Social responsibility

ISO 26000 tells it like it is

• UNOG’s Director-General: “We can improve the quality of life for the many millions.”

• ISO 26000 contest: And the winner is...
**Contents**

**Comment**
Jorge Cajazeira and Staffan Söderberg, Chair and Vice-Chair,

**World Scene**
International events and international standardization ................................. 2

**Guest Interview**
Sergei A. Ordzhonikidze – Director-General of UNOG ............................... 3

**Special Report**
ISO responds to a worldwide challenge – We are responsible for our actions ...... 8
ISO 26000 on social responsibility – The essentials ..................................... 10
Building bridges – Aligning SR efforts for greater leverage ............................ 14
Consumers care – Access to information for more sustainable markets ............ 16
Developing countries – Contributing to the ISO 26000 process ..................... 18
Responsible growth – Chile’s Sodimac commits to sustainability .................... 20
Acting responsibly – Danper’s commitment pays off .................................... 24
Size doesn’t matter – Australian dentists get their teeth into ISO 26000 ........... 26
Promoting ISO 26000 – AFNOR’s original boost for a very special standard ....... 30
Sustainable events – Getting ready for the 2012 Olympic Games .................. 32
Attention SMOs – ISO 26000 makes good business sense in South Africa ........ 34
Sowing a responsible future – The African challenge .................................... 37

**Centre-fold**
Seven principles of social responsibility ....................................................... 22-23

**Planet ISO**
News of the ISO system .................................................................................. 39

**Management Solutions**
Care for the elderly – Irish nursing home benefits from MS integration ............ 40
Phasing EMS – ISO 14005 will benefit SMEs ............................................. 41

**360°**
ISO standards for business – An essential link to integrated reporting ............. 42

**New Releases**
New edition of ISO/IEC 17021 – Aims to raise level of management system certification ........................................................................................................ 44

**Coming Up**
.................................................................................................................. 45
Social responsibility
Dawn of a new era

For many of us today, the need for social responsibility may appear logical. We expect organizations to be responsible for their actions, to be transparent, behave in an ethical manner and uphold values. People around the world are increasingly outraged by sweatshops, employees working for below subsistence salaries and the ravages done to the environment to name a few.

Despite all this, the modern understanding of social responsibility (SR) for organizations is relatively recent and slowly gaining ground. Throughout history the concept of SR has been both polemical and dynamic. It was not that long ago that the objectives of businesses, for example, were understood as mere profit generation, without concern for sustainability issues.

Adam Smith’s perspectives on free trade, outlined in the Wealth of Nations (1776), have been particularly influential in past understandings of the subject. For Smith, increase in productivity occurs with the division of work; the division of work in turn increases or diminishes according to market size; and the market is amplified to its maximum capacity through free trade. Therefore, he concluded, free trade enables greater productivity.

Smith tried to show the superiority of industry over agriculture, of profit and appreciation over revenue, of currency over barter, of selfishness over charity. According to this liberal concept, social responsibility of a company is the maximization of its profit and the generation of jobs and tax payment – a position sustained by Milton Friedman (1983) which still finds followers in the political and corporate environments.

However, the new entrepreneurial and globalized environment began to demand a new meaning of responsibility from businesses and other types of organizations. Social and environmental responsibility was redefined as the efficient attainment of socio-economic development objectives. An organization would be considered effective when it maintained a socially responsible performance. More recently, we have seen the introduction of the triple bottom line concept. This notion was foreseen by Maurice Strong, the Conference Secretary General of Rio’s 1992 Earth Summit, when he emphasized that in order to attain sustainability in all dimensions, it would be necessary to simultaneously address three criteria: social equity, ecological prudence and economic efficiency.

Based on the growing interest in social responsibility, ISO approved a resolution in 2001 that invited the ISO Committee on consumer policy (ISO/COPOLCO) to consider the feasibility of International Standards in this area. After almost two years of study, ISO decided to set up the ISO Working Group on Social Responsibility (ISO/WG SR), to develop the new standard.

The working group was jointly led by national standards bodies from a developed country and a developing country – SIS, ISO member for Sweden, and ABNT, ISO member for Brazil. It took eight international plenary meetings handling more than 25,000 written comments before consensus was reached. Also, based on the elaborate stakeholder dialogue process, both ISO and the ISO/WG SR developed new ways to handle the sometimes radically opposing views in order to achieve international consensus.

Published in November 2010, ISO 26000 was developed through an innovative and challenging process that took close to five years of intense work. In order to secure understanding and capacity building, a number of workshops were held, especially in developing countries. In fact, each single step in the process was reviewed by the working group’s leadership and ISO’s officials to assure the mutual understanding and engagement of all 450 experts from 99 countries and more than 40 international organizations.

ISO 26000 offers seven overarching principles and seven core subjects with 37 underlying issues. ISO 26000 also gives guidance on how to implement social responsibility and enhance communication. The standard has already been translated into several languages, and has more than a million search results in Google! ISO 26000 is quickly gaining ground, and we are proud of having been involved in the process.

The world now has an International Standard that provides any organization with guidance on how to be more socially responsible and thereby contribute to society’s ongoing sustainable development. Is your organization ready to let ISO 26000 guide its actions to future sustainability?

Jorge Cajazeira, Chair, and Staffan Söderberg, Vice-Chair, ISO Working Group on SR.
ISO standards answer Davos call for norms

The theme of the 2011 annual meeting of the World Economic Forum (WEF), “Norms for the new reality”, showed the relevance of ISO’s work to businesses, governments, nongovernmental organizations and consumers who are looking for new ways of working and responding to the fundamental changes and events that are going on in the world.

ISO Secretary-General Rob Steele attended the WEF meeting, held in January in Davos, Switzerland: “It was clear at Davos that new norms are needed,” he said. “It is not an option for business to go back to a single-minded focus on earnings in the last quarter. Ignoring customer, employee and wider stakeholder views on environmental and societal issues is not sustainable and it is not good business. This creates an opportunity for people and groups with diverse interests to sit down and seek consensus on new ideas and norms that will meet their needs. “Backed by credibility earned by a successful track record of nearly 65 years, ISO offers the structure and processes for such a discussion to take place, and for international consensus to be achieved on pragmatic solutions to the challenges facing the global community.”

Regional WEF meeting

The World Economic Forum will hold its regional meeting for Latin America in Rio de Janeiro, Brazil, from 27-29 April 2011. Up to 500 business leaders, heads of government and ministers as well as leaders from media, academia and civil society will attend.

Following on the heels of the World Economic Forum meeting in Davos earlier this year, the ISO Secretary-General has been invited to speak at an interactive session entitled “Corporate reporting and ISO 26000.” Rob Steele and Ernst Ligteringen, Chief Executive of the Global Reporting Initiative (GRI), will lead a discussion on how Latin America could lead a discussion on how Latin America could provide leadership in accounting convergence and processes for such a discussion to take place, and for international consensus to be achieved on pragmatic solutions to the challenges facing the global community.”

ISO 26000 in French-speaking countries

The Réseau Normalisation et Francophonie (Standardization and Francophone Network) has launched a programme for the roll-out of ISO 26000 on the social responsibility of organizations.

Standards bodies and the French-speaking networks and experts of Africa, Europe and North America, with the support of the International Organisation of La Francophonie (IOF), are being mobilized to promote ISO 26000.

The programme steering committee is chaired by Barama Sarr, the Director-General of the Association sénégalaise de normalisation (Senegalese standardization association). The Vice-Chairman is Didier Gauthier who also chairs the standardization commission on social responsibility of AFNOR, ISO member for France.

As part of this programme, four task groups have been set up to address:
- Standards development tools
- Awareness-raising activities and information
- Training activities
- Research activities.

This programme aims to federate French-speaking experts on governance issues, labour practices, the environment, fair operating practices, human rights, as well as consumer issues and community involvement and development. It will support national or regional initiatives in 2011, such as those already implemented for the development of sector-based documents in France, the Corporate Social Responsibility Forum in Dakar, Senegal, the Technical Days in Algeria and the preparation of collective publications and practical information documents in Quebec, Canada.

World Water Day 2011

Today, one in two people on the planet live in a city. The world’s cities are growing at an exceptional rate and urbanization is a continuum. In addition, investments in infrastructure have not kept up with the rate of urbanization, while water and waste water services show significant underinvestment. The central problem is therefore the management of urban water and waste.

This year’s World Water Day – organized annually by the UN on 22 March – will focus on the theme, “Water for cities: responding to the urban challenge”. The day aims to spotlight and encourage governments, organizations, communities and individuals to actively engage in addressing the challenge of urban water management.

Two ISO technical committees in particular develop standards that support the UN goals in this area: ISO/TC 147 on water quality and ISO/TC 224 on services related to water supply and wastewater sewerage systems. Their work makes a practical contribution to alleviating water and sanitation problems. For example, ISO has developed three standards (ISO 24510, ISO 24511 and ISO 24512) providing guidelines for the improvement, assessment and management of utilities and services related to drinking water supply systems and wastewater sewerage systems to help water authorities and operators achieve quality and contribute to sustainable development.
Sergei A. Ordzhonikidze took up the post of Director-General of the United Nations Office at Geneva (UNOG) on 1 March 2002. A career diplomat, he joined the Soviet diplomatic service in 1969. He was first posted to the Permanent Mission of the Soviet Union to the UN in New York and then served as Assistant to the Deputy Foreign Minister in Moscow. In 1978, he returned to the Permanent Mission to the UN in New York. In 1983, he was appointed Deputy Chief of the International Legal Department of the Ministry of Foreign Affairs in Moscow before serving as Deputy Permanent Representative to the UN in New York. In 1996, he became Director of the Department of International Organizations until 1999 when he was appointed Deputy Minister of Foreign Affairs. Mr. Ordzhonikidze graduated from the Moscow State Institute of International Relations and completed his post-graduate studies in international law at the Diplomatic Academy of Moscow.
ISO Focus+: With only five years to go, can you give us a brief update on the status of the implementation of the UN Millennium Development Goals (MDGs)?

Sergei A. Ordzhonikidze: In September 2000, world leaders gathered at the United Nations Headquarters in New York and adopted the United Nations Millennium Declaration, a milestone in international cooperation. They set up time-bound targets known as the Millennium Development Goals (MDGs).

The last progress report issued in June 2010 shows that major progress has been made and that many countries are moving forward. It further highlights, and it is perhaps the most important aspect of it, that the MDGs are achievable if the political will is present. I would like to provide three examples to illustrate this positive trend.

The first example is linked to goal 2: achieve universal primary education. In Kenya, the abolition of school fees led to an increase of the enrolment rate: two million more children were able to attend primary school. The second example is related to goal 6: combat HIV/AIDS, malaria and other diseases. In Cambodia, the spread of HIV was reversed with the prevalence falling from 1.8% in 2001 to 0.8% in 2007. The last example illustrates the progress made in the field of environmental sustainability which corresponds to goal 7. Between 1999 and 2005, Costa Rica prevented the loss of 720 km² of forests in biodiversity priority areas and avoided the emission of 11 million tons of carbon.

We have to build on these successes. The challenges ahead of us are still very important and the obstacles to overcome are numerous. Failure is not an option. The economic and financial crises have slowed down many projects and have impacted the most vulnerable populations. We therefore have to work even harder to keep our promises and allow every human being to enjoy basic human rights and needs.

ISO Focus+: How can the implementation of ISO standards help organizations meet the MDGs?

Sergei A. Ordzhonikidze: Generally speaking, norms, conventions and standards can significantly contribute to the achievement of the MDGs in a number of areas. For example, the United Nations Economic Commission for Europe (UNECE), which is one of the five regional commissions of the United Nations, has a mandate to promote pan-European economic integration. It has prepared an Action Plan which provides a set of targets and measures to raise energy efficiency in the housing sector. The latter is one of the main sources of CO₂ emission in the European region and the application of such measures by countries would play a key role in the achievement of the relevant target under MDG7.

ISO has developed a large set of standards in the environmental field which are quite complementary with the UNECE norms and conventions in this area, and thereby also contribute to the achievement of this MDG on environmental sustainability.

And there are many other examples on how ISO standards help organizations meet the MDGs.

For instance, ISO 26000 helps organizations achieve the benefits of operating in a socially responsible manner and is directly linked to MDG3, “Promote gender equality and empower women”. Thus, the core subjects and issues of social responsibility defined by ISO 26000 include human rights,
labour practices, the environment, fair operating practices, consumer issues and community involvement which encompass, among other things, the principles of equal opportunities and non-discrimination.

ISO 9000 has an important impact on education and many educational institutions have been called upon to use these standards. It contributes to MDG2, “Achieve universal primary education”.

The role of International Standards in economic development has been emphasized on many occasions, more particularly with the reference to the standards in the Technical Barriers to Trade Agreement of the World Trade Organization.

Building efficient partnership is one of the ways to address these global issues. The challenges ahead of us are numerous but together we can overcome the difficulties.

ISO Focus+: Published in 2010, the ISO 26000 standard giving guidance on social responsibility is the result of the collaborative effort of industry, government, international organizations (including UN bodies such as UN Global Compact and the ILO), academia, NGOs, service providers, consumer representatives and other stakeholders. What do you foresee will be the impact of this standard? How does it complement the work being carried out by the UN Global Compact?

Sergei A. Ordzhonikidze: It is the first time that a standard is dedicated to social responsibility and we highly support it. What makes it very interesting is that it is not only targeting private companies but all types of organizations as well as governments, so we really hope that it will contribute to protect the most vulnerable populations, the ones that are too often forgotten while they should be on the top of the agenda.

Launched in July 2000, the UN Global Compact (UNGC) is composed of 8 700 stakeholders from over 130 countries. It is both a strategic voluntary policy initiative and a practical framework for entities willing to establish responsible business practices. It promotes the engagement of business activities to the 10 universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

The key goals are to set the 10 principles in business activities as a global norm and thus rally action and support for UN mandates, more so with the MDGs. During the last UNGC Leaders Summit, which took place in June 2010 in New York, leaders from all sectors promoted the need for responsible business. Time has come to turn this need into reality.

The United Nations family in Geneva works on areas that touch upon all 10 principles of the Global Compact. Indeed, many of the conventions from which the principles are derived were formulated in Geneva. Furthermore, a large number of United Nations agencies here are involved in the implementation of these international instruments.

