

Setting Social and Environmental Standards v5.0

ISEAL Code of Good Practice



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Foreword

The ISEAL Alliance is an international non-profit organisation that codifies best practice for the design and implementation of social and environmental standards systems

ISEAL shapes the context in which social and environmental standards systems operate by defining what good practice looks like for the sector and by influencing how external stakeholders consider and engage with credible standards systems. ISEAL Alliance members are leading organisations in social and environmental standard setting and certification, and are committed to compliance with ISEAL Codes of Good Practice. Further information about the ISEAL Alliance and its membership is available at www.isealalliance.org.

ISEAL works from the premise that voluntary standards systems that are effective and accessible can bring about significant positive social, environmental and economic impacts. The continuing strong growth in size and scope of voluntary standards systems is an indication of the influential role that these systems can play in bringing about positive change on a global scale. However, it also highlights the pressing need for a broadly shared understanding of good operating practices for the movement as a whole.

Since 2004, ISEAL has been facilitating international consultations to determine what good practice should look like for voluntary standards systems. Through this work, we aim to maintain an evolving suite of credibility tools that support the effective implementation of voluntary standards systems. Various Codes of Good Practice each contribute in part to that goal. This currently includes Codes of Good Practice in final and draft form focused on standard-setting procedures, measuring impacts of standards systems, and verification practices.

June 2010



Code Review Process

Subsequent to the first revision of the ISEAL Code of Good Practice for Setting Social and Environmental Standards (the Standard-Setting Code), the public review and revision process will take place every four years

¹ For full description of the process, please see P045 ISEAL Code Development Procedure document

The next review is scheduled for 2013. This process is managed by the ISEAL Stakeholder Council and includes the following steps ¹:

- Establishment of a Steering Group to undertake the revision;
 - A public consultation period of 60 days, incorporating comments previously received;
 - Synopsis of how comments were addressed and proposal on revision prepared by the Steering Group;
 - A second consultation period of 30 or 60 days, where outstanding issues exist;
 - Synopsis of how the additional comments were addressed and proposal for a second revision prepared by the Steering Group;
 - Recommendation by the ISEAL Stakeholder Council whether to approve proposed revision, with or without amendments, based on the results of the consultation;
 - Decision whether to approve the Code taken by the ISEAL Board and based on the quality of the process followed; and
- One year transition period for compliant standard-setting organisations.

The ISEAL Alliance welcomes comments on the Standard-Setting Code at any time. Comments will be incorporated into the next review process. Please submit comments by mail or email to the address below, using the comment submission form that is available on the ISEAL Alliance website. All enquiries and comment submissions related to the Standard-Setting Code can be made through the following central focal point:

ISEAL Alliance
info@isealalliance.org
www.isealalliance.org/codes

The Wenlock Centre
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Introduction

The ISEAL Alliance facilitated the development of the Code of Good Practice for Setting Social and Environmental Standards as a means to evaluate and strengthen the process for setting voluntary standards

The Standard-Setting Code is intended primarily for application to standards that fulfil social, environmental and economic policy objectives.

By adhering to procedures that constitute good practices for setting standards, standard-setting organisations help to ensure that the application of their standard results in measurable progress towards their social and environmental objectives, without creating unnecessary barriers to international trade. In addition, the Standard-Setting Code can serve as a minimum bar against which to measure processes to develop voluntary standards. The intention of the Standard-Setting Code is not to promote the development of an ever increasing number of standards initiatives, but to improve consistency between standards, enhancing their effectiveness.

Standard-setting practices should be based on relevant international normative documents, where appropriate. The normative documents from which this Standard-Setting Code draws are ISO/IEC Guide 59 Code of good practice for standardization, and the WTO Technical Barriers to Trade (TBT) Agreement Annex 3 Code of good practice for the preparation, adoption and application of standards. The need for a Standard-Setting Code was based on an assessment of these

documents and definition of additional standard-setting practices not covered by these documents that are unique to social and environmental standard-setting. Where the criteria in these two normative documents are not appropriate or relevant to social and environmental standards, they have been excluded. Excerpts from the TBT Second Triennial Review Annex 4, Principles for the Development of International Standards, Guides and Recommendations with Relation to Articles 2, 5 and Annex 3 of the Agreement have also been incorporated where appropriate.

The ISEAL Standard-Setting Code incorporates guidance that provides supplemental information to the Code criteria as well as interpretation of key terminology and phrases in the criteria. The guidance is an integral non-binding supplement to the Standard-Setting Code and should be taken into account when undertaking standards development. It is included here primarily as a capacity building tool for organisations that are applying the Standard-Setting Code. The guidance is interspersed in italics between the Code criteria.





1. Scope

1.1 This Standard-Setting Code specifies general requirements for transparent and accountable preparation, adoption and revision of standards that address social and environmental practices.

1.2 This Standard-Setting Code applies to all standards that promote improvement in social and environmental practices and that are operating at the international, regional, national or sub-national level.

In the context of this Standard-Setting Code, the term social is defined broadly to include issues of economic viability. Where a standard-setting organisation develops standards that do not address social and environmental practices, such as certification methodologies, logo licensing, pricing, traceability etc., these do not fall within the scope of this Code. However, technical specifications that address social or environmental practices do fall within the scope of this Code.

