

# BUILDING BRIDGES: GRI AND OECD'S GUIDELINES FOR MNEs

OECD WORKSHOP  
GUIDELINES FOR MULTINATIONAL ENTERPRISES  
PARIS

19 JUNE 2001



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**Interim Director**

**Global Reporting Initiative**

# ACCELERATING TRENDS

Globalisation

Supply chain integration

Trade liberalisation

Information technology

Calls for transparency

# GRI MISSION

- Elevate sustainability reporting to the level of financial reporting in terms of comparability, rigour, verifiability, and generally accepted practices
- Design, disseminate, and promote reporting guidelines that encompass environmental, economic, and social aspects of company activities
- Build a global and independent institution to steward the *Guidelines*

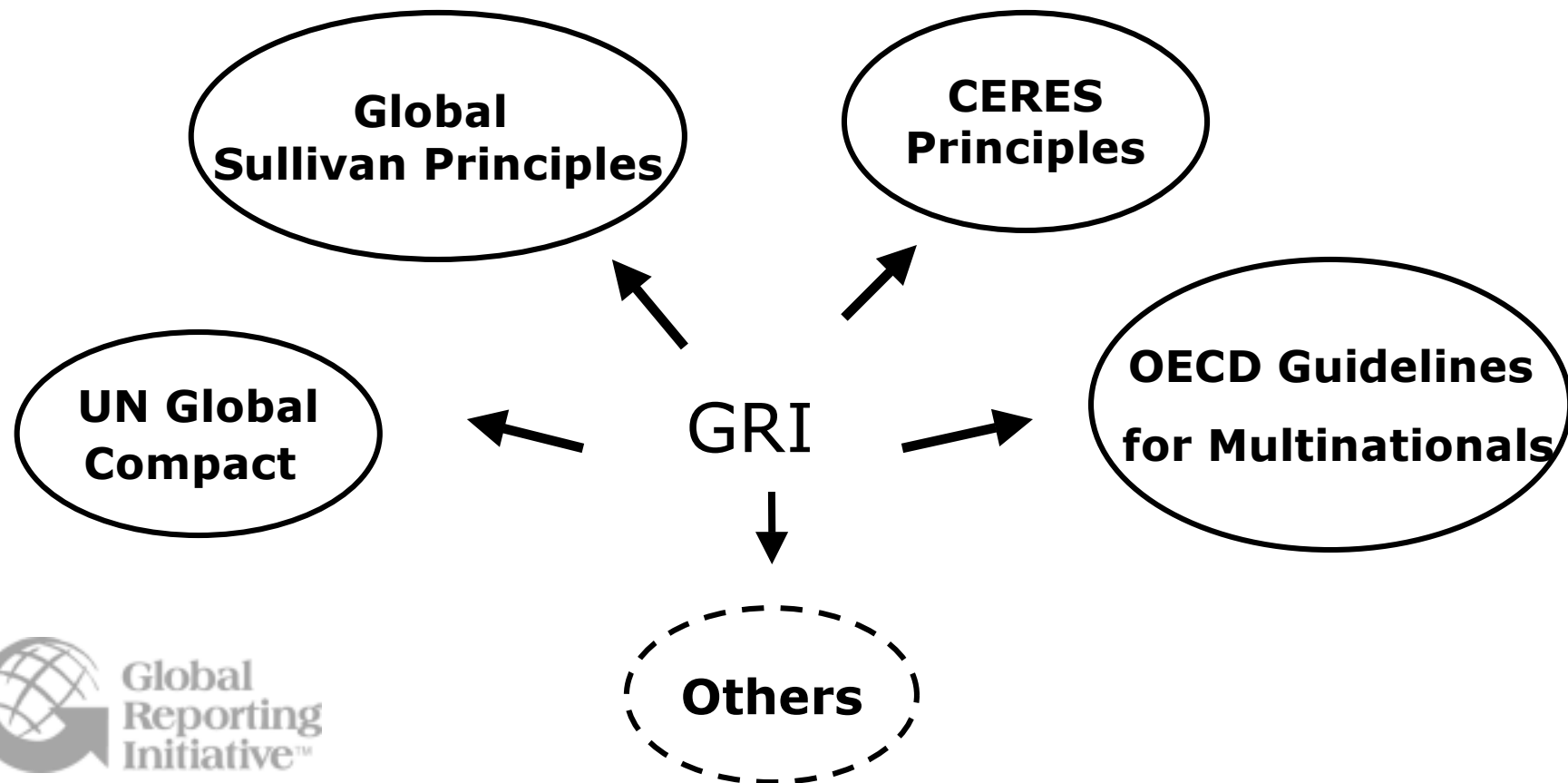
# WHY A GLOBAL REPORTING STANDARD

- Coverage: All company operations
- Burden: Minimize for reporters
- Usability: Benchmarking, rating, investing, campaigning, purchasing
- Impact: Better achieve sustainability policy objectives
- Process: Continuous learning and enhancement

# SELECTED GRI REPORTERS

American Home Products	Kirin Brewing	SASOL
AT&T	KLM	Scandiflex
Baxter	Konica	Shell
Biffa Waste Services Ltd.	Landcare Research	SITA
Body Shop International	NEC	South African Breweries
Bristol-Myers Squibb	Nissan	Suncor Energy
British Airways	Nokia	Sunoco
Carillion	Novo Nordisk	Swedish Meats
Electrolux	Procter & Gamble	Thames Water
ESAB	Renfe	TransAlta
Ford Motor Company	Ricoh	TXU Europe
Fuji Xerox	Royal & Sun Alliance	VanCity Savings Credit Union
General Motors	Royal Philips Electronics	Vauxhall Motors Ltd
Henkel	Saint-Gobain	VAW Aluminium
ITT/Flygt	SAS	Waste Recycling Group.

