

The following comments were submitted through an online questionnaire designed to collect feedback on draft revisions to the Global Reporting Initiative (GRI) [Biodiversity Topics Standards](#). The GRI Standards are intended to guide corporate sustainability disclosure with respect to significant environmental, social, and economic impacts.

Question 1.1: Are the requirements and associated guidance of Disclosure 304-1 clear and understandable? If not, please explain why not, and suggest any wording revisions or guidance.

Disclosure 304-1(d)(iii) references 304-1(b) to require organizations to identify and report the locations and size of “its operational sites with the most significant impacts on biodiversity.” It then requires organizations to consider which areas in that dataset are in or near to “other areas of high biodiversity value that are important to indigenous peoples and local communities.” For clarity and to avoid projecting that the rights of Indigenous Peoples and Local Communities should be considered secondary to biodiversity impacts we urge that the requirements of 304-1(d) be considered in addition to reporting requirements under 304-1(b).

Further, the term “high biodiversity value” is no longer defined by the Glossary, and the Guidance fails to provide clarity on how the seemingly subjective standard should be considered. The essential question remains – should high biodiversity value be determined by the reporting organization, or by the Indigenous Peoples and Local Communities who rely on the resources of the land? A rights-based perspective would say the latter. Organizations cannot understand and report earnestly about sustainability impacts without incorporating feedback from the community stakeholders directly impacted by their operations.

We therefore recommend the following language changes under 304-1(d):

CURRENT LANGUAGE

The organization shall: [. . .]

- d. if the sites reported under 304-1-b are in, near, or contain portions of an area of high biodiversity value, report the name of and distance to these areas and whether these areas are:
 - i. legally protected areas;
 - ii. internationally recognized areas;
 - iii. other areas of high biodiversity value that are important to indigenous peoples and local communities;
 - iv. other areas of importance for biodiversity.

SUGGESTED LANGUAGE

The organization shall: [. . .]

- d. report the name and distance of areas of high biodiversity value within the vicinity of its operational sites with significant impacts, including areas important to Indigenous Peoples and local communities, as well as areas that are legally protected, internationally recognized, or otherwise deemed important for biodiversity.

The Guidance under this section would need to be reformatted accordingly. We also recommend incorporating the following edits to the section discussing “high biodiversity value” under the 304-1(d) Guidance:

Stakeholder engagement and grievance redress mechanisms are critical tools for organizations to hear from Indigenous Peoples and local communities in order to understand whether operations could impact areas of high biodiversity value. GRI Universal Disclosures 2-29 and 3-1 instruct on how to report meaningful stakeholder engagement and effect grievance redress to assure due diligence over biodiversity impacts.

Question 1.12: Are the requirements and associated guidance of Disclosure 304-6 clear and understandable? If not, please explain why not, and suggest any wording revisions or guidance.

No guidance under these topic standards exists to advise on how organizations should approach the requirement of 304-6(d) to “describe how it addresses the negative impacts of the transition to halt and reverse the loss of biodiversity on workers and local communities.” Without instructions, reporting under the requirement is left entirely open-ended, at the risk of enabling greenwashing. We urge referencing GRI Universal Disclosures 2-25, 3-1, and 3-3(e)(i) in the guidance to stress the importance of effective grievance mechanisms to ascertain and remedy adverse biodiversity impacts to communities.

Our experience advising Karen Indigenous groups to access the Social and Environmental Compliance Unit (SECU) of the United Nations Development Programme (UNDP) demonstrates the critical importance of effective grievance mechanisms to address potentially negative biodiversity impacts. Prior to the military coup in Myanmar, the government commenced work with international conservation organizations to establish protected areas preserving the region’s rich ecosystems. To assist in the effort, the UNDP initiated a project called the “Ridge to Reef Integrated Protected Area Land and Seascape Management Project.” Though well intentioned to have a positive impact on the environment, the project produced negative impacts on Indigenous Karen communities. As one example, by imposing a top-down approach to conservation, the project not only undermined the traditional land stewardship of Karen communities, but it also violated their unique right to Free, Prior, and Informed Consent (FPIC), as is recognized by the United Nations Declaration on the Rights of Indigenous Peoples.

UNDP Myanmar learned of the FPIC shortcomings through a complaint submitted to SECU. As a result, it suspended the project and held space for dialogue to account for the lack of FPIC. Karen communities were able to advance an alternative conservation management plan that both protects biodiversity and respects traditional people’s knowledge. An overview of this case can be found at <https://www.accountabilitycounsel.org/client-case/myanmar-ridge-to-reef-conservation-project/>.

Reporting only on corporate social responsibility policy commitments and obligations under contractual clauses to fulfill the requirements of 304-6(d) risks ringing hollow and tokenistic. The information most important to sustainability-minded stakeholders relates to the implementation and enforcement of commitments and obligations. Organizations must therefore be expected to disclose the availability and use of stakeholder engagement and grievance redress mechanisms to describe how they undergird commitments and obligations to address potential and actual harm to communities associated with their biodiversity impacts. Doing so encourages organizations to reflect on impacts through the perspective of affected communities rather than their own self-assuredness.

