STANDARD ISO/DIS 26000:2009 (CORPORATE SOCIAL RESPONSIBILITY) AND THE ENVIRONMENT

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Abstract: The paper will first present the contribution of ISO (International standard organization) in the field of corporate social responsibility (CSR) and sustainable development and best known standards. The ISO 26000 standard will be presented, which was released in September 2009 as a proposal or draft (ISO / DIS). The draft standard represents an international consensus on how social responsibility, a concept that has been hotly debated for over 20 years, might be interpreted and applied across organizations of all types in both public and private sectors. Standard describes the principles of CSR, namely: accountability, transparency, ethical behavior, respect for the interests of all stakeholders, legality, respect for international norms and human rights. It covers key areas of economic, environmental and social impacts of the organization and indicates for each key area what are the impacts, what is its connection with CSR, which are important principles, practices and expectations. The decisions and activities of organizations invariably have an impact on the environment no matter where they are located. These impacts may be associated with the organization's use of living and non-living resources, the location of the activities of the organization, the generation of pollution and wastes, and the implications of the organization's activities, products and services for natural habitats. To reduce their environmental impacts, organizations should adopt an integrated approach that takes into consideration the economic, social, and environmental implications of their decisions and activities. Environmental responsibility is a precondition for the survival and prosperity of human beings. Environmental matters are closely linked to other CSR's core subjects and issues. Relevant technical tools from the ISO 14000-series of standards should be considered in the implementation of operations such as environmental performance evaluation, greenhouse gas emissions quantification and reporting, life cycle assessment, design for the environment, and environmental labeling.

Key words: international standards, ISO/DIS 26000, environmental responsibility, environmental tools, environmental reporting, corporate social responsibility

STANDARD DRUŽBENE ODGOVORNOSTI ISO/DIS 26000:2009 IN SKRB ZA OKOLJE

Povzetek: V prispevku bo najprej predstavljen prispevek ISO (International standard organization - Mednarodne organizacije za standardizacijo) na področju družbene odgovornosti (DO) ter trajnostnega razvoja in najbolj znani standardi. Podrobneje bo predstavljen standard ISO 26000, ki je septembra 2009 izšel kot predlog (ISO/DIS). Osnutek standarda predstavlja mednarodni konsenz o tem, kako DO, koncept, o katerem se razpravlja več kot 20 let, razumeti in uporabiti v organizacijah vseh vrst v javnem in zasebnem sektorju. Standard opisuje načela DO in sicer: odgovornost, transparentnost, etično vedenje, spoštovanje interesov vseh deležnikov, zakonitost, spoštovanje mednarodnih norm in človekovih pravic. Zajema ključna področja gospodarskih, okoljskih ter družbenih vplivov organizacije ter za vsako ključno področje navaja, kakšni so vplivi, kakšna je njegova povezava z DO, kateri so pomembni principi, prakse in pričakovanja. Odločitve in dejavnosti organizacij imajo vedno vpliv na okolje, ne glede na to, kje se nahajajo. Ti vplivi so lahko povezani s tem, kako organizacija izrablja žive in nežive vire, od lokacije organizacije, nastajanja odpadkov in onesnaževanja, ter posledic dejavnosti, proizvodov in storitev za naravne habitate. Da bi zmanjšale vplive na okolje, morajo organizacije sprejeti celovit pristop, ki upošteva gospodarske, socialne in okoljske posledice svojih odločitev in dejavnosti. Okoljska odgovornost je predpogoj za preživetje in blaginjo ljudi ter je tesno povezana z drugimi vprašanji DO. Organizacija lahko pri tem uporablja različne tehnike iz serije standardov ISO 14001, kot so: okoljsko vrednotenje delovanja, izračunavanje in poročanje o količini emisij toplogrednih plinov, ocena življenjskega cikla, oblikovanje za okolje in okoljsko označevanjem.

