

Comments on the proposal to create an ISO Committee on Social Responsibility

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At the end of April 2020, the French national standards body (AFNOR) submitted a proposal to create a new ISO Technical Committee on Social Responsibility. According to the proposal, the aim of the Committee would be to revise the exiting ISO 26000 standard, develop implementation guidelines for different types of organisations, and guidelines or standards on specific social responsibility issues.

Small Business Standards (SBS) does not support this proposal. We also believe the AFNOR proposal neither provides a proper justification for the creation of a new ISO Technical Committee nor considers SMEs as an important stakeholder in this area.

The principles of social responsibility have not changed since the adoption of the standard. The current ISO 26000 is already covering the main principles of social responsibility including sustainability aspects. Therefore, there is no need to revise it. Moreover, we cannot see the need to develop any further deliverables in this area.

Nevertheless, if it is finally decided to go ahead with a revision ISO 26000 should be kept as a guidance document not aimed at certification. SMEs, which represent the majority of businesses worldwide, should also be recognized as a main stakeholder in any future revision.

Lack of a proper justification

SBS is of the opinion that the proposal does not provide a proper justification to establish a new Technical Committee in line with the "Guidelines for proposing and justifying a new field of technical activity" as laid down in the ISO/IEC Directives Part 1, Annex C.

According to the guidelines, "it is important that any standardization activity begins by identifying the needs, determining the aims of the standard(s) to be prepared and the interests that may be affected" (C.1.1.). Moreover, the proposer "shall make a substantial case for the market relevance of the proposal" (C.3.2).

The scope statement does not give any justification for creating a new Technical Committee. Indeed, the statement just gives the exact description of what the existing ISO 26000 standard is already about. Moreover,

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neither the needs nor the aims, and certainly not the interests that may be affected are mentioned in the proposal.

No need for revision of ISO 26000 or additional deliverables

The proposed work programme includes the "Revision of ISO 26000:2010 to upgrade and align it according to new concepts that have arisen since 2010, such as circular economy, sustainable procurement and sustainable finance."

It needs to be stressed that these concepts are not new and were already there in 2010¹. Nobody will deny that these terms are more used nowadays. Nevertheless, ISO 26000:2010 already covers these concepts and certainly the related expectations. Sustainable procurement is explicitly mentioned in the ISO 26000:2010 (clause 6.5.2.) and the same goes for sustainable consumption (a whole chapter! And clauses 3.3, 6.1, 6.7.1.1. and 6.7.5) and waste (6.1.). Moreover, financial and investment products are covered in the parts on sustainable consumption as well as the life cycle of products (circular economy).

The argument that "were ISO 26000 not to be upgraded, ISO would lose leadership and credibility in the field of social responsibility and compare unfavourable to the more recent tools developed by GRI and OECD" is also not valid. GRI and OECD tools are developed for big enterprises and even for multinationals, which make them completely useless for SMEs which represent 99.9% of all enterprises in Europe. This statement is even contradicted by the proposal itself, which correctly states that "ISO 26000 is the unique worldwide standard that defines all aspects of social responsibility; provides guidelines to all organisations on SR; helps linking SR to SDGs."

Nevertheless, the proposal goes beyond the revision of ISO 26000 and foresees the development of one or more implementation guidelines and the development of multiple standards under the ISO 26000 series. We doubt whether this would help to advance social responsibility and we fear this may just add unhelpful burdens on companies, especially SMEs.

Implementation guidance is already available. SBS has already developed a freely available guide, "<u>Small Business Standards User Guide for European SMEs on ISO 26000 – Guidance on Social Responsibility</u>", to support small and medium-sized enterprises (SMEs) to use the standard. This guidance can be developed by organisations at the level closest to each relevant type of stakeholder considering its specific needs and does not need to be developed at ISO level.

Moreover, the proposal does not give a clear indication of the specific purpose and content of the "standards on specific social responsibility issues" to be developed in line with ISO/IEC Directives Part 1, C.1.3. It also has the potential to overlap with existing Technical Committees dealing with issues such as environmental protection or occupational safety, etc. which already touch upon social responsibility.

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¹ The concept of circular economy is known since 1966, sustainable procurement since 2005 and sustainable finance is also not new (see for example the Dow Jones Sustainability Indices (DJSI) launched in 1999 or the FTSE4Good Index from 2001).

If it is finally decided to create an ISO Committee, the focus should be on improving the ISO 26000 text to adapt it more to smaller organizations rather than on creating new documents. To this respect, Box 1 "ISO 26000 and small and medium-sized organizations (SMOs)" which figures in ISO 26000:2010 is and should remain a key reference.

ISO 26000 should be kept as a non-certifiable standard

The value of ISO 26000:2010 is exactly that it is written to be useful for all types of organization and does not include specific requirements but guidance, which is not intended as the basis for certification. The standard explains the different concepts and allows each organization to assess its unique situation and take its own strategic approach in relation to social responsibility. It is important that these principles are kept should it finally be decided to go ahead with a revision of the standard. We are concerned the current proposal would lead to the development of various documents including requirements for certification.

SMES are a key stakeholder

The proposal does not take into consideration SMEs as a main stakeholder category, nor does it explain how they would benefit or be impacted by the proposal. Moreover, the listing of relevant external international organisations does not include any organisation representing SMEs. We would like to remind that the ISO Guidance for writing standards taking into account micro, small and medium-sized enterprises' needs stresses "It is important for standards to be market-relevant and reflect the needs of all stakeholders, including SMEs".

The ISO 26000 development process was different than the traditional ISO process of standards development within a Technical Committee. A working group directly under the ISO Technical Management Board (TMB) was created and an effort was made to achieve a balanced participation with regards to developed and developing countries and different stakeholder categories. Six stakeholder categories were defined:

- Industry
- Government
- Consumer
- Labour
- NGOs
- Service, support, research and others

The experts of the working group were appointed by the ISO members and included experts representing these categories. In addition, interested international and broadly based regional organizations were also able to appoint a maximum of two experts each.

If it is finally decided to go ahead with the revision of the standard it is important that a mechanism is put in place to ensure a balanced representation of the different stakeholders. SMEs, which are most businesses worldwide, should be recognized as an essential stakeholder, as a category on its own.

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