



Geneva, 18 December 2009
G-2009 (45.46c)

Dear Madam, Dear Sir,

**IOE OVERVIEW OF ISO/DIS 26000
GUIDANCE STANDARD ON SOCIAL RESPONSIBILITY**

The latest draft of ISO 26000 has been released as a Draft International Standard (DIS) and has been distributed for comment and vote until February 14, 2010. In the vote, ISO national standards bodies and participating international organizations like the IOE will indicate whether or not they think the draft is ready to be advanced to the next stage in the drafting process – Final Draft International Standard (FDIS), which represents the last point in the process to make substantial changes to the document.

While the DIS is an improvement over the previous version, the IOE believes that the draft requires further changes before it is advanced to the FDIS stage. The main IOE concerns with the draft are stated below and in the attached letter joint industry letter to the ISO Technical Management Board. We encourage IOE member federations to convey these concerns to the ISO national standards body in your country in advance of the February 14 deadline.

1) GENERAL COMMENTS:

A number of issues impact the entire document:

- Length and Complexity of the Text: The current draft is too long, too complex and too difficult to read. As a guidance standard, the draft should explain the issue of social responsibility in clear and simple language so that non-experts can easily understand the concepts and the suggested actions.
- Level of Detail: The document goes into far too much detail on the issues covered. The excessive level of detail also makes the draft much more prescriptive than it should be for a guidance standard.
- Applicability to All Organizations: ISO 26000 is supposed to be applicable to all kinds of organizations, but the current text is still clearly targeted to companies, particularly large companies. This raises that danger that social responsibility will be seen as only a business obligation and that other types of organizations will ignore their own responsibilities.

2) KEY ISSUES:

To assist member federations in developing their own comments, the IOE has identified the following key issues that should be considered in preparing comments on ISO/DIS 26000:

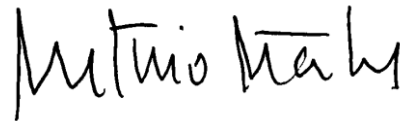
- Trade Barriers and Certification: (Clause 1) New language has been added to the scope limiting the use of ISO 26000 as a potential trade barrier in the WTO context and more clearly stating that it should not be used for certification – the IOE strongly supports this language in the text. The scope could be further improved by clarifying the difference between a guidance standard and a certification standard;
- Terms & Definitions: (Clause 2) A number of important terms and definitions still need further improvements, including: 1) the definition of “social responsibility” where the use of “health and welfare of society” is unclear; 2) “sphere of influence” – “influence” is not bound by an “area”; 3) the definition of “stakeholder” where the use of the word “interest” is too broad and should be limited to those “affected by” the organization;
- The State and Social Responsibility: (Clause 3.4) The role of the state continues to be a point of contention with governments pushing to take out references to what governments should do and other stakeholder groups pushing for its inclusion. The IOE believes that more should be said on the role of the state in ensuring safe and stable operating environments;
- International Norms of Behavior / Complicity: (Clause 4.7) These issues raise a number of significant legal and political considerations, particularly in relation to the conflict between national law and international standards. IOE member federations should carefully review the current text to identify any potential legal risks in their jurisdictions;
- Sphere of Influence: (Clause 5.2.3) The current text continues to confuse “influence” with “responsibility”, is internally inconsistent on the issue of influence, and contradicts some aspects of the Ruggie framework on business and human rights on this point. The text needs to be clarified to ensure that responsibility is based on control rather than merely on influence;
- SR Core Subjects: (Clause 6) The section on core subjects is a critical element of the document since this is where the substantive guidance on SR issues is given. While the core subjects themselves are fine, there are too many sub-issues included under each core subject and far too much detail included on the sub-issues. The volume of material is more likely to dissuade organizations from reading the text and the level of detail makes it impossible to know which issues are important and which are not;
- Integrating SR: (Clause 7) The scope of ISO 26000 clearly excludes any link to management system standards (MSS), yet the text on integrating SR into the organizations has grown over time to include most elements of an MSS. The text should be revised to remove all MSS terminology and methods, as

well as generic management issues that are not specific to social responsibility;

- Annex A on SR Initiatives: The annex on SR initiatives has been designed so that it provides simple information on a wide range of initiatives and does not convey or imply any endorsement or hierarchy of the initiatives included. The IOE supports this approach and it should be maintained in future drafts.

Based on the number and significance of the issues that still need to be corrected, the IOE does not believe that the current draft is ready to be advanced to the FDIS stage, and thus plans to indicate a “no” vote on the DIS so that these problems can be corrected. IOE member federations are encouraged to consider the above concerns in developing their own comments on ISO/DIS 26000 and to actively communicate their views to their ISO national standards body. We would very much appreciate receiving a copy of any comments submitted.

Yours sincerely,



Antonio PEÑALOSA
Secretary-General

Circular addressed to IOE member federations and to employer members of the ILO Governing Body.