ISO37000: The global benchmark for good governance

Governing Organizations for Long-Term Wellbeing of All People and Planet (i.e. Sustainability)

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Effective, accountable and inclusive societies and institutions rely on good governance at all levels, from small companies through to multinationals and governments.

16.5 Substantially reduce corruption and bribery in all their forms
16.6 Develop effective, accountable and transparent institutions at all levels
16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels
16.8 Broaden and strengthen the participation of developing countries in the institutions of global governance
15 September 2021

**FIRST EVER INTERNATIONAL BENCHMARK FOR GOOD GOVERNANCE**

Purpose and sustainability at the heart of ISO 37000.
ISO 37000 key stats

Development: 2017-2021
Countries involved: 77 countries
Liaisons involved: 24 liaisons were involved in its development Comments: 1,500 unique comments resolved by WG1
Approval: The final ballot attracted 100% approval and all 164 ISO member countries had the opportunity to vote.
Publication: The standard was published on 14 September 2021.
## Liaison organizations:

<table>
<thead>
<tr>
<th>Organization</th>
<th>Description</th>
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<tbody>
<tr>
<td>ACCA</td>
<td>Association of Chartered Certified Accountants</td>
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<tr>
<td>EBRD</td>
<td>European Bank for Reconstruction and Development</td>
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<td>ecoDa</td>
<td>European Confederation of Directors Association</td>
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<tr>
<td>ETUC</td>
<td>European Trade Union Confederation</td>
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<tr>
<td>FIEC</td>
<td>European Construction Industry Federation</td>
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<tr>
<td>Govern for Impact</td>
<td>International Policy Governance Association</td>
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<td>IBE</td>
<td>Institute of Business Ethics</td>
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<td>ICGN</td>
<td>International Corporate Governance Network</td>
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<tr>
<td>IFC</td>
<td>International Finance Corporation</td>
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<td>IFCA</td>
<td>International Federation of Compliance Associations</td>
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<td>IIA</td>
<td>The Institute of Internal Auditors</td>
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<td>IIOC</td>
<td>Independant International Organization for Certification</td>
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<td>IIRC</td>
<td>International Integrated Reporting Council</td>
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<td>IRM</td>
<td>The Institute of Risk Management</td>
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<tr>
<td>OAS</td>
<td>Organization of American States</td>
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<td>OECD</td>
<td>Organisation for Economic Co-operation and Development, OECD</td>
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<tr>
<td>RIMS</td>
<td>The Risk Management Society</td>
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<tr>
<td>SVI</td>
<td>Social Value International</td>
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<td>The CQI</td>
<td>The Chartered Quality Institute</td>
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<td>Transparency International</td>
<td>Transparency International</td>
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<tr>
<td>UNCTAD</td>
<td>United Nations Conference on Trade and Development</td>
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<tr>
<td>WBCSD</td>
<td>World Business Council for Sustainable Development</td>
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<tr>
<td>WFEO</td>
<td>World Federation of Engineering Organizations</td>
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<tr>
<td>WIN</td>
<td>Worldwide independent network</td>
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<tr>
<td>IFAC (Cat C)</td>
<td>International Federation of Accountants</td>
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ISO - ISO/TC 309 - Governance of organizations
ISO 37000 is written for all:

- All Countries
- All Sectors
- All Types
- All Stakeholders
Why an international governance standard now?
Existing codes are usually country, sector, or organizational membership specific.
1. The Corruption Perception Index and Ease of Doing business surveys confirm that the challenges of organizational governance are perhaps greater in Developing Countries.

2. Developing countries have fewer relevant laws, codes, and standards to draw on, thereby making governance of organizations weaker. ISO37000 will be a key resource.
Organizational governance expectations are changing fast:

1. An economy is about transforming resources into long-term wellbeing for all people and planet
2. Organizations are the key means society has decided we can best enact the economy
3. All organizations are created to help individuals achieve a shared clear goal
4. Governance provides the direction, accountability and oversight of organizations so that they achieve that goal in the way intended
5. Governance until now has been mostly focused on a goal of optimizing benefit to the organization (including members). The end goals of long-term wellbeing and the health of the social and environmental systems this depends on (inc. climate) have been ungoverned
6. This view has been changing fast – towards directly delivering wellbeing for society in a way that protects the social and environmental systems that underpin this wellbeing
7. ISO37000 formalizes this shift
Governing the ends, means and mode:
ISO37000: Governance of Organizations: Guidance
Scope of ISO 37000:2021

• “The document gives guidance on the governance of organizations.

• It provides principles and key aspects of practices to guide governing bodies and governing groups on how to meet their responsibilities so that the organizations they govern can fulfil their purpose.

• It is also intended for stakeholders involved in, or impacted by, the organization and its governance.

• It is applicable to all organizations regardless of type, size, location, structure or purpose.”
What is in ISO 37000 and how does it help with combating Climate Change?

The standard:

1) distills governance into 11 core principles (and associated practices)
   1 Primary
   4 Foundational
   6 Enabling

2) gives a detailed and precise overview of what organizational governance is

3) creates common global language and understanding of governance

4) provides detailed guidance to help governing bodies and their stakeholders practically improve

ISO 37000:2021(en), Governance of organizations — Guidance
Governing the ends, means and mode:
How can ISO37000 help you?

1. Can be used to assess your governance (ISO Central already assess itself)

2. Can be used to assess the quality of governance of those you are observing, in a way aligned with global norms and delivering sustainability
Recommended first steps:

1. Digest the standard and understand in depth what it might do to help achieve your objectives

2. Apply it to yourself and see how it works to help clarify areas of improvement and action

3. Pilot with an observatory and some of its organisations
What people are saying about ISO37000

Beginning with corporate purpose as its guiding principle, the ISO 37000 guidance provides a rigorous and systematic framework on the governance of organizations. It is thoughtful and carefully crafted... (it) serves as a valuable frame of reference for companies, boards, investors, policymakers, regulators and other governance professionals.

George Dallas, International Corporate Governance Network (ICGN)

ISO 37000 is of profound significance in establishing the global standards of governance that are required to meet the challenges of business, society and the environment in the 21st century. ISO is to be congratulated on reaching consensus between nations on the fundamental principles of good governance.

Prof. Colin Mayer University of Oxford
Thank you

https://committee.iso.org/home/tc309

Dr Victoria Hurth – Co-Convenor TC309/WG1