On a daily basis, the United Nations family in Geneva is engaged in elaborating and monitoring technical standards, norms and agreements. When all these efforts are combined, they make up an essential part of the infrastructure for the global economy. Through normative work and technical assistance in areas as diverse as health, labour, intellectual property, telecommunication and trade, we contribute to creating an enabling environment for economic and social development.

Concrete actions are expected and together we can make it a reality.
of their social responsibility. By adopting this new standard, one can change the life of many people by making it healthier and safer. It is in our hands: we can improve the quality of life for the many millions.

**ISO Focus+: Multi-stakeholder collaboration is key to the ISO process in order to develop standards that truly represent global consensus and are widely accepted. ISO closely works with several UN bodies. What is the value of this collaboration and participation for the UN and its agencies?**

**Sergei A. Ordzhonikidze:** We highly value the long-time cooperation between the UN, its agencies and ISO, which either takes the form of Memoranda of Understanding (MoUs) and/or through direct contacts between UN groups of experts and relevant ISO technical committees (TCs).

A MoU concerning standardization in the field of electronic business was, for instance, signed in 2000 by ISO, UNECE, the International Telecommunication Union (ITU) and the International Electrotechnical Commission (IEC). The international organizations named above, and other interested stakeholders, regularly meet in order to exchange information on the current activities and future projects, and to coordinate activities.

Direct contacts between UNECE and ISO groups of experts occur, for example, at the Working Party on Regulatory Cooperation and Standardization Policies and the World Forum on the construction of vehicles. More specifically, the World Forum/WP29 widely uses relevant ISO standards while forming regulations for vehicles concerning safety, protection of environment and conservation of energy.

Another form of cooperation is the adoption of UN standards as ISO standards. Some of the standards elaborated by UNECE were subsequently adopted as international standards. For example, the most widely cited “language” for electronic data interchange – UN/EDIFACT – was adopted as an ISO standard (ISO 9735).

The same is also true for ISO standards being adopted by the United Nations. For instance, UNOG’s most recent certification to an ISO standard (ISO 14001) for its publishing operations illustrates one of the many efforts the organization has undertaken to promote sustainability.

These few examples of strengthened cooperation illustrate how important common efforts are in helping solve some shared challenges. The value of collaboration between ISO and the UN is underwritten within the mandates of both organizations. Many of the values include knowledge sharing, coordination of activities, joint research and publication efforts, and ensuring effectiveness and efficiency as we respond to the urgent needs of the most vulnerable.

Concrete actions are expected and together we can make it a reality. Today’s challenges are global in scope. We must combine the universal authority of the United Nations, the global reach of international business and the mobilizing power of civil society to confront these challenges together.

**The Palais des Nations covered in snow, December 2010.**

**The United Nations Office at Geneva (UNOG)**

2010 marked the 65th anniversary of the United Nations. The need for strong multilateral governance is as great today as when the United Nations was founded to overcome shared challenges such as human rights abuses, poverty, violent conflicts, ever-rising military expenditure, and inequalities among and within countries.

As the representative office of the Secretary-General of the United Nations in Switzerland, the United Nations Office at Geneva (UNOG) serves as a dynamic multilateral hub. It enables Member States and partners to discuss and craft policies, works with the wider United Nations system to support the development and implementation of reforms and contributes to raising awareness of the role of the United Nations and to building the mutual understanding and respect among cultures.

In 2010, 1,697 people were working at UNOG representing 117 nationalities, making it the biggest duty station outside of the United Nations Headquarters in New York.
Worried you’ve forgotten something really important?

Neglecting to take adequate care of your organization’s information assets is definitely cause for worry. Information may concern the organization’s products, processes or markets. It may be sensitive information entrusted by customers, suppliers or stakeholders. Failure to protect that information can ruin the organization. Implementing an information security management system (ISMS) based on ISO/IEC 27001 is an effective way to protect information assets. And it’s not just for large organizations. ISO/IEC 27001 for Small Businesses – Practical advice takes the mystery out of information security and presents a practical, clearly explained step-by-step approach for SMEs to implement an ISMS. The best remedy to worry is taking action to remove the cause.

Available from ISO national member institutes (listed with contact details on the ISO Website at www.iso.org) and from the ISO Central Secretariat Webstore at www.iso.org/isostore or e-mail to sales@iso.org.

International Organization for Standardization – www.iso.org

Central Secretariat
1, ch. de la Voie-Creuse
Case postale 56
CH-1211 Genève 20

© ISO Focus+, www.iso.org/isorfocus+
ISO responds

We are responsible for our actions

by Rob Steele

Our television screens, blogs, tweets, mobile phones and newspapers amplify the same message. The world demands social responsibility. ISO 26000, the first internationally approved standard to provide guidance on social responsibility, is a global response to this global challenge.

ISO standards are only developed in response to clear market needs that have been thoroughly analyzed by ISO and approved by its members (the representatives of the national standards bodies of 163 countries). ISO 26000 is exemplary.

The fact that its development attracted stakeholders from all over the globe says it loud and clear: social responsibility (SR) has become an organizational requirement and the world wants harmonized guidelines.

And by SR we don’t mean just an organization’s contribution to charity, but a commitment to sustainability and accountability for the impact of its actions. In short, it is no longer just the financial “bottom-line” that people measure an organization on anymore. It is the impact the organization has on the environment and society as well as on the economy.

It was with great pride that I participated at the launch of this much awaited and talked-about standard in November 2010, in Geneva, Switzerland. The leadership of the ISO Working Group on Social Responsibility (ISO/WG SR), which had invested so much effort during five intense years of work with stakeholders from all over the world, were all present (for full coverage of the event: tinyurl.com/ISO26000launch).

It is them and the 450 participants of the ISO/WG SR who have shown the vision and fortitude that produced ISO 26000. True to the ISO spirit, they managed to navigate the rough waters of consensus building and, with good intentions and solid commitment, succeeded in achieving agreement on a subject that I am sure all would agree, is multi-dimensional, controversial and above all, needed.

This issue of ISO Focus+ celebrates their effort, but it also looks ahead to the world-changing potential that this standard has. Already organizations large and small around the globe are implementing ISO 26000, as can be seen from some of the case studies included in this report. Similarly, key players in the field of sustainability and SR, which also had the opportunity to participate in the standard development process, have, or are publishing, linking documents to align SR initiatives.

The word is also spreading online and through social media. Every day, numerous tweets tagged #ISO26000 discuss the standard. Fan pages have been created in Facebook, and a LinkedIn group on ISO 26000 now has over 1,800 members.

ISO is a major player in this conversation – its latest initiative being the organization of an article-writing contest publicized solely through social media. Your response was overwhelming, and selecting the winner (included in this report) a difficult choice!

It is with great pride that I look ahead into the future, confident of the role that ISO 26000 will have in helping make this world a better place.

Rob Steele, ISO Secretary-General.
ISO 26000
SOCIAL RESPONSIBILITY

The essentials

by Roger Frost

2010 saw the launch of one of the most eagerly awaited International Standards of recent years, ISO 26000, which provides guidance to both business and public sector organizations on social responsibility (SR).

ISO 26000 was developed to respond to a growing world need for clear and harmonized best practice on how to ensure social equity, healthy ecosystems and good organizational governance, with the ultimate objective of contributing to sustainable development.

To increase awareness and understanding of what the standard involves and how it was developed, ISO has published two informative brochures, which are partly reproduced here:

• ISO 26000 project overview
• Discovering ISO 26000.

The full texts are freely available at www.iso.org/iso/social_responsibility.

What is ISO 26000?

ISO 26000 gives guidance on SR. It integrates international expertise on social responsibility – what it means, what issues an organization needs to address in order to operate in a socially responsible manner, and what is best practice in implementing SR.

It is intended for use by organizations of all types, in both public and private sectors, in developed and developing countries, as well as in economies in transition. ISO 26000 is a powerful SR tool to assist organizations to move from good intentions to good actions.


Why is social responsibility important?

Organizations around the world, and their stakeholders, are becoming increasingly aware of the need for and benefits of socially responsible behaviour. The objective of social responsibility is to contribute to sustainable development.

Why is ISO 26000 important?

Sustainable business for organizations means not only providing products and services that satisfy the customer, and doing so without jeopardizing the environment, but also operating in a socially responsible manner.

Pressure to do so comes from customers, consumers, governments, associations and the public at large. At the same time, far-sighted organizational leaders recognize that lasting success must be built on credible business practices and the prevention of such activities as fraudulent accounting and labour exploitation.

On the one hand, there has been a number of high-level declarations of principle related to SR and, on the other, there are many individual SR programmes and initiatives. The challenge is how to put the principles into practice and how to implement SR effectively and efficiently when even the understanding of what “social responsibility” means may vary from one programme to another. In addition, previous initiatives have tended to focus on “corporate social responsibility”,

An organization’s performance in relation to the society in which it operates and to its impact on the environment has become a critical part of measuring its overall performance and its ability to continue operating effectively. This is, in part, a reflection of the growing recognition of the need to ensure healthy ecosystems, social equity and good organizational governance. In the long run, all organizations’ activities depend on the health of the world’s ecosystems. Organizations are subject to greater scrutiny by their various stakeholders.
while ISO 26000 provides SR guidance not only for business organizations, but also for public sector organizations of all types. ISO’s expertise is in developing harmonized international agreements based on double levels of consensus – among the principal categories of stakeholder, and among countries (ISO is a network of the national standards bodies of 163 countries).

Who can benefit from ISO 26000 and how?

ISO 26000 provides guidance for all types of organization, regardless of their size or location, on:
- Concepts, terms and definitions related to social responsibility
- Background, trends and characteristics of social responsibility
- Principles and practices relating to social responsibility
- Core subjects and issues of social responsibility
- Integrating, implementing and promoting socially responsible behaviour throughout the organization and, through its policies and practices, within its sphere of influence
- Identifying and engaging with stakeholders
- Communicating commitments, performance and other information related to social responsibility.

ISO 26000 is intended to assist organizations in contributing to sustainable development. It is intended to encourage them to go beyond legal compliance, recognizing that compliance with law is a fundamental duty of any organization and an essential part of their social responsibility. It is intended to promote common understanding in the field of social responsibility, and to complement other instruments and initiatives for social responsibility, not to replace them.

In applying ISO 26000, it is advisable that an organization take into consideration societal, environmental, legal, cultural, political and organizational diversity, as well as differences in economic conditions, while being consistent with international norms of behaviour.

What does ISO 26000 contain?

The contents of ISO 26000 is structured as follows:
- Foreword
- Introduction
- 1 – Scope
- 2 – Terms and definitions
- 3 – Understanding social responsibility
- 4 – Principles of social responsibility
- 5 – Recognizing social responsibility and engaging stakeholders
- 6 – Guidance on social responsibility core subjects
- 7 – Guidance on integrating social responsibility throughout an organization
- Annex A – Examples of voluntary initiatives and tools for social responsibility
- Annex B – Abbreviated terms
- Bibliography.

The guidance provided in these sections is intended to be clear and understandable – even to non-specialists – as well as objective and applicable to all types of organization, including big business and small and medium-sized enterprises, public administrations and governmental organizations.
How does ISO 26000 relate to existing good work?

The guidance in ISO 26000 draws on best practice developed by existing public and private sector SR initiatives. It is consistent with and complements relevant declarations and conventions by the United Nations and its constituents, notably the International Labour Organization (ILO), with whom ISO has established a Memorandum of Understanding (MoU) to ensure consistency with ILO labour standards. ISO has also signed MoUs with the United Nations Global Compact Office (UNGCO) and with the Organisation for Economic Co-operation and Development (OECD) to enhance their cooperation on the development of ISO 26000. See article on page 14.

How did the ISO 26000 initiative come about?

The need for ISO to work on an SR standard was first identified in 2001 by the ISO Committee on consumer policy (ISO/COPOLCO).

Who developed ISO 26000?

The membership of the ISO/WG SR was the largest and the most broadly based in terms of stakeholder representation of any single group formed to develop an ISO standard. At the last meeting of the ISO/WG SR, in July 2010, there were 450 participating experts and 210 observers from 99 ISO member countries and 42 liaison organizations involved in the work.

Not for certification

ISO 26000 is not a management system standard. It is not intended or appropriate for certification purposes or regulatory or contractual use. 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 this International Standard. As ISO 26000 does not contain requirements, any such certification would not be valid.
ISO 26000 will help organizations move from good intentions to good actions.

How does an organization go about implementing ISO 26000?

After considering the characteristics of social responsibility and its relationship with sustainable development (Clause 3), it is suggested that an organization should review the principles of social responsibility described in Clause 4. In practising social responsibility, organizations should respect and address these principles, along with the principles specific to each core subject (Clause 6).

Before analysing the core subjects and issues of social responsibility, as well as each of the related actions and expectations (Clause 6), an organization should consider two fundamental practices of social responsibility: recognizing its social responsibility within its sphere of influence, and identifying and engaging with its stakeholders (Clause 5).

Once the principles have been understood, and the core subjects and relevant and significant issues of social responsibility have been identified, an organization should seek to integrate social responsibility throughout its decisions and activities, using the guidance provided in Clause 7. This involves practices such as: making social responsibility integral to its policies, organizational culture, strategies and operations; building internal competency for social responsibility; undertaking internal and external communication on social responsibility; and regularly reviewing these actions and practices related to social responsibility.

Further guidance on the core subjects and integration practices of social responsibility is available from authoritative sources (Bibliography) and from various voluntary initiatives and tools (some global examples of which are presented in Annex A).

When approaching and practising social responsibility, the overarching goal for an organization is to maximize its contribution to sustainable development.

Roger Frost is Head of Communication Services, ISO Central Secretariat.
One of the principal achievements of the working group that developed ISO 26000 is that it brought such a broad range of stakeholders to the decision-making table in order to achieve the first truly global consensus on the broad subject of social responsibility (SR).

Before ISO 26000 was published, there were a number of programmes and initiatives operating in the marketplace, which could have diverging understandings, or distinct emphasis, of SR. What makes ISO 26000 exceptional is that it successfully distills international knowledge and best practice on SR’s concepts and key core subjects into one International Standard – backed by global stakeholder consensus. It was the largest and most representative standard development process so far carried out within ISO. The working group brought together the concerted efforts of over 450 participating experts and 210 observers from 99 ISO member countries and 42 organizations in liaison. After five years of intense consensus-building work the group completed the standard.

