

**The following comments were submitted through an online questionnaire designed to collect feedback on draft revisions to the Global Reporting Initiative (GRI) [Universal Standards](#). The GRI Standards are intended to help organizations publicly disclose their “most significant impacts” and management of impacts.**

*Question: For any comments on the remaining sections or disclosures of the Universal Standards exposure draft, use the forms below, indicating the Standard or disclosure number and line numbers. Consider feedback on the clarity, feasibility, and relevance of the disclosures.*

#### COMMENT ONE

**Standard or disclosure number:** RBC-4

**Line number(s):** 1788-1909

**Comment pertains to:**  Clarity

To the Global Sustainability Standards Board:

As a legal non-profit organization that advocates for direct lines of communication between investors and the communities affected by investments, Accountability Counsel submits this comment on the draft Global Reporting Initiative Universal Standards. We write to encourage greater specificity on the fourth disclosure requirement for responsible business conduct (RBC-4), “Grievance Mechanisms and Other Remediation Processes.”

Preliminarily, we commend Global Reporting Initiative for recognizing in the guidance for RBC-4 that effective grievance mechanisms are a necessary feature of responsible business conduct under the *UN Guiding Principles on Business and Human Rights* (UNGPs) and the *OECD Guidelines for Multinational Enterprises*. Effective grievance mechanisms are crucial to understand whether investments and organizational activities do not impinge upon human rights or contravene the social and environmental policies of businesses to the detriment of communities. There is no better way for organizations to know the impacts of their projects than to hear from the individuals and communities most affected by them.

Reading RBC-4, we agree that organizations should describe their commitments to remedying adverse impacts caused or contributed to by their operations. We further agree that organizations should disclose their respective approaches to identifying and addressing grievances, as well as stakeholder engagement in the design and operation of grievance mechanisms.

The fourth requirement under RBC-4 (RBC-4-d), however, can benefit from greater specificity and guidance with respect to reporting on the effectiveness of grievance mechanisms. The requirement asks organizations that have grievance mechanisms to “describe how [they] track[] the effectiveness of the grievance mechanism and other remediation processes and provide examples of their effectiveness, including stakeholder feedback.”

While the guidance mentions the eight principles that underpin the effectiveness of a grievance

mechanism, as articulated by Principle 31 of the UNGPs, it can be improved by more clearly tracking the principles to specific disclosures meant to demonstrate and assure effectiveness. Moreover, the framing of the guidance reads as if effectiveness can be shown by demonstrating adherence to any one of the principles as opposed to demonstrating adherence to each and every principle. This would be a mistake; to truly demonstrate effectiveness, each principle must be abided.

Further, the guidance softly recommends that “contextual information should be provided to aid in understanding and interpreting . . . quantitative information” related to the effectiveness criteria. We agree.

We therefore recommend the following changes.

#### Current Language [lines 1884-1900]

##### “Guidance to RBC-4-d

According to UN Guiding Principle 31, effective grievance mechanisms are legitimate, accessible, predictable, equitable, transparent, rights-compatible, and a source of continuous learning. In addition to these criteria, effective operational-level grievance mechanisms are also based on engagement and dialogue. It is acknowledged that it can be more difficult for the organization to assess the effectiveness of grievance mechanisms that it participates in compared to those it has established itself.

The organization can report:

- whether and how the intended users are informed about the grievance mechanisms and remediation processes and trained on how to use them;
- the accessibility of the mechanisms and processes, such as the total number of hours per day or days per week that they are available and their availability in different languages;
- how the organization seeks to ensure that users are treated with respect and protected against reprisals (i.e., non-retaliation for raising complaints or concerns);
- how satisfied users are with the mechanisms and processes or the resulting outcomes, and how the organization assesses users’ satisfaction;
- the number of grievances filed during the reporting period that are repeated or recurring;
- changes made to the mechanisms and processes in response to lessons learned about their effectiveness.”

Quantitative information, such as the number of grievances, is unlikely to be sufficient on its own. For example, a low number of grievances could indicate that few incidents have occurred, but it could equally signal that the mechanisms are not trusted by their intended users. For this reason, contextual information should be provided to aid in understanding and interpreting the

quantitative information.”

### Suggested Language

“According to UN Guiding Principle 31, effective grievance mechanisms are legitimate, accessible, predictable, equitable, transparent, rights-compatible, and a source of continuous learning. In addition to these criteria, effective operational-level grievance mechanisms are also based on engagement and dialogue. It is acknowledged that it can be more difficult for the organization to assess the effectiveness of grievance mechanisms that it participates in compared to those it has established itself.