We recommend the following language:

Guidance to 304-6-d

Describing the ways in which an organization addresses the negative impacts to workers and local communities associated with its biodiversity impacts requires more than reporting on policy commitments and corporate social responsibility clauses in investment agreements. Rather, organizations should report on the methods of stakeholder engagement employed to mitigate potentially adverse impacts, as well as the availability and use of effective grievance mechanisms to ascertain and bring resolution to unforeseen negative impacts to workers, local communities, and Indigenous Peoples. GRI Universal Disclosures 2-25, 3-1, and 3-3 instruct on how to report this information.

References:

1. UNFCCC REDD+ Climate, Community and Biodiversity Standards (version 3), available at https://verra.org/wp-content/uploads/CCB-Standards-v3.1_ENG.pdf. The CCB Standards identify land management projects that deliver net positive benefits for climate change mitigation, for local communities and for biodiversity. Standards on “Stakeholder Engagement” require effective and timely consultations as well as functional feedback and grievance redress procedures. Standards concerning “Net Positive Community Impacts” require that organizations report on methodologies used to assess impacts over the project lifetime, as well as measures needed and taken to mitigate negative well-being impacts on community groups.
2. Working Group on the Issue of Human Rights and Transnational Corporations and Other Business Enterprises (UNWG on Business and Human Rights), ‘International Investment Agreements (IIAs) and Human Rights: Report on Human Rights-Compatible International Investment Agreements’ (27 July 2021) A/76/238, paras. 26, 41 (noting the problem of using corporate social responsibility clauses in international investment agreements to protect investors from claims of human rights abuses rather than actually address negative community impacts), available at <https://www.ohchr.org/en/documents/reports/a76238-report-human-rights-compatible-international-investment-agreements>.

Question 4: *Is it feasible to report the required information for each operational site reported under 304-1? If not, please explain why, provide a rationale for your comments, and suggest any wording revisions or guidance.*

If organizations employ meaningful stakeholder engagement and effective grievance redress mechanisms, then it is quite feasible to report on the requirements of Disclosure 304-1(d), i.e., disclosing which high biodiversity value areas stand to be affected by an organization’s most significant operational impacts to biodiversity. Stakeholder engagement and grievance redress mechanisms allow organizations to collect and consider data related directly by people with traditional and local ecological knowledge. That information, along with any other supplemental data obtained by desk review, would be in the reporting organization’s possession to make light work of these disclosures.

Question 5: *Are the tables clear? If not, please explain what could be improved.*

Table 1 is not helpful to understand the methodologies employed by the organization to determine areas of high biodiversity value, which is an important context for stakeholders to assess the veracity of reporting. We recommend adding a section called “Methodology employed to determine areas of high biodiversity value and most significant impacts.” Columns under this section should instruct organizations to list (1) Resources and processes used to determine areas of high biodiversity value, (2) the availability of effective grievance mechanisms to ascertain adverse impacts, (3) concerns received via stakeholder engagement processes and grievance mechanisms implicating the most significant impacts, and (4) consultation and steps taken to address concerns raised.

Question 6.2: *Are there any additional terms in the draft Standard that need to be defined? If so, please provide a suggested definition or reference to an appropriate existing definition for the term(s).*

Defining “high biodiversity value” within the Glossary would be helpful to set baseline methodologies for determining areas of high biodiversity value. While we have reservations about how “area of high biodiversity value” is defined in GRI’s 2016 Biodiversity Standards, i.e., an “area not subject to legal protection, but recognized for important biodiversity features by a number of governmental and non-governmental organizations,” we disagree with the decision to remove the concept from the Glossary altogether. Doing so risks rendering the term objectively meaningless. It would be better to define the term using objective modalities, including the traditional knowledge of Indigenous Peoples and local communities. We recommend the following language, which builds on the definition of high biodiversity value in the International Union for Conservation of Nature’s Standards on Biodiversity Conservation and Sustainable Use of Natural Resources (available at <https://www.iucn.org/sites/default/files/2022-05/iucn-esms-standard-biodiversity.pdf>):

high biodiversity value – high biodiversity value can be determined by:

- a. the presence of threatened or endangered species; or
- b. the importance of resources to migratory and congregatory species; or
- c. whether an area is a highly threatened and/or unique ecosystems, or provides key support to critical habitats and ecosystem services; or
- d. whether an area has been set aside for conservation purposes; or
- e. whether an area is important for evolutionary processes.

The modalities to consider whether an area has high biodiversity value are via the input of Indigenous Peoples and local communities that possess traditional knowledge of the area, as well as through standards and registers offered by governmental and non-governmental organizations.

Question 8: *Is there any information missing from the exposure draft of the revised Biodiversity Standard that is essential to understand and communicate an organization’s biodiversity-related impacts and how it addresses them?*

To reiterate our comments under questions 1.1 and 1.12, it is crucial that it goes a step further by specifically mentioning the necessity to report risks and impacts discovered through stakeholder engagement and grievance redress processes, as well as the actions taken to address impacts to Indigenous Peoples and local communities. These systems are essential for ensuring that the rights are respected and upheld in the context of conservation initiatives.