It was the largest and most representative standard development process so far carried out within ISO. The working group brought together the concerted efforts of over 450 participating experts and 210 observers from 99 ISO member countries and 42 organizations in liaison. After five years of intense consensus-building work the group completed the standard.

Given the involvement of so many experts on the subject, the resulting standard encompasses principles embodied in a number of leading SR initiatives. Proud of this connection and keen to align their actions, some of the organizations involved have developed, or are developing, documents that explain the relationship between their own SR or sustainability programmes and ISO 26000.

This article highlights the initiatives of AccountAbility, the Global Reporting Initiative and the UN Global Compact. The list is by no means exhaustive.

AccountAbility developed a suite of sustainability standards known as the AA1000 series. These are principle-based standards to assist organizations in becoming more accountable, responsible and sustainable. Following publication of ISO 26000, AccountAbility announced that it would develop a guide outlining the relationship between both initiatives.

AccountAbility has emphasized that ISO 26000 will have an important impact because it will create awareness of social responsibility issues among organizations in private, public and non-profit sectors, and also introduce organizations to other relevant tools and standards in this space.

“ISO 26000 is very much in line with AccountAbility’s family of sustainability standards and we expect that it will further support uptake of the AA1000 standards – especially as organizations seek practical tools to implement aspects of social responsibility,” explained Mr. Ramin.

AccountAbility expects that its user-friendly guide will help organizations better understand the complementary elements and linkages between ISO 26000 and the AA1000 series. According to the organization these include:

- ISO 26000 highlights many of the same principles evident in the AccountAbility Principles Standard that many organizations are using to stimulate transformational change in areas of social responsibility and sustainability
- ISO 26000 suggests the use of assurance processes to enhance the credibility of the information, which will naturally lead organizations towards the AA1000 Assurance Standard
- ISO 26000 lists stakeholder engagement as a fundamental practice of social responsibility, while the AA1000 Stakeholder Engagement Standard provides an open source framework for organizations to improve the quality of the design, implementation and assessment of their stakeholder engagement practices.

The AccountAbility guide will be released in 2011 free of charge on their Website www.accountability.org.

AccountAbility is an international non-profit think tank setting and influencing best practice on sustainability and social responsibility. It participated in the development of ISO 26000 as a liaison organization from the start.

The Director of Standards for AccountAbility, Kurt Ramin, said, “The publication and launch of ISO 26000 is a welcome achievement. As a participant in the development of this standard from the very beginning, we are pleased to see ISO 26000 finally come to fruition and believe that its release represents an important step forward in providing organizations of all types with much needed guidance on a very broad range of issues associated with social responsibility.”
The Global Reporting Initiative (GRI) is a multi-stakeholder network-based organization that produces what it affirms to be the world’s most widely used sustainability reporting framework. GRI’s core goals include the mainstreaming of disclosure on environmental, social and governance performance.

GRI actively participated in the ISO 26000 development process from its inception. Part of the requirements of ISO 26000 is that an organization should, at appropriate intervals, report about its performance on social responsibility to the stakeholders affected. According to GRI, its Sustainability Reporting Guidelines are ideally suited for providing the voluntary framework to enable organizations to report this performance. In order to support users wishing to implement both ISO 26000 and the GRI G3 Guidelines, GRI has developed a linkage guidance document highlighting synergies between both initiatives.

Organizations wanting to learn more about GRI can consult The GRI sustainability reporting cycle: A handbook for small and not-so-small organizations and Let’s Report! Step-by-step guidance to prepare a basic GRI sustainability report tinyurl.com/GRIpublications.

The United Nations Global Compact is a strategic policy initiative for businesses committed to 10 principles in the areas of human rights, labour, environment and anti-corruption. The Global Compact’s aim is that by reaching out to business, which are a primary driver of globalization, they can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere. The initiative has over 8,700 corporate participants and other stakeholders from over 130 countries.

The UN Global Compact was actively involved in the development of ISO 26000. As a result, their 10 principles, which are widely recognized internationally, are all included in ISO 26000.

In order to highlight the connection between both initiatives and emphasize their complementarity, the UN Global Compact has developed a linking document which maps the relationship between the core ISO 26000 subject areas – human rights, labour practices, the environment, fair operating practices, consumer issues, community involvement – and the Global Compact’s 10 Principles. The document will help Global Compact signatories to implement ISO 26000, and understand the linkages between both documents.

The document’s introduction states, “ISO 26000 gives a boost to ongoing efforts by the UN Global compact to establish widespread common understanding of corporate responsibility principles.”

It goes on to explain, “ISO 26000 and the UN Global Compact are connected by a fundamental belief that organizations should behave in a socially responsible way.

“Given the operation reach of the ISO organization, ISO 26000 can help to build local capacity to advance universal principles in business – particularly in developing countries – which is a critical step in mainstreaming the business-society agenda everywhere and achieving a level global playing field for all businesses.”

The publication provides a high-level overview of key linkages between both initiatives. Although it does not attempt to be exhaustive, it shows that there is a clear consistency, and that all UN Global Compact Principles are included in ISO 26000.

Entitled, An introduction to linkages between UN Global Compact principles and ISO 26000 core subjects, the document can be accessed online at tinyurl.com/UNGCISO26000.

Maria Lazarte is Assistant Editor, ISO Focus+.
Consumers care
Access to information for more sustainable markets

by Judith Vitt

Consumers International (CI) has played a key role in the development of ISO 26000:2010, *Guidance on social responsibility*. The broad support that the standard received in November 2010 is a huge success for consumer organizations. The publication of ISO 26000 clears the way for systematic work on social responsibility (SR) in all types of organizations and is particularly important for business and international organizations like CI, signalling global agreement on the content and context of SR, as well as offering a common language to communicate on SR issues. The inclusion of consumer rights in the definition of social responsibility is a powerful tool in advocating for those rights.

The project has come a long way. Based on the ISO Committee on consumer policy (ISO/COPOLCO) intervention in 2001, international negotiations have finally led to completion of the much needed standard. As part of this process, CI coordinated some 80 consumer experts from around the world, and is proud to say that they played a central role in developing the processes and content of ISO 26000.

The potential of the standard lies in its character as a reference point and benchmark to sort and structure an immensely complex topic. It can solve the fundamental problem that consumers face when considering their own role in sustainable development by providing access to accurate information as a basis for purchasing decisions.

The role of consumers

The ISO 26000 standard is based on the belief that every organization has a responsibility to abide by certain principles, respect individual and collective rights and contribute to sustainable development in general. It also recognizes that unsustainable patterns of production and consumption have serious social and environmental impacts, and that the currently unsustainable rates of consumption often aggravate poverty and social disparities.

Consumer issues are recognized as one of the essential elements of social responsibility, and they are much broader than a mere focus on sustainable consumption. Fair marketing practices, the protection of consumer health and safety, and access to essential services are embedded in the heart of the standard.

Consumer issues rely on respect for the eight essential consumer rights that help balance markets responsibly, in particular:

- The satisfaction of basic needs and the right of all people to an adequate standard of living
- The right to safety
- The right to information
- The right to choose
- The right to be heard and to form organizations
- The right to legal redress
- The right to consumer education
- The right to a healthy environment.

Limits to sustainable consumption

A widespread hope is that consumers will be the prime actors in triggering a shift towards more sustainable markets by taking ethical, social, economic and environmental factors into account when they make their purchasing decisions.

This sounds good in theory – and many consumers are indeed more than willing to do their part – but the lack of access to accurate and relevant information presents a substantial roadblock.

Transparency and information quality

Historically, independent consumer organizations have always played an important
Consumer confidence is dependent on responsible behaviour by companies.

At the same time, the pace of change and the multiple connections between markets have made it more difficult for individuals and consumer organizations to assess and compare products. With the increasing complexity of markets and products, those that produce, procure and supply goods and services are also reaching towards vulnerable groups. These producers are faced with an increasing array of challenges and higher levels of responsibility than ever before.

More than ever, consumer confidence is dependent on responsible behaviour by companies. At the same time, consumers’ trust in business is widely shaken. Critical consumers have learned to be sceptical about “green” oil companies, generous pharmaceutical corporations and cheap, but healthy, food supplies. Still, most consumers have only vague ideas about the meaning of “sustainability” or “ethical” products. All this makes access to knowledge and relevant information crucial to promoting sustainable consumption patterns.

**Consumer use of ISO 26000**

It has been agreed that certification is not the purpose of ISO 26000. Although some stakeholders might feel that this means losing an important option, other applications appear to be much more sustainable and also more in line with the spirit of the standard.

Consumers require independent assessments and information on the overall performance of companies. From CI’s perspective, active use of ISO 26000 has the power to develop into a benchmark for assessing the completeness and quality of information provided by companies.

The journey toward a more sustainable global society has only begun. Road-testing of the standard needs to begin immediately, and its practical meaning for improved information on companies’ responsibility must be explored and developed further. After all, social responsibility is still a “work under progress”.

In particular, the standard should be used to:

- **Structure disclosure regimes**: Mandatory disclosure of non-financial information is under discussion within the European Union and in other jurisdictions. The clear structure of the standard’s core subjects and issues should be used by public authorities as a reference to assure the completeness and comprehensiveness of any disclosure or reporting scheme.

- **Assess company performance**: ISO 26000 enables a comparison of organizational activities and overall performance appraisals. Consumer protection agencies should use ISO 26000 as the prime reference model for assessing a corporation’s activities. This includes the notion that transparent communication and risk awareness in social responsibility can sometimes be valued higher than actual performance (except for legal compliance).

- **Raise consumer awareness**: The complexity of ISO 26000 is inevitable given the intricacies of its subject. Consumers should be made more aware of the many interrelations, and they should be encouraged to reflect on their role as market actors, price effects and potentially conflicting interests.

- **Stimulate innovation**: ISO 26000 should serve as guidance for an evolution of the debate on social responsibility, from risk avoidance to value creation through responsibility management and stakeholder dialogue. One of the productive outcomes that can arise from impact assessments and stakeholder dialogue along value chains is an increase in creative inputs. Consumers are a very direct link between a company’s products and society; by focusing on their basic needs and the challenges that surround them, responsible innovation can be reached.

At the same time, the pace of change and the multiple connections between markets have made it more difficult for individuals and consumer organizations to assess and compare products. With the increasing complexity of markets and products, those that produce, procure and supply goods and services are also reaching towards vulnerable groups. These producers are faced with an increasing array of challenges and higher levels of responsibility than ever before.

More than ever, consumer confidence is dependent on responsible behaviour by companies. At the same time, consumers’ trust in business is widely shaken. Critical consumers have learned to be sceptical about “green” oil companies, generous pharmaceutical corporations and cheap, but healthy, food supplies. Still, most consumers have only vague ideas about the meaning of “sustainability” or “ethical” products. All this makes access to knowledge and relevant information crucial to promoting sustainable consumption patterns.

**About the author**

Judith Vitt is Policy Officer for Trade and Economic Policy at the German Federation of Consumer Organizations (VZBV), a member of Consumers International. She has served as an expert in the CI delegation to ISO 26000 negotiations and has prior experience with social responsibility and supply chain monitoring as a business consultant.
The development process of ISO 26000 on social responsibility was special in a number of respects, particularly with regard to the efforts made to ensure the participation of developing countries.

For example, ISO implemented the principle of twinning (twin leadership between a developed and developing country) in the ISO Working Group on Social Responsibility (ISO/WG SR) to a greater extent than had yet been carried out in any ISO standards development group. This meant that not only the WG, but also each sub-working group and any other group that was established was headed by representatives of developing countries and developed countries on an equitable basis.

By the end of the five-year development process, experts and observers from 99 ISO member countries were involved and of these, 69 were from developing nations. In addition, six main stakeholder groups were represented: industry; government; labour; consumers; nongovernmental organizations; service, support, research and others, as well as a geographical and gender-based balance of participants. Lastly, 42 public and private sector organizations also took part.

These steps enriched the development process and ensured inclusion and transparency. In the event, the participation of developing country experts increased from 105 in September 2005 to 221 in May 2009, many of whom actively attended the plenary meetings of the WG with the support from donors, particularly the Swedish International Development Cooperation Agency (SIDA), the Norwegian Agency for Development Cooperation (NORAD), the Swiss State Secretariat for Economic Affairs (SECO) and the Government of Finland.

In order to increase the communication among experts involved in the development of ISO 26000, an ad hoc group was created, the “Developing Country Contact Group (DCCG)”. This was done in 2005 during the developing country workshop in Bangkok, Thailand, which preceded the second ISO/WG SR meeting.

The DCCG was created with the objectives of identifying issues of common concern across all six stakeholder groups, ensuring that these concerns were taken into account in the drafting of ISO 26000, as well as facilitating further research and awareness-raising on the implementation of ISO 26000 in developing countries.

During the last five years, the DCCG has acted as a platform for sharing ideas on the implications of ISO 26000, for organizing in collaboration with the ISO Committee on developing country matters (ISO/DEVCO) all the workshops for developing countries held in conjunction with ISO/WG SR, including responsibility for the agenda and the country report summary (from the Lisbon 2006 meeting to Copenhagen 2010).

As a result of these workshops and other events, the participation of developing countries in the ISO 26000 development process was not only high in terms of numbers, but also from a qualitative point of view. Developing countries made major contributions and had significant influence on the decisions made by the WG SR and on the content of ISO 26000.

Why is ISO 26000 important for developing countries?

With the standard now published, it is important to underline what developing countries expect from ISO 26000, how they are planning to implement the standard and which are the main benefits they think can be achieved by implementing ISO 26000.

How to implement ISO 26000.

• Liaising with regional organizations and bodies involved in the implementation and use of CSR and SR in the various countries, including a proposals for adoption of ISO 26000 as a regional standard

• Employing the standard as an aid to improving the effectiveness and efficiency of organizations
• A checklist to be developed by national standards bodies (NSBs) to identify and assist various stakeholders in understanding the guidance given the standard and its use
• Adopting ISO 26000 as a national standard
• Developing a national standard based on ISO 26000 to make it more accessible and easy to use for all organizations
• Recourse to a public awareness-raising campaign on a large scale (government bodies, NGOs, employers’ federations and others) so that all stakeholders are aware of its existence and know about its principles
• Creating Web pages to promote SR and ISO 26000
• Advancing the inclusion of ISO 26000 core subjects and principles into workshops and seminars dealing with SR-related matters
• Disseminating the standard to those stakeholders who wish to implement it

ISO 26000 will greatly help organizations.