Ključne besede: mednarodni standari, ISO/DIS 26000, okoljska odgovornost, okoljska orodja, okoljsko poročanje, družbena odgovornost

1. How ISO standards contribute to a sustainable world

ISO – a multi-sector, multi-stakeholder international organization – is the leading producer of consensus-based International Standards. ISO's membership comprises the national standards bodies of 157 countries. This network is complemented by more than 600 international and regional partners and the direct participation of close to 100 000 experts. Key principles such as transparency, openness and consensus are fundamental to ISO's working practices and global relevance. These underpin and complete the whole system to ensure that ISO is a trusted partner for developing standards contributing to the objectives of sustainable development. Indeed, International Standards of the type developed by ISO, based on a double level of consensus – between stakeholders and between countries – contribute to the three dimensions of sustainable development – economic, environmental and social. They:

- Support the facilitation of global trade, the dissemination of new technologies, good business, practice and the relations between economic actors;
- Support good environmental practice, and information, energy efficiency and the dissemination of new, eco-friendly and energy performance technologies;
- Contribute to consumer protection, safety at work, healthcare, security and other social interests, which may require technical or management standards for the related products and services. (ISO, 2008)

2. Standards of Social Responsibility

Government and non-government organizations prepared many standards, code of conducts, guidelines for social responsibility. Some of the most known standards will be presented as OECD Guidelines, Social Accountability 8000 (SA8000), AccountAbility 1000 (AA1000), UN Global Compact, Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI) and ISO 26000, which is still developing.

2.1. OECD Guidelines

The OECD Guidelines for Multinational Enterprises are recommendations on responsible business conduct addressed by governments to multinational enterprises operating in or from the 33 adhering countries. The Guidelines express the shared values of the governments of countries that are the source of most of the world's direct investment flows and home to most multinational enterprises. They apply to business operations world-wide. They contain economic, social, and environmental elements of the sustainable development. Now they cover all internationally recognized core labor standards (the elimination of child labor and forced labor), chapters on human rights, combating corruption, and consumer protection were added. The environment section encourages multinational enterprises to raise their environmental performance through improved internal environmental management and better contingency planning for environmental impacts. The chapter on disclosure and transparency reflects the OECD Principles on Corporate Governance and aims to encourage social and environmental accountability.

2.2. Social Accountability 8000 (SA8000)

The third issue of SA8000 was published in 2008. The intent of SA8000 is to provide a standard based on international human rights norms and national labor laws that will protect and empower all personnel within a company's scope of control and influence, who produce products or provide services for that company, including personnel employed by the company itself, as well as by its suppliers/subcontractors, sub-suppliers, and home workers. SA8000 is verifiable through an evidenced-based process. Its requirements apply universally, regardless of a company's size, geographic location, or industry sector.

Complying with the requirements for social accountability of this standard will enable a company to:

- Develop, maintain, and enforce policies and procedures in order to manage those issues which it can control or influence;
- Credibly demonstrate to interested parties that existing company policies, procedures, and practices conform to the requirements of this standard.

SA8000 is an auditable standard for a third-party verification system.

2.3. AccountAbility 1000 (AA1000)

The AA1000 Assurance Standard is a generally applicable standard for assessing, attesting to, and strengthening the credibility and quality of organizations' sustainability Reporting, and their underlying processes, systems and competencies. It provides guidance on key elements of the Assurance process. The AA1000 AS's key characteristics are that it:

- Covers the full range of organizational performance, i.e. 'sustainability performance'.
- Examines the completeness of an organization's understanding/an organization's knowledge/the internalization of an organization's understanding of its own footprint and associated stakeholder views.

- Focuses on the materiality of subject matter to stakeholders and the accuracy of disclosed information, as well as an organization's policies and adherence to mandatory regulations.
- Establishes the basis for public assurance statements that build the credibility of public sustainability reports.
- Assesses Reporting Organizations' responsiveness to stakeholders, and in doing so interprets reporting as part of an on-going engagement with them.
- Provides a forward-looking approach that indicates how prepared an organization is to carry out stated policies and goals, as well as meet future standards and expectations.
- Supports and integrates approaches to assurance using multiple providers, approaches and standards, including specific compatibility with the Global Reporting Initiative Sustainability Reporting Guidelines.
- Applies to different types and sizes of organizations and assurance providers from diverse geographical, cultural and social backgrounds.
- Requires disclosure by assurance providers covering their competencies and relationships with the Reporting Organization (i.e. client).

2.4. UN Global Compact

The UN Global Compact is voluntary initiative that relies on public accountability and transparency. It asks companies to embrace, support and enact, within their sphere of influence, a set of core values, ten principles, in the areas of human rights, labor standards, the environment, and anti-corruption:
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;
Principle 2: Make sure that they are not complicit in human rights abuses;
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: The elimination of all forms of forced and compulsory labor;
Principle 5: The effective abolition of child labor;
Principle 6: the elimination of discrimination in respect of employment and occupation;
Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: Undertake initiatives to promote greater environmental responsibility;
Principle 9: Encourage the development and diffusion of environmentally friendly technologies;
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

2.5. Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI)

