



ISO/TMB/WG ON SOCIAL RESPONSIBILITY

SR TRUST FUND

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1. Background

The development of the new ISO 26000 standard on social responsibility was launched in 2005 and is expected to last until 2009. This work involves more than 65 different countries, half of which are developing countries, and more than 380 experts and observers from six different stakeholder categories (industry, government, labour, consumers, non-governmental organizations, and “service, support, research and others”). It is thus one of the largest international multi-stakeholder standards development processes on Social Responsibility currently in operation. ISO believes that this process offers a unique opportunity to enhance the contribution of business, civil society and government towards meeting the objectives of sustainable development.

ISO’s decision to launch this global standardization project was taken by voting on a New Work Item proposal in January 2005. The formal decision was based on extensive deliberations within ISO and with stakeholders, culminating in the international conference on SR in Stockholm in June 2004 and in agreements in the ISO Technical Management Board (TMB) during autumn 2004. The New Work Item proposed that this work be conducted in a Working Group (WG) directly under the responsibility of the TMB, under a twinned leadership by ABNT (the Brazilian national standards body) and SIS (the Swedish national standards body), and that this WG be responsible for establishing mechanisms to raise funding to ensure the involvement of under-funded stakeholders.

Stakeholder balance has been a core concern from the beginning of this work, as shown by the unique approach to composing the membership of the WG. Each member of ISO has the right to nominate up to six experts, one from each stakeholder category. The SR WG procedure contrasts with the usual process in which each member of ISO additionally formulates a national delegation with a head of delegation, who speaks on behalf of the delegation during a TC or SC plenary. Following the establishment of the ISO/TMB/WG on SR, a task group (TG1) was set up to help raise funds to ensure stakeholder engagement and facilitate the participation of experts with limited resources in the WG. TG1 has proposed the creation of an ISO SR Trust Fund as a means to achieving this goal, which was approved by the WG at its Lisbon meeting, see attached annex 1.

The ISO/TMB/WG SR has been requested by the ISO Secretary-General to provide orientations on the SR Trust Fund and on the sponsorship process. This document provides a basis for discussions within the ISO Council and is structured as follows: Section 2 explains the objectives and principles of the SR Trust Fund, describes the roles of the SR Trust Fund Committee and Secretariat, outlines the fundraising process and provides an estimate of funding requirements; Section 3 outlines the principles of sponsorship, describes the eligibility and selection criteria, and explains the application process; Section 4 summarizes the administration process. ISO Council resolutions 8 and 9 are provided as annexes.

2. SR Trust Fund

2.1 Objectives

The main objectives of the SR Trust Fund are to:

- Ensure balanced representation among diverse stakeholders in the development of the SR standard;
- Increase and broaden stakeholder involvement to ensure the credibility of the SR standard and its development process;
- Enable effective participation in the ISO 26000 standardization process.

To meet these objectives, funding will be used for sponsoring experts to participate in WG SR meetings and for supporting a limited number of awareness-raising and capacity-building events on the ISO SR process.

2.2 Principles

The SR Trust fund will be managed according to the following four key principles, which are of equal importance and need to be considered simultaneously:

1. **Diversity**
To ensure that funding is obtained from a wide variety of sources, many different donors will be sought, including private foundations and companies.
2. **Independence**
To ensure that no single donor dominates the SR Trust Fund, each donor may contribute up to a maximum of 20% of the Fund. Donors will not be allowed to exert any influence over the allocation of funding.
3. **Transparency**
To make information about the sources of funding publicly available, the names of donors and amounts donated will be listed on ISO's website.
4. **Recognition**
To acknowledge the contributions made by donors, the use of donors' logos and banners is permitted. However, requests for other forms of recognition are subject to approval by the SR Trust Fund Committee.

2.3 Committee

An SR Trust Fund Committee will be set up with responsibility for managing the Trust Fund in accordance with the above-mentioned principles. It will have a maximum membership of 12 people, as follows:

- The ISO/TMB/WG SR Vice-chair;
- Six stakeholder representatives (three from developing countries), nominated by stakeholder groups in the ISO/TMB/WG SR;
- TG2 convenors;
- TG1 convenor and secretary;
- DEVCO secretary.

The Committee's role and functions will be to:

- Establish, review and monitor detailed sponsorship selection criteria¹;
- Allocate funding to experts and projects;
- Decide upon the acceptability of donations over USD 10 000;
- Act as a forum to keep communications open between the various partners involved in the SR Trust Fund.

2.4 Secretariat

An SR Trust Fund Secretariat will be set up with responsibility for supporting the Committee's decision-making process and implementing the sponsorship process. The Swedish Standards Institute (SIS) has agreed to take charge of the Secretariat during the pilot phase.

The Secretariat's role and functions will be to:

- Collect and manage donations;
- Prepare documentation for decision making by the SR Trust Fund Committee;
- Account for the status of funds, income and expenses, and prepare reports for donors;
- Manage the SR Trust Fund according to SIS financial procedures and regulations.

¹ Detailed selection criteria will be developed based on the general criteria listed under 3.3.

2.5 Fundraising process

Responsibilities for managing the fundraising process will be shared among TG1, TG2, the SR Trust Fund Committee and the SR Trust Fund Secretariat. Whilst TG1 will co-ordinate the promotion of fundraising efforts towards private companies and private-sector foundations, TG2 will produce promotional material to support fundraising efforts. Several companies contacted by TG1 on an exploratory basis have expressed an interest in contributing towards the SR Trust Fund (e.g. Suzano, Petrobras and Japanese industry).