• Using ISO 26000 as a benchmark tool for existing SR initiatives
• Utilizing ISO 26000 to contribute to greater transparency, governance and integrity, both within government and in industry
• Utilizing the standard as a resource in the development of a national SR/CSR policy
• Learning by using. To raise awareness about ISO 26000 by using it as a basis to describe and analyze real life experiences
• Collaborating with different governmental or nongovernmental bodies/institutions as stakeholders to promote the application of the standard’s principles.

What developing countries expect from the ISO 26000 and why we should implement the standard as a means to contribute to their sustainable development.

• ISO 26000 will be a model to establish national standards on SR
• ISO 26000 will become a powerful tool to help companies, governments, associations, entities and non-governmental organizations to incorporate social responsibility as a principle of management, thus contributing to a more conscious and sustainable use of natural and human resources
• ISO 26000 will contribute to increasing awareness on social responsibility, establishing a common understanding on this issue and promoting good practice
• ISO 26000 should benefit society with processes, products and services based on economically viable, environmentally friendly and socially fair practices
• The standard should help develop stronger relationships, mutual trust and reciprocal benefits between organizations and their stakeholders (improved relationships with suppliers, customers, community, etc.)
• ISO 26000 will provide opportunities for organizations to achieve sustainable competitive advantage by integrating the principles of sustainability and SR into their vision and strategy
• It will give guidance for policy development: effectiveness, efficiency, governance and accountability of government departments; a clearer understanding and common perspective of what SR is all about (philosophy, principles, practice)
• ISO 26000 is a structured approach/means of implementing SR programmes by various groups (governmental, nongovernmental, businesses) that will facilitate the actual practice of SR by organizations and its incorporation throughout their activities
• It can be a negotiation tool for labour unions and governments

• ISO 26000 will encourage and facilitate cooperation between small and medium-sized organizations, large organizations, workers, government and civil society on social responsibility. Well managed, it will create opportunities for countries and companies to establish competitive advantages on global markets.

Added value

I believe ISO 26000 will greatly help organizations integrate social responsibility practices throughout their existing structure and in their daily practices. Without a doubt, all types of organizations will benefit, regardless of type, size and location. ISO 26000 will contribute to the development of better relations and an improved understanding among the organization, its stakeholders and the society in which it operates.

And, more importantly, ISO 26000 will contribute to a greater understanding of what social responsibility is and what a socially responsible organization means.

About the author

Perla Puterman was an expert on the ISO Working Group on Social Responsibility (ISO/WG SR) representing Venezuelan industry until October 2009 and represented the Latin American Institute for Quality Assurance at the last meeting of the ISO/WG SR. She was a member of the Chairman’s Advisory Group and an alternate member of the Integrated Drafting Task Force. She continues to serve as moderator of the Developing Country Contact Ad Hoc Group created in 2005. She is a management consultant and an international expert on social responsibility. E-mail: p.p.s@cantv.net
Sodimac is a leading company in the market of home improvement goods and construction materials. The company is also the market leader in Colombia and Peru, and recently it began operations in Argentina. Its activity focuses on developing and providing solutions aimed at its clients’ construction projects, in addition to meeting the needs for improvement and decoration of their homes, by offering service excellence, integrity in its work and a strong commitment to the community.

At Sodimac, we understand that the creation of economic value cannot be separated from an organization’s obligations toward its human capital, society and the environment. Our dual objective is not only to grow in the market, but also to help improve quality of life for people from the communities in which we operate. This demands that we be a socially responsible company, committed to our customers, employees, suppliers, the environment and society in general. We want to contribute to the comprehensive development of the country.

Social responsibility is a strategic tool that opens the door to responsible growth, which is the reason we made an early decision to support the development of ISO 26000:2010, Guidance on social responsibility, by participating in the Chilean mirror committee (a national technical committee that covers and follows the same topics as an ISO committee), incorporating its recommendations, and conducting an in-depth analysis aligned to the standard, carried out by Chile’s Vincular Centre.

These actions, which have been analysed through the prism of ISO 26000, are focused on the aspects discussed below.

**Modern labour relations**

We aim to maintain transparent and constructive relationships with our employees.

We exercise and encourage respect for freedom of association, which has resulted in high unionization levels (65%).

In the same vein, we are implementing various development programmes for our human capital on the basis of action indicators: prevention, training, comprehensive well being, working environment and internal communications.

**Environment**

Awareness of our environmental impacts inspires us to promote recycling, eco-efficient products, international sustainability standards and energy efficiency in our shops.

One result of this is that we are building the first shop in Latin America which complies with the Leadership in Energy and Environmental Design (LEED) international certification in Copiapo, awarded by the US Green Building Council. In addition, all new shops, such as “Homecenter El Belloto”, which opened in 2010 in the Valparaiso region, use lighting equipment and technology which enable approximately 30% lower energy consumption than traditional premises.

We actively participate in the retail workbench for energy efficiency, and we support mass campaigns promoted by institutions such as the Energy Efficiency Country Programme (PPEE); the National Initiative for Water Efficiency (INEH); and the National Commission for the Environment (CONAMA), using our catalogues, shops and Website to contribute to educating the population on the need for efficient use of energy and water resources.
As part of our effort to measure and mitigate our environmental impact, Sodimac measures its carbon footprint and has joined the Santiago Climate Exchange (SCX), as a founding company. This is a pioneering initiative in Latin America which will go into operation in 2011.

Corporate governance and business ethics

Sustainability means installing and strengthening mechanisms to safeguard ethical values and principles, respect for human rights, non-discrimination and the rejection of corrupt practices. From these premises, we have instituted a corporate integrity programme which establishes a range of obligations, with emphasis on respect for employees’ rights.

Furthermore, internal rules have been translated into a code of ethics, written to be accessible to any reader, and a rule of order, hygiene and safety for both internal and external staff. An integrity management system and code of conduct were launched in 2010. The latter document enunciates the rights and obligations of Sodimac employees, managers and subsidiaries. It was designed as an easy-to-understand and practical tool, with useful information on how to handle ethical challenges.

We also participate in national and international initiatives to promote, standardize and encourage communication on the values of sustainability. At the end of last year, Sodimac was one of the first organizations in the region to begin implementation of the guidelines specified in ISO 26000.

Commitment to the community

Our commitment also extends to the community through several actions. We place emphasis on training teachers through the Sodimac “Circle of specialists” programme, which currently brings together 213 000 members with 4 110 scholarship holders throughout the country. Another initiative is the “Good neighbour – Sodimac in action plan”, through which we encourage the participation of our employees in supporting the community. We also work closely with charitable organizations, such as Un Techo para Chile, Teletón, Fundación Nuestros Hijos, Fundación Tacal y Cristo Vive.

In addition to joining campaigns such as Chile Ayuda a Chile (Chile Helps Chile) to raise funds following the devastating earthquake that affected the south-central area, our company has played an active role in reconstruction through several initiatives, such as erecting tents to supply construction materials to the most affected communities and logistical support and transport to several organizations, especially Un Techo para Chile, helping with reconstruction.

Sodimac supported the latter organization with human and financial resources, as well as giving discounted prices on materials, consultation on construction techniques and logistical support to achieve the objective of constructing 20 000 emergency homes throughout the country.

Responsible business and marketing

A priority for Sodimac is responsibility toward our clients. To this end, we apply a responsible business policy that seeks to safeguard quality and safety of the products we sell, complemented by supplier requirements related to sustainability and social responsibility. That means we work to ensure that there is no child or forced labour, that occupational safety rules are enforced, and environmental protection policies are in place.

Marketing communication to our public is based on strict ethical guidelines, adhering to good faith, loyal competence and good advertising practice. We voluntarily adhere to the ethical advertising code and to the principles from the self-regulating and ethical advertising council (CONAR).

Responsible supply

We endeavour to maintain transparent relationships with our suppliers, with an emphasis on long-term relationships, respect, compliance with agreements and mutual profit.

Social responsibility is a strategic tool that opens the door to responsible growth.

Our Sodimac commercial transparency policy (TCS) constitutes a framework based on ethical principles which endeavour to improve our commercial relationships with suppliers on long-term planning.

Simultaneously, we do our best to transfer good practice rules and knowledge of responsible production to national SME suppliers – an initiative which has the support of the National Chamber of Commerce (NCC), Santiago Chamber of Commerce (SCC) and the Inter-American Development Bank (IDB). Its implementation is in the hands of the Vincular Centre at the Pontifical Catholic University of Valparaíso (PUCV).

About the author

Pablo Urbina is Corporate Social Responsibility Coordinator at Sodimac. He graduated in Strategic Communication and holds a postgraduate degree in social responsibility management from Pontificia Universidad Católica de Valparaíso in Chile.
7 Principles of social responsibility

**Accountability**
An organization should be accountable for its impact on society, the economy and the environment.

**Transparency**
An organization should be transparent in its decisions and activities that impact society and the environment.

**Ethical behaviour**
An organization should behave ethically.

**Respect stakeholder interests**
An organization should respect, consider and respond to the interests of its stakeholders.
What does it mean for an organization to be socially responsible?

ISO 26000, the International Standard providing guidance on social responsibility, responds to this question with seven principles outlined below.

ISO 26000 provides best practice guidelines on how to ensure social equity, healthy ecosystems and good organizational governance. The ultimate goal: sustainable development.

**Respect for older persons**

An organization should accept that respect for the rule of law is mandatory.

**Respect for the rule of law**

An organization should respect international norms of behaviour, while adhering to the principle of respect for the rule of law.

**Respect for international norms of behaviour**

An organization should respect human rights and recognize both their importance and their universality.

**Respect for human rights**
Acting responsibly
Danper’s commitment pays off

by Carlos Layza

Danper Trujillo, a joint venture involving Peruvian and Danish investors founded in 1994, has grown to become a South American leader in agro-industrial production of preserved goods including asparagus, peppers and other vegetables. Danper’s owners and management cite a commitment to economic, social and environmental balance as a key element of corporate success. This is why the ISO 26000 standard is of such great interest to the company. Danper carries out agricultural production on 5,000 cultivated hectares and operates three tinned food processing plants for asparagus, peppers and artichokes. The company also runs a fresh asparagus packaging plant, and in 2009 opened a new processing plant, IQF Tunnel, for frozen products. Danper has another tinned food packaging plant in the Arequipa Region in the south of Peru. More than 6,000 people are employed by the company.

Comprehensive quality systems

Danper has implemented a comprehensive management system, and is the first agro-industrial company in Peru to achieve international certifications for processing plants to International Standards that include ISO 9001 for quality management, ISO 14001 for environmental management, Hazard Analysis and Critical Control Points (HAACP), OHSAS 18001 for industrial safety and occupational health management, British Retail Consortium (BRC), Business Social Compliance Initiative (BSCI), and Business Alliance for Secure Commerce (BASC).

The company’s aim with certification is to pay special attention to safety issues, and to continuously develop human capital while maintaining environmental balance.

Danper’s leadership on quality issues is also reflected in its Compositan and Muchik crop fields, with international certifications from the USGAP and GlobalGAP systems, awarded by NSF International.

Global supplier

Focusing on a policy of consistent quality and a wide product range, Danper supplies the most demanding global food and supermarket brands in the European Union, Asia, Latin America and Oceania and the USA. Its continuous participation in international fairs such as ANUGA (Germany), SIAL (France), LOGISTIC FRUIT (Germany and Hong Kong) keeps the company in contact with a dynamic and growing market.

Danper supplies international markets with asparagus, artichokes, piquillo peppers, green beans and tinned fruit, as well as fresh and frozen asparagus. It also processes and exports specific products such as grilled, pickled and marinated food, which have obtained strong market shares in recent years.

Danper credits its 2010 sales of USD 88 million to the range and versatility of its products, processes and markets, and to productive collaboration with employees, suppliers and customers. This strategy is aimed at developing added value for each customer.

Social responsibility

As a for-profit business, Danper believes that the company must also act as an agent for sustainable development. This means creating an appropriate organizational climate, improving employee productivity and system efficiency, and efficiently managing environmental impacts and relationships with surrounding communities.

Danper believes that the company must also act as an agent for sustainable development.

Danper is committed to respecting and promoting individual rights, company growth and environmental stewardship within a framework of business efficiency. Ethical
values, including respect for employees, the community and the environment, are brought together with the aim of achieving productivity and competitiveness.

Danper’s management policy is framed in the principles of total quality, which enables the company:

- To satisfy the needs and expectations of customers with economically competitive and consistent quality service
- To promote continual improvement in commercial relationships with suppliers
- To improve the quality of working and personal life of all team members
- To act responsibly toward the environment in the internal business sphere and with community outreach.

This internal and external commitment is expressed through specific work actions in the medical, psychological, labour, contract labour and community outreach areas, in accordance with the requirements of the SA 8000 standard and programmes of social responsibility. Among these are:

**Externally:** Danper provides direct medical care to the families of employees and maintains an active programme of sickness prevention and health campaigns in cooperation with regional and national authorities.

Social responsibility activities have been planned for nearby communities such as the villages of Huancaqito Alto and Huanquito Bajo, where the company has actively participated in developing projects jointly with the community to provide the village with a clean streets programme, water supply, electricity in villages and an ecological park for children.

This policy has enabled Danper to instil essential educational concepts in the attitudes of the residents of these villages, with the aim of making these villagers creators of their own destiny by becoming environmental change agents.

**We are eager to integrate ISO 26000.**

Danper has created a non-profit association to administer microcredit projects such as a bakery, mini-markets and guinea pig farms. These funding projects have helped preselect and train villagers from bordering areas as well as Danper employees. The experience has shown that it has achieved the following:

- Motivated employees, creating higher levels of productivity and reducing costs by pursuing continual improvement
- A fair and honourable treatment of clients, employees, suppliers, shareholders and community, which favours a harmonious social climate for the development of the business
- Commitment to social responsibility to strengthen management capabilities and leadership skills, consolidating the organizational culture and preparing it to face future challenges
- Placing the company at the forefront of the international agro-industrial field and bringing it closer to certification to the SA 8000 standard, a defining asset in the value perceived by its interest groups
- After 17 years of production and export to international markets, Danper has become firmly established as a reliable supplier and a global leader in agro-industrial and associated services.