This Standard-Setting Code has been developed to fill a void in existing guidance to standard-setting organisations. While most product-related standards are adequately addressed by the TBT Agreement Annex 3 and ISO Guide 59, these reference documents are not relevant in their entirety to social and environmental standards, which are covered by this Code. This Code is meant to complement and co-exist with these two normative documents. To the extent that the TBT Agreement Annex 3 is relevant, it is recommended that standard-setting organisations comply with its criteria.

2. Referenced Publications

ISO/IEC Guide 2:2004. Standardization and related activities - General vocabulary.

ISO/IEC Guide 59:1994. Code of good practice for standardization.

WTO Agreement on Technical Barriers to Trade (TBT) Annex 3: Code of good practice for the preparation, adoption and application of standards.

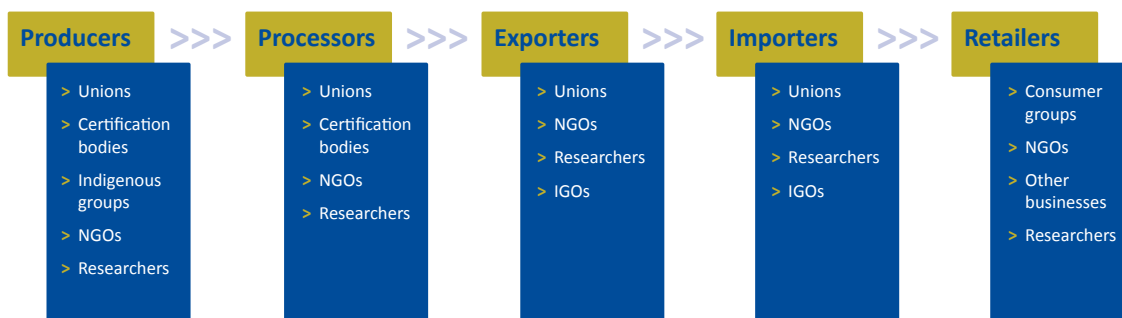
WTO Agreement on Technical Barriers to Trade (TBT) Second Triennial Review Annex 4: Principles for the Development of International Standards, Guides and Recommendations with Relation to Articles 2, 5 and Annex 3 of the Agreement

3. Definitions

The definitions of ISO/IEC Guide 2:2004 apply to this Code with the following exceptions and additions.

3.1 Consensus: General agreement, characterised by the absence of sustained opposition to substantial issues by any important part of the concerned interests.

NOTE – Consensus should be the result of a process seeking to take into account the views of interested parties, particularly those directly affected, and to reconcile any conflicting arguments. It need not imply unanimity - (based on ISO/IEC Guide 2:2004).



This diagram is illustrative of a basic value chain with examples of interested parties noted at different points in the chain. Participants in the value chain itself (producers, processors, etc.) should be considered directly affected interested parties.



- 3.2** Interested party: Any person or group concerned with or directly affected by a standard.
- 3.3** Standard: Document that provides, for common and repeated use, rules, guidelines or characteristics for products or related processes and production methods, with which compliance is not mandatory.
- NOTE - It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method - (based on Annex 1 of the WTO TBT Agreement).

4. General Provisions

4.1 Complying with the Standard-Setting Code

- 4.1.1** This Code shall only be adopted in its entirety.

Compliance with the Standard-Setting Code means that the process by which a standard is developed is transparent and effective. Compliance is voluntary for standard-setting organisations that are not members of the ISEAL Alliance.

- 4.1.2** Claims of compliance with the Standard-Setting Code shall only be made by standard-setting organisations that have been externally evaluated to be in full compliance with the Code.

Limiting claims of compliance to externally evaluated standard-setting organisations will help to avoid a situation where standard-setting organisations apply criteria in an ad hoc manner that suits them. External evaluation refers here to organisations that have been assessed through the independent evaluation mechanisms established by ISEAL.

4.2 Standard-Setting Procedures

- 4.2.1** Documented procedures for the process under which each standard is developed or reviewed shall form the basis of the standard-setting process.

Standard-setting procedures guide the standard-setting organisation and help to

build stakeholder confidence and commitment to the standard-setting process.

- 4.2.2** These procedures shall be made available to interested parties, who shall be provided opportunities to comment on the procedures. Procedures shall be made available at least through the organisation's website

- 4.2.3** A standard-setting organisation shall conduct a regular review of its standard-setting procedures, taking comments into account.

4.3 Records

- 4.3.1** Records of standards development activities shall be prepared and maintained by the standard-setting organisation and shall be made available to interested parties upon request. Standard-setting organisations shall at least make available through their website a list of records available for review on request, or shall make the records themselves available on the website.

However extensive the consultation process, standard-setting organisations will benefit from transparency as a guiding principle. Transparency of the standard-setting process is one of the key contributing factors to the credibility of the process.

- 4.3.2** A standard-setting organisation shall keep on file documentation of the standard development process, associated policies and procedures, lists of stakeholders contacted and the interested parties involved at each stage of the process, comments received and a synopsis of how those comments were taken into account, and all draft and final versions of the standard.

