Recommendations to the ISO Technical Management Board

Background

In September 2002, the ISO Technical Management Board (TMB) approved Resolution 78/2002 establishing the Advisory Group on Social Responsibility (AG) with the following terms of reference:

To determine whether ISO should proceed with the development of ISO deliverables in the field of corporate social responsibility;

If so, to determine the scope of the work and the type of deliverable.

The AG conducted meetings in January 2003, February 2003, July 2003, January 2004, and April 2004, and held several conference calls between meetings.

Introduction

The AG has conducted extensive research and has held lengthy discussions reflecting the viewpoints of an extremely diverse group of experts and interested parties. We have found that the field of social responsibility is difficult to define and very complex, with many honest differences of opinion on how issues should be addressed. With the exception of one minority position (see Annex), the AG members have reached the following consensus (as defined by ISO Directives) with regard to the questions posed by the TMB.

Recommendations

Should ISO proceed with development of deliverables in the area of social responsibility?

ISO should only proceed if:
1. ISO recognizes that social responsibility involves a number of subjects and issues that are qualitatively different from the subjects and issues that have been already dealt with by ISO.
2. ISO recognizes that it does not have the authority or legitimacy to set social obligations or expectations which are properly defined by governments and intergovernmental organizations.
3. ISO recognizes the difference between on the one hand, instruments adopted by authoritative global inter-governmental organizations (such as the United Nations Universal Declaration on Human Rights, international labour conventions and other instruments adopted by the ILO and relevant UN Conventions) and on the other hand, private voluntary initiatives that may or may not reflect the universal principles contained in the above instruments
4. ISO narrows the scope of the subject so as to avoid addressing issues that can only be resolved through political processes.
5. ISO recognizes through a formal communication the ILO's unique mandate as the organization that defines, on a tripartite basis, international norms with respect to a broad range of social issues.
6. ISO recognizes that, due to the complexity and fast-evolving nature of the subject, it is not feasible to harmonize substantive social responsibility commitments.
7. ISO reviews its processes and where necessary makes adjustments to ensure meaningful participation by a fuller range of interested parties.

What should be the scope of the work and the types of deliverables?

A guidance document, and therefore not a specification document against which conformity can be assessed.

- for use by business and other organizations.

- that emphasizes results and performance improvement.
- that adopts a common terminology in this area.
- that assists organizations in effectively addressing their social responsibilities in various cultures, societies and environments.
- that can complement other relevant instruments and tools.
- that stipulates it is not intended to reduce government's authority to address the social responsibility of organizations.
- that is of use to business and other organizations of all sizes.
- that provides practical guidance on methods and options for:
  - operationalizing social responsibility,
  - identifying and engaging with stakeholders,
  - enhancing credibility in claims made about social responsibility.
- that should be written in clear and understandable language.

Process Recommendations

ISO should make every effort to ensure that developing countries can meaningfully participate in this work.

In light of the distinctive and new nature of this work, ISO should convene a new Technical Committee to develop this work, not use an existing Technical Committee.

The new Technical Committee should adopt as part of its terms of reference all of the items contained in these recommendations.

The Advisory Group recommends that any Technical Committee that is convened and any of its constituent bodies includes the range of interested parties such as those included within the Advisory Group.

ISO should ensure that the work of this new Technical Committee is coordinated with that of existing Technical Committees.

Minority View

30 April 2004

Dear Dan,

WWF would like to acknowledge that the AG has accomplished an incredible amount of work and brought together through lively discussions some very disparate views. This says much for the willingness of the members to listen to and understand each other and your skills as chair.

The shear volume of material produced alone is impressive as is the detail of the content. However the volume of material and the need to crystallise a recommendation means that the Recommendations to the ISO TMB will in effect be regarded as a stand-alone document.

WWF believes that a process of engagement between ISO and a broader range of stakeholders could make a valuable contribution to sustainable development. Therefore WWF agrees with the general thrust of the Recommendations that the ISO should proceed but only if a set of pre-requisites are met and that the deliverable should be a guidance and not a specification document. While we understand that some ambiguity will exist where consensus is sought, **WWF considers the AG's recommendations need to be more explicit when addressing several critical issues both in terms of the pre-conditions and the scope of the work**. Our concerns with the Recommendations document are summarized below:

> ***Other CSR Tools, Instruments and Initiatives:*** We feel the document needs to more clearly state as a pre-requisite that the ISO deliverable should add value to existing CSR instruments, tools and initiatives.

> ***The Environment:*** We remain concerned that the document does not explicitly recognise the importance of environmental issues. While "social responsibility" may implicitly include environmental concerns, we feel basing the document on such an assumption is not sufficient.

> ***Scope of Deliverable:*** The document needs to state more clearly that the deliverable should be a guidance document to be used primarily by business though we accept it could be of potential value to other organisations. While this may indeed be the intent, it is not apparent in the formulation used in the document

> ***Stakeholder Engagement:*** We feel the document needs to firmly state that any future ISO work in this area will require broader and more diverse stakeholder engagement than has characterised not only ISO's past processes but also the process leading up to the Recommendations document. While the AG had diverse members, there were gaps in representation that will need to be addressed for any future ISO work on CSR. This will be critical to the future credibility of this work.

> ***Transparency & Reporting:*** As with diverse stakeholder engagement, we feel the document needs to more clearly state that the need for transparency and public reporting on implementation must be a critical element of any future ISO deliverable

In particular the participation and representation issues are ones with which WWF has a considerable amount of experience and which we have found to be critical to the success of establishing guidelines on environmental and social issues. And these are clearly linked to capacity and the commitment to facilitate such processes. We feel the recommendations require more to be said on these issues so that support can be gathered for them. This need is further highlighted by the confusing wording of pre-condition (4) on political processes, which may give rise to unfortunate misinterpretations.

It is our hope and belief that these clarifications are consistent with the AGs discussions to date and that they might have been addressed without major changes to the document. We have greatly appreciated the efforts extended by some AG members to accommodate changes however we accept that, given the process, this was not possible.

Finally, WWF hopes you can understand why we felt we had to submit this minority report and that if it is considered constructive we are willing to stay in the process to help in its development and to see if these concerns can be addressed as it moves forward.

We wish the AG well in its efforts and WWF hopes the work it does will make a valuable contribution to sustainable development.

Yours,

Gordon Shepherd
Director International Policy
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