# GRI IS NOT A CODE OF CONDUCT BUT CAN STRENGTHEN ALL SUCH CODES

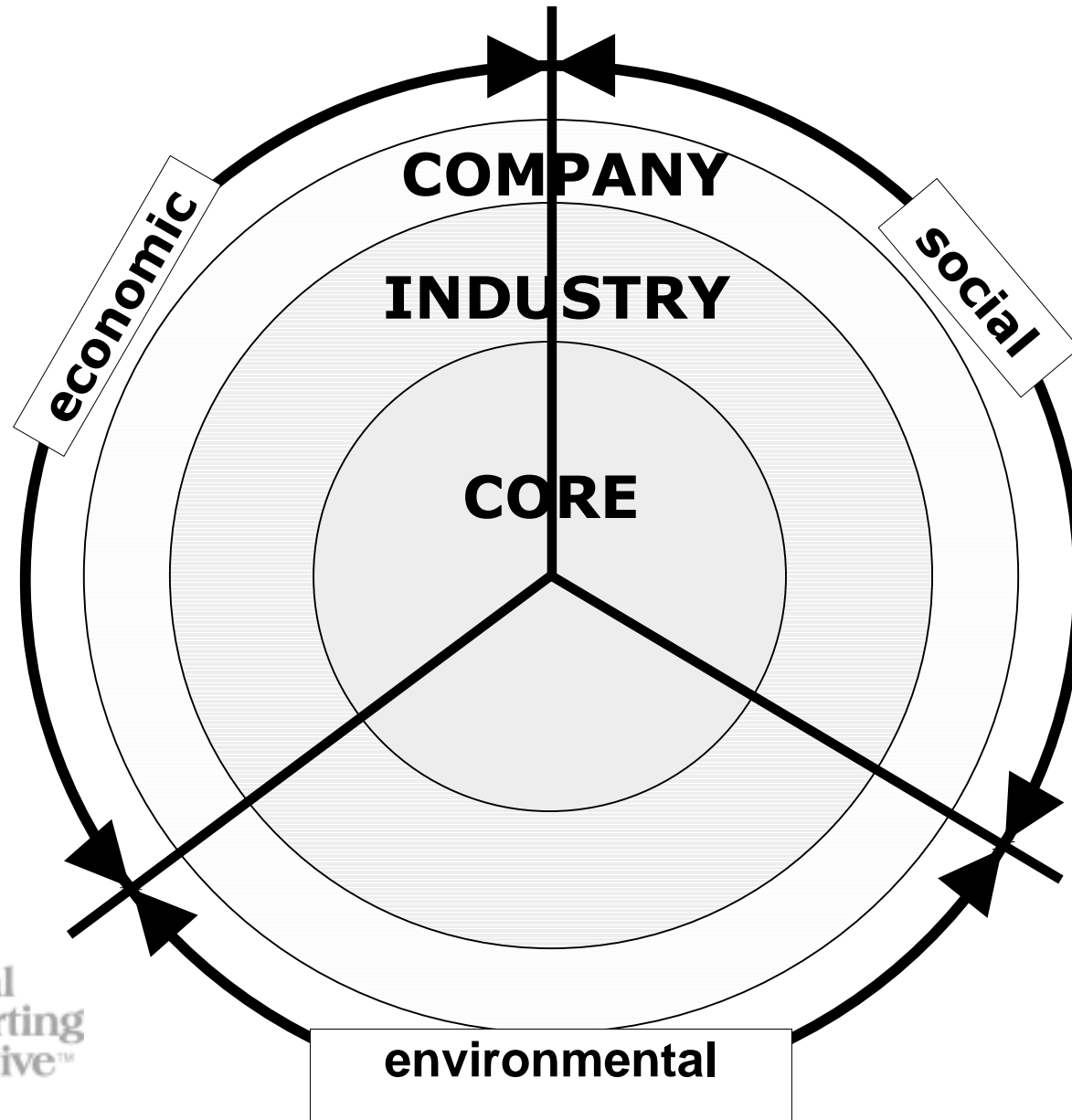


# OECD GUIDELINES

## III. DISCLOSURES

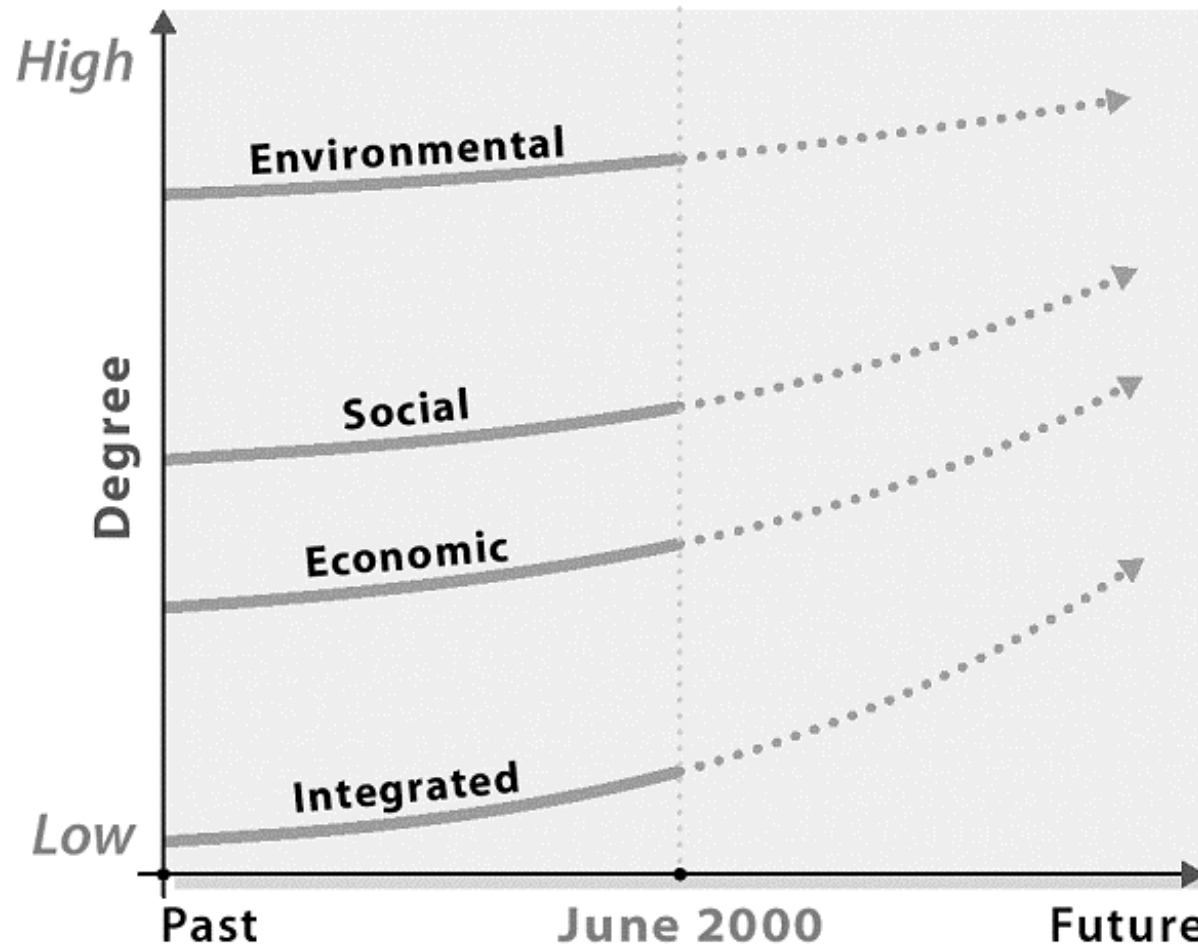
“Enterprises should ensure that timely, regular, reliable and relevant information is disclosed regarding their activities, structure, financial situation and performance.”

