



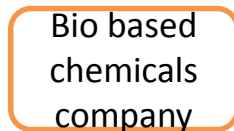
How 12 major companies developed a Handbook for Product Social Impact Assessment

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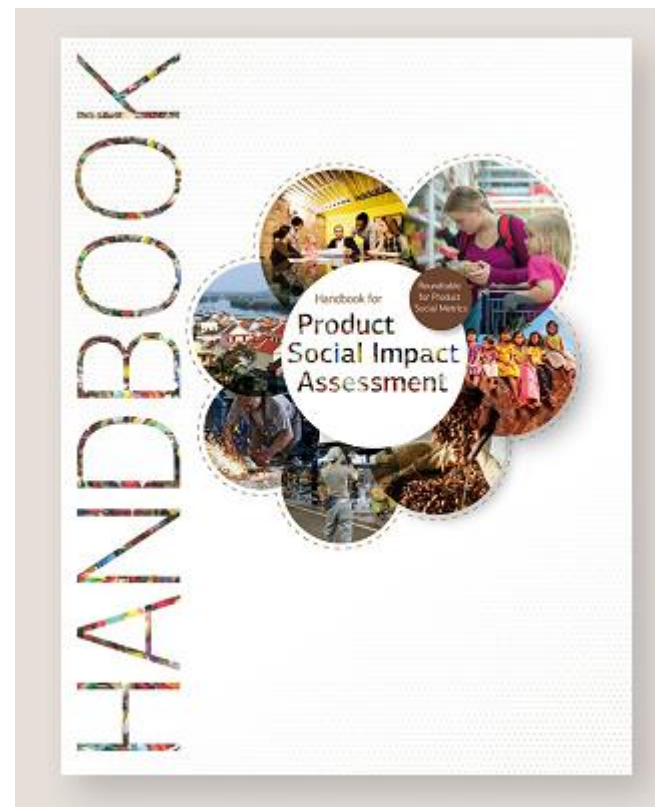
The Roundtable

- Twelve visionary companies joined forces to develop a “Handbook for Product Social Impact Assessment” in a project facilitated by PRé.
- All information is available free of charge at <http://product-social-impact-assessment.com/>



All results are public

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Why twelve companies joined the Roundtable

- Environmental LCA has become an integrated tool in most major companies. The social assessment of products is the new frontier
- Important reasons for companies to join were:
 - There is no accepted workable methodology
 - Develop critical mass, do not be isolated and vulnerable when using ones own method, to assess its own product.
 - Get going while other initiatives like TSC develop too slowly, but merge with these if possible
 - Be more cost effective by sharing the development effort
 - Learn from each other



Roundtable for Social Metrics

Principles applied in the Handbook (sample):

- **Focus on Application**

Focus on practical feasibility for companies to be able to implement product social sustainability within their respective organisations;

- **Harmonization**

Support for companies to implement product social sustainability and to conduct social life cycle impact assessment in a consistent way;

- **Practical**

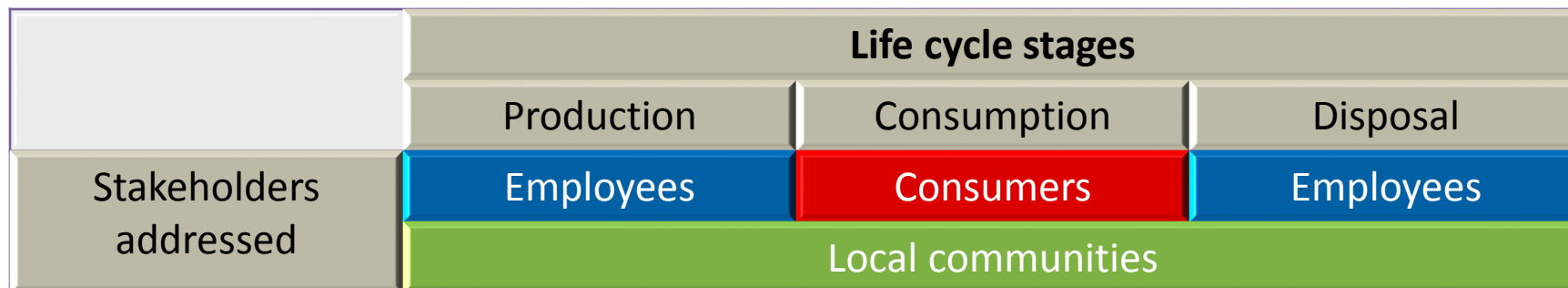
Efficient use of human and financial resources for impacts assessment (e.g. by applying a limited, but effective set of indicators);

- **Balance**

Reasoned assessment of overall performance by including social topics and performance indicators that reflect positive and negative impacts of the product.



