Geneva, 8 September 2010
G-2010/50 (45.46c)

Dear Madam, dear Sir,

FINAL IOE POSITION ON ISO 26000

Please find herewith the IOE position on the Final Draft International Standard (FDIS) of the ISO 26000 Guidance on Social Responsibility.

Please feel free to contact the IOE with any questions you may have.

Yours sincerely,

Antonio PEÑALOSA
Secretary-General

Annexe: Final IOE Position on ISO 26000 Guidance on Social Responsibility

Circular addressed to IOE member federations and employer members of the ILO Governing Body.
IOE Position on the Final Draft International Standard (FDIS) of the ISO 26000 Guidance on Social Responsibility

Introduction:

The International Organisation of Employers (IOE) has participated as a liaison organisation in the ISO/TMB Working Group on Social Responsibility (WGSR) since its inception and has actively engaged in the development of the ISO 26000 Guidance on Social Responsibility. The IOE is committed to the development of useful and practical guidance on social responsibility that is relevant for all types of organizations regardless of size or location.

To that end, the IOE participated in all eight plenary meetings of the WGSR, Co-Chaired the Industry Stakeholder Group of the WGSR throughout the process, and represented the Industry Stakeholder Group on the WGSR Chair’s Advisory Group, Liaison Task Force and Integrated Drafting Task Force. The IOE also submitted comments on all earlier drafts of the guidance on social responsibility, including the working drafts, committee drafts and the draft international standard.

As a liaison organization in the ISO/TMB WGSR, ISO has asked the IOE to indicate its formal position on the FDIS, which will be considered by ISO along with the results of voting by ISO national standards bodies in determining whether or not to approve the FDIS for publication.

Summary of IOE Position on ISO (FDIS) 26000:

The IOE believes that many improvements have been made to the latest draft of ISO 26000. However, the IOE has serious concerns with the FDIS based on four main issues that are explained in detail below: 1) the text of the guidance on social responsibility; 2) the persistent and widespread confusion about the status of ISO 26000; 3) the increasing push for certification of ISO 26000; and 4) the process used to develop the guidance. Thus, the IOE is unable to provide its full and formal backing for ISO (FDIS) 26000 and must withhold its support.

IOE Comments on the FDIS:

1) The Text of ISO 26000

The IOE welcomes the many improvements that were made to the current text of ISO 26000, particularly during the most recent plenary meeting of the ISO/TMB Working Group on Social Responsibility in Copenhagen, Denmark. The IOE also recognizes and appreciates the critical role of the Convenor of the Integrated Drafting Task Force in achieving those improvements.

The IOE believes that the current draft of ISO 26000 broadly covers the appropriate and relevant elements of social responsibility – namely the guidance on context, principles, core subjects and integration of social responsibility.
However, the IOE continues to believe that the manner in which those elements are addressed presents a significant problem that will make the guidance difficult to use at best and could actually dissuade organizations from addressing SR issues at worst. The text remains overly detailed, needlessly complex, and far too long and difficult for non-experts to read and understand. As a result, the text does not provide useful and practical guidance on social responsibility.

The IOE also believes that the vast majority of the guidance in the document was conceived with larger organisations, particularly multinational companies, in mind. This obviously negatively affects the applicability of the guidance to smaller and medium-sized organisations, which will find that huge sections of the text is either beyond their capacity or simply not practical for smaller organisations. This also has the potential to send the very negative message that social responsibility is only relevant for the largest and most advanced organisations, and that social responsibility is beyond the reach of smaller organisations, which make up the vast majority of organisations in all countries.

The clearest evidence of this inherent bias toward larger organisations is the extensive and – in our view – unjustified over-emphasis of the concept of “sphere of influence”, which in practice refers to efforts by larger organisations to try to influence smaller organisations. Further evidence can be found in the guidance on integrating social responsibility into the organisation, most of which presumes a large organisation with multiple departments and the existence of a separate team in the organisation to address social responsibility issues.

2) Confusion about the Status of ISO 26000

The effort to develop ISO 26000 has been complicated by persistent and widespread confusion about the status of ISO 26000: Is it guidance or is it a standard? This confusion is evident even in the WGSR and is likely to be even more pronounced in the general public, which vastly increases the risk that ISO 26000 will be used in ways for which it was not designed and for which it is not appropriate.

