



Social responsibility in time of crisis – ISO 26000 and beyond

by Steven Oates, Senior Adviser on Rights at Work, International Labour Organization

Since ISO embarked on the highly important development of an International Standard for social responsibility, the world has been catapulted into a global economic crisis. By the time the ISO Working Group on Social Responsibility met in Quebec City, Canada, in May 2009 (see article on page 39), the financial markets and the world economy already faced serious global challenges. The severity of the crisis and ongoing uncertainties have added urgency to a series of questions.

ISO 26000 framed in the global context

The decent work agenda was already crystallizing in the International Labour Organization's (ILO) 2008 *Dec-*

laration on social justice for a fair globalization, which states that violation of rights at work cannot be invoked as a comparative advantage, and that labour standards should not be used for protectionist purposes. This Declaration also identified the role of the tripartite declaration of principles concerning multinational enterprises and social policy (MNE declaration)¹⁾ and the different actors in addressing social issues.

By early 2009, the G-8 brought further focus to the human dimension of the crisis, pointing also to the promotion of corporate social responsibility (CSR) initiatives – not least the ILO's MNE declaration and the Organisation for Economic Co-operation and Development (OECD) Guidelines – as part of a strategy to restore confidence.

Following this, the Group of 20 (G-20) Finance Ministers and Central Bank Governors focused on economic and job growth, with a view to fair and sustainable recovery for all. As requested by the G-20, the UN's lead in pursuing the millennium development goals (MDGs) and social protection has been complemented

1) The principles laid down in this universal instrument offer guidelines to enterprises, governments, and employers' and workers' organizations in such areas as employment, training, conditions of work and life, and industrial relations.

Main Focus



by the supporting roles of the ILO and others in assessing the situation in terms of employment, education and the most vulnerable members of society. It was also the G-20 Summit which picked up the idea of a “global charter” or “legal standard” for sustainable economic activity (one which the United Nations now looks towards).

“It is no accident that the international agenda fits so well with ISO 26000.”

The OECD has published an admittedly unrefined inventory of possible policy instruments, as tools for further elaboration of a framework for a stronger, cleaner and fairer world economy. Relevant instruments include ones relating directly to social responsibility, with others concerning economic policy, social justice, enterprise development, the environment and governance, all making for a very complete outline of the existing “instrumentarium”.

The international agenda seems to fit so well with what is appearing in ISO 26000.

A strategic alliance

The memorandum of understanding (MoU) between the ILO and ISO has had two notable effects alongside that of ensuring technical compatibility between international labour standards and the future ISO 26000 standard on social responsibility.

First, the MoU has helped enable a relationship – perhaps a synergy – between the development of ISO standards in areas such as the environment or organizational governance, on one hand, and social, labour and human rights on the other. There is fascinating evidence of this in the (as yet uncompleted) discussion taking place among the various stakeholders on how gender should be mainstreamed into the future standard.

A second very interesting phenomenon is the social dialogue of group interaction, consultation and collective negotiation. While in ISO the numbers of stakeholder groups and substantive issues are larger than in the ILO, the industry (employers) and labour (workers) groups are in their respective ways highly coherent and cogent participants in the discussion and definition of the guidance standard.

Thus, the labour practices section of the future ISO 26000 has, on the basis of ILO standards, been the object of rather solid consensus and agreement, while other sections have perhaps required longer elaboration. The importance of this kind of interaction for both the quality of the product and the prospects of its subsequent implementation cannot be overvalued.

The ILO global jobs pact

The meeting of ISO Working Group on Social Responsibility in Quebec City, Canada, fell neatly between the G-20 Summit in March 2009 and the ILO Conference in June 2009, which adopted the Global Jobs Pact (the Pact).

This conference discussion has been the ILO’s own specific response to the crisis, which is deliberately formulated in terms of the added value the organization can provide. And, like ISO 26000, it comes not in the form of a legally binding document, but something with perhaps no less potential for obtaining results.

As with other acts of the ILO conference (not including formal standard-setting) and the governing body, there is

About the author



Steven Oates, a solicitor by profession, has long-term experience in supervision of the application of standards in the International Labour Organization (ILO),

with a special interest in employment policy instruments. He was regional adviser on labour standards in Africa. More recently, his work has been aimed at obtaining better implementation of standards through cooperation in the field, work with international financial institutions and corporate social responsibility. Currently, Mr. Oates is a Senior Adviser on Rights at Work in the office of the ILO Executive Director for Standards and Rights. He has studied at universities in Moscow, Tokyo and Boston (Harvard).



a certain congruence with the anticipated ISO guidance standard in the process of conceiving, formulating and adopting an international, multi-party agreement covering social and labour issues. Since the Pact precedes finalization of ISO 26000, it becomes another facet of the context in which the ISO standard approaches fruition.

As a project of the ILO, the Global Jobs Pact addresses questions of employment, enterprise development, social protection and workplace rights, while dwelling also on the role of social dialogue in the design of policies and their implementation. Some particular provisions can be related to the development of an ISO International Standard on social responsibility.

ing recovery, which the Pact expresses, gives added reason to the breadth of coverage in ISO 26000's approach to social responsibility. Action on the various sections of ISO 26000 is likely to coincide with the sort of action called for in the Pact.

Secondly, the Pact takes the position that the provision of quality public services, in particular, contributes to fair globalization and should be part of the crisis response. Such services contribute directly to efficiency in economic recovery and development, and, at the same time, add respect for worker rights and protection of the vulnerable.

Here again, the broadness of the approach taken by ISO 26000, this time in the sense of its applicability to all



The on-going dialogue between ISO and the UN Global Compact has itself been framed in an MoU.

Restoring confidence

Perhaps the responsibility of business in time of crisis has been best articulated by the UN special representative, who notes that even downsizing and plant closings must be conducted responsibly. Restoring public trust and confidence in business is as much an immediate challenge as is reinventing viable business models.

The roles of business and investors and the issue of social responsibility might also, according to the UN Chief Executives Board for Coordination, be elements in a strategy for encouraging and supporting new enterprises in the creation of green jobs, given the emerging global jobs pact.

With this background, the UN conference on the world financial and economic crisis and its impact on development in June 2009 highlighted the need for new global consensus to promote sustainable economic activity and CSR.

And while many international groups address ways of restoring confidence amidst the current financial crisis, ISO, too, contributes its part as the ISO 26000 working group prepares a now near-final round of drafting. ■



Congruence to ISO 26000

The recognition of the MNE Declaration as an important tool for enterprises responding to the crisis in a socially responsible manner obviously invites further action on the part of ILO. But there are additional elements of the crisis response which find their echo in the ISO 26000 draft.

Firstly, the ILO has increased its attention to the greener economy and the "green jobs" issue. To this end, the Pact duly identifies investment and development as an important focus for job creation and crisis responses. The convergence of economic, social and environmental interests and actions in promot-

ing kinds of organizations without excluding those in the public sector, and not limited to organizations directly concerned with employment, would fit well and add further value.

Thirdly, the Pact calls on the ILO to engage with other international agencies to strengthen policy coherence and crisis response. It is to offer its expertise to other bodies within the multilateral system. The ILO, through its MoU with ISO – as well as numerous arrangements and forms of cooperation with other international organizations – already undertakes engagement of various sorts, while the particular element added here is that of crisis response. It remains for the manner of this engagement to be elaborated by the different parties concerned.