



Framing International Standards and Certification Project Overview

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Introduction

The aim of this paper is to describe the Pacific Institute's *Framing International Standards and Certification Project*, and in doing so, to provide context for the Institute's rationale and objectives of the Pocantico Center strategic retreat, as well as the reasoning behind our inviting the ISEAL Alliance to co-host the event. More broadly, the intention of the paper is to present the Institute's perspectives regarding the breadth and nature of the challenges facing the ethical standards community, and the prospective role framing might play in addressing them. At the retreat itself, the Institute and ISEAL will present the highlights of their respective past and current research and work programs in this area, as well as our ideas for future activities.

Background – changing landscape of environmental and social standards

Over the past two decades, there has been a rapid increase in the number of people who have looked to align their social and environmental values with the way they spend their money. This nascent shift in capitalism spans from the certified organic food people eat, to the ethically produced shoes and clothes they wear, to the Socially Responsible financial investments they make for retirement. Partly in response to this emerging societal phenomenon, companies large and small and other institutions (including government and the financial sector) are also seeking to work with suppliers and partners that have a positive track record regarding their social and environmental practices.

In a world where businesses understand the clear benefits of being seen as good social/environmental performers, they will market themselves as such, even if this means baseless self-promotion or "greenwashing." So in this emerging values-based, "ethical" economy, how does one begin to meaningfully and accurately differentiate the good companies and products from the bad? A significant part of the answer is standards-based, third-party ethical certification schemes. Who gets to write those standards, and how performance and compliance with them is monitored, are some of the most critical yet under-appreciated questions of our time.

Yet the growing role of environmental and social standards in global commerce is only one part of the equation; another is their changing role on public policy. Private standards have long interacted with and are often developed in response to public lawmaking and

regulatory efforts (or lack thereof). They have historically served as gap-fillers or the technical foundation for existing public laws, as precursors of new public law, or even at times, as preemptive efforts (typically by industry) to retard or derail public regulation. However, the role of private standards is changing; they are increasingly being used as the *primary tool* to address pressing environmental and social policy challenges. Indeed, the Extractive Industries Transparency Initiative and Kimberly Process for conflict diamonds offer just two examples of a fundamental shift underway, whereby national governments, particularly in developing countries are actively pursuing (and are ultimately beholden to) multi-stakeholder, voluntary standards/certification-based initiatives at the expense of other policy options. In this respect, such standards systems represent a shift in global governance, providing new multi-stakeholder mechanisms that address sustainability challenges.

Impetus of the project

Even while many practitioners might recognize that the role and influence of environmental and social standards are rapidly growing, policy makers, NGOs and the general public are all either unaware of, or struggling to conceptualize the issue. There is still a lack of basic understanding about ethical standards and the certification systems they underpin (i.e., who develops these standards, how is compliance monitored), as well as their role in addressing environmental and social challenges. Without better and shared understanding about their importance and role, however, environmental and social standards will not be able to fully realize their true potential in advancing sustainability. This Pacific Institute project aims to shed light on these poorly recognized phenomena and demystify key concepts and emerging issues relating to international standards, ethical certification, and sustainable development. To achieve this goal, we believe that the issues need to be “framed” in ways that are more accessible to various stakeholders.

Why “Framing”?

The Institute posits that better framing of the issues can help:

- Make this complex topic more easily accessible and digestible to non-expert audiences, including policy makers, consumers/greater public and civil society groups.
- Create key unifying themes that can serve as a common platform for a coordinated strategy and action plan among civil society actors to leverage positive impacts and address key issues around international standards.
- Empower and motivate civil society organizations to contribute to the growth of credible ethical standards systems and to call for business and governmental support for them.

Our project will develop such “frames” through:

- Cognitive linguistic analysis to identify mental models that promote or hinder people’s understanding of environmental and social standards.¹

¹ This research is being conducted by Real Reason and will be complete in October 2009.

- Convening of leading standards experts (Pocantico strategic retreat) to identify key themes and prospective outreach pathways.
- Interactive research activities with key stakeholders that examine current and future landscape around ethical standards, and identify key themes and outreach strategies.

Pocantico Strategic Retreat

The Pocantico strategic retreat fits into the Pacific Institute’s Framing International Standards and Certification project in a number of ways. First, the discussion of leading experts will help us identify, refine, and prioritize key “frames” and corollary research themes. Second, the event will provide a forum that can contribute to a convergence of thinking among civil society groups on key issues and strategies relating to the role of international standards in public policy, globalization, and corporate accountability. Our research and interaction with NGOs to date has confirmed that many civil society actors are grappling with issues around the appropriate role of social and environmental voluntary standards, yet they are pondering the issue in isolation of one another. We believe there is an increasing need for more dialogue to build coherent understanding and aligned responses among civil society groups.

The learnings and outcomes from the retreat will be the main input that shapes the Pacific Institute’s report that aims to promote understanding of international ethical standards and certification among civil society and greater public. At the same time, we hope the report will also serve as a platform that catalyzes civil society actors to develop a coordinated strategy and plan of action to address key emerging issues relating to international standards.

Project Outputs

- Research findings report from cognitive analysis (carried out by Real Reason) that identifies mental models promoting or hindering the layperson’s understanding of social and environmental standards.
- Meeting report that summarizes key themes and outcomes of the Pocantico strategic retreat.
- Final report(s) of the Framing International Standards and Certification project. We plan to develop (perhaps separate) reports and communication materials that are geared towards two sets of target audiences: 1) standards experts and practitioners (i.e., civil society organizations working in environmental and social issues, standard users, standards development organizations, standards system practitioners); and 2) stakeholders that are new to the topic of ethical standards or struggling to understand the issue, including the general public/ consumers, national/sub-national governments, the private sector, and advocacy groups.

The report(s) will have two main components. The first component will serve as a “international standards and certification 101”, and focuses on framing the *current* landscape around international standards and certification by explaining how the roles

and influence of standards are shaping up (*What are these standards, and what do they do?*) and demonstrating why this is a crucial issue (*Why should we learn and care about these standards?*). The second component focuses on framing the *future* landscape of the standards, discussing and recommending the goals we want to collectively advance (*Where should international standards go and how can we get there?*).

Some of the topics being addressed in the research include:

- What is the root cause(s) for the emergence and proliferation of private/voluntary international standards and certification systems?
- How is the role of voluntary standards changing in relation to public lawmaking, standard setting, regulatory efforts, and trade policy? What is the desired future role of standards in advancing public policy and sustainability agenda?
- How are social and environmental standards and ethical trade transitioning from niche to mainstream, and what challenges must they overcome in order to scale up their influence and impacts?
- How has the distinction between public/private standards and voluntary/mandatory standards changed in recent years and what are implications for the future?
- What are the core issues relating to environmental and social private standards and ethical certification for developing countries?
- What are the interest and roles of stakeholders (national/multinational government, standards systems, NGOs, businesses and consumers) in advancing sustainability through social and environmental standards?
- What do we know about the social and environmental impacts of voluntary standards, and what can be done to make them more effective?
- What are the role of consumers and greater public in social and environmental standards, and what can we do to engage/mobilize them?

The Pacific Institute and ISEAL Alliance will continue to build on their partnerships both by collaborating in addressing some of the above objectives, as well as sharing in their mutual understanding of the strategic priorities for strengthening the impacts of the voluntary standards movement.

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