In order to uphold the principles of diversity and independence, the Committee will decide upon the acceptability of donations over USD 10 000 as well as upon the allocation of funding. The Secretariat will accept donations for amounts ranging from a minimum of USD 1 000 to a maximum of USD 10 000 and collect and manage all donations. It will also collect funding requests for the sponsorship of experts and support for events, and prepare documentation to facilitate decision making by the Committee. The Secretariat will report to the SR WG and donors on the use of funding.

2.6 Estimated funding requirements

It is estimated that four further plenary meetings of the WG SR will be held, to each of which 50 experts will be sponsored. Sponsorship will cover flights in economy class, hotel accommodation and an allowance for food and miscellaneous expenses. In addition, it is estimated that a small number of awareness-raising and capacity-building events will be run, each of which may be supported up to a maximum of USD 20 000.

▪ Travel	50 x 4 plenary meetings	USD 500 000
▪ Hotel and per diem	50 x 4 plenary meetings	USD 225 000
▪ Capacity building		<u>USD 275 000</u>
▪ Total budget estimation		USD 1 000 000

3. Sponsorship

3.1 Principles

Sponsorship will be granted according to the following four key principles, which are of equal importance and need to be considered simultaneously:

- 1. Stakeholder focus**
Priority will be given to encouraging the participation of under-represented stakeholder categories and regions.
- 2. Transparency**
The same screening process and consistent criteria will be applied to all candidates.
- 3. Balance**
A balance will be maintained among different stakeholder categories, regions and gender.
- 4. Continuity**
Broad consultation and commitment to the ISO 26000 development process will be encouraged.

3.2 Eligibility

Individuals who meet the following criteria are eligible to apply for sponsorship via the SR Trust Fund:

1. Expert from an under-represented stakeholder category (i.e. consumer, NGO, labour, industry²) in any country;
or

² Particularly small- and medium-sized enterprises (SMEs).

- Expert or Observer from an under-represented region (developing country) in any stakeholder category;
2. Having been nominated by a current or pending P-, O- or D-liaison member of ISO/TMB/WG SR³;
 3. Having submitted a fully completed sponsorship application form.

3.3 Selection criteria

The following criteria will be used to select individuals who are likely to contribute most to the development of ISO 26000:

Selection Criteria for Sponsorship

Code	Criteria	Explanation
SCS1	Involvement	Previously or currently involved in international standardization or SR activities.
SCS2	Capacity to participate	Able to provide evidence of capacity to participate and network (e.g. evidence of representative or leadership roles, language skills, membership of mirror committee).
SCS3	Significant contribution	Able to demonstrate potential for making a significant contribution to content of standard or its development process (e.g. evidence of knowledge and experience, comments made on drafts, proposals submitted).
SCS4	Follow-up report	Having submitted a follow-up report, if previously sponsored.

3.4 Application and selection process

The five main steps in the application and selection process for sponsorship are as follows (see annex 2):

1. Provision of information

ISO/CS provides information on the SR Trust Fund and the application form to National Standards Bodies (NSBs) for distribution to national experts, as well as to the WG SR Secretariat for distribution to all WG experts.

2. Application

Experts from NSBs requiring sponsorship complete the application form and send it to their NSB, which countersigns the forms and sends them to ISO/CS.

Experts from D-liaison organizations requiring sponsorship complete the application form, obtain a countersignature from their D-liaison organization, and send the form to the WG SR Secretariat.

3. Screening

ISO/CS checks the eligibility of NSB applicants for sponsorship and provides guidance on application procedures.

The WG SR Secretariat checks the eligibility of D-liaison organization applicants for sponsorship, provides guidance on application procedures, countersigns the forms and sends them to the SR Trust Fund Secretariat.

³ If an organization expresses an interest in participating, its eligibility for D-liaison status and for funding of its nominated expert(s) will first be verified.

The SR Trust Fund Secretariat ranks applicants, according to the selection criteria, to receive funding via the SR Trust Fund; it forwards applications to SR Trust Fund Committee.

4. Selection

ISO/CS selects applicants from developing countries, according to the selection criteria, to receive funding via the ISO/DEVCO sponsorship programme; it forwards all remaining applications to the SR Trust Fund Secretariat.

The SR Trust Fund Committee selects applicants for sponsorship, according to the selection criteria, to receive funding via the SR Trust Fund.

5. Implementation

ISO/CS confirms sponsorship arrangements to the selected applicants from developing countries, and organizes their travel, accommodation and per diems.

The SR Trust Fund Committee provides the list of applicants that it has selected to the SR Trust Fund Secretariat.

The SR Trust Fund Secretariat confirms sponsorship arrangements to the selected applicants and organizes their travel, accommodation and per diems.

Annexes

- 1. Resolutions from the third meeting of ISO/TMB/WG SR Lisbon, Portugal**
- 2. Sponsorship administration process**

Annex 1: Resolutions from the third meeting of ISO/TMB/WG SR, Lisbon, Portugal 2006-05-15—19

Resolution 8

ISO/TMB/WG SR supports the establishment of a short-term funding mechanism within the WG on a pilot basis. ISO/TMB/WG SR calls upon all experts and observers to solicit contributions in order to fund involvement of under-represented stakeholders from developed and developing countries.

Resolution 9

ISO/TMB/WG SR urges the establishment of an ISO Social Responsibility Trust Fund at the international level and encourages the establishment of NSB SR Trust Funds at national levels. ISO/TMB/WG SR calls upon development agencies, industry, governments and others to support this initiative to stimulate dialogue and participation of developing countries and under-represented stakeholder categories, during elaboration of the draft standard, and its implementation processes.

Annex 2: SR Trust Fund Administration Process

Administration Process