Given the variation in scale of different stakeholder consultation processes, records of who was involved in the process, how decisions were made, etc. are important factors for stakeholders to determine the legitimacy of the process.

- 4.3.3** Records shall be kept for a minimum of five years.



4.4 Resolving Complaints

4.4.1 Standard-setting organisations shall have in place a complaints resolution mechanism for the impartial handling of procedural complaints. Interested parties shall have access to this complaints resolution mechanism.

4.4.2 Standard-setting organisations shall make impartial and documented efforts to resolve complaints, based on their publicly documented complaints resolution mechanism. Decisions taken on complaints shall be disclosed at least to the affected parties.

The two elements of complaints resolution that make it credible are that it is impartial and that it is documented. Impartial means that it is based on a consistent procedure that does not favour one party over another. A documented effort means that the decision-making process and resulting decision are written down and made available to all those who request them.

A distinction between substantive and procedural complaints is necessary to avoid frivolous complaints. Substantive complaints relate to the content of the standard and should be dealt with through the standard development or revision process. Procedural complaints relate to the way in which the standard was developed. These can include complaints about the process for deciding on the content of the standard, but not about the content of the standard itself.

5. Standards Development

5.1 Terms of Reference

5.1.1 Upon commencement of any new standard development activity, the standard-setting organisation shall develop terms of reference (ToRs), which shall include the following elements:

- A justification of the need for the standard, including an assessment of whether the proposed standard will meet an expressed need; documentation of what other standards exist or are in the process of development which meet all or part of the expressed

need; and an assessment of how broadly the final standard is intended to be applied.

- Clear objectives that the standard seeks to achieve, in particular those objectives that focus on social, environmental and/or economic aspects; and
- An assessment of risks in implementing the standard and how to mitigate for these, including identification of factors that could have a negative impact on the ability of the standard to achieve its objectives; unintended consequences that could arise from its implementation; and possible corrective actions that could be taken to address these potential risks.

A needs justification study for the standard is a very important first step to avoid the development of redundant standards. The level or complexity of the needs assessment required should be based on the breadth or scope of the new standard or proposed revision. For example, a needs justification may not be necessary for a minor standard revision, but a review of other existing standards would be necessary where an increase in scope is envisaged.

The standard-setting organisation should work to refine the objectives of the standard at an early stage, as this will make it easier to identify which different interest groups will be impacted by the standard. Relevant interest sectors need to be defined by the standard-setting organisation and can include but are not limited to: producers, consumers, traders, retailers, unions, NGOs, indigenous groups, governments, local authorities, international organisations, researchers and academic bodies. Inspection and certification bodies should be included to help to ensure the practicability and auditability of the end result. The standard-setting organisation also needs to be proactive in identifying and involving disadvantaged groups (see criterion 5.7).

- 5.1.2** For a standards revision process, the standard-setting organisation shall update the terms of reference.



5.2 Public Summary

5.2.1 At the outset of a standard development or revision process, the standard-setting organisation shall make publicly available a summary of the process that shall include:

- › Contact information and information on how to contribute to the consultation;
- › Summary of the terms of reference for the standard (5.1), including the proposed scope, objectives, rationale and justification of the need for the standard;
- › Steps in the standard-setting process, including timelines and clearly identified opportunities for contributing; and
- › Decision-making procedures, including how decisions are made and who makes them.

Standard-setting processes are often complex and time-consuming. The case needs to be made to interested parties at the outset of a standard-setting process what the potential benefits and implications of the standard will be, as well as the expected timeframe for completion, so that stakeholders can make an informed assessment of the value of participating. It is also important to clarify stakeholders' expectations at the outset of the process; otherwise this could hinder the acceptability of the final outcome. Making the summary publicly available means that it should be available at least in electronic form and should be posted on the organisation's website.

5.2.2 Interested parties shall be given the opportunity to comment on the public summary for the proposed standard and, in particular, on the terms of reference. Standard-setting organisations shall define a reasonable timeframe in which interested parties have the opportunity to submit comments, and shall have a process for considering those comments.

Giving interested parties an opportunity to comment on the public summary requires both that they are notified of the opportunity and that they have adequate mechanisms and timeframes to comment. Some of the actions that constitute appropriate notification include, but are not limited to email notices,

prominent posting to websites, and notices in the organisation's publications. Mechanisms to comment include submission of comments through a wiki, by email, blog, fax, mail or teleconference, and/or through workshops and other face-to-face gatherings.

5.3 Stakeholder Mapping

5.3.1 The standard-setting organisation shall carry out a stakeholder mapping exercise or shall update an existing stakeholder map at the beginning of a standard development or revision process to identify major interest sectors and key interested parties, based on the standard's objectives. The mapping exercise shall include defining which interest sectors are relevant and why, and, for each sector, what are likely to be the key issues, who are the key stakeholders, and what means of communication will best reach them.

