

Final report of the TC 207 Future Vision Task Force

1. Introduction

At its 9th Plenary in Kuala Lumpur, Malaysia, July 2001, ISO/TC 207 resolved to undergo a comprehensive strategic planning review.¹ The task of undertaking this review, and of providing a draft strategic plan, was given to the ISO/TC 207 Future Vision Task Force (FVTF).

ISO/TC 207 was established in 1993, one year after the 1992 UN Conference on Environment and Development (UNCED), drawing on recommendations made over the course of a previous two years of multi-stakeholder deliberations within the Strategic Advisory Group on the Environment (SAGE). TC 207 was established with a clearly defined scope that responded to the needs of the day. Today, perhaps more than ever, there is still a clear need for an internationally recognized body to develop standards in the field of environmental management that support sustainable development. But the world has changed since TC 207 was established ten years ago as was made evident by the outcomes of the World Summit on Sustainable Development (WSSD) held in Johannesburg, South Africa in September 2002. Now that the Rio "Vision" for sustainable development has been updated, it is appropriate that TC 207 has also chosen to review its role in the promotion of sustainable development.

This document represents that review. It begins with an outline of TC 207's Vision of how it can continue to support the implementation of sustainable development principles through the development of international standards in the field of environmental management. It describes the major trends that may influence international standardization in the field of environmental management over the next five to ten years. It reconsiders TC 207's scope of activities and outlines an ambitious set of strategic goals, along with a plan for the implementation of these goals. Finally, the document calls on TC 207 to establish and maintain a process of continual (strategic) planning, very much in line with the Plan-Do-Check-Act (PDCA) model that is the foundation of ISO's management system standards.

2. Vision of ISO/TC 207

As a first step in the strategic planning process, the FVTF considered a vision for ISO/TC 207 resulting in the following proposal.

Proposed Vision of ISO/TC 207

ISO/TC 207 is recognized as a leading world-forum for the development of international standards that lead to improvements in environmental performance of organizations and their products, facilitate world trade and contribute to sustainable development.

3. Trends that influence the future activities of ISO/TC 207

The FVTF has identified 13 major trends that will influence the future activities of ISO/TC 207. These trends are listed below. In Annex A each trend is shortly described with a brief explanation what sort of impact it may have on ISO/TC 207.

¹ Resolution 207 – 34/2001:

Future Vision Task Force (FVTF) Chair, Membership and Reporting

- ISO/TC 207 accepts the report of the Chair's Advisory Group (CAG) Future Vision Task Force (FVTF) and:
- Decides that the FVTF work to prepare a draft strategic plan for ISO/TC 207.
- Decides that the FVTF leadership will comprise Dorothy Bowers (USA), Dick Hortensius (Netherlands) and an individual nominated by the Developing Country Contact Group (DCCG);
- Invites ISO/TC 207 P-members and liaison organizations to nominate individuals to serve on FVTF to the ISO/TC 207 Secretariat by August 31st, 2001;
- Requests that the Secretary and Chair of ISO/TC 207, in consultation with the FVTF leaders, select FVTF members, taking into account the size of the group, the expertise, experience, competence and strategic attributes of nominees, as well as regional representation.
- Requests that the FVTF provide reports to the next CAG and ISO/TC 207 plenary meetings.

1. *Evolution of Sustainable Development*
2. *Organizations' efforts to integrate Management System Standards (MSS) will be complicated by the growing number of standards.*
3. *Non-ISO organizations will undertake activities that are complementary to and/or overlapping with the activities of ISO/TC 207*
4. *A growing number and diversity of stakeholders will seek involvement in international standardization*
5. *There will be a need to include new substantive expertise in the work of ISO/TC 207*
6. *International standards will play an important role in regional and international conventions, regulations and policies, including trade and investment agreements.*
7. *There will be a need for more and diverse management system standards and tools.*
8. *There will be a continuing interest in credible conformity assessment and accreditation.*
9. *The demand for new standards will be driven by specific sectors*
10. *The globalisation of trade and environmental issues will change how international standards are written*
11. *Speed will become a more important factor in standards development (in/outside ISO)*
12. *The financial community's interest in environmental standards will continue to grow*
13. *Special efforts will be needed to help Small and Medium Sized Enterprises (SMEs) to implement sustainability development principles.*

4. Outline of a draft strategic plan for ISO/TC 207

Based on the above-described Vision and Trends, the FVTF proposes the following scope, strategic goals and strategic actions for ISO/TC 207.

