

JOINT PRESS RELEASE FROM EFRAG AND THE GLOBAL REPORTING INITIATIVE (GRI)

For immediate release

EFRAG-GRI JOINT STATEMENT OF INTEROPERABILITY

EFRAG and GRI are pleased to confirm that they have achieved a high level of interoperability between their respective standards in relation to impact reporting.

Brussels and Amsterdam, 4 September 2023 – EFRAG and GRI publish today a [joint statement](#) on the high level of interoperability achieved between the European Sustainability Reporting Standards (ESRS) and the GRI Standards.

Following the requirement of the CSRD to adopt a double materiality approach and to take account of existing standards, ESRS and GRI definitions, concepts and disclosures regarding impacts are fully or, when full alignment was not possible due to the content of the CSRD mandate, closely aligned.

Existing GRI reporters will be well prepared to report under the ESRS. Entities reporting under ESRS are considered as reporting with reference to the GRI Standards and will therefore avoid the burden of multiple reporting.

Hans Buysse, EFRAG Administrative Board President said:

“This joint statement concludes several years of diligent work towards a high level of interoperability between the ESRS and GRI standards. The efforts made by the GRI and EFRAG Sustainability Reporting teams will prevent the need for double reporting by companies resulting in a user-friendly reporting system without undue complexity. Our collaboration with GRI is bearing fruit and we are already preparing ourselves for the next challenges in the field of sustainability reporting.”

Patrick de Cambourg, EFRAG Sustainability Reporting Board Chair, stated:

“EFRAG and GRI have been actively cooperating on sustainability reporting and on the elaboration of the European Sustainability Reporting Standards since 2021. This productive relationship, driven by a co-construction spirit and a careful attention to convergence, is now reaching a new milestone with this statement regarding the interoperability between the ESRS and the GRI Standards. It confirms our initial choice to cooperate closely with the best practitioners in the field in building robust sustainable reporting standards that will meet both the EU ambition and our commitment to contribute to global progress. We look forward to continuing this fruitful cooperation shaping further the future of sustainability reporting.”

Eelco van der Enden, CEO of GRI, said:

“This is great news for businesses and for GRI reporters. They can use their current reporting practices to prepare for the new requirements under ESRS. What is more, ESRS reporters are considered as reporting with reference to the GRI Standards and have the

possibility to report on additional topics not covered by the ESRS in accordance with GRI Standards. GRI is fully committed to actively engage with EFRAG and other standards setters to reduce the reporting burden for companies. The next step being the collaboration with EFRAG on the development of an interoperable digital taxonomy and multi-tagging system, including a full mapping of the GRI Standards and the ESRS. This further reinforces the relevance of GRI and the critical importance of combining its global approach with the momentum demonstrated at jurisdictional level.”

Carol Adams, Chair of the GSSB, said:

“Since the early stages, we have actively engaged with EFRAG in the development of the ESRS. With this high level of interoperability achieved, we have now turned our attention to developing a detailed mapping of the disclosures from both sets of standards and technical guidance, which will help companies that report using GRI Standards prepare for CSRD requirements. Over time, I look forward to seeing companies reporting under these requirements increase their reporting using GRI sector standards and additional GRI topic standards.”

NOTES TO EDITORS

ABOUT GRI

GRI ([Global Reporting Initiative](#)) is the independent, international organization that helps businesses and other organizations take responsibility for their impacts, by providing them with the global common language to communicate those impacts.

The GRI Secretariat is headquartered in Amsterdam, the Netherlands, and we have a network of seven regional offices to ensure we support organizations and stakeholders worldwide. GRI offers a full range of services to sustainability reporters. Our services, membership program and online learning portal provide essential expertise.

GRI is developing a range of courses on the ESRS for GRI reporters on how they can use their established reporting process and practice to meet the regulatory requirements set out in the ESRS. A new report service will also provide GRI reporters feedback to assist report preparers in aligning with the ESRS reporting requirements.

ABOUT EFRAG

[EFRAG](#)'s mission is to serve the European public interest in both financial and sustainability reporting by developing and promoting European views in the field of corporate reporting. EFRAG builds on and contributes to the progress in corporate reporting.

In its sustainability reporting activities, EFRAG provides technical advice to the European Commission in the form of [draft European Sustainability Reporting Standards](#) (ESRS) elaborated under a robust due process and supports the effective implementation of ESRS.

EFRAG seeks input from all stakeholders and obtains evidence about specific European circumstances throughout the standard-setting process. Its legitimacy is built on excellence, transparency, governance, due process, public accountability and thought leadership. This enables EFRAG to speak convincingly, clearly, and consistently, and be recognised as the European voice in corporate reporting and a contributor to global progress in corporate reporting.

ABOUT THE CSRD

On 5 January 2023, the Corporate Sustainability Reporting Directive (CSRD) entered into force. This new directive modernises and strengthens the rules concerning the social and environmental information that companies have to report. A broader set of large companies, as well as listed SMEs, will now be required to report on sustainability.

The new rules will ensure that investors and other stakeholders have access to the information they need to assess the impact of companies on people and the environment and for investors to assess financial risks and opportunities arising from climate change and other sustainability issues. Finally, reporting costs will be reduced for companies over the medium to long term by harmonising the information to be provided.

The first companies will have to apply the new rules for the first time in the 2024 financial year, for reports published in 2025.

More information [here](#).

ABOUT ESRS

On 31 July 2023, the Commission adopted the [European Sustainability Reporting Standards \(ESRS\)](#) for use by all companies subject to the Corporate Sustainability Reporting Directive (CSRD).

The standards cover the full range of environmental, social, and governance issues, including climate change, biodiversity and human rights. They provide information for investors to understand the sustainability impact of the companies in which they invest. They also take account of discussions with the International Sustainability Standards Board (ISSB) and the Global Reporting Initiative (GRI) in order to ensure a very high degree of interoperability between EU and global standards and to prevent unnecessary double reporting by companies.

The reporting requirements will be phased in over time for different companies.

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