Mapping of interest sectors and interested parties provides a base of stakeholders with whom to engage in standards development, helps to determine whether a balance of interested parties is being reached, and ensures their positions are considered in decision-making on the standard. For international standards development, national contacts can help to provide information about national-level stakeholders. A stakeholder database can make it easier to maintain records of who has been contacted and who contributes to the consultation.

5.3.2 Key stakeholders shall be proactively approached to contribute to the consultation.

A standard-setting organisation that fails to gain the input of key stakeholders should reassess the need for the standard or the means of encouraging participation.

5.3.3 Standard-setting organisations shall set stakeholder participation goals during this mapping so that there are clear participation targets and success criteria.

The aim of setting stakeholder participation goals is not primarily to provide a benchmark for successful scale of engagement but rather to provide a basis for comparison and for improvement over time.



5.4 Work Programme

5.4.1 A standard-setting organisation that is actively engaged in a standard development or revision process shall make a work programme publicly available and shall update it at least every six months. The work programme shall contain:

- The standard-setting organisation's name and address;
- A contact point;
- The standards it is currently preparing, amending or revising;
- The standards that it has adopted in the preceding period; and
- For each standard listed in the work programme, a brief description of the scope of the standard, including the objectives and rationale for the standard.

A standard is under preparation from the moment a decision has been taken to prepare it until that standard has been adopted. Standard-setting organisations are expected to prepare work programmes only when they are engaged in a standard development or revision process.

Making the work programme publicly available means that it should be available at least in electronic form and should be posted on the organisation's website. Standard-setting organisations are encouraged to provide information on recent standard developments to relevant international clearing house mechanisms on environmental and health requirements, such as WTO National Enquiry Points.

5.5 Balance of Interests

5.5.1 Standard-setting organisations shall ensure that participation in standards consultation is open to all interested parties and that participation and decision-making reflects a balance of interests among interested parties in the subject matter and in the geographic scope to which the standard applies.

It is important to recognize that there are a number of equally valid approaches to participation and voting that arrive at a balance

of interests. Standard-setting organisations should consider the following factors when seeking to achieve a balance of interests: a balance of sectors including those indirectly affected, geographic representation, gender, ecosystem representation, the scale of the facilities, and different types of organisations.

5.5.2 When identifying interested parties, standard-setting organisations shall include those stakeholders with an expertise relevant to the subject matter of the standard, those that are materially affected by the standard and those that could influence the implementation of the standard. The standard-setting organisation shall ensure that materially affected parties make up a meaningful segment of the participants.

Materially affected parties are those that will be directly impacted by the application of the standard. Ideally, the standard-setting organisation should support the participation of materially affected parties that have relevant expertise in the subject matter of the standard. However, if this is not the case, the standard-setting organisation should identify other participants with relevant expertise.

5.5.3 Where a standard-setting organisation limits decision-making to members, membership criteria and application procedures shall be transparent and non-discriminatory.

For those standard-setting organisations that are membership-based, the emphasis should be on ensuring that all parties that are interested in applying for membership are afforded objective and transparent treatment, based on the membership criteria and application procedures. Transparency means that the decision-making process and the justification for a decision on a membership application are made available to the applicant and are based on clear criteria and application procedures. Membership-based organisations can avoid discrimination against any applicants for membership by basing decisions only on the membership criteria and by not charging excessive fees for membership.



5.6 Public Consultation

5.6.1 The public consultation phase for standards development or revision shall include at least two rounds of comment submissions by interested parties, where necessary.

The extent of the consultation process should be determined by both the scope of the revision and the end use of the standard. For example, administrative and non-substantive changes to a standard can be made at the discretion of the standard-setting organisation without need of a consultation or formal revision process.

A second round is necessary when substantive, unresolved issues persist after the first round. It is difficult to predict in advance whether a second round of consultation will be necessary so all consultation processes should initially anticipate two rounds of consultation. Assuming adequate outreach has taken place in the first round, one round of comments may be sufficient in the following circumstances (not an exhaustive list):

- › *Where there are no objections raised or substantial comments received in that round;*
- › *Adequate outreach has taken place in the first round, resulting in a balanced participation of interested parties and where stakeholder participation goals have been met;*
- › *Where a balloting system is in place to resolve outstanding issues, negative ballots without comments should not require resolution and re-balloting;*
- › *Where urgent problems of safety, health or environment arise or threaten to arise;*
- › *Where necessary to meet rapid changes in the marketplace; and*
- › *Where there are no additional issues that could be highlighted in a second consultation round, such as terms and definitions or implementation rules.*

Where the number of rounds of comments or duration of the comment period is reduced, the standard-setting organisation should give consideration to the impact

this may have on buy-in to the standard and acceptance by interested parties.

5.6.2 Each round shall include a period of at least 60 days for the submission of comments. However, this period may be shortened where justified in writing by the standard-setting organisation. In such cases, the comment period shall still be no less than 30 days and justification for any reduction shall be included in the public summary of the consultation process.

The length of consultation periods should take into account any translation requirements, including translating standards requirements into locally relevant terms, means of transmission to the interested parties and the return of their comments, and the methods used to communicate with interested parties. Where those methods include field testing or workshops, these should be planned in advance so as to coincide with the consultation period. Standard-setting organisations are encouraged to increase the comment period if required by these circumstances.