4.1 Scope of ISO/TC 207

Original ISO/TC 207 scope

Standardization in the field of environmental management tools and systems, excluding test methods for pollutants, setting limit values and environmental performance levels and standardization of products

Proposed ISO/TC 207 scope

Standardization in the field of environmental management systems and tools in support of sustainable development, excluding setting of performance levels and standardization of products.

4.2 Strategic goals and related strategic actions

- Ensure that ISO TC 207 is aware of relevant international policy developments and trends by
 - Engaging actively with external bodies and organizations
 - Collaborating with other sustainable development related initiatives within ISO
- Ensure that market needs are served by
 - Refining the process for determining the need for new standards appropriate for development by ISO/TC 207
- Ensure global participation in the development, revision, acceptance and use of the ISO 14000 standards for environmental management by
 - Strengthening the participation of developing countries at all relevant levels
 - Strengthening the participation of stakeholder groups, including NGOs, SMEs and business at all relevant levels

- Establishing and maintaining liaisons with networks of experts and relevant organizations both within and outside ISO
- Promotion of and awareness building around the ISO 14000 standards
- Considering specific adaptations to ISO/TC 207's governance and standard developing procedures, while remaining consistent with the ISO/IEC Directives
- Ensure the continual relevance and quality of ISO/TC 207's standards by
 - Developing and applying internal mechanisms to be responsive to new issues
 - Identification of existing networks of expertise relevant to TC 207's NWIPs
 - Monitoring the implementation and effectiveness of standards by actively seeking feedback, amongst others with a view to identify need for adaptations and/or clarifications
 - Exploring ways to enhance compatibility and alignment with other management systems standards, both within and outside of ISO
 - Ensuring sector applicability, and supporting development of sector standards where duly justified
 - Ensuring applicability to SMEs, including relevant conformity assessment provisions
 - Working with other bodies (both inside and outside ISO) to limit proliferation and duplication (internal and external)
- Protecting the TC 207 brand and the integrity of the usage of the ISO 14000 series by
 - Wherever possible exerting influence to increase the credibility of accreditation and conformity assessment schemes, including certification, labelling and any forms of self-declarations of conformity
 - Wherever possible, working with other organizations undertaking complementary and/or overlapping activities to reduce unjustified proliferation and/or redundancy, and to ensure harmonization
 - Monitoring use of standards by courts, jurisdictions, agreements and memoranda of understanding (MOU).

4.3 Implementation of strategic goals

The FVTF identified the following activities that need to be undertaken to implement the strategic goals and put the strategic actions in place.

Ensuring that ISO/TC 207 is aware of all relevant international policy innovations and trends

- Identify and register priority organizations and initiatives and track their activities
- Actively and consistently engage with relevant organizations and initiatives
- Encourage TC 207 members to attend relevant meetings held in their countries and regions and to report to the TC 207 membership
- Regularly communicate relevant trends to TC 207 members through workshops, reports, etc.

Ensuring that market needs are served

- Apply Guide 72 when justifying NWIP and conducting standards projects

Ensuring global participation in the development, revision, acceptance and use of TC 207's standards

- Involve all relevant bodies in the activities of TC 207
- Update and enhance the TC 207 communication and outreach plan
- Encourage the establishment of national mirror committees for TC 207
- Build awareness and understanding to help stakeholders participate effectively in standardization , e.g. by encouraging regional workshops
- Facilitate and encourage effective participation by NGOs, SMEs and developing countries (including monitoring actual participation, providing relevant training, and, where appropriate, assisting in fund raising)
- Solicit input on the potential need for changes in TC 207 procedures

Ensuring the continual relevance and quality of ISO/TC 207's standards

- Identify trends and emerging issues affecting sustainable development and maintain flexibility and responsiveness to them
- Evaluate information about the applicability and effectiveness of our standards

- Establish and maintain liaisons with relevant ISO bodies dealing with or considering MSS