Scope and principle in summary

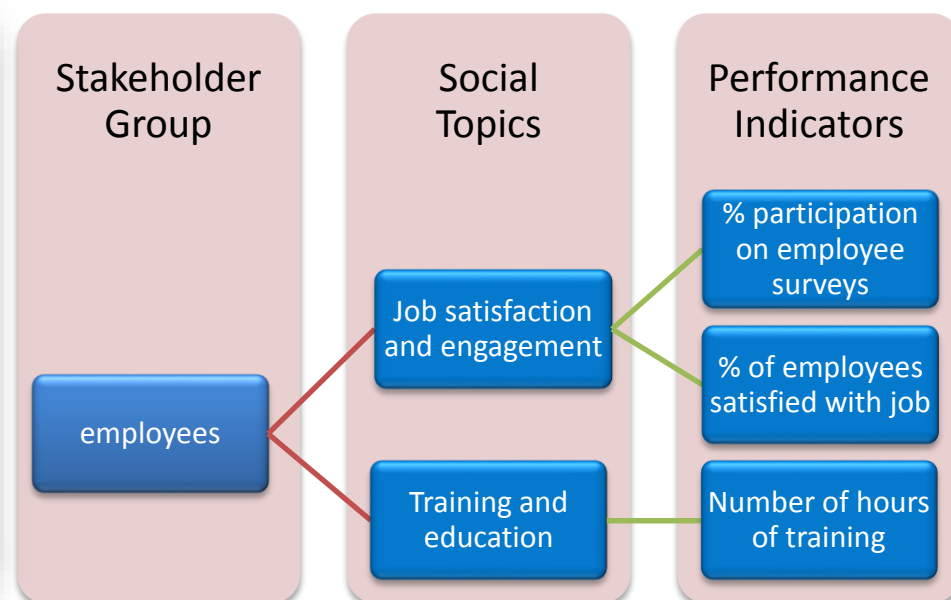


Reference value

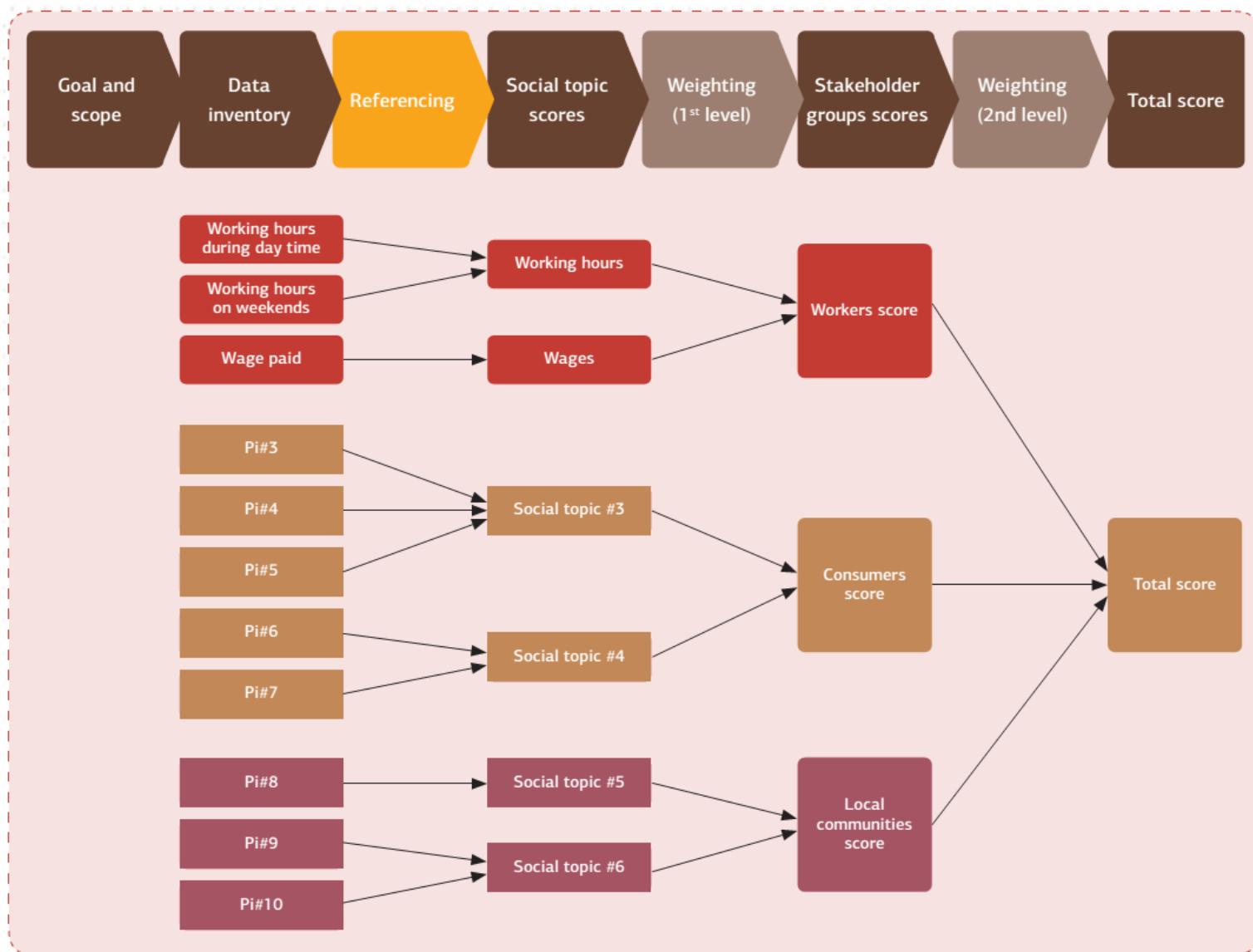
1 hour of training per worker during the reporting period