**In comes ISO 26000**

At Danper, we are eager to integrate ISO 26000 into the organization’s corporate strategy. The standard is a further positive step forward in Danper’s application of social responsibility, maximizing the company’s sustainable development and offering a foundation of best practice upon which the company can now innovate.

**About the author**

Carlos Layza is Quality Assurance Manager and Quality Management Systems Manager at Danper Corporation. He is lead auditor of integrated management systems based on ISO 9001, ISO 14001, OHSAS 18001. Mr. Silva holds a degree in environmental management from the Research Center of Schwabach (FES) in Germany. E-mail: clayza@danper.com
ISO 26000 can be implemented by all types of organizations, whatever their activity, as exemplified by this account of an Australian dental association that has adopted the social responsibility standard, translating its guidance into concrete actions.

ISO 26000:2010, Guidance on social responsibility, has been designed for implementation by all types of organizations regardless of size or location, with the intention of helping them contribute to sustainable development.

As proof of its suitability for any organization, large or small, the Australian Dental Association Victorian Branch (ADAVB) has become one of the first entities to adopt ISO 26000, using it to guide its council, committees and staff, and encourage even the smallest dental practice to follow the same guidance.

ADAVB is a professional association of dentists dedicated to improving the oral health of all residents of the State of Victoria, Australia, and to enhancing the professional lives of its members.

ISO 26000 defines social responsibility (SR) as the responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behaviour that:

- Contributes to sustainable development, including health and the welfare of society
- Takes into account the expectations of stakeholders
- Is in compliance with applicable law and consistent with international norms of behaviour

How to implement ISO 26000

As a socially responsible organization, ADAVB’s policies, by-laws, procedures, and activities mean that it overwhelmingly meets ISO 26000, as demonstrated in Table 1 on pages 28-29, which lists the core subjects and SR issues of the standard and maps these against ADAVB’s stance on each.

By mapping the standard against its actions, ADAVB provides some practical examples for those who may think that SR sounds like a good idea, with a standard offering excellent advice, but question how, in concrete terms, one should implement it.

Some of the association’s interpretations of ISO 26000 subjects and issues and its corresponding implementation initiatives may suggest similar actions that the reader could apply to his or her own area of specialization.
About the author

Garry Pearson
is Chief Executive Officer of the Australian
Dental Association Victorian Branch (ADAVB), Inc.  

### Core subjects and issues of ISO 26000

<table>
<thead>
<tr>
<th>Core subject: Organizational governance</th>
<th>ADAVB’s corresponding stance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has the decision-making system to put into practice the principles of social responsibility</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Core subject: Human rights</th>
<th>Recognizes that human rights transcend laws and cultural traditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue 1: Due diligence</td>
<td>Ensures compliance with law and manages risk of harm to human rights</td>
</tr>
<tr>
<td>Challenge: Health – the dental profession’s core priority</td>
<td></td>
</tr>
<tr>
<td>Challenge: Children – promotes oral health</td>
<td></td>
</tr>
<tr>
<td>Challenge: Indigenous communities – aids aboriginal communities</td>
<td></td>
</tr>
<tr>
<td>Challenge: Natural resources and the environment (water – Dentists for Cleaner Water programme; more than 600 Victorian dental practices so far have installed ISO 11143 compliant amalgam separators and received rebates)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Issue 2: Human rights risk situations</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Challenge: Health – the dental profession’s core priority</td>
<td></td>
</tr>
<tr>
<td>Challenge: Children – promotes oral health</td>
<td></td>
</tr>
<tr>
<td>Challenge: Indigenous communities – aids aboriginal communities</td>
<td></td>
</tr>
<tr>
<td>Challenge: Natural resources and the environment (water – Dentists for Cleaner Water programme; more than 600 Victorian dental practices so far have installed ISO 11143 compliant amalgam separators and received rebates)</td>
<td></td>
</tr>
</tbody>
</table>

| Issue 3: Avoidance of complicity | No – Branch uses by-laws to discipline members who have carried out wrongful acts breaching the ADAVB constitution, and reports wrongful acts in the community to appropriate authorities |

| Issue 4: Resolving grievances | Community Relations Officer/ Professional Consultant mechanism for handling grievances between member-patient, member-external agency, member-member |

| Issue 5: Discrimination and vulnerable groups | No – Prohibition of discrimination |

| Issue 6: Civil and political rights | Acknowledges these rights |

| Issue 7: Economic, social and cultural rights | Acknowledges these rights |

| Issue 8: Fundamental principles and rights at work | For ADAVB staff, abides by laws; informs members of labour practices and promotes good employee relations |

### Core subject: The environment

| Issue 1: Prevention of pollution | Advocates prevention of pollution and runs the Dentists for Cleaner Water programme. (There is interstate and overseas interest in the programme) |

<table>
<thead>
<tr>
<th>Issue 2: Sustainable resource use</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Challenge: Office is energy efficient (four-star rating); branch staff consciously recycle; promotes “green dentistry” to members; etc.</td>
<td></td>
</tr>
<tr>
<td>Challenge: Provides information to members on making surgeries more environmentally friendly and sustainable</td>
<td></td>
</tr>
<tr>
<td>Challenge: Works with the Australian Dental Industry Association (ADIA) to encourage dental suppliers/manufacturers to consider the environment in packaging and products</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Issue 3: Climate change mitigation and adaptation</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Challenge: Carbon emission reduction and offset programme implemented.</td>
<td></td>
</tr>
<tr>
<td>Challenge: Branch staff use public transport whenever possible for work.</td>
<td></td>
</tr>
</tbody>
</table>

| Issue 4: Protection of the environment, biodiversity and restoration of natural habitats | Dentists for Cleaner Water programme |

### Core subject: Fair operating practices

| Issue 1: Anti-corruption | Mechanisms to prevent corruption and bribery |

| Issue 2: Responsible political involvement | Apolitical – makes representations to governments and political parties on behalf of members and the dental profession, etc. |

| Issue 3: Fair competition | Opposed to anti-competitive behaviour – By-laws and adherence to legislation |

| Issue 4: Promoting social responsibility in the value chain | Community Relations Officers’ activities and ADAVB communications to members |

| Issue 5: Respect for property rights | Adherence to physical assets, copyrights, patents, funds, moral and other rights |
### Core subject: **Consumer issues**

<table>
<thead>
<tr>
<th>Issue</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Issue 1</strong>: Fair marketing, factual and unbiased information and fair contractual practices</td>
<td>By-laws for fair marketing, Community Relations Officers employed, produces documents for members to use with patients, information sheets, ADA HR Services.</td>
</tr>
<tr>
<td><strong>Issue 2</strong>: Protecting consumers' health and safety</td>
<td>This is the first priority of dentists – branch supports.</td>
</tr>
</tbody>
</table>
| **Issue 3**: Sustainable consumption | • Branch seeks ways to reduce and eliminate unsustainable patterns of work and consumption  
  • Promotes green dentistry to members e.g. use of plants to purify air in practices; reduce reliance on transport of supplies and goods by ordering less frequently  
  • Works with ADIA to reduce excess packaging of dental goods and supplies. |
| **Issue 4**: Consumer service, support, complaint and dispute resolution | Role of Community Relations Officers. |
| **Issue 5**: Consumer data protection and privacy | Promotes protection of patient data patient privacy to members; advises members of e-Health developments; works with Office of Health Services Commissioner; protects privacy of branch staff and members. |
| **Issue 6**: Access to essential services | Regular fire drills for branch office and emergency procedures in place. |
| **Issue 7**: Education and awareness | • Advises/educates members about patients/staff rights  
  • Same applies to ADAVB staff. |

### Core subject: **Community involvement and development**

<table>
<thead>
<tr>
<th>Issue</th>
<th>Description</th>
</tr>
</thead>
</table>
| **Issue 1**: Community involvement | • Dental Health Week  
  • The Branch supports and advocates the continuing fluoridation of Victorian drinking water supplies (more than 90% of Victorians now have access to fluoridated water)  
  • Community Relations Officers provide advice to the public; media releases on oral health issues when necessary  
  • Branch uses regional groups to directly liaise with the public  
  • Produces information sheets and posters for members’ patients  
  • Uses Website to inform the public and members about oral health issues  
  • Accepts invitations from talk-back radio to speak on oral health subjects  
  • Victorian Oral Health Alliance (VOHA) and VOHA website  
  • Promotes and supports public dental clinics  
  • Assists Rumbalara Aboriginal Co-operative. |
| **Issue 2**: Education and culture | Acknowledges that the preservation and promotion of culture and education contributes to human rights; through the Victorian Medical Insurance Agency assists disadvantaged dental students. |
| **Issue 3**: Employment creation and skills development | Promotes and supports education at all levels (dental assistants course; encourages students to consider dentistry; aids overseas trained dentists). |
| **Issue 4**: Technology development and access | Public have access to the VOHA website and parts of the ADAVB website. |
| **Issue 5**: Wealth and income creation | Not applicable. |
| **Issue 6**: Health | • Health is the primary concern of members; ADAVB promotes oral health to the community  
  • Along with the Oral Health Cooperative Research Centre, eviDent, Australia’s first dental practice based research network, provides opportunities for dentists to participate in research projects to benefit patients and the Australian community. |
| **Issue 7**: Social investment | • Members provide health care; ADAVB’s community education (Dental Health Week etc.); protecting the environment and sewerage infrastructure (Dentists for Cleaner Water programme); philanthropic activities by members including local and international aid projects; staff support community appeals e.g. Australia’s Biggest Morning Tea and Jeans for Genes (cancer fund raising); first aid and other training for staff. |
AFNOR’s original boost for a very special standard

by an AFNOR Team

Association française de normalisation (AFNOR), the ISO member for France, structured itself a long time ago to give maximum visibility to standardization. In France, ISO 26000 has enjoyed unprecedented promotion from the AFNOR group through highly committed teams which fully recognized the importance of this first International Standard on social responsibility.

An AFNOR standardization commission, Sustainable development – Social Responsibility, chaired by Didier Gauthier, is behind all these activities. The members of this commission, representing more than 100 organizations, have spared no effort in this work and have been able to significantly contribute to the direction that was given to the standard.

Their involvement was noticeable at various events organized in France on this topic: lectures held at higher education institutions (grandes écoles) and universities in Paris, media relations, meetings with business leaders and political decision-makers.

It is on the initiative of the French standardization commission that two summit conferences on social responsibility were organized in Paris, in October 2008 and December 2010. Each event brought together more than 600 participants, and for a whole day, prominent figures in the French economy introduced the issues raised by the standard. These events received support from French leading enterprises such as GDF-SUEZ, the French National Railway Corporation (SNCF), AREVA (energy company) and the French Central Bank (Banque de France).

Raising awareness

Alongside these two major events, AFNOR fully committed itself to raising awareness of the standard among companies, local authorities, and organizations of all sizes and sectors concerned with this topic. In order to allow the social and economic players from all parts of France to participate in the standardization process, AFNOR set up regional ISO 26000 discussion platforms.

These meetings provide a structured framework conducive to an easy exchange of information on the challenges, opportunities and practical implementations of the standard. Other platforms are currently under study.

For example, the AFNOR Group’s delegation based in Lyon, France, rallied more than 80 organizations behind the cause, from October 2008 to June 2009. A magazine\(^1\) conducted a very pragmatic assessment of this regional initiative based on the accounts given by the participants.

In 2010, the AFNOR Group organized an “ISO 26000 Tour de France” structured in half-day meetings with a three-fold objective: understanding, developing and assessing your sustainable development – social responsibility approach. Around 20 events throughout France brought together some 3000 participants. By coordinating these events under the same banner, the AFNOR Group gave ISO 26000 significant and intensive media coverage.

A host of promotional tools

AFNOR has developed many tools for the promotion of ISO 26000, among which a purpose-built visual identity. Creating a simple and straightforward representation of such a complex theme as social responsibility was not easy. AFNOR finally opted for a brightly coloured puzzle, with each piece representing one of ISO 26000’s

seven core subjects, and the name of the standard being designed as a brand logo.

This fresh and informative visual identity was unanimously appreciated. Many information media (Websites, blogs, newspapers, for example) have in fact used these graphical elements to illustrate their articles, thereby enhancing the visibility of the Tour de France and, of course, of ISO 26000.

Summarizing the implications of ISO 26000 in a few words was just as challenging as the graphical representation. AFNOR repeated the work carried out in 2009 which led to the publication of a booklet, Parler normes couramment²) (Speak the standards talk), which provided a brief overview of standardization in a Q&A format. For ISO 26000, the same approach was perfectly suitable and successful. The ISO 26000 en 10 questions³) brochure was re-issued three times in little more than a year and is often referred to as recommended documentation by social responsibility experts.

This booklet and many other publications are available on the AFNOR Group’s Internet portal (www.afnor.org). With an average of 100,000 visits per month and 10,000 subscribers to the monthly newsletter, the information posted on the Website enjoys high visibility.

Media relations have held a prominent place in the promotion of ISO 26000.

The Website includes a special section on social responsibility which is regularly fuelled with articles often featuring in the highlights section of the portal. This non-stop information strategy paid off: statistics show that social responsibility was the most visited topic in 2010 and an undisputed record of visits was achieved by the article announcing the results of the final vote on ISO 26000!

Efficiency of social networks

Fully recognizing the growing influence of Web 2.0 technologies in communication strategies, the AFNOR Group created its own social network – Qualileo (www.qualileo.org). Subscription to this network is free and open to all. The AFNOR Group moderates a “Social Responsibility/Sustainable Development” community allowing the 40,000 network members to take part in the discussions on this theme.

In early 2010, AFNOR also ventured on other social media such as Twitter, Viadeo and LinkedIn and built up valuable contacts with bloggers and webmasters helping to circulate information. The AFNOR teams are fully aware that these tools require a strong capacity for reaction and they have displayed excellent teaching skills with the Internet users interacting with them.

Media relations have held a prominent place in the promotion of ISO 26000. The initiative, which began in 2008, received significant media coverage and all types of media picked up the story – the local, national, specialist, economic or political written press, and the radio and TV media. The members of the standardization commission and AFNOR staff, including Olivier Peyrat, the Director General of the AFNOR Group, took part in the game. In the end, ISO 26000 was covered about 600 times in the French press.