Protecting the brand and the integrity of the usage of the ISO 14000 series

- Establish procedures for assessing the applicability and effectiveness of existing standards
- Establish/maintain effective co-operation with CASCO and other relevant organizations
- Establish interpretation procedures
- Evaluate information/data about certification and labelling schemes and any declaration of conformity with the standards
- Prepare template to facilitate establishment of national registries for clarifications
- Evaluate organizational practices on publicizing ISO 14001 certification and amend the guidelines as appropriate

5. Implementation of a continual strategic planning process in ISO/TC 207

This final section outlines the implementation of strategic planning in three parts:

- Implementation of the strategy to achieve the strategic goals outlined in the previous section;
- Implementation of a continual strategic planning process in ISO/TC 207;
- Implementation of a structured approach to assess potential new work.

The strategic plan that is outlined in the previous section needs to be detailed into a more comprehensive plan for the implementation of the strategic goals, including identification of short-, medium- and long-term priorities, specific actions items and indicators to monitor progress and the allocation of responsibilities for each action item. This activity is considered to be outside the scope of the FVTF. The FVTF proposes that ISO/TC 207 clearly assign the responsibility for this further process.

Once this strategic plan is implemented ISO/TC 207 should establish and maintain a process of continual strategic planning that comprises the following steps:

- 1) *review of the achievements of ISO/TC 207 in specific areas;*
- 2) *identification of external developments and influences;*
- 3) *assessment of how these external developments and influences may impact on current and potential future activities of ISO/TC 207 or existing standards;*
- 4) *develop plans and identify mechanisms for ISO/TC 207 to be competent and responsive to these external developments in an adequate and expeditious manner;*
- 5) *communicate internally and externally these policies and response mechanisms to show the competence and readiness of ISO/TC 207 to be the world-forum for the development of international environmental management standards supporting sustainable development*

Also the responsibility of this continual strategic planning process should be clearly assigned by ISO/TC 207.

The planning process that has informally been followed by TC 207 up till now for potential new work has typically begun with an identification of a horizon issue as a result of external pressures or market needs. These issues have surfaced through the CAG, the NSBs, the SCs or ISO's policy bodies such as CASCO or COPOLCO. Where an issue has been explored through workshops and/or interaction with liaison groups and deemed to be relevant to TC 207 and within both the TC's scope and capacity, a NWIP has been prepared and voted on. Approved NWIPs are then the basis for instituting appropriate competencies and/or liaisons in support of standard development.

ISO/TC 207 should formalize this planning process for potential new work as outlined below (that was more or less followed when assessing the issue of Climate Change).

- Identification of an horizon issues as area for new standardization (can be done by a NSB, the secretariat, a liaison organization, etc)
- Establishment of sub-group to assess TC 207's role in setting in that area, including:
 - Act as enquiry point for external parties with interest in new areas of standardization
 - Act as focal point for NSBs, liaison organizations, TC207 subsidiary bodies with interest in new areas of standardization
 - Oversee activities in involving TC 207 members in further development of ideas (e.g. via workshops, seminars during meetings)

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- Actively liaise with relevant external bodies; external meetings/conferences relevant to the area in order to learn more/consider implications for TC 207
- Host workshops during TC 207 Annual Meetings to give external and internal parties an opportunity to consider issue
 - Respond to inquiries
 - Outline options / issues
 - Compile register of interested parties (possible future liaisons)
 - Propose process for moving forwards
- Work with interested parties on the development of new work item proposal and drafting of formal justification study
- Work with interested parties to consider and respond to comments on NWIP
- (If NWIP approved) Establish SC/WG for the development of the standard.

Annex A - Trends that influence the future activities of ISO/TC 207

1. *Evolution of Sustainable development*

The implementation of sustainable development policies has been the subject of widespread attention and debate since the 1992 UN Conference on Environment and Development (also known as the Rio Earth Summit). The commitments made by governments in Rio were elaborated into a plan of implementation called Agenda 21, which reflected a global consensus on the need to take actions to “integrate environmental considerations into an accelerated development process”². In the years immediately following UNCED, environmental issues received significant attention from both public and private organizations. It was in this context that ISO established TC 207, which began to develop the ISO 14000 Series of Environmental Management Standards.