It is useful to recognise that there is a law of diminishing returns on the number of new issues raised through comment submissions. While it is important that key stakeholder groups have ample opportunities to comment, the rate at which new issues for consideration are raised diminishes as more comments are received. The standard-setting organisation should feel comfortable that they have been made aware of most of the major issues, as well as hearing from most major stakeholder groups, without expending excessive energy to ensure submission of every last comment.

5.7 Meaningful Opportunities to Contribute

5.7.1 Interested parties shall be provided with meaningful opportunities to contribute to the development or revision of a standard. Where discussions or decisions happen between a balanced group of stakeholders, the standard-setting organisation should have a procedure in place to ensure that interested parties have an equal opportunity to be part of that group.

A meaningful opportunity means that an interested party is provided with an opportunity



to submit comments at each stage of the standard development or revision process, and that those comments are duly considered by the standard-setting organisation, as per criterion 5.8 and its guidance. Giving interested parties an equal opportunity to participate in a group means that there are no criteria or circumstances that preclude consideration of expressions of interest from any interested parties. It does not mean that all parties must be included.

- 5.7.2** Standard-setting organisations shall identify parties who will be directly affected by the standard and those that are not adequately represented and proactively seek their contributions.

Parties that will be directly affected by the implementation of a standard are the most important stakeholders in the standard-setting process. As such, it is important that standard-setting organisations take a proactive role in supporting these stakeholders to participate. Identification of these parties at an early stage in the standard development process is important for encouraging full participation. Strategies for seeking comments include, but are not limited to targeted email, phone, fax or mail solicitation, workshops, pilot testing and face-to-face meetings.

- 5.7.3** Constraints on disadvantaged groups to participate effectively in standards development and revision shall be addressed in the standards development process. Standard-setting organisations shall seek to include in their financial planning, funds to enable participation of disadvantaged groups that will be directly affected by the implementation of the standard. However, given that this is not always possible, the standard-setting organisation shall also look to other means by which to facilitate their participation.

Standard-setting organisations should consider how the influence of disadvantaged groups can be increased, even if their participation rates cannot. Particular attention should be paid to the needs of developing countries and small and medium-sized enterprises, identifying these interest sectors in the mapping process, where relevant.

Interested parties in developing countries often face additional hurdles to participation in the standard development process, including lack of expertise, lack of appropriate translations, knowledge of the existence of the standard, funds and infrastructure. These constraints should be considered by the standard-setting organisation, with the objective of ensuring their meaningful participation.

Funding constraints are often a primary cause of low participation. Where this cannot be addressed directly, strategies can include identifying and communicating with materially-affected stakeholders at the beginning of the standard development process, ensuring that developing country stakeholders can make their comments from afar, and notifying organisations or other mechanisms that spread information about standards. Technical cooperation, capacity building and pilot testing in the field can also play an important role in enhancing the effective participation of disadvantaged groups.

5.8 Taking Comments into Account

- 5.8.1** The standard-setting organisation shall take into account all comments and input received during the period for commenting.

Comments received by the standard-setting organisation should be considered on an objective basis. Input will be received in a variety of formats (from written comments, teleconferences and wikis to workshops and pilot tests). Adequate care needs to be taken to weight these various types of inputs equally.

Taking a comment into account means that it is considered in the revision of the standard and a justification given if the issue area that the comment addresses is not to be incorporated. Common practice is to link comments to the criterion to which they relate and then to respond on each criterion.

- 5.8.2** The standard-setting organisation shall compile comments received according to the issues raised and shall prepare a written synopsis of how each material issue has been addressed in the standard revision.



A written synopsis should contain at least a summary of input related to each criterion and a response as to how the issues raised were addressed.

- 5.8.3** This synopsis shall be made publicly available and shall be sent to all parties that submitted comments. Standard-setting organisations shall consider the extent to which they can make the original comments publicly available in addition to the synopsis.

Public availability of the synopsis means that, at minimum, it is posted to the website of the standard-setting organisation and a notice of its availability is distributed to interested parties by email. Considerations need to be made for notifying those interested parties who do not have access to email or internet.

5.9 Decision-Making

- 5.9.1** The standard-setting process shall strive for consensus on the content of the standard among a balance of interested parties. The standard-setting organisation shall define criteria to determine when alternative decision-making procedures should come into effect. In these cases, where standards are approved by vote, standard-setting organisations shall define in advance, decision-making thresholds that are considered to achieve consensus.

The range and diversity of interested parties related to social and environmental standards makes the likelihood of reaching true consensus very low. It is acceptable to work towards consensus but to have a fall-back mechanism for making decisions should consensus not be reached on a given issue. It is important that the standard-setting organisation has a documented decision-making procedure in cases where voting is required, and makes an explicit effort to inform interested parties of this procedure before the start of the standard development or revision process, through their public summary.

Criteria for determining when to consider moving to a vote could include that decision-makers who are not in agreement provide alternative solutions and, if these are not accepted by the majority, nor is

a compromise reached, then alternative decision-making could come into effect.