AFNOR Publishing launched a playful initiative in December 2010 in the form of an ISO 26000 quiz. Here again, the idea was to promote this peculiar standard differently.

AFNOR’s publications promoting ISO 26000.

Was the success of this initiative due to the proposed incentives (two iPads and copies of the standard were at stake) or to a genuine interest in this topic? The fact remains that it helped to bring this new standard to light and to globally promote its principles among populations who are sometimes wary of the complexity of standards.

There will be no respite in 2011; work will go on and more than 50 events are already planned for the first half of the year. The good start made by the book published by AFNOR, ISO 26000 – Responsabilité sociétale – Comprendre, déployer, évaluer, at the end of 2010 shows that the debate is far from over. AFNOR teams remain highly mobilized, all the more so as ground work on social responsibility carried out since the beginning has established the AFNOR Group as a leading protagonist in France.

AFNOR is an international services delivery network that revolves around four core competency areas: standardization, certification, industry press, and training. The AFNOR Group’s scope of expertise currently encompasses tangible and intangible assets like accessibility, diversity, or social responsibility, alongside quality, risk management, the environment, or sustainable development.

The AFNOR Group knows how to respond to the needs of any kind of organization, from schools to private individuals to administrations, community groups, businesses or associations. The AFNOR Group can draw on its position as a central hub in a network harnessing sector experts (professionals on standardization issues, auditors, educators, authors) and partner organizations (government agencies, local council authorities, chambers of commerce and industry, business networks, civil society organizations, colleges and universities) to federate the people and competencies needed to surface and exploit solutions.

Sustainable events

by Fiona Pelham

Conferences, concerts, sporting events and festivals clearly offer a wide range of public benefits. But staging large events can generate considerable waste, consume large amounts of energy, and sometimes have negative impacts on local communities.

With an eye to harmonizing the event industry’s global efforts to address these issues, representatives from more than 30 countries have worked for the last two years to build an International Standard promoting sustainability in the event sector.

ISO 20121, Sustainability in event management, will take a management systems approach requiring the identification of key sustainability issues which in an event context could include: venue selection, operating procedures, supply chain management, procurement, communications and transportation.

Since its first meeting in January 2010, the committee drafting ISO 20121 has looked for inspiration to the British standard BS 8901, Sustainability management systems for events, which was drafted after London was awarded the 2012 Olympic Games.

A second touchstone in the process is ISO 26000:2010, Guidance on social responsibility. Several members of the ISO 20121 committee were involved in drafting ISO 26000, which was released in November 2010. Their contributions are helping to strengthen the new standard.

Addressing diverse issues

One example of ISO 26000’s influence on the proposed new standard is in the area of issue identification. A vital part of ISO 20121 calls for users to identify and understand the various influences on their economic, social and environmental behaviour. A common question asked by users who are not familiar with a management system process is: “What should my issues be?”

ISO 20121 will inspire greater consideration of social impacts.

Getting ready for the 2012 Olympic Games
It should be clear to anyone familiar with the event industry that events vary in size, attendee types, locations, content and many other factors, making it virtually impossible to define a single list of issues relevant to the entire international event industry. Instead of promoting a list, ISO 20121 promotes the creation of a process to allow each user to identify appropriate issues.

In the ISO 20121 guidance for issue identification, we have referred to both the process for issue identification and the impact list included in ISO 26000. This is intended to allow users of both standards to take a comparable approach to defining and understanding issues as required by their unique circumstances. An important difference between the two standards is the fact that ISO 20121 asks users to identify economic and environmental issues in addition to social issues.

It makes sense to highlight content from ISO 26000 for users of ISO 20121, as this transformational standard may be relevant in consideration of social issues.

The aim is that ISO 20121 will be used around the world by the event industry on all types of events, whether business, cultural or sport. Events of any size have tremendous power to make a difference to society through knowledge transfer or legacy projects.

Just as elements of ISO 26000 inspired parts of ISO 20121, it is possible that the implementation of ISO 20121 will inspire greater consideration of social impacts – and with that increased awareness will promote the use of ISO 26000.

About the author

Fiona Pelham is Managing Director of Sustainable Events, Ltd. She is the Chair of ISO/PC 250, Sustainability in event management, developing ISO 20121, and has been Chair of the British Standards committee BS 8901, Sustainability management systems for events, since 2007. Ms. Pelham is a member of the International Society of Sustainability Professionals. She has recently co-authored Making Events More Sustainable published by British Standards.
Attention SMOs
ISO 26000 makes good business sense in South Africa

by Jonathon Hanks

Given South Africa’s history and the nature of its contribution to the global discussion on organizational ethics, the country provides a useful context in which to consider potential applications of ISO 26000:2010, Guidance on social responsibility.

The role of voluntary International Standards on social responsibility has been informed in part by the country’s history, most notably through efforts to influence international companies operating in apartheid South Africa. The attempts of business to ward off calls for a total boycott of investment in the country prompted the development of early social responsibility initiatives, such as the Sullivan Principles, a list of tenets for responsible business conduct focusing on US companies active in apartheid South Africa. The attempts of business to ward off calls for a total boycott of investment in the country prompted the development of early social responsibility initiatives, such as the Sullivan Principles, a list of tenets for responsible business conduct focusing on US companies active in apartheid South Africa. In addition, South Africans have also had an influence on the development of important voluntary initiatives. For example, the Chairman of the Global Reporting Initiative (GRI) and the Chairman of its Stakeholder Council are both South Africans. In addition, South Africans were influential on the ISO 26000 integrated drafting task force that played a pivotal role in the development of the standard.

Although ISO 26000 is explicitly referenced in King III, the standard does not yet seem to have the high level of awareness and interest in South Africa that it has earned elsewhere, nor does it enjoy the same brand reputation locally as, for example, ISO 14001 for environment management, the Global Reporting Initiative (GRI) or the UN Global Compact. This may yet change, as there are certainly signs of growing interest. A recent workshop on the standard was attended by almost 200 practitioners.

ISO 26000 and SMOs

One of the fundamental characteristics of ISO 26000 is that it seeks to provide guidance to all types of organizations, regardless of their size or location. Recognizing the economic significance of small and medium-sized organizations (SMOs) – which typically account for more than 97% of all firms in both developed and developing economies, providing around 50% of productive employment and contributing 30% to 60% of GDP – there is a compelling case for ensuring that the guidance offered in ISO 26000 is relevant and applicable to these organizations.

Still, the extent to which the guidance is to be useful for SMOs has been the subject of considerable debate. A number of participating experts (primarily from industry) have argued that the document is inappropriate for SMOs. For example, a November 2009 letter from joint industry bodies to the ISO Secretary-General suggested that it is “too complex and difficult to read” and that it is “clearly focused on large organizations as evidenced...
by the over-emphasis on such things as supply chains and ‘sphere of influence’."

Other experts – including some from within the industry stakeholder group – have countered that ISO 26000 provides significant value for SMOs, and that it would be presumptuous to suggest that these organizations would not be able to read or understand the document.

Responding to some of the experts’ concerns, ISO 26000 makes explicit provision for SMOs in clause 3, in which it describes how the standard addresses the activities of SMOs. It maintains that smaller organizations should be able to integrate social responsibility throughout the organization through “practical, simple and cost-efficient actions”, and argues that, “owing to their small size, and their potential for being more flexible and innovative, SMOs may in fact provide particularly good opportunities for social responsibility.”

Social responsibility in developing countries

To test this assumption, and to assess the value and applicability of ISO 26000 for a developing-country SMO, a South African MBA student recently developed a teaching case study on social responsibility standards in which he worked with the management of an SMO to review the extent to which the company might already be following its guidance.

Impahla Clothing is an SMO textile company that employs some 170 people in Cape Town, South Africa. The company manufactures clothing predominantly for an international supply chain, including some of the world’s most recognized apparel companies such as PUMA, Levis, Adidas and New Balance. In 2007, Impahla participated in PUMA’s international pilot project that saw three of PUMA’s SMO suppliers submit a sustainability report in accordance with the GRI’s G3 Guidelines. The company is now in its fourth year of producing a sustainability report.

Discussions with company management suggest that the reporting process and associated awareness activities on social responsibility have been valuable in highlighting key areas for improvement and in “identifying ways in which our management systems could become more efficient.”

As part of its first GRI report, Impahla began to monitor company absenteeism and late arrivals. While the observed rate of 3% was half the industry standard of 6%, absenteeism and late arrivals were nevertheless costing the company valuable production time, a critical issue in an industry with thin margins. The company subsequently set an ambitious target of 1%, and noted valuable progress by the time the second GRI report was completed.

Impahla’s low absentee rate compared with its industry peers – along with the fact that the company’s unionized workers...
did not join a recent nationwide strike in the textiles sector – may be largely attributable to the strong ethical values and social responsibility ethos demonstrated by management. Impahla Clothing serves as a good indication of the business case benefits of socially responsible behaviour.

**Applicability testing**

In reviewing the applicability and value of ISO 26000 guidance for Impahla, the company’s management found that all of the seven core subjects and almost all of the 36 associated issues were relevant for its activities; the only issues not deemed relevant included the consumer issue relating to access to essential services, as well as some expectations relating to technology development and access.

The company found that it was already following more than 80% of the actions and expectations associated with core subjects. Those that the SMO was not currently addressing – almost all of which were deemed “not onerous” to implement – included activities relating to responsible political involvement, the protection of natural habitats, sustainable resource use, and protecting consumers’ health and safety.

A very small number of the remaining applicable recommended expectations – relating primarily to expectations associated with the provision of economic, social and cultural rights – were considered to be “onerous” but nevertheless useful guidance.

While we cannot assume that Impahla’s experience in judging the value and applicability of ISO 26000 is necessarily representative of other South African SMOs, it is still encouraging that – despite the reservations of some stakeholder experts – the organization’s management team found the guidance to be readily accessible and very useful.

Very few of ISO 26000’s recommended actions and expectations were seen as not relevant, and almost all of those elements not yet being implemented were seen as valuable guidance to follow.

**Social responsibility makes good business sense.**

Impahla’s earlier experience with social responsibility informed its positive assessment of the value of ISO 26000. In the words of Impahla’s Managing Director and Co-Owner, William Hughes: “This is not about a branding or PR exercise for Impahla. We don’t have the personnel, time or money to bother with such things. This is about repaying our debt to both society and the natural environment in which we have been given an opportunity to live and work. We must do whatever we can to ensure that we are operating our business in a manner that ensures a shared responsibility for all of us.”

Impahla’s experience shows that social responsibility makes good business sense. ISO 26000 offers SMOs the potential to realize further opportunities for better business practice.

**Simply good business**

Impahla’s low absentee rate may be largely attributable to the company’s SR ethos.

The company found that it was already following more than 80% of the actions and expectations associated with core subjects. Those that the SMO was not currently addressing – almost all of which were deemed “not onerous” to implement – included activities relating to responsible political involvement, the protection of natural habitats, sustainable resource use, and protecting consumers’ health and safety.

A very small number of the remaining applicable recommended expectations – relating primarily to expectations associated with the provision of economic, social and cultural rights – were considered to be “onerous” but nevertheless useful guidance.

While we cannot assume that Impahla’s experience in judging the value and applicability of ISO 26000 is necessarily representative of other South African SMOs, it is still encouraging that – despite the reservations of some stakeholder experts – the organization’s management team found the guidance to be readily accessible and very useful.

Very few of ISO 26000’s recommended actions and expectations were seen as not relevant, and almost all of those elements not yet being implemented were seen as valuable guidance to follow.

**Simply good business**

Impahla’s earlier experience with social responsibility informed its positive assessment of the value of ISO 26000. In the words of Impahla’s Managing Director and Co-Owner, William Hughes: “This is not about a branding or PR exercise for Impahla. We don’t have the personnel, time or money to bother with such things. This is about repaying our debt to both society and the natural environment in which we have been given an opportunity to live and work. We must do whatever we can to ensure that we are operating our business in a manner that ensures a shared responsibility for all of us.”

Impahla’s experience shows that social responsibility makes good business sense. ISO 26000 offers SMOs the potential to realize further opportunities for better business practice.

**About the author**

**Jonathon Hanks**

is the founding partner of Incite Sustainability (www.incite.co.za), a leading advocacy and consultancy group that helps companies integrate sustainability in their business practices. Incite advises companies on sustainability strategy, integrated reporting, stakeholder engagement and sustainability communications. Mr. Hanks served as the Convenor of the ISO 26000 Integrated Drafting Task Force and was involved in drafting the King III guidance document on integrated reporting. This article draws on an MBA case study (undertaken by Jean van Wyk) that was supervised by Mr. Hanks.
Social responsibility is the expression of an organization’s willingness to integrate social and environmental concerns into its decisions, and its commitment to assume their impacts. This commitment chiefly applies to the organization’s immediate area, its sphere of influence. In this sense, social responsibility takes on a special meaning for organizations operating in developing countries, where society, the level of economic development, and the natural environment have characteristics of their own. This article addresses the issue of the implementation of ISO 26000 in developing countries, and in particular in the countries of the African continent.

ISO 26000, a risky implementation?

Is social responsibility more demanding for organizations established in Africa? From a social standpoint, many basic rights are not enforced yet. Access rates to education and basic health remain poor. In economic terms, two thirds of the population remain below the poverty line. As far as the environment is concerned, Africa is a sanctuary of global biodiversity, but is also an area of specific vulnerability given the urgent threats to this biodiversity.

Could we argue, then, that multinational, foreign or local organizations established in Africa face more problems than elsewhere?

To answer this question, I will focus this analysis on the risks related to the implementation of the fundamental principles of social responsibility.

Firstly, local customary laws and community identity still play a large part in governance models. There are still few stock markets and the volume of anonymous transactions is low. Organizations generally belong to a family or a group of families. Accountability amounts to being answerable to a patriarch, i.e., the head of the household, rather than to the various members of a general meeting – even if the company in question is “capital-based” and not based on the affectio societatis (i.e., intent) of its members.

ISO 26000 contest

And the winner is...

Social responsibility concerns us all. Which is why ISO organized a contest through its social media presence (www.twitter.com/isostandards and www.facebook.com/isostandards) challenging participants to write an article on:

- What social responsibility means to you
- What are your expectations for ISO 26000, or how do you think it could make an impact?