In 2002, governments at the World Summit on Sustainable Development (WSSD) in Johannesburg noted the need to place “particular focus on, and give priority attention to, the fight against the worldwide conditions that pose severe threats to the sustainable development of our people.”³ Of course, a significant amount of attention at the WSSD was given to the importance of pursuing environmental sustainability, but – in a context of increasing international instability⁴ – the WSSD shifted international attention towards the importance of poverty reduction and social development.

The WSSD also marked a shift towards the role of the private sector in implementing Agenda 21. While the focus of the 1992 UNCED was on the adoption of Agenda 21 and the negotiation of binding international environmental agreements⁵, the focus of the WSSD was on the implementation of Agenda 21 and the role of partnerships between private, public and civil society organizations.

The WSSD was also unique in that it highlighted the role that ISO can play in promoting sustainable development. Paragraph 17 of the WSSD Plan of Implementation call on governments to:

Enhance corporate environmental and social responsibility and accountability. This would include actions at all levels to:

- a) Encourage industry to improve social and environmental performance through voluntary initiatives, including environmental management systems, codes of conduct, certification and public reporting on environmental and social issues, taking into account such initiatives as the International Organization for Standardization (ISO) standards and Global Reporting Initiative guidelines on sustainability reporting, bearing in mind principle 11 of the Rio Declaration on Environment and Development;...

Paragraph 17 (a) highlights both the evolution towards a more integrated conception of sustainable development, and the role of standards, and of ISO standards in particular, as tools that can assist the private sector to become more environmentally and socially responsible and accountable. It is in this context that TC207 reviews its strategic plan; it is also in this context that ISO’s Committee on Consumer Policy (COPOLCO), and the ISO Strategic Advisory Group on Corporate Social Responsibility (CSR), consider the potential value of a new set of Organizational Social Responsibility (OSR) standards.

Just as the International Standards on environmental management systems and tools have supported sustainable development while facilitating world trade and improvements in environmental performance so too may there be opportunities and needs for other types of standards to further the implementation of sustainable development.

2 *Organizations’ efforts to integrate Management System Standards (MSS) will be complicated by the growing number of standards.*

² Agenda 21: Chapter 33, paragraph 2.

³ Johannesburg Declaration on Sustainable Development; paragraph 19.

⁴ Ibid; paragraph 12: “The deep fault line that divides human society between the rich and the poor and the ever-increasing gap between the developed and developing worlds pose a major threat to global prosperity, security and stability.”

⁵ The UNCED led to the negotiation and ratification of the Convention on Biological Diversity (CBD) and the UN Framework Convention on Climate Change (UNFCCC).

Following the lead of the ISO 9000 series for quality management and the ISO 14000 series for environmental management, it can be expected that more (series of) management system standards will continue to be developed both within and outside of ISO. ISO is already active in the area of Food Safety Management and is presently studying the feasibility of management standards for Corporate (or Organizational) Social Responsibility. Outside ISO, OHSAS 18001 for Occupational Health and Safety and SA8000 for social accountability have been developed. As many organizations seek to integrate these standards into a single operational management system, ensuring the mutual compatibility of these standards is a concern of importance to their overall efficacy. In addition, although the original view of environmental management, as it was used in the development of the ISO 14001 standard, was focused on an organization's activities in relation to its environmental aspects, we believe that many organizations will see that their environmental management system is strongly linked to other management areas such as risk management and occupational health and safety management. The linkages are often so fundamental that many organizations integrate the management systems for these areas into a single operational management program.

The issue is of particular importance for SMEs and companies in developing countries, who are increasingly being asked to implement MSSs through supplier requirements. It can be substantially more difficult for these companies to implement MSSs, particularly when these have not been developed with their unique characteristics in mind, and particularly where third-party certification of compliance is also required.