GRI Guidelines are for voluntary use by organizations for reporting on the economic, environmental, and social dimensions of their activities, products, and services. The aim of the Guidelines is to assist reporting organizations and their stakeholders in articulating and understanding contributions of the reporting organizations to sustainable development. The GRI Guidelines are a framework for reporting on an organization's economic, environmental, and social performance. The Guidelines:

- Present reporting principles and specific content to guide the preparation of organization-level sustainability reports;
- Assist organizations in presenting a balanced and reasonable picture of their economic, environmental, and social performance;
- Promote comparability of sustainability reports, while taking into account the practical considerations related to disclosing information across a diverse range of organizations, many with extensive and geographically dispersed operations;
- Support benchmarking and assessment of sustainability performance with respect to codes, performance standards, and voluntary initiatives; and
- Serve as an instrument to facilitate stakeholder engagement.

The GRI Guidelines organize "sustainability reporting" in terms of economic, environmental, and social performance.

GRI Guidelines describe eleven principles that should be goals toward which a reporter should strive. The principles of transparency and inclusiveness represent the starting point for the reporting process and are woven into the fabric of all the other principles. All decisions about reporting (e.g., how, when, what) take these two principles and associated practices into consideration. The principles of sustainability context, completeness, and relevance play the key role in determining what to report. Reports should help place the organization's performance in the broader context of sustainability challenges, risks, and opportunities. The information contained within the report must meet the test of completeness in terms of the reporting boundaries (i.e., entities included), scope (i.e., aspects or issues reported), and time frame. Lastly, reported information should be relevant to the decision-making needs of stakeholders. The quality and reliability of the report content are guided by the principles of neutrality, comparability, and accuracy. Reports should be comparable over time and across organizations. Information should be sufficiently accurate and reliable to enable its use for decision-making purposes. Equally important, the report should present its content in a balanced and unbiased manner. The principles of clarity and timeliness govern the access and availability of reports. Put simply, stakeholders should receive easily understood information in a time frame that allows them to use it effectively. The principle of auditability relates to several other principles such as comparability, accuracy, neutrality, and completeness. Specifically, this principle refers to the ability to demonstrate that the processes underlying report preparation and information in the report itself meet standards for quality, reliability, and other similar expectations.

3. Standard ISO/DIS 26000

3.1. Key Message and Structure of Standard

The ISO 26000 was released in September 2009 as a proposal or draft (ISO / DIS). The draft standard represents an international consensus on how social responsibility (SR), a concept that has been hotly debated for over 20 years, might be interpreted and applied across organizations of all types in both public and private sectors. Standard describes the principles of corporate SR, namely: accountability, transparency, ethical behavior, respect for the interests of all stakeholders, legality, respect for international norms and human rights. It covers key areas of economic, environmental and social impacts of the organization and for each key area indicates what the impacts, what is its connection with SR, which are important principles, practices and expectations.

The introduction to the draft standard includes the following key messages, stating that ISO 26000:

- Provides guidance on the underlying principles of SR, the core subjects and issues pertaining to SR and on ways to integrate socially responsible behavior into existing organizational strategies, systems, practices and processes;
- Is intended to be useful to all types of organizations in the private, public and non-profit sectors, whether large or small, and whether operating in developed or developing countries;
- Is not a management system standard. It is not intended or appropriate for certification purposes or regulatory or contractual use;
- Is intended for use by those beginning to address SR, as well as those more experienced with its implementation.

Structure of the standard is the following:

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
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Clause 3 describes the important factors and conditions that have influenced the development of SR and that continue to affect its nature and practice. It also describes the concept of SR itself – what it means and how it applies to organizations. The clause includes guidance for small and medium-sized organizations on the use standard.

Clause 4 introduces and explains the generic principles of SR.

Clause 5 addresses two practices of SR: an organization’s recognition of its SR, and its identification of and engagement with its stakeholders. It provides guidance on the relationship between an organization, its stakeholders and society, recognizing the core subjects and issues of SR and an organization’s sphere of influence.

Clause 6 explains the core subjects and associated issues related to SR. For each core subject, information is provided on its scope, its relationship to SR, relevant principles and considerations, and related actions and expectations. To define the scope of its SR, identify relevant issues and to set its priorities, an organization should address the following core subjects:

- Organizational governance;
- Human rights;
- Labor practices;
- The environment;
- Fair operating practices;
- Consumer issues; and
- Community involvement and development.