# REPORTING ELEMENTS

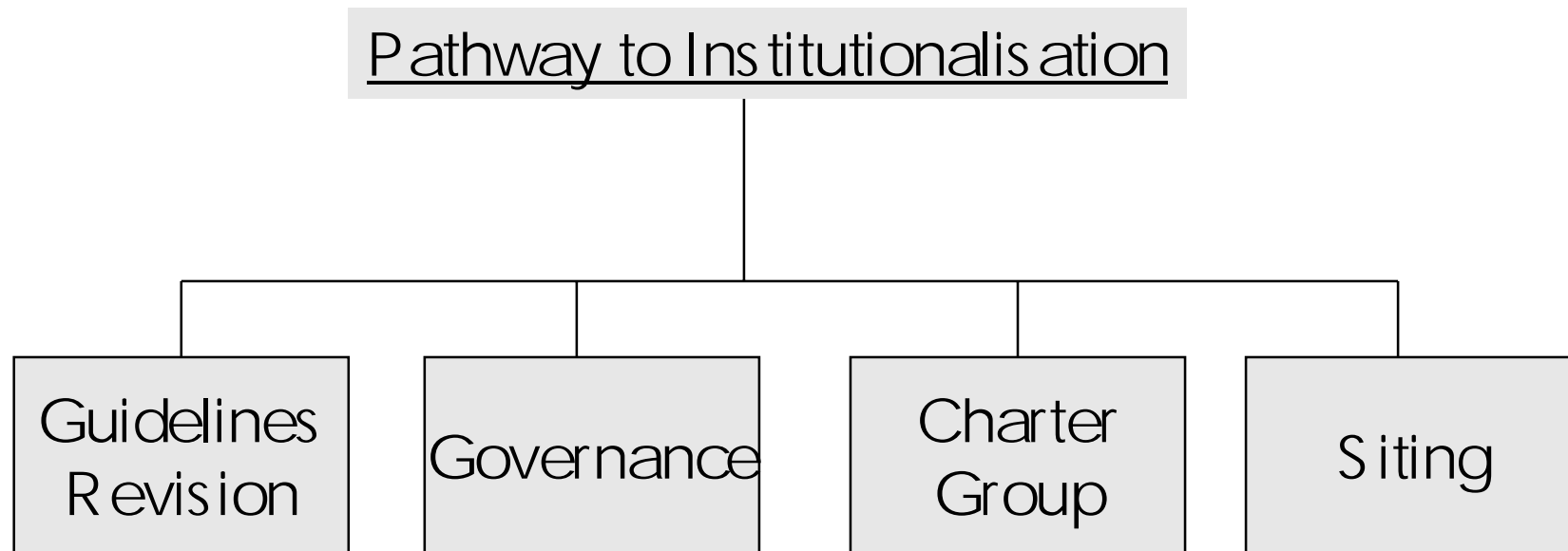




# CONSENSUS ON INDICATORS



# NEXT STEPS



# REVISION OF GUIDELINES

- 3/99 Exposure draft = beta test
- 6/00 Guidelines = version 1.0
- Mid-2002 = version 2.0

## **Current activity:**

- Measurement Working Group
- Structured Feedback Process
- Industry “Supplements”

# GRI STRUCTURED FEEDBACK COMPANIES

Company	Industry	Headquarters
Agilent	High tech	USA
BASF	Chemicals	Germany
Baxter International	Medical supplies	USA
Bayer AG	Life sciences/chemicals	Germany
British American Tobacco	Tobacco products	UK
CWS Powder Coatings	Chemicals	Germany
ESAB	Welding supplies	Sweden
Ford Motor Company	Automobiles	USA
Gaz de France	Energy utility	France
Halliburton	Energy services	USA
Ito Yokado	Retail	Japan
Jebsen and Jessen	Ind. products/services	Singapore
Kirin Brewing	Food and beverage	Japan
Natura	Personal care	Brazil

# GRI STRUCTURED FEEDBACK COMPANIES

(CONTINUED)

<b>Company</b>	<b>Industry</b>	<b>Headquarters</b>
Nike	Clothing	USA
Panasonic (Matsushita Electric)	Electronics	Japan
Procter & Gamble	Consumer products	USA
Renault	Automobiles	France
Rio Tinto	Mining	UK
Shell	Oil and gas	UK
Siam Kraft	Paper products	Thailand
SKF Group	Metal products	Sweden
Suncor	Oil and gas	Canada
Sydkraft Group	Energy services	Sweden
Texaco	Oil and gas	USA
TotalFinaElf	Oil and gas	France
TransAlta	Energy utility	Canada
TXU Europe	Energy utility	UK
Vivendi	Communications	France
WSP Group	Construction consulting	UK

# MEASUREMENT WORKING GROUP (SUBGROUPS)

## **Social Work Stream**

Social Subgroup 1: Labour Practices

Social Subgroup 2: Human Rights

Social Subgroup 3: Community, Society, and Development

## **Environmental Work Stream**

Environment Subgroup 1: Water Protocol

Environment Subgroup 2: Energy Consumption Protocol

Environment Subgroup 3: Biodiversity Indicators

Environment Subgroup 4: Communication with and  
Assessment of Environmental  
Conventions