- 5.9.2** The standard-setting organisation shall establish and document procedures to guide decision-making, including defining thresholds for voting that would be consistent with consensus. These procedures shall seek to ensure that no significant interest group can dominate nor be dominated in the decision-making process.

While there are many equally valid forms of decision-making, the most important factor to consider is whether stakeholders have confidence in the decision-making process. This is a question both of empowerment and representation. For a decision-making process to be manageable, some form of representation of interest sectors is required. It is the responsibility of the standard-setting organisation to ensure that sectors are identified and balanced in their participation in the decision-making process. While some member-based organisations devolve decision-making to their full membership, it is possible for a balance to be fulfilled or partially fulfilled by Boards of Directors or by Committees of the standard-setting organisation. In either case, the emphasis needs to be on full transparency in the decision-making process, regardless of which group of stakeholders is making the decision.

Additionally, best practice is that decisions should be informed by the opinions of stakeholders who have commented during the consultation process as to whether they are satisfied with the final version of the standard. This can be achieved by circulating the final document to those who have commented and sharing their opinions with the decision-making body, to inform their decision-making.

It is often the case that some stakeholders are better organised, more familiar with the process, and more cohesive. As a result, they are able to propose motions, lobby effectively and drive the decision-making process. Those who are empowered to bring forward the issues for decision are in a much more influential position than those who are not. It is also often the case that those stakeholders who have been engaged in a standard-setting process for a long period of time exert an influence beyond the stakeholder



interests they represent. Many committees and decision-making bodies rely on self-nomination processes from within the existing group of stakeholders. Standard-setting organisations need to be aware of this issue, particularly for self-nomination processes, as it can be difficult for a new stakeholder to gain influence. Capacity building of stakeholders can address these balance of power issues to some extent.

- 5.9.3** The standard-setting organisation shall make public any decisions on the content of the standard as well as a summary of deliberations in arriving at the decision.

5.10 Availability of Standards

- 5.10.1** All approved standards shall be published promptly.
- 5.10.2** All draft and final standards shall be placed promptly in the public domain and shall be made available for free in electronic format.

The Standard-Setting Code recognises that International standards hold a special distinction among standards, given their explicit prioritisation in the WTO Agreement on Technical Barriers to Trade. Annex 3 of the TBT Agreement states that “Where international standards exist or their completion is imminent, the standardising body shall use them, or the relevant parts of them, as a basis for the standards it develops...” (Provision F) Given that international standards should be used as references for the development of national and regional standards, it is important that they are placed in the public domain and are available without cost. National and regional standards that focus on social and environmental issues should also be placed in the public domain as they are in the public interest and public good. Placing all standards in the public domain makes them accessible to interested parties and to other standard-setting organisations. This will also facilitate assessments of the need for new standards and will avoid redundancy.

While it is important to make draft standards publicly available during the drafting or revision process, standard-setting organisations can subsequently remove these drafts in the interests of clarity, once newer versions

become available, assuming the drafts would still be available on request.

- 5.10.3** Hard copies of public summaries, standards and other related materials shall be made available upon request at as low a cost as possible, and covering only reasonable administrative costs.

Administrative costs for hard copies could include printing and shipping costs and any billing costs, as well as staff time associated with coordination of this function. Costs should reflect the real costs of processing and delivery and the lowest cost required to recoup the expenses of the standard-setting organisation associated with the development of the standard.

- 5.10.4** Upon request, standard-setting organisations shall provide, within their means, translations of draft and final versions of their standards.
- 5.10.5** All documents shall include on their cover page the official language(s) of the standards system and a note that, in the case of inconsistency between versions, reference shall default to the official language version.

5.11 Review and Revision of Standards

- 5.11.1** A process to receive comments and requests for clarification shall be established and maintained upon publication of the initial standard. The standard-setting organisation shall identify at least one focal point for standards-related enquiries and for submission of comments, with contact information made publicly available.

Contact information should be included on all documentation associated with the standard and the standard development process. It should also be included on the website and the public summary.

- 5.11.2** A standard shall be reviewed at least every five years and the planned date of the subsequent review shall be made publicly available and included in the standard. Proposals for revisions or clarifications can be submitted by interested parties at any time and shall be documented and considered by the standard-setting organisation in the subsequent review process.



Having a statement on the standard about when comments will next be considered avoids the need for the standard-setting organisation to inform each stakeholder that submits comments how their comment will be addressed. It may also be useful to include on the website and with distribution of the standard, a separate policy that outlines the steps that will be taken in the comment review and standards revision process. Additional good practice is to include access to the complaints procedure along with the draft standard.

- 5.11.3** Standards shall be reviewed for continued relevance and for effectiveness in meeting their stated objectives and, if necessary, revised in a timely manner. The review process shall consider whether a need continues to exist for the standard and whether external circumstances have changed to the point of requiring changes in the standard. Continued relevance of the standard shall also be assessed through results of monitoring and evaluation activities, as per guidelines in the ISEAL Impacts Code.

The decision on whether to revise the standard should be based on the results of the review process, which incorporates comments received to date. If any significant changes are proposed or the scope or focus of the standard needs to change, a revision process should be instigated.