The confusion starts with ISO’s terminology: ISO 26000 is technically an “international standard” under ISO’s product definitions, but it must be made absolutely clear that ISO 26000 is not a “standard” on social responsibility in the sense that it does not present a single, uniform and replicable approach to social responsibility. To the contrary, ISO 26000 simply offers guidance on social responsibility: it provides suggestions and recommendations that any organisation can use – or not – as they see fit on a voluntary basis.

Unfortunately, the incorrect view that ISO 26000 presents a “standard” approach to social responsibility (i.e. one that an organisation could “follow” or “meet”) is widespread and is already causing confusion in the market. This confusion will lead to misunderstandings at best and misuse at worst, both of which will undermine confidence in ISO 26000 as a credible source of guidance on social responsibility. One way for ISO to help reduce the risk of both confusion and misuse would be to develop a new product category of “guidance standard” to more clearly identify to the user what 26000 is and is not.
3) The Push for Certification of ISO 26000

The IOE also has serious concerns about the push by ISO national standards bodies to develop national variations of ISO 26000 for certification, which appears driven by the commercial interests of certain national standards bodies and certification providers.

First, the entire basis for developing ISO 26000 was predicated on the broad agreement that it would be limited to guidance and would not be for certification. Indeed, the text very clearly states that ISO 26000 “is not intended or appropriate for certification purposes... Any offer to certify, or claims to be certified, to ISO 26000 would be a misrepresentation of the intent and purpose and a misuse of [ISO 26000].” Efforts at this stage by ISO national standards bodies to develop national certification variants of ISO 26000 – such as the forthcoming Danish Standards DS 260001 – represent a clear violation of this agreement and fundamentally undermine one of the keys areas of consensus behind developing ISO 26000 in the first place. To the extent that ISO national standards bodies are within their rights under ISO rules to do so, as appears to be the case, it calls into question whether the ISO system is capable of upholding consensus agreements reached through its own processes and whether similar agreements will be respected in the future.

Second, the development of national variations of ISO 26000 effectively turns the entire ISO process on its head. ISO was designed to develop international standards that could replace many different national standards with a single, internationally-agreed standard. But in this case, the development of a single, internationally-agreed guidance standard – ISO 26000 – has created a mechanism for national standards bodies to develop many different national standards. This is made all the more absurd because the push for national variations of ISO 26000 is driven not by any substantive differences over the guidance on social responsibility but rather entirely by the commercial interests of national standards bodies that seek financial returns from certification services.

Most perversely, these national certifications will replace one of the core messages of ISO 26000 – that an organisation should carefully consider its social, economic and environmental impacts and integrate these issues throughout the organisation – with a much easier yet substantively empty certification that it is “socially responsible”.

For these reasons, efforts by national standards bodies to develop national variations of ISO 26000 and offer them for certification are inherently irresponsible.
4) The Process used to Develop ISO 26000

A fundamental concept in all multi-stakeholder processes is that the credibility and legitimacy of the process will have a direct bearing on the credibility and legitimacy of the final outcome. The process used to develop ISO 26000 contained a number of significant and serious deficiencies that directly affected the final outcome.

The most serious deficiency in the process is that it was not a true multi-stakeholder process, but was rather only slightly modified from the normal ISO process. In a normal multi-stakeholder process, stakeholder groups select their own experts and those experts are legitimate and credible representatives of the views of their respective stakeholder groups.

In contrast, the experts in the ISO/TMB WGSR were selected by the ISO national standards bodies, in many cases with little or no consultation with the stakeholder group they were selected to represent. Indeed, experts were not even required to belong to the stakeholder group they were supposedly representing. So even though the process was based around six stakeholder groups, it is not at all clear whether the views of these stakeholder groups were adequately or fairly represented in the process.

Conclusion

Given the above concerns about the text, the persistent confusion about what ISO 26000 is and is not, the push for certification by national standards bodies, and the process used to develop the guidance, the IOE is unable to provide its full and formal backing of the FDIS of ISO 26000 and must withhold its support in the current consideration of whether ISO should approve the FDIS or not.

Finally, the IOE would like to express its deep disappointment and regret that the ISO Council refused the request by the Working Group on Social Responsibility to make the published version of ISO 26000 freely available. The subject of social responsibility is fundamentally different from the technical and commercial issues normally addressed in ISO products. Most – if not all – other ISO products are designed to lead to commercial benefits to the user; in contrast, ISO 26000 is designed to have broader social benefits. This fact alone should have been enough justification for the ISO Council to make ISO 26000 freely available – the refusal to do so in order to defend ISO’s “business model” reflects a deep and troubling lack of understanding about the subject of social responsibility, and raises additional questions about whether ISO should engage in any further work in this area.

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