## **Economic and Integrated Work Stream**

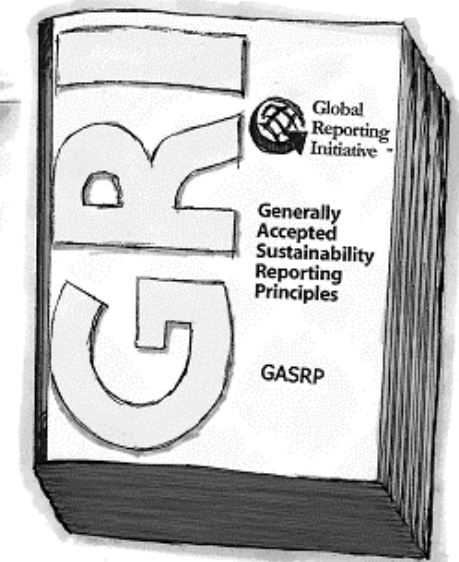
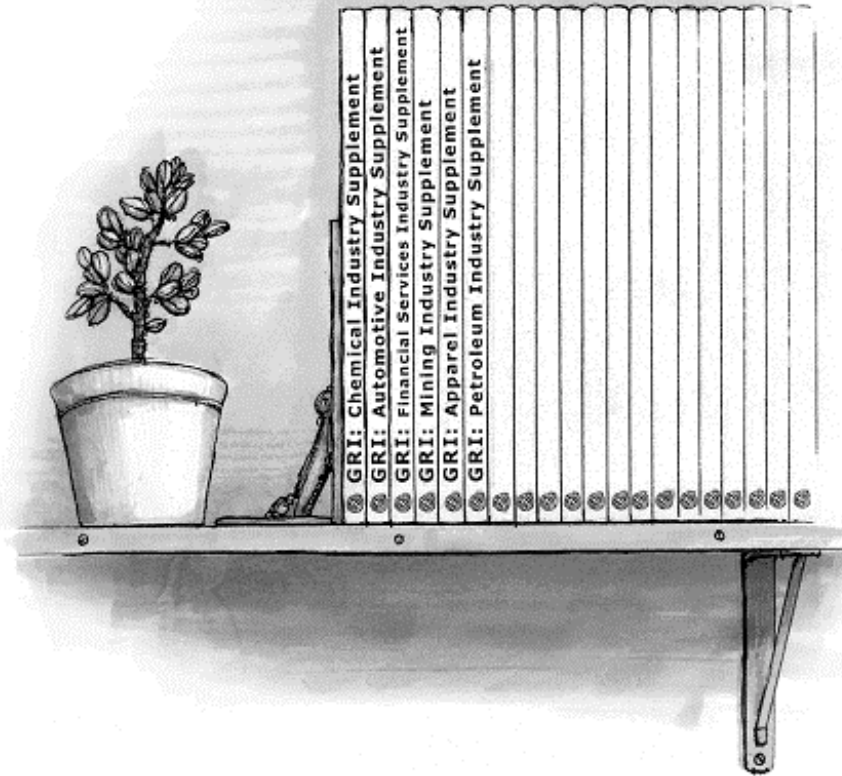
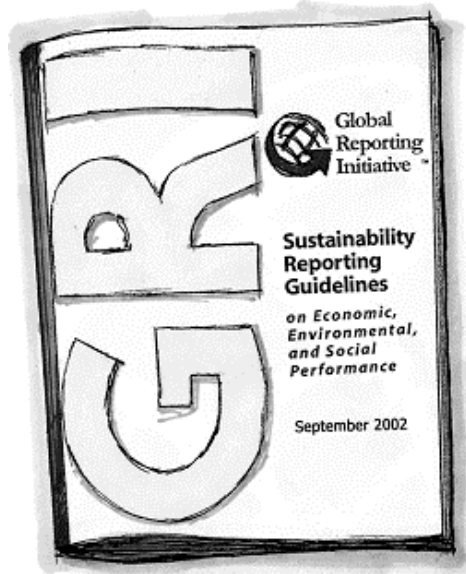
Economic Subgroup 1: Conceptual Framework