3 Non-ISO organizations will undertake activities that are complementary to and/or overlapping with the activities of TC 207

A growing number of NON-ISO organizations are taking the initiative to develop standards and guidelines that have clear relationships with the ISO 14000 series. Some of these other initiatives have even become *de facto* international standards. Examples include the Responsible Care Code of Practice for the chemical industry and the reporting guidelines of the Global Reporting Initiative (GRI). It is unlikely that ISO will be able to avoid all overlap and redundancy between its products and activities and those of other organizations. To some extent, a diversity of actors in the short term may be beneficial to the development of robust standards in the long term. At the same time, however, there is a need to avoid an unnecessary proliferation of standards that might lead to confusion and inefficiencies in the marketplace. Without close cooperation between the various international bodies this could lead to an unnecessary proliferation of international standards. TC 207 understands the need for a healthy balance between the benefits of innovation and competition, but believes that cooperation is possible in certain areas to minimize confusion in the marketplace. TC 207 can offer to consider adopting, as ISO deliverables, guidelines or reference documents that have been developed in external bodies. New ISO deliverables, such as the International Workshop Agreement (IWA), may be appropriate for this purpose. The future review and revision of these documents would then be subject to normal ISO procedures.

4 A growing number and diversity of stakeholders will seek involvement in international standardization

As ISO expands its support for sustainable development, a growing number and diversity of stakeholders will seek a role in the development of those standards. This has logistical implications for the process by which TC 207 develops standards, and it may influence the perceived legitimacy of some of the standards that TC 207 may develop. In the future, an environmental standard's international acceptance may become even more dependent on the number and diversity of stakeholders involved in its development process. At the same time, it will be critical to ensure that expanded stakeholder involvement does not unduly retard the standards development process. (Need to add ISO language on inclusion)

5 There will be a need to include new substantive expertise in the work of TC 207

As the type of standard that TC 207 is asked to develop in the future becomes more diverse, the professional disciplines required and the specific technical knowledge necessary to develop these standards will become more diverse as well. TC 207 may increasingly have to consider how to facilitate the involvement of new networks of experts including, perhaps, a focus on the establishment of partnerships with other relevant organizations. Also, it may be necessary for ISO to support a wider range of capacity building and training initiatives to ensure that increased stakeholder involvement does not hamper the quality.

6 *International standards will play an important role in regional and international conventions, regulations and policies, including trade and investment agreements.*

Standards can play a useful role in international and regional agreements. In this respect, international standards, including the ISO 14000 Series, can become important tools in public policy. TC 207 and its constituency should be aware that this may have implications for the strictly voluntary status and use of its products and may impact the standards development process.

7 *There will be a need for more and diverse management system standards and tools.*

Just as the concept of sustainable development is expanding, so too is our understanding of the types and scope of management tools and standards that are needed to support it. Environmental management system standards have supported the implementation of the Rio Convention while facilitating world trade. The number and diversity of management systems and tools can be expected to expand as the focus of sustainable development shifts to social and economic aspects.⁶ Since its inauguration in 1993, the ISO 14000 series has already expanded to include a variety of standards that were not part of the original set of work items proposed to TC 207 by SAGE. This happened because of the rapid evolution and maturation of the types and scope of the management tools and standards needed to support implementation of sustainable development. We expect that over time with growing needs and from the broadening of our mandate there will be need to write standards not currently envisaged. With our versatility we were able to get involved in Climate Change very quickly and play a lead role.

8 *There will be a continuing interest in credible conformity assessment and accreditation.*

Conformity assessment and accreditation play an important role in determining the usefulness of any international standard. Without credible conformity assessment, which can be achieved in a variety of ways, the usefulness of international standards is greatly reduced. Self-declaration of conformity is a viable technique for publicizing conformance in many circumstances and may often be the only option if certification costs are prohibitive, for example for SMEs and in some developing countries. That said, independent, third-party certification is often considered to be the most rigorous way for an organization to demonstrate conformity to diverse stakeholders. Without credible accreditation services, the value of certification to international standards is severely reduced. The value of existing and future ISO 14000 standards will be greatly depend on the credibility of a full range of conformity assessment methods and on the effectiveness of the accreditation systems. The degree to which the ISO 14000 Series of standards facilitates international trade will increasingly depend on the degree to which conformity assessments undertaken in one country are recognized in another. This will require greater attention to the harmonization of international conformity assessment regimes, including the development of international conformity assessment standards and mutual recognition agreements.