Reference scale

- +2** All workers are trained periodically
- +1** >75% workers are trained occasionally
- 0** Between 50% and 75% of workers are trained occasionally
- 1** <50% of workers are trained occasionally
- 2** Workers do not receive training



Structure



Too many social topics makes the method unworkable in practice

• participants frameworks
+
• external references

=

> 120 social topics
+
> 500 performance indicators



need to stay focused,
harmonize and remain consistent



Workshop with companies:
developed criteria for deleting or
aggregating into less than 20



Selection of the topics (snapshot: see annexe 9)

Stakeholder	Sub-dimensions	Sustainability Frameworks																	
		UNEP SETAC HDI	MDGs	OECD	GRI	UNG-C	ISO 26000	ISEAL	COSA	WBCSD	CI	IRIS	AIM-PRO	ETI	Ruggie	Sphere	NEF	WHR	GSCP
Employee	Freedom of association and collective bargaining	X				X	X	X	X				X	X	X				
	Child labor	X				X	X	X		X	X			X	X				
	Fair salary	X			X			X		X	X			X	X				
	Working hours	X					X	X					X	X	X				
	Forced labor	X				X	X	X		X	X			X	X				
	Equal opportunities and discrimination	X		X		X	X	X		X	X		X	X	X				
	Health and Safety	X				X		X		X	X		X	X	X				
Consumer	Social benefits and social security	X				X	X			X	X				X				
	Health & safety	X		X		X		X		X	X	X							
	Feedback mechanism	X						X			X								
	Consumer privacy	X				X	X	X		X									
	Transparency	X				X		X		X	X	X							
Local community	End of life responsibility	X						X											
	Access to material resources	X		X				X	X	X		X				X			
	Access to immaterial resources	X		X								X			X	X			
	Delocalization and migration	X						X											
	Cultural heritage	X						X											
	Safe & healthy living conditions	X	X		X			X		X		X			X	X			
	Respect of indigenous rights	X				X		X	X										
	Human Rights	X				X		X	X										
	Environment	X						X		X	X								

Handbook for Product Social Metrics

Social topics for assessment

Workers	Consumers	Local communities
Health and safety	Health and safety	Healthy and safe living conditions
Living wage	Experienced well-being	Access to material resources
Working hours		Local capacity building
Child labour		Community engagement
Forced labour		Local employment
Discrimination		
Freedom of association and collective bargaining		
Employment relationship		
Training and education		
Work-life balance		
Job satisfaction and engagement		

Reviews (see annexe 1)

- Halfway the development we asked the following organizations to review (not all wanted to be mentioned); got many comments....
 - United Nations Development Programme (UNDP)
 - Social Accountability International (SAI)
 - International Labour Organization (ILO)
 - World Business Council for Sustainable Development (WBCSD)
 - ISEAL Alliance
 - Technical University of Denmark
 - Technical University Berlin
 - University of California, Berkeley
 - Product Stewardship and Regulatory Affairs Council
 - Donor Committee for Enterprise Development (DCED)
 - Anonymous NGO
 - Anonymous Development Organisation

