time, there were 79. Input came from diverse stakeholder groups, including business constituencies, and increased input from academia, civil society and investor groups, government agencies, accounting and labour.

Congratulations and thanks go to all those who contributed – from the long time contributors, and those in sectors or geographies strengthening their networks or just beginning to engage. Your contributions are valuable and help ensure that the Guidelines are robust and widely applicable.

The people have spoken: major preliminary findings of the public comment period

The overall feedback on the draft G3 Guidelines indicated that respondents viewed it as an improvement from the 2002 Guidelines.

- Approximately 75-90% of respondents were satisfied that G3 was an improvement compared to G2 on the major areas of relevance, comparable, user-friendly, assurability, more performance-based and universally-applicable.
- Many of the innovative changes to the G3, such as refined principles, the tests for principles, and the introduction of the Disclosure on Management Approach (DMA), were welcomed by respondents. Some respondents sought further guidance or clarification about how to most appropriately implement these changes.
- Many comments were satisfied with the general direction and broad architecture of the G3. A lot of the feedback was very detailed for specific areas, such as proposed changes to performance disclosures.

Process guidance

- The draft principles were deemed attractive, with 90% of respondents noting they were satisfactory, good, or very good. The tests for principles were especially welcomed.
- Many felt that the 'relevance and materiality' principle should be more clearly articulated and be titled with one word and not both. The majority of respondents (62%) felt that

relevance/materiality should be defined on the basis of sustainability impact, rather than influence.

- There was a perceived increased emphasis on stakeholder engagement. Some requested further guidance in the form of a 'how to' manual for stakeholder engagement. If pursued, this would exist as support material, separate to the Guidelines.
- Feedback on assurance attracted comments on the principle, as well as on GRI's policy position on assurance. For the latter, respondents are encouraged to reference the proposed reporting tiers that GRI, in consultation with stakeholders, will continue to develop over the coming months.
- Boundary guidance was generally seen as a useful addition.

Disclosure items: DMA

- The DMA was a generally welcome innovation. Many said that they liked the concept of the DMA, particularly as it granted space to report on process information and provide context for such information. However, some felt the DMA did not reach its full potential in its current form. Amidst the generally positive feedback, many respondents emphasised the need to balance comparable and narrative information.

Disclosure items: Indicators

- The introduction of indicator protocols for each performance indicator was well received.
- There was high volume of very specific comments and proposed improvements. For example:
 - o Ensuing indicators are applicable to manufacturing organizations and service based organizations.
 - o Many suggestions for disaggregating data, especially for economic indicators
 - o Clarifying relationship between indicators for supply chain and product responsibility and boundary setting that encompasses these issues.
 - o Questions on the relevance of incidence data, particularly for social indicators.

Interestingly, despite the vast array of feedback, there were few polarised views amongst respondents. Few issues attracted constituency- or geographic-based debates or discussions. Rather, feedback tended to be characterised by a large number or wide ranging set of smaller proposed changes, often focusing on detailed issues.

The Future

Comprehensive analysis of public comment inputs continues. The Technical Advisory Committee will use this stakeholder feedback as the basis for amending the G3 Guidelines and incorporating suggested changes. A final report on the outcomes of the public comment period, and how they affected the Guidelines will be available to the public in June. Subject to approval from various GRI governance structures, the final version of the G3 Guidelines is scheduled for release in October 2006, at the [international conference](#) in Amsterdam, "Reporting: A measure of Sustainability".