Using each of the eight effectiveness criteria outlined by UN Guiding Principle 31, the organization shall report on the considerations it uses to assure the effectiveness of grievance mechanisms:

- Legitimacy
  - Whether the organization has created an independent governance structure, separate from day-to-day operations that may be the source of grievances, to ensure that the grievance mechanism is fair and trustworthy.
  - Whether the mechanism has sufficient authority to handle grievances and make redress decisions objectively.
  - Whether and how the intended users are informed about the grievance mechanisms and remediation processes and trained on how to use them;
- Accessibility of the mechanisms and processes
  - The total number of hours per day or days per week that the mechanism is available.
  - Policies and practices for making the mechanism known to all potentially affected people.
  - Whether the mechanism provides adequate assistance to help potentially affected people overcome barriers to accessing it, including language, literacy, costs, physical location, and fears of reprisal.
- Predictability
  - Whether the mechanism’s policies and procedures are publicly available and easily accessible.
  - Whether the mechanism’s procedures are clearly articulated with timeframes for each stage of the process.
  - Whether the mechanism is equipped to monitor that the process and parties involved respect articulated timelines.
- Equitability
  - Whether the mechanism provides information on the process and the rights of parties to consult with and be accompanied by counsel and/or advisors at any time during the process.
  - How satisfied users are with the mechanism and its processes or the resulting outcomes, and how the organization assesses users’ satisfaction.
- Transparency
  - Whether the mechanism maintains a publicly available case registry, including an online version, in addition to any other culturally appropriate means of disseminating the information.
  - The number and types of grievances filed during the reporting period, and the percentage of grievances that were addressed and resolved, including the

- percentage that were resolved through remediation;
- The nature of complaints, the issues considered, and the general geographic locations of complaints during the reporting period.
- The number of grievances filed during the reporting period that are repeated or recurring.
- Rights Compatibility
  - Whether the mechanism protects the identity of any party that requests confidentiality.
  - Whether the mechanism’s policies protect the rights of parties afforded to them under national and international law.
  - How the organization ensures that users are treated with respect and protected against reprisals (i.e., non-retaliation for raising complaints or concerns).
- Continuous Learning
  - What changes were made to the mechanisms and processes during the reporting period in response to lessons learned about their effectiveness.
  - How the organization identifies and uses lessons from the grievance process to instruct institutional improvements.
- Created and Evaluated through Dialogue and Engagement
  - Whether the organization held consultation about the design, performance, and monitoring and evaluations of the mechanism.

Quantitative information, such as the number of grievances, is unlikely to be sufficient on its own. For example, a low number of grievances could indicate that few incidents have occurred, but it could equally signal that the mechanisms are not trusted by their intended users. For this reason, contextual information must be provided to aid in understanding and interpreting the quantitative information.”

*COMMENT TWO*

**Standard or disclosure number:** RBC-4

**Line number(s):** 1831-1871

**Comment pertains to:**  Clarity

Guidance with respect to the second requirement under RBC-4 (RBC-4-b-i), which requires organizations to “describe the grievance mechanisms that the organization has established or participates in,” states that organizations can do so by describing, among other things, “how the mechanisms operate and who administers them (the organization and/or another party).”

We agree that descriptions of grievance mechanisms are critical. Missing from the list of ways that an organization can describe its grievance mechanisms is an express reference to governance. Features of good governance, such as report lines that best promote an organizational response to concerns relayed through grievance mechanisms, and policies that protect the independence of mechanisms, are critically important to the integrity of a grievance redress framework and achieving successful remedial outcomes. We therefore recommend that guidance on RBC-4-b-i expressly reference the need to report on governance, by modifying bullet point two as follows:

Current Language [lines 1855-1856]

The organization can describe:

[. . .]

- how the mechanisms operate and who administers them (the organization and/or another party);

Suggested Language

The organization can describe:

[. . .]

- how the mechanisms are operated and governed, and who administers them (the organization and/or another party);

Accountability Counsel advocates for independent, fair, transparent, accessible, and effective grievance redress mechanisms that support institutional accountability frameworks. To assure the integrity of reporting requirements related to effective grievance mechanisms, we have submitted the above comments requesting greater clarity and specificity with respect to reporting on the governance and effectiveness of “Grievance Mechanisms and Other Remediation Processes,” under the fourth disclosure requirement for responsible business conduct (RBC-4).