9 *The demand for new standards will also be driven by specific sectors*

The ISO 14000 standards have been designed to be applicable in all types and sizes of organization in any sector. The widespread adoption of the existing ISO 14000 Series of standards is testament to the success to date of this generic approach. However, just as has happened with the ISO 9000 series, certain sectors have expressed initial interest in further refining the generic ISO 14000 standards to better suit their specific characteristics and needs. In its latest Strategic Plan, the ISO Central Secretariat has also highlighted the need to address sector needs⁷. Although the market demand for sector specific international standards has not yet been substantiated, a variety of signals suggest that ISO/TC 207 needs to develop a clear and proactive strategy towards sector specific interests. Recent sustainable development initiatives, including the World Commission on Dams (WCD), the Mining, Metals and Sustainable Development (MSSD) Initiative, the World Commission on Forest and Sustainable Development(WCFSD), WBCSD's Cement Industry's Initiative, and the Global Reporting Initiative's (GRI) work on sector specific reporting guidelines, signal an interest in a sector level approach as standards expand into the broader venues of sustainable development. In the long term, however, this trend may equally signal a need for a consolidated approach applicable to all sectors.

⁶ For example, the WSSD Plan of Implementation encourages governments to promote the identification and internalization of environmental costs in such a way that does not distort international trade. Building for example on a huge bulk of growing theoretical as well as practical work on environmental cost accounting, TC207 could play an important role in developing appropriate management tools that support organizations to identify environmental costs (drivers), while still facilitating international trade.

⁷ ISO in the 21st century – Strategies for 2002-2004

10 Globalisation will change the role of international standards

Trade is now more global and increasingly important to sustainable economic development. Whether market-based or governmentally issued, environmental requirements form potential barriers to global trade. International standards can contribute to an level playing field. Many environmental issues have global implications and global solutions are needed that can be supported by relevant standards, e.g. climate change issues. However, as stated in Principle 11 of the 1992 Rio Declaration, environmental standards applied in some countries may be of unwarranted economic or social cost if applied in countries with differing situation. It is becoming increasingly clear that many environmental issues cannot be addressed in a one-size-fits-all approach; flexibility is essential to accommodate national and even site-specific differences. TC 207 needs to be able to provide flexible standards amongst others by ensuring the wide participation of DEVCO's and NGO's.

11 Speed will become a more important factor in standards development (in/outside ISO)

Timely development of standards is of growing importance. Standards must be produced and revised in a timely fashion if they are to successfully address urgent and quickly evolving issues. Symbolic of this is the recognition that, while was once seen as a forum for the harmonization of different national standards, ISO is now being asked to develop international standards where few or no national standards already exist.

In this situation ISO must seek a balance between speeds, oneness and quality. . It will also be important to ensure that the timely delivery of standards must include effective and broad participation of all interested parties.

12. The financial community's interest in environmental standards will continue to grow

The financial community has become increasingly interested in corporate environmental management and CSR. This trend is manifest in a wide range of initiatives, including the emergence of Socially Responsible Investment (SRI) funds; stock index ratings, such as the FTSE4Good and the Dow Jones Sustainability Index; and regulatory trends, such as the British requirement that pension funds report on their investments in socially responsible companies and the French law that requires all publicly traded companies to publish CSR reports as of 2003. This trend also extends into the insurance industry, where companies are paying more attention to environmental liability risk and risk to a company's "brand equity", which may be damaged by bad environmental management. For example, Innovest, an influential CSR ratings agency, uses ISO 14001 certification as one of many indicators in its assessment of companies. This trend is likely to continue, offering those companies that implement international standards a host of additional tangible financial benefits. By involving the financial community, ISO can help to ensure that its standards bring maximum value to those who voluntarily comply with them.

13 Special help will be needed for Micro, Small and Medium Sized Enterprises (SMEs) to implement sustainability development principles.

It has been suggested that many of the relevant management systems and tools have been developed with large organizations in mind, and so may be less suited to SMEs. There should be special attention to making sure that both existing and future management systems and tools can be adopted effectively by SMEs. This issue is also particularly relevant for developing countries, whose industrial base consists frequently of a significant proportion of SMEs. One way of helping to ensure the suitability of standards is to ensure that SMEs are adequately represented in the standards development process. Also TC 207 should ensure that the standards are flexible and that in the validation and auditing processes, consideration be given to size of the organization.