The contest was a huge success with numerous contributions received from both experts and non-experts alike. The originality and scope of the articles was impressive ranging from storytelling to philosophical analysis, making the selection of the winner a difficult task.

Published beside, the winner is José Rakotomanjaka for his article: “Sowing a responsible future – The African challenge.” A Madagascan author, his contribution explores what social responsibility means to him within the current African context, the difficulties the continent faces, and the role that ISO 26000 can play in helping it move forward.

A selection of the best entries will also be posted online on www.iso.org/iso/sr_contest.
Relationships are governed by affective ties rather than by objective relations between principals and agents. Relationships with the authorities themselves are influenced by family and community relations that may slant accountability to the state. In any event, objectivity is not the rule.

Secondly, as regards transparency, organizations operating in Africa tend to keep information secret. The main reason given is the inefficiency of the judicial system which is not always independent in the event of a violation of their rights. Abusive withholding of information is often reported, but transparency may lead to unjustified harassment.

Essential stakeholders

In the environmental field, the negative impacts of new technologies, for mining and oil extraction for example, remain unknown to the authorities. Pollution risks are left unsaid by investors. As for the so-called universal ethical values, while countries have ratified many treaties and agreements on this subject, their enforcement is impeded by several factors.

Many basic rights are not enforced yet.

The main difficulty lies in the relations with stakeholders, which have failed to conform to the ethical behaviour demanded by organizations in their interactions. This leads us to consider stakeholder interests. Society’s expectations, when impacted by organizations, include requirements of both “modern” and “traditional” civilizations. This dichotomy makes the social responsibility of an organization more complex.

For example, respect for the rule of law may generate conflict between both the modern and traditional spheres. The decision to set up an organization in a given area may, right from the start, give rise to land-related misfortunes. Indeed, a society based on oral tradition finds it difficult to accept that it may be dispossessed of its land on the basis of titles that are issued by a distant and invisible administration. As local rules often conflict with international norms of behaviour, organizations will have to strive to promote such norms.

As regards ecological aspects, lifestyles are more dependent upon natural resources than in other continents. Consequently, the fight against the over-exploitation of such resources soon proves essential for organizations which may come into conflict with local customs if more favourable alternatives are not offered to populations.

It thus appears that the commitment of organizations is inversely proportional to the level of development of the area in which they are located.

Sustainable development promotion

The first expectation regarding ISO 26000 is the promotion of sustainable development. Although it can be said that guidance on social responsibility does not concern governments which have committed themselves through multilateral environmental agreements (MEAs), ISO 26000 can become a powerful lever for the promotion of universal ethical practices and values. It can thus prompt public authorities to define sustainable development policies.

The initiative would then come from organizations at the microeconomic level, and spread to national institutions by encouraging public authorities to meet their commitments under Agenda 21 (Earth Summit, Rio de Janeiro, 1972), which already dates back several decades.

Fair economic order

A second expectation is the promotion of a fairer global economic order where trade with African countries and the exploitation of natural resources is carried out by respecting the basic rights of populations and giving fair compensation to the countries owning such resources. Organizations that are unable to assert their rights in the absence of legal provisions could at least refer to the guidance contained in standards when negotiating contracts with their international partners.

A solid foundation for small organizations

The third expectation is the popularizing of the core subjects of social responsibility among small organizations which rarely communicate on their values. When they do communicate, they often focus on specific topics and fail to adopt a holistic approach. The information available in Annex A and the Bibliography of ISO 26000 may be used as a reference to gain knowledge of universal ethical values.

There are many challenges in implementing sustainable development and making sure African countries do not adopt a model that is different from the model that has been used by the rich countries over the past two centuries. But as they say in Madagascar, “drizzle may cause floods” and ISO 26000 is a significant opportunity in this process.

About the author

José Rakotomanjaka is an economist specialized in natural resources. With more than 30 years’ experience, he began his career in the food industry (10 years with Nestlé). He then worked on projects in the Indian Ocean area, with the support of multilateral financial sponsors (European Union). He ran a project on the integration of climate change and disaster risks in sustainable development policies with the local office of the World Bank in Madagascar. He is the founder of Quality and Environment Integrated Management – QEIM – and dedicates a large part of his activities to training on standards and sustainable development strategies. QEIM implements social responsibility through the Voaakaly Association.
The committee has already been circulating the draft standard to suppliers, and running focus groups in order to obtain feedback from the target audience on the standard in terms of its content, presentation and language. Anyone wishing to participate in this work or to provide comments on the standard should contact Elizabeth Nielsen at knielsen@magma.ca.

Recognition for “quality work”

The contributions of Charles Corrie to the work of subcommittee SC 2, Quality systems, of ISO technical committee ISO/TC 176, Quality management and quality assurance, were recognized by ISO at SC 2’s 2010 plenary in Sydney, Australia.

Secretary of SC 2 since June 1993, Mr. Corrie, who works for the British Standards Institution (BSI), was presented with a gift in recognition of his services by Dr. Alan Morrison, ISO President for 2009-2010.

Attending the closing plenary, Dr. Morrison also praised the work of SC 2, stating that it had been fundamental to the success of ISO in recent years. SC 2 is notably responsible for ISO 9001, which has become the worldwide benchmark for quality management. Sixty-six countries participate in the work of SC 2, with another 16 as observers.

The ISO/TC 176/SC 2 plenary took place in December 2010, hosted by Standards Australia.

Safe products for consumers

Interview with Dr. Elizabeth Nielsen, Chair of the ISO project committee on consumer product safety, ISO/PC 243.

Why is ISO/PC 243 developing the guidance standard ISO 10377 on consumer product safety?

Dr. Nielsen: The idea to develop ISO 10377 originated in the ISO Committee on consumer policy (ISO/COPOLCO) which found that numerous consumers and their families were being hurt by unsafe products.

What are the expected benefits for small retailers/manufacturers?

Dr. Nielsen: The standard will help suppliers – designers, manufacturers, importers, distributors, retailers – to carry out a safety assessment and reduce any risks that may be identified in their products. The standard will assist them to consistently design, produce, purchase and market safe products as required by the laws of many countries.

By following internationally consistent guidance, it is anticipated that there will be fewer product safety incidents, fewer product recalls, fewer customer dissatisfaction and reduced frustration and costs for global suppliers.

The standard will also benefit suppliers in developing countries that may not have a robust product safety regime by providing them with an international benchmark. This will facilitate access of their products to international markets.

The bottom line is that the products consumers purchase and use will be safer, protecting them to a greater extent against risks to their health and safety.

Who should be participating in the development of ISO 10377?

Dr. Nielsen: Representatives of suppliers and consumers from both developed and developing countries are encouraged to participate in the development of the standard. This involves attending the meetings of ISO/PC 243 or reviewing the draft standard and providing comments.

ISO’s 34th General Assembly

At the invitation of the ISO member for India, the Bureau of Indian Standards (BIS), ISO will hold its 34th General Assembly from 21 to 23 September 2011 in New Delhi.

As part of the General Assembly there will be one full-day open session on 22 September, on the theme of industry participation in standardization activities.

Associated meetings of the ISO Committee for developing country matters (ISO/DEVCO), the ISO Technical Management Board and ISO Council, will take place in parallel during the week of the General Assembly.

Participation is reserved for representatives of ISO members and invited international organizations.

An interview with Sharad Gupta, BIS Director-General, talking about the organization’s motivations and expectations for the event will appear in the June 2011 ISO Focus+ issue.

ISO 26000 launched in Brazil

Some 300 persons attended the launch of ISO 26000 in Sao Paulo, Brazil. The event was organized by ABNT, ISO member for the country, in December 2010.

There was great enthusiasm among participants, as the publication of ISO 26000, which provides guidance on social responsibility, was perceived to be a historical landmark. In particular, because of how the development process successfully mobilized representatives from six main stakeholder groups: consumers, governments, industry, workers, NGOs, service, support, research and others.

Brazilians were especially proud because the ISO working group that developed the standard was co-led by Brazil and Sweden.

ABNT President Pedro Buzatto Costa, highlighted Brazil’s involvement during his opening speech. “From all the roles that we have taken in international standardization, this is certainly the most challenging one,” he said.

Speaking at the event, ISO Deputy Secretary-General Kevin McKinley recognized the prominent role that Brazil had played in the development of ISO 26000, and expressed his hope that the country would continue to demonstrate its commitment by also taking the lead in its implementation.
Management Solutions

Care for the elderly

Irish nursing home benefits from MS integration

by Garry Lambert

The Brídhaven Nursing Home in Mallow, County Cork, Ireland, states that it is the first in the United Kingdom and Ireland to hold ISO 9001, ISO 14001 and OHSAS 18001 certifications simultaneously, and has integrated the quality, environmental and occupational health and safety standards into one management system.

The 134-bed home, which offers long-term, respite and convalescent care, is the largest outside of Dublin. It was established in 1989, employs 125 people, and exceeds Health Information and Quality Authority (HIQA) standards for the quality and safety of health and social care services in Ireland.

Residents can choose from many daily activities, including arts and crafts, bingo, care and reminiscence therapies, classic film shows, exercise classes, physiotherapy, and regular visits from the Church of Ireland. It also has an active residents’ committee which provides a forum for residents to become involved in organization of the nursing home.

Journey towards excellence

“We began our journey towards excellence in 2004 with a philosophy of providing excellent care and a quality service in our operation,” said Paul Rochford, owner of Bridhaven Nursing Home.

“Our team has worked diligently to keep these standards up and Bridhaven has developed into an organization dedicated to continual improvement in our people, processes and service to ensure that our elderly customers are well cared for.

“While there is a lot of work involved in attaining and maintaining the world-class standards as set out in the ISO and OHSAS standards, it is a very worthwhile exercise when one witnesses the ultimate benefits that accrue to the end-user, i.e. in our case, our residents.”

Tightening up business processes

ISO Focus+ asked Paul Rochford to explain his objectives in deciding to implement management systems, and how this has benefited the home.

“We decided to implement these standards in order to help us tighten up our business processes. We felt that the timing in 2010 was right as we were expanding our organization and to do so then, whilst change was underway, was going to be easier than further down the road.

“Quality should be at the forefront of what we do as the whole ethos of care in Bridhaven is quality driven. Implementing the standards has helped us, in particular, to manage our back-of-house processes.”

In preparation for the standards implementation process, the organization trained all its managers in the requirement of the integrated standards, using external training consultants.

Flower arranging is one of Bridhaven’s many arts and crafts activities.

Maryclare and Paul Rochford, proprietors of the Brídhaven Nursing Home, celebrate the simultaneous award of ISO 9001, ISO 14001 and OHSAS 18001 certifications.
that entered the award competition. Brídhaven was selected from 75 organizations for his work in business and community life.

**Annually by the Mallow Chamber of Commerce**

Mr. Rochford of Brídhaven Nursing Home provides a high quality level of service to its customers. ISO 9001 and ISO 14001 complement nursing home standards very well.

We have already seen big advantages in our purchasing and cost containment. All suppliers are now vetted thoroughly in line with our procedures. All purchasing must be accompanied by three purchase orders and signed off by myself. Payments are made electronically on a monthly basis. Deliveries are stringently tested for accuracy,” Mr. Rochford said.

**Big advantages**

“We have already seen big advantages in our purchasing and cost containment. All suppliers are now vetted thoroughly in line with our procedures. All purchasing must be accompanied by three purchase orders and signed off by myself. Payments are made electronically on a monthly basis. Deliveries are stringently tested for accuracy,” Mr. Rochford said.

**ISO 9001 and ISO 14001 complement nursing home standards very well.**

He concluded that ISO 9001 and ISO 14001 complement nursing home standards very well and help the Brídhaven Nursing Home provide a high quality level of service to its customers.

**Coveted award**

Paul Rochford recently received the coveted Businessperson of the Year Award presented annually by the Mallow Chamber of Commerce, on behalf of his management team at the Brídhaven Nursing Home, and in recognition for his work in business and community life. Brídhaven was selected from 75 organizations that entered the award competition.

Garry Lambert is a British freelance journalist based in Switzerland.

---

**Phasing EMS**

ISO 14005 will benefit SMEs

by Sandrine Tranchard

ISO has just published a new standard in order to help organizations, and in particular small- and medium-sized enterprises (SMEs) use a phased approach to implement an environmental management system (EMS).

Today, organizations increasingly take into account environmental management requirements in their activities. However, even if they clearly see the benefits they can derive, implementing an EMS is not always an easy task, especially for SMEs.

The job will now be made easier by ISO 14005:2010, Environmental management systems – Guidelines for the phased implementation of an environmental management system, including the use of environmental performance evaluation.

The purpose of this standard is to provide guidance for organizations on the phased development, implementation, maintenance and improvement of an environmental management system in order to meet the requirements of ISO 14001, which provides the requirements for an EMS. ISO 14005 also includes advice on the integration and use of environmental performance evaluation techniques.

This International Standard is applicable to any organization, regardless of its level of development, its activities, or its location.

A phased approach offers several advantages:

- Users can readily evaluate how the time and money put into an EMS provides a return
- They can see how environmental improvements help to reduce costs, improve their community relations, assist them in demonstrating compliance with legal and other requirements, and help them in demonstrating compliance without additional cost or time
- They can track the benefits of their EMS while they implement their system step by step, adding or expanding elements as they provide value to the organization
- They can focus on the issues that are critical for them, their customers or supply chain

The model outlined in the standard has been developed to help an organization to implement an EMS in a flexible way focusing on the organization’s needs, while growing the extent and scope of the system, through time, in line with the objectives of the organization and the resources available.

Dr. Anne-Marie Warris, Chair of the ISO subcommittee responsible for ISO 14005, comments: “The working group members that developed the standard are to be congratulated for their hard work in producing guidance related to this important area. During the project, a number of developing countries indicated the importance of this work for their communities.”

An EMS meeting the requirements of ISO 14001:2004 is a management tool enabling an organization of any size or type to:

- Identify and control the environmental impact of its activities, products or services
- Continually improve its environmental performance
- Implement a systematic approach to setting environmental objectives, to achieving these and to demonstrating that they have been achieved
- Ensure legal compliance.

Although accredited certification of conformity to ISO 14001 is not a requirement of ISO 14005 or of ISO 14001, many organizations choose to seek accredited certification as an independent confirmation that their EMS meets the requirements of ISO 14001. The ISO Survey of Certifications 2009 revealed that up to the end of December 2009, at least 223149 ISO 14001:2004 accredited certificates had been issued in 159 countries and economies.