Integrated Subgroup 1: Micro Macro Linkages

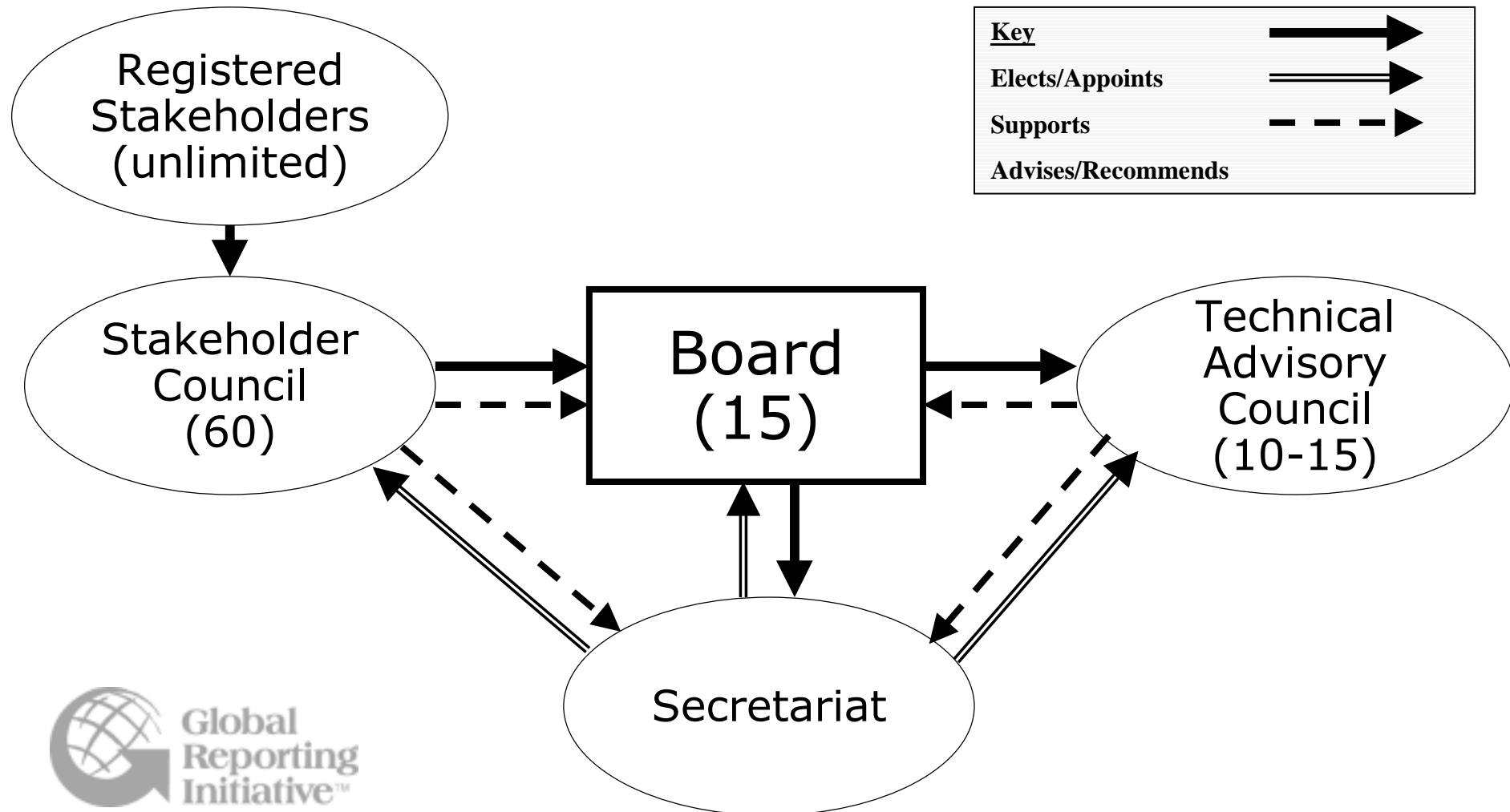
Integrated Subgroup 2: Crosscutting Indicators



# A FUTURE GRI PRODUCT PORTFOLIO



# THE PERMANENT GRI: PROVISIONAL STRUCTURE





# GRI CHARTER GROUP

- **Function**

- Endorsement of mission
- Financial support

- **Participants**

- distinguished, global organizations
- Companies, NGOs, foundations, accountancy groups, multi-lateral organizations

# “CHARTER GROUP” TO AND GRI CAPITAL FUND

10-15 corporations

10 NGOs

Accounting firms

UN

Accounting societies

Trade unions

Business associations

Foundations

Multilateral banks

Selected governments

# FINANCING THE GRI — THE GRI TRUST

- Up-front contributions from companies, foundations, multi-laterals
- Initial capitalization of \$US 50-60 million
- Sufficient operating capital to carry GRI to self-sufficiency
- No connection to governance or special influence

“On balance, the GRI *Guidelines* are a huge achievement. So huge that few firms, big or small, can ignore them. The *Guidelines*, thanks to GRI’s massive commitment to inclusiveness, have fast become the leading way for companies to respond to the growing global demand for corporate accountability.”

*Tomorrow* magazine  
November/December 2000