- 5.11.4** The process for undertaking any substantive or non-administrative revisions shall be similar to that for initial standards development, following criteria in section 5.
- 5.11.5** The date of a revision or reaffirmation of a standard shall be noted in the standard along with a transition period by which the revised standard will come into effect. The standard-setting organisation shall inform its stakeholders of the revised standard and transition period, in particular certification bodies and, where feasible, certified enterprises.

6. Standards' Structure and Content

6.1 Objectives

- 6.1.1** The social, environmental and/or economic objectives of a standard shall be clearly and explicitly specified in the standard (as required in 5.1).

Clear objectives are the basis on which many of the other aspects of a standards system builds. Clear objectives can underpin a logical standard structure and contribute to an effective monitoring and evaluation program; they show how a standard contributes to established international high-level goals, such as the Millennium Development Goals, and allow for comparison with other standards; they ensure that the standard content is directly relevant, thereby avoiding barriers to trade; and they provide a reference point for reviewing progress in implementation and for assessing continued relevance of the standard.

While the objectives of a standard are defined in the terms of reference at the outset of the standard-setting process, it is important that the standard-setting organisation keeps in mind the need for the standard to meet these objectives as the standard is being developed or revised. This is especially important during the decision-making process. Approval of a standard should be dependent on a strong likelihood that the standard will achieve its intended social, environmental and / or economic objectives.

- 6.1.2** Standards shall be no more trade-restrictive than necessary to fulfil the legitimate objectives of the standard.

Among the types of objectives that can be considered legitimate are environmental protection, human health or safety, animal or plant life or health, labour and social welfare, and cultural considerations. The standard-setting organisation is ultimately responsible for determining whether an objective is legitimate and should look to the types of objectives being used by other standard-setting organisations in its determination.



6.2 Structure

6.2.1 The structure of a standard shall form a logical framework such that all the requirements clearly contribute to the achievement of the standards' objectives. Standard-setting organisations shall develop statements of intent for each principle that define the principle's aims, and that provide a link between the criteria and the relevant principle.

There is a logical framework to all good standards that allows for a direct link to be made between what is required in practice and the objectives that the standard seeks to achieve. This framework follows naturally from the objectives in a logical sequence of increasing detail and specificity.

A common approach to a logical framework is to develop a standards hierarchy that links the objectives to required practices through principles, criteria, indicators and verifiers. Principles are fundamental statements about a desired outcome. They often provide greater detail about the Objectives. Criteria are the conditions that need to be met in order to achieve a Principle. Criteria add meaning and operationality to a principle without themselves being direct measures of performance. Indicators are then the measurable states which allow the assessment of whether or not associated criteria are being met. Indicators convey a single, meaningful message or piece of information. Finally, the means of verification define the type of information or observations that are used to demonstrate that the required indicator state is being realised. Verifiers provide specific details that reflect a desired condition of an indicator. Verifiable criteria can be checked for compliance through an audit process.

It will often be the case, particularly at the international level, that standards for consultation consist only of principles and criteria. Indicators and verifiers are then developed at the implementation level. The definition of indicators and verifiers is important as it requires that standards not only indicate what they measure (criteria), but also how the criteria are measured (indicators) and where

the line is drawn between what is acceptable and what is not acceptable practice (verifiers).

Statements of intent serve the dual purpose of promoting a common understanding among stakeholders of what the principle seeks to achieve, and greater consistency in implementation of the standard.

6.2.2 Standards shall be structured to allow for monitoring and evaluation of progress toward achieving the standard's objectives.

During the standard drafting stage, standard-setting organisations should consider whether and how compliance with each criteria can be ascertained. Clear links between the stated objectives of a standard and its criteria make it easier to show how compliance with the standard contributes to its intended positive social and environmental impacts, and that the criteria are not causing unnecessary barriers to trade. Standard-setting organisations are encouraged to review the logical framework of their objectives, principles, criteria, indicators and verifiers to ensure consistency and clarity in making the links between these levels.

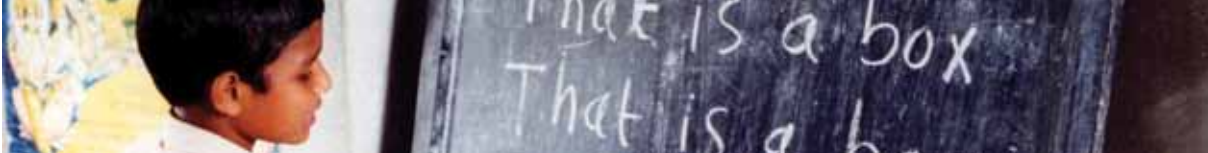
6.3 Content

6.3.1 Standards shall avoid language and structure that may create ambiguities in their interpretation.

All standards should be structured and use language to support consistent interpretation. The basis for consistent interpretation is criteria that are clear, objective and verifiable. Clear criteria do not create ambiguities in language. Objective criteria do not favour any one type of production or interest group. Standard-setting organisations should be aware especially of biases that favour local conditions, to the exclusion of, or discrimination against conditions in other geographic areas.