Clause 7 provides guidance on putting SR into practice in an organization. This includes guidance related to: understanding the SR of an organization, integrating SR throughout an organization, communication related to SR, improving the credibility of an organization regarding SR, reviewing progress and improving performance and evaluating voluntary initiatives for SR.

3.2. The environment and social responsibility

The global nature of some environmental and health issues, recognition of worldwide responsibility for combating poverty, growing financial and economic interdependence and more geographically dispersed value chains mean that the matters relevant to an organization may extend well beyond those existing in the immediate area in which the organization is located. It is important that organizations address SR irrespective of social or economic circumstances. Instruments such as the Rio Declaration on Environment and Development, the Johannesburg Declaration on Sustainable Development and the Millennium Development Goals emphasize this worldwide interdependence.

There are three principles, connected with environmental responsibility of an organization: accountability (an organization should be accountable for its impacts on society and the environment), transparency (an organization should be transparent in its decisions and activities that impact on society and the environment), ethical behavior (an organization should behave ethically at all times, an organization's behavior should be based on the ethics of honesty, equity and integrity; these ethics imply a concern for people, animals and the environment and a commitment to address stakeholders' interests) and respect for international norms of behavior (an organization should respect international norms of behavior, while adhering to the principle of respect for the rule of law. In countries where the law or its implementation does not provide for minimum environmental or social safeguards, an organization should strive to respect international norms of behavior).

The decisions and activities of organizations invariably have an impact on the environment no matter where they are located. These impacts may be associated with the organization's use of living and non-living resources, the location of the activities of the organization, the generation of pollution and wastes, and the implications of the organization's activities, products and services for natural habitats. To reduce their environmental impacts, organizations should adopt an integrated approach that takes into consideration the economic, social, and environmental implications of their decisions and activities.

Society is facing many environmental challenges, including the depletion of natural resources, pollution, climate change, destruction of habitats, loss of species, the collapse of whole ecosystems, and the degradation of urban and rural human settlements. As the world population grows and consumption increases, these changes are becoming increasing threats to human security, health, and well-being of society. There is a need to identify options to reduce and eliminate unsustainable volumes and patterns of production and consumption and to make sure that the resource consumption per person becomes sustainable. Environmental matters at the local, regional, and global levels are interconnected. Addressing them requires a comprehensive, systematic, and collective approach. Environmental responsibility is a precondition for the survival and prosperity of human beings. It is therefore an important aspect of social responsibility. Environmental matters are closely linked to other SR core subjects and issues. They also require due consideration of holistic education, as environmental education is fundamental to promoting the development of sustainable societies and lifestyles.

Relevant technical tools from the ISO 14000-series of standards should be considered in the implementation of operations such as environmental performance evaluation, greenhouse gas emissions quantification and reporting, life cycle assessment, design for the environment and environmental labeling.

An organization should respect and promote the environmental principles: environmental responsibility, the precautionary approach, environmental risk management, polluter pays.

In its environmental management activities, an organization should assess the relevance of, and employ as appropriate, the following approaches and strategies: life cycle thinking, environmental impact assessment, cleaner production and eco-efficiency, product-service system approach, use of environmentally sound technologies and practices, sustainable procurement.

Four environmental issues are described:

- Environmental issue 1: Prevention of pollution (emissions to air, discharges to water, the generation of solid or liquid waste, contamination of land and soils, the use and disposal of toxic and hazardous chemicals and noise from its activities, products and services);
- Environmental issue 2: Sustainable resource use (energy efficiency, water conservation and access to water, efficiency in the use of materials);
- Environmental issue 3: Climate change mitigation and adaptation;
- Environmental issue 4: Protection of the environment and restoration of natural habitats (valuing, protecting, and restoring ecosystem services, valuing and protecting biodiversity, using land and natural resource sustainably, advancing environmentally sound urban and rural development).

4 Conclusion

Environmental SR includes taking business decisions to reduce adverse environmental impacts as well as production process costs. In this way, an organization can be environmentally active by establishing environmental management systems, reducing emissions, waste waters and wastes, and recycling and exploiting resources to ensure their further existence. Numerous organizations have already been investing in environmental protection and taking technical measures to reduce or prevent pollution for decades. Public pressure and the growing concern for the maintenance and improvement of the environment and protection of human health, as well as increasingly rigid legislation, encourage organizations to start paying more attention to potential environmental impacts of their activities, products, or services and to start including environmental issues in all elements of their operations. Various stakeholders, such as consumers, shareholders, financial organizations, employees, contractual partners, government, society in general, nongovernmental organizations, require that organizations take responsibility for their social and environmental impacts and report on their related activities.

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