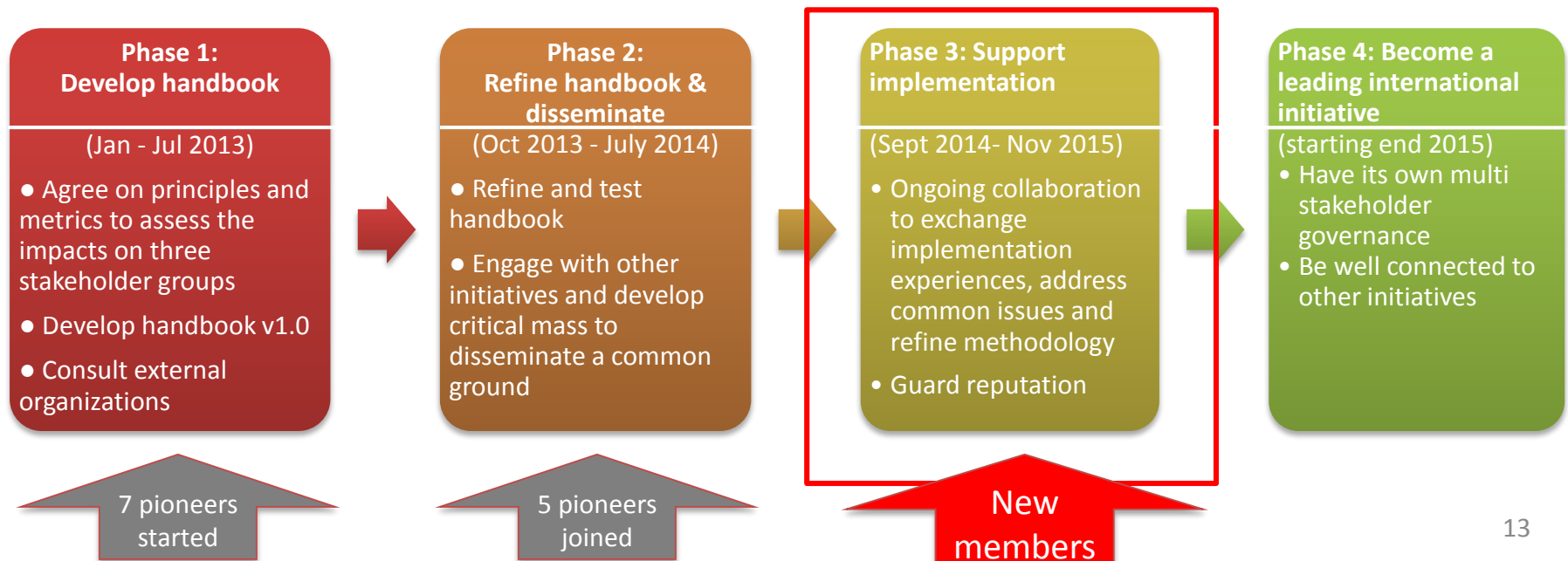
What the companies told us they wanted to address in phase 3

1. Get practical experience with more pilot tests, develop a better understanding of the costs and benefits; exchange experiences in implementation.
2. Work on data; which datasources are available, how can we share and exchange data
3. Refine the methodology.
 - a. Address shortcomings,
 - b. Be open to suggestions from other initiatives when collaborating with them
4. Communicate the benefits of the handbook and respond to questions and issues. Defend the reputation



Future plans

- The members asked us to be ambitious and develop a plan that would make the handbook a de facto standard for Product Social Impact Assessment
- PRé still facilitates phase 3, we realise in phase 4 will need to make room.....



How we organise phase 3

- As a preparation to phase 4, we want to transfer the governance to the companies, while we support the work
- Four working groups are envisaged
- Every 3 month, the WG's present their progress and the governance council decides on next steps; the council can adjust the budget
- The founding members have each one vote

Governing council, all (founding) members

PRé
secretariat

Working group
on
implementation

Working group
on Data issues

Communication
team

Methodology
refinement
group

Open to cooperation

- We (our members) want to align with other initiatives, and develop consensus and critical mass.
- Agreement with WBCSD Chemical industry working group on social, but open to others
 - Open to all who subscribe to a charter calling for transparency, sharing and respect; no claims on IP.
 - Develop exchange mechanism
 - Avoid unnecessary differences
- In 2016 this group can be further developed into a multi stakeholder governed independent organization
- Small think tank is being formed to prepare.



Thank you

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