A number of developing countries indicated the importance of this work.

ISO 14005:2010 was developed by ISO technical committee ISO/TC 207, Environmental management, subcommittee SC 1, Environmental management systems, and is available from ISO national member institutes (listed with contact details on the ISO Website www.iso.org). It may also be obtained directly from the ISO Central Secretariat, through the ISO Store or by contacting the Marketing, Communication & Information department (sales@iso.org).

Sandrine Tranchard is a Communication Officer, ISO Central Secretariat.
ISO standards for business
An essential link to integrated reporting

by Kevin McKinley

For decades, standards have helped to ensure the quality, safety, reliability, efficiency, and interchangeability of products and services. Throughout the world, standards have been traditionally seen as contributing to:

- Improving economic efficiency – by ensuring compatibility and supporting variety reduction, allowing the development of markets for materials and components, as well as for complementary products
- Limiting “market failures” – by reducing the asymmetry of information between buyers and producers through quality and safety standards
- Promoting trade – helping to create new markets and to reduce the cost of accessing these markets.

However, organizations must now successfully tackle a range of longer-term strategic challenges. Business cannot focus only on satisfying direct customers’ needs – stakeholders in all their forms are becoming more critical of businesses that do not adequately address expectations of good governance, environmental stewardship, sustainability and social responsibility.

Support from shareholders, employees, and customers even public opinion can collapse if coherent efforts are not undertaken to effectively address these issues. In the face of such challenges, it is also expected that business deliver superior financial performance and ambitious returns, regardless of how well these “other” needs are met. People in business must juggle multiple objectives, exploit new technologies and provide innovative solutions. They must hire and retain top personnel that are constantly learning new skills to meet and anticipate market demands, and they must act ethically in an environment of change, uncertainty and ambiguity.

In short, businesses must master strategic challenges, and deliver operational results. Yet charting this “right” success course is not evident. Different markets require different solutions, with customer expectations varying from one region of the world to another. Well-founded, defensible business decisions can be daunting. It is therefore a powerful notion to consider that leading minds from around the world have debated issues such as strategic risk management, environmental performance, quality assurance, supply chain management and socially responsible behaviour to achieve global agreement on organizational best practices, expectations and guidance in the form of ISO International Standards.

Pressing issues

ISO standards now address some of the most pressing issues facing business today. ISO 31000 on risk management provides direction on how companies can integrate risk-based decision-making into the organization’s governance, planning, management, reporting, policies, values and culture. The well-known ISO 9001 standard on quality management provides a globally recognized way to enhance customer satisfaction and demonstrate how products meet customer and regulatory requirements. The series also includes best practices for the measurement of customer satisfaction (ISO 10004), customer complaints handling (ISO 10002) and dispute resolution (ISO 10003).

The ISO 14000 series provides tools for organizations to achieve and demonstrate sound environmental management (ISO 14001) as well as conduct product lifecycle assessments (ISO 14040), assess environmental labelling (ISO 14020 series) and address greenhouse gas/carbon footprint measurements, verification and validation (ISO 14064 and ISO 14065 series).

The upcoming ISO 50001 standard on energy management will provide requirements for energy supply, uses and consumption, as well as measurement, reporting, design and procurement practices for energy-using equipment, systems, and processes.

Emerging challenges such as determining the financial value of intangible “brand” assets are also addressed in the recently published ISO 10668 that describes brand valuation objectives, bases for valuations, approaches, methods and the sourcing of data and assumptions. Other management standards help to systematically address company information asset security issues (ISO/IEC 27000 series), traceability and security in the supply chain (ISO 28000 series) and approaches to effective food safety management (ISO 22000 series).

Standards deal not only with topical business issues, but can also provide rules and guidance for assessing how related business requirements are implemented. Such conformity assessment standards can provide benefits to all links in the value chain. Companies within the value chain, as well as end-use customers, use conformity validation and traceability, to ensure competitiveness and success.
ISO 26000: a new authoritative contribution to sustainability

On 1 November 2010, ISO published ISO 26000, Guidance on social responsibility. Publication of this standard was the culmination of an intensive five-year global stakeholder engagement exercise. Using and building on ISO’s development processes, the ISO Working Group on Social Responsibility included more than the 450 participating experts and 210 observers, from 99 countries and 42 liaison organizations.

As part of the effort, ISO established a programme of Understanding with the International Labour Organization (ILO), as well as the United Nations Global Compact (UNGC) and the Organisation for Economic Co-operation and Development (OECD). The primary objectives were to not amend their respective instruments in the social responsibility (SR) field, but to complement their work and provide authoritative, international, voluntary guidance on the breadth of this subject for all organizations (e.g. not just corporate social responsibility – CSR).

ISO 26000 is not a management system standard, nor is it intended or appropriate for certification or regulatory use. However, ISO 26000 effectively distils a global understanding of what social responsibility is, and what organizations need to do to operate in a socially responsible way. The standard specifically provides guidance on:

- Concepts, terms and definitions
- The background, trends and characteristics of SR
- Principles and practices relating to SR
- The core subjects and issues of SR
- Integrating, implementing and promoting socially responsible behaviour throughout the organization and, through its policies and practices, within its sphere of influence
- Identifying and engaging with stakeholders
- Communicating commitments, performance and other information related to SR.

ISO standards now address some of the most pressing issues facing business today.

These are further complemented by the disciplines of Annex 3 of the WTO TBT Agreement “Code of Good Practice for the preparation, adoption and application of standards” – a code which ISO members are encouraged to comply with.

Concern over “private standards” has in recent years been a topic of WTO discussions. But what is meant by “private standards” and what is the role of such standards in supporting public policy and technical regulations that are designed to protect or enhance public health, safety and the environment?

ISO has published a brochure that describes the formal international standardization system and clarifies its relation to private standards, specifically in the areas of information and communication technologies, the agri-food sector and on social and environmental issues. Ultimately, there is a need to strengthen linkages between private standards schemes and formal international standard-setting organizations, and achieve simple global solutions with the aim of “one International Standard, one test, and one certificate”.

Linkage of ISO 26000 to “integrated reporting”

ISO 26000 effectively provides a global context for social responsibility, a context in which various existing tools and initiatives already provide important solutions. In the area of “reporting”, extensive input and expertise from key global players, such as the Global Reporting Initiative (GRI), has been provided throughout the development of ISO 26000. There are no fewer than 19 instances of the term “reporting” in the body of ISO 26000, intended to provide guidance on communicating results within the organization, with other stakeholders and with society as a whole.

However, no requirements for reporting are indicated in ISO 26000, nor are there requirements on how this could be done in a manner that integrates financial and non-financial information. Thus the utility and complementarity of ISO 26000 and GRI’s sustainability reporting principles and indicators is evident. The GRI has published a document on using the GRI sustainability reporting guidelines with ISO 26000, and ISO welcomes the development of this so-called linkage document.

The further proposed step of “integrated reporting” currently being discussed in various fora is a timely issue. Establishment of the International Integrated Reporting Committee (IIRC)1) presents a unique opportunity to raise awareness of the merits of measuring business success in a new, holistic and integrated manner.

The ambitions of the IIRC to discuss integrated reporting at the 2011 G20 meeting could provide needed public policy exposure and debate that can set the context for future international, voluntary standards and initiatives. ISO wishes to express its appreciation to the Harvard Business School for assembling a thought-provoking and informative workshop in October 2010 on this issue.

ISO, in collaboration with GRI and other players, is also pleased to participate in future discussions on this issue, and to potentially contribute to the development of related voluntary, consensus-based International Standards that can contribute to a more sustainable global business environment.

Kevin McKinley is the ISO Deputy Secretary-General.

1) See www.integratedreporting.org/.
New edition of ISO/IEC 17021

Aims to raise level of management system certification

by Roger Frost

The just-published second edition of the International Standard ISO/IEC 17021 sets new requirements for the auditing of management systems and for auditor competence in order to increase the value of management system certification to public and private sector organizations worldwide.

The certification bodies that carry out management system certification (independently of ISO), are being given a two-year period to bring their operations in line with the new edition (see below).

ISO/IEC 17021:2011, Conformity assessment – Requirements for bodies providing audit and certification of management systems, is intended to increase trust in certificates issued attesting conformity to management system standards (MSS) such as ISO 9001 (quality management), ISO 14001 (environmental management) and ISO 22000 (food safety management). Certificates to these and other MSS are widely used in global markets to establish confidence between business partners and between organizations and their customers, to qualify suppliers in supply chains, and as a requirement to tender for procurement contracts.

The first edition, published in 2006, named six principles that inspire confidence: impartiality, competence, responsibility, openness, confidentiality, and complaint handling. These principles then formed the basis for specific requirements given in the standard.

The new edition retains these principles and requirements, but adds new requirements developed in response to market feedback on the use of the first edition. The new requirements provided in ISO/IEC 17021:2011 relate to the competence of the auditors who carry out certification and to the way in which they are managed and deployed.

Certification bodies that use the new edition will be able to ensure competent audit teams, with adequate resources, following a consistent process and reporting audit results in a consistent manner.

ISO/IEC 17021 will serve as a foundation for facilitating international trade.

Observance of the standard’s requirements is intended to ensure that certification bodies operate competently, consistently and impartially, so facilitating the recognition of such bodies and the acceptance of their certifications both nationally and internationally. ISO/IEC 17021 will therefore serve as a foundation for facilitating the recognition of management system certification in the interests of international trade.

The requirements of the 2006 edition have not been changed except where they contradict those of the 2011 edition. ISO/IEC 17021 is also being published in an unofficial marked-up edition highlighting the new and deleted text. The new edition is to be reviewed one year after it has been in use to decide whether any first edition requirements need modifying to align them further with the new requirements.

ISO and the International Accreditation Forum (IAF) – the association of national accreditation bodies that declare the competence of certification bodies – have agreed on a two-year transition period from the date of publication of ISO/IEC 17021:2011 for certification bodies to bring their operations and processes in line with the requirements of the new edition.

ISO/IEC 17021:2011, Conformity assessment – Requirements for bodies providing audit and certification of management systems, was developed by the ISO Committee on conformity assessment (ISO/CASCO) and is available from ISO national members. Both the official edition and the marked version can also be obtained directly from the ISO Central Secretariat at www.iso.org or by contacting the Marketing, Communication & Information department (sales@iso.org).

Roger Frost is Head of Communication Services, ISO Central Secretariat.

ISO Focus+ March 2011
Success codes

Coding systems (also known as “numbering systems”) are among the most frequently used systems for standardization by government, business and the general public at large. Every day, codes (also known as “code numbers”) are used in millions of operations and items worldwide, in domains that range from books and passports to freight containers and money transfers. In all cases, these codes save time, space, and energy.

Consider ISO 3166-1, the ISO standard for country codes. ISO 3166-1 is one of the most widely used standards because all national postal organizations throughout the world exchange international mail in containers bearing its country codes for identification. In machine-readable passports, the three-letter code taken from ISO 3166-1 is used to determine the nationality of the user (indicated in ISO/IEC 7501-1). In addition, the Internet domain name systems use ISO 3166-1 alpha-2 codes to define country-coded top-level domains (ccTLDs), e.g. France as “.fr”; Australia as “.au”; Brazil as “.br”; or Japan as “.jp”.

Most of today’s computerized systems are based on ISO 3166-1:2006 the basis of to store and process information related to countries and country names. And since most applications use ISO 3166-1, they can communicate easily. That is one of the purposes of standardization: facilitation of the exchange of goods and information.

The April 2011 ISO Focus+ special report looks at ISO 3166 and its applications in dozens of sectors, as well as the many other ISO standards where “success codes” are making an important impact.

The International Standard book number (ISBN), for example, is one of the most widely used and successful identifiers. ISBN, for example, is one of the most widely used and successful identifiers. ISBN is the essential enabler of book trade systems, facilitating the compilation of product databases, electronic data interchange transactions and the collection of sales data.

The business identifier code (BIC) and the international bank account number (IBAN) are indispensable standards in the financial world, after more than 20 years of implementation. Thanks to BIC, which identifies financial and non-financial institutions, and IBAN, which identifies customer bank accounts, fewer errors are made while routing financial transactions. The financial industry is now looking towards developing a standard to identify legal entities engaged in financial transactions. Such a standard would bring clear benefits, including additional transparency and regulation in the financial markets.

Every shipping container in the world must be registered with the identification code (BIC code) of the container’s owners and operators. The BIC code is used in 115 countries by about 1 700 owners or operators representing more than 90% of the world container fleet.

The global automotive industry is yet another sector using a comprehensive numbering system, called the vehicle identification number (VIN), that uniquely describes a vehicle. This number provides a coded description of the vehicle including elements such as the manufacturer, the year of production, the place of production and vehicle characteristics. There are vehicle history services in several countries that can help potential car owners use VINS to find duds and branded vehicles.

There are many other ISO success code standards. The April 2011 ISO Focus+ special report cannot paint the complete picture, but does provide a taste of the usefulness and benefits of selected ISO success codes. Find out more in the next issue of ISO Focus+. ■

ISO Focus+ is available online. Reader can access ISO Focus+ directly in their browsers at www.iso.org/isofocus+online. Subscribers can also search and browse past issues of ISO Focus+, as well as of the magazine’s predecessors ISO Focus and ISO Management Systems. Bonus articles are also published on the Website.

The ISO Update, a monthly supplement to ISO Focus+ is available electronically (PDF) in both English www.iso.org/isoupdate and French www.iso.org/fr/isoupdate. The ISO Update informs about the latest developments in the ISO world, including ISO member bodies’ CEO and address changes, draft standards under circulation, as well as newly published, confirmed or withdrawn standards. It also includes a list of upcoming technical committee plenary meetings.
Robins have a reputation for “punching above their weight”. Small birds, they nevertheless defend their territory energetically. At the same, they are curious and will sometimes approach surprisingly close. Qualities like courage, energy and curiosity are among those often possessed by managers of small businesses. But such qualities can be usefully complemented by knowledge of the benefits to efficiency and effectiveness brought by implementing an ISO 9001 quality management system. The latest, 2010 edition of the handbook, *ISO 9001 for Small Businesses*, explains in user-friendly language, with lots of practical examples, how to achieve these benefits. A business can be little, but also very good.