6.3.2 Standards shall be expressed in terms of process, management and performance criteria, rather than design or descriptive characteristics. Standards shall not favour a particular technology or patented item.

Process criteria address the way in which a product is produced or a service delivered.



Management criteria relate to the way in which an enterprise is managed to ensure consistent, quality results over time. Performance criteria focus on the actual practices that are required. All of these types of criteria should be outcome-based so as to avoid being prescriptive. Standards can include one or more of these types of criteria. Design and descriptive criteria should also be avoided because they tend to be prescriptive.

6.3.3 Standards shall attribute or cite all original intellectual sources of content.

6.3.4 Administrative requirements relating to conformity assessment and marks of conformity shall be presented separately from technical, process or management requirements.

Requirements that may facilitate conformity assessment but that do not directly contribute to the achievement of the stated objective, such as onerous documentation requirements, should be avoided.

6.4 Adding Value

6.4.1 In defining the content of a standard, the standard-setting organisation shall seek to complement and build on relevant regulatory requirements and to take account of market needs, as well as scientific and technological developments. The standard shall require practices that meet or exceed existing regulatory requirements and that reflect a defined market need and shall clearly indicate the references it makes to existing national law and / or international regulations.

The emphasis of this criterion is to ensure the relevance and complementarity of a given standard. It is the responsibility of the standard-setting organisation to determine whether a scientific or technological development is relevant to the standard and supports the objectives of the standard. This can occur during the standard development or review process by ensuring the participation of technically qualified stakeholders in the consultation process. This is often achieved through technical advisory bodies or working groups that rework the technical aspects of a draft standard before it goes to broader stakeholder review.

6.5 Standards Interpretation

6.5.1 International standards shall be used as the basis for corresponding national or regional standards, except where they would be ineffective or inappropriate. National or regional standards shall be as consistent as possible with relevant international standards and at least as stringent.

Criteria for assessing whether international standards are ineffective or inappropriate for use as the basis for corresponding national or regional standards can include fundamental climatic, geographic or technological factors, local economic conditions, regulatory conditions (including where local law is stricter than the standard), cultural factors, and special considerations for nascent industries.

International standards can be designed either to be interpreted and applied directly at the local level or as the basis for the development of corresponding national or regional standards. It is important for the standard-setting organisation to take into account local and regional differences in technological capacity, economic, social and ecological realities, and, where relevant, traditional knowledge.

6.5.2 Where international standards are to be adapted for application at the national or regional level, the standard-setting organisation shall develop interpretive guidance or related policies and procedures for how to take into account local economic, social, environmental and regulatory conditions.

While it is necessary to account for local variations, the goal of a standard-setting organisation should be to ensure that performance requirements are consistent irrespective of where the standard is applied. Standard-setting organisations should develop guidance documents or equivalent materials that provide additional information about the interpretation and application of the standard. Having a guidance document means that it can be updated on a more frequent basis than the standard, as new situations arise for which interpretation is necessary or where decisions to harmonise interpretations are made. Guidance documents for how to take



local conditions into account do not fall within the scope of the ISEAL Standard-Setting Code.

- 6.5.3** Where national or regional standards are to be developed, they shall be developed through a multi-stakeholder process and shall consist of a locally applicable interpretation of the international standard.

Good practice is to develop a generic, consistent set of indicators at the international level that can be interpreted locally. The national or regional process should then develop guidance on the local interpretation of those indicators that can be used both by enterprises seeking to meet the standard and by evaluators of compliance (auditors). National or regional processes to interpret the international standard can also apply any guidance documents (6.5.2) to determine how to take local conditions into account.

6.6 Consistency Between Standards

- 6.6.1** With a view to consistency between standards, a standard-setting organisation shall inform organisations that have developed related or similar international standards of the proposal to develop a new standard or revise an existing standard, and shall encourage their participation in its development.

Standard-setting organisations should have identified related or similar standards in the initial needs justification exercise. This identification exercise should also occur during each review of the standard. Related or similar standards are those that have overlapping content and shared objectives (they can be considered to be philosophically aligned). Involving the organisations that set these standards in the standard development or revision process will help to ensure consistency between standards and harmonisation where feasible.

There is a potential for significant costs associated with active participation in a standard development process. Standard-setting organisations that develop or expand the scope of their standards into areas already covered by other standard-setting organisations should seek to incorporate

into their financial planning the potential costs of engaging those other standard-setting organisations in their process.

- 6.6.2** Standard-setting organisations shall document and justify the extent to which they are engaging with related standard-setting organisations in discussions on consistency and reducing overlaps.

Our Cover

Out of economic desperation, Sunita's family sold her to a *thekedar* (debt broker) for the equivalent of \$2.50. The carpet factory owner often beat Sunita, who was forced to do domestic work and weave rugs from 4am into the night. Through its certification program, ISEAL associate member GoodWeave rescued Sunita and provided her with educational opportunities. The student now dreams of becoming a teacher.



Cover photo by U. Roberto Romano, courtesy of GoodWeave. Kathmandu, Nepal.

As an associate member, GoodWeave is committed to meet the requirements of the ISEAL Standard-Setting Code.

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