



Terms of Reference

Development process of the “Guidance Principles for the Sustainable Management of Secondary Metals”

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1. Purpose of this Document

The Terms of Reference (TORs) are intended to articulate what the “Guidance Principles for the Sustainable Management of Secondary Metals” (hereafter, Guidance Principles) aim to achieve and why they are needed, as well as to describe how they are being developed and how stakeholders can participate in the process.

2. References

The Guidance Principles draw from key research previously carried out (e.g. Social Criteria - SRI, 2015) and acknowledge the complementary work of sustainability standards, e.g. from the Responsible Jewellery Council (RJC), the Aluminium Stewardship Initiative (ASI), the Initiative for Responsible Mining Assurance (IRMA) and the European Committee for Electrotechnical Standardization (through the CENELEC standards) amongst others.

These TORs are in line with the ISO/IEC Directives, Part 1, consolidated ISO Supplement Procedures – Procedures specific to ISO¹ sixth edition, 2015,² as well as with the ISEAL Alliance Code of Good Practice for Setting Social and Environmental Standards³. The TORs are updated on a continuous basis, based on resolutions agreed by the members of the ISO IWA 19⁴.

3. Why are Guidance Principles for the Sustainable Management of Secondary Metals needed?

International efforts on standards’ development and traceability mechanisms have emerged over the last years in order to ensure the sustainable extraction and production of certain raw materials, including metals. Existing standards and labels include Fairtrade (Gold), the Responsible Jewellery Council (RJC) Initiative and the Aluminium Stewardship Initiative. In spite of their value and credibility, these initiatives are primarily looking at primary metal production and do not address the environmental and socio-economic impacts of metal recycling.

Whilst industrialized countries count on and enforce regulations for recycling activities (mainly based on extended producer responsibility), most developing and emerging economies lack related legal mechanisms or the existing ones are poorly enforced. As a consequence, socio-economic and

¹ International Organization for Standardization (ISO).

² ISO/IEC Directives, Part 1. Consolidated ISO Supplement Procedures – Procedures specific to ISO. Fifth edition, 2014. Available from:

http://www.iso.org/iso/annex_sl_excerpt_-_2015_6th_edition_hls_and_guidance_only.pdf

³ ISEAL Alliance. Setting Social and Environmental Standards v5.0. ISEAL Code of Good Practice. Available from:

<http://www.isealliance.org/our-work/defining-credibility/codes-of-good-practice/standard-setting-code>

⁴ Resolutions agreed by the members of the ISO IWA 19 are available from: <http://sustainable-recycling.org/sri-roundtable-overview/guidance-principles/>

environmental impacts of metal recovery (or secondary metals)⁵ in developing and emerging economies are not adequately addressed, which is posing serious risks to the health and safety of workers and local communities, as well as to the environment. Moreover, responsible recycling practices of secondary resources (e.g. gold, platinum), which are emerging in developing economies on a small-scale, remain unnoticed and the metals recovered in socially and environmentally responsible ways do not have access to the international commodity markets; nor are they recognized with better prices or otherwise.

4. Aim

The overall aim of the Guidance Principles is to provide a credible and practical global framework for companies, governments, policy makers, NGOs, sustainability standard organisations and other interested stakeholders, willing to improve practices in the sustainable management of secondary metals.

The Guidance Principles are designed to improve practices of economic operators by complying with the Principles and Objectives and assist those that wish to demonstrate that their practices comply with the traceability and assurance mechanisms.

The Guidance Principles focus in particular on improving working and living conditions from a social and environmental perspective for the most vulnerable and disadvantaged workers in developing and emerging economies.

The overarching values that inform the development and implementation of the Guidance Principles are: shared responsibility, transparency, engagement, continuous improvement, and equality.

5. Scope

5.1 Economic operators and beneficiaries

It is envisaged that there will be many beneficiaries from the improved practices resulting from the compliance with the Principles and Objectives by economic operators and the implementation of assurance and traceability mechanisms. The Guidance Principles aim to primarily benefit economic operators involved in Subsistence Activities (SA), who are vulnerable to environmental and socio-economic impacts, including child or forced labour and occupational hazards in developing and emerging economies.

⁵ A secondary metal is a metal which does not originate from a primary ore but from a recycling process or from processing of waste streams from primary production.

The economic operators involved in the following activities are encouraged to adopt the Guidance Principles:

- Subsistence Activities (SA)⁶
- Unofficial Business Activities (UBA)⁷
- Official Business Activities (OBA)⁸

In the context of the Guidance Principles, economic operator is any individual, enterprise, association, cooperative or organisation involved in the collection, preparation, metallurgical processing, preparing for re-use, storage, transportation, trading, disposal and/or use of waste that contains metals and/or their residues as part of Subsistence Activities (SA), Unofficial Business Activities (UBA) or Official Business Activities (OBA).

5.2 Processes scope

The processes and flows covered by the scope of the Guidance Principles include: collection, preparation and metallurgical processing of waste that contains metals as well as transportation, storage and trade of waste that contains metals and of materials produced from collection through disposal.

5.3 Material scope

The Guidance Principles cover on all types of waste that contains metals.

5.4 Users

Users of the Guidance Principles are as follows:

- a. Economic operators that wish to demonstrate that their recovered metals, metal sourced or products manufactured with these metals comply with the Principles and Objectives. Following the Extended Producer Responsible (EPR) approach, these economic operators should be held responsible for taking back waste that contains metals or ensuring that waste

⁶ Activities conducted by economic operators (mostly individuals and families) who earn a wage that is barely sufficient to support or maintain themselves and is below the minimum tax threshold required per national laws and regulations to pay taxes. These activities can be found in both the formal and the informal sector. In the context of this document, if registration is required by local or national laws and regulations, non-registered Subsistence Activities (SA) remain hidden from monitoring by local or national authorities and are considered part of the informal sector.

⁷ Activities conducted by economic operators whose income is above the living wage as well as the minimum tax threshold and who purposefully desire to deceive national and/or local laws and regulations. These activities are conducted by non-registered organisations, hence not monitored by any government. In the context of this document, these activities are part of the informal sector.

⁸ Economic activities conducted by registered companies which are under government regulation, taxation and observation.

- that contains metals is collected, prepared and processed in compliance with the Principles and Objectives.
- b. National or local governments, inter-governmental organisations and standard setting organisations that develop laws, regulations, policies or standards basing on the Guidance Principles.
 - c. Public/private organisations, financial institutions and development organisations that use the Guidance Principle as a framework to evaluate the impact and risks associated with projects related to secondary metals.
 - d. Non-Governmental Organisations(NGOs) and Civil Society Organisations (CSOs) that organize awareness raising and capacity building activities on environmental and socio-economic impacts of secondary metal productions as well as better practices on the basis of the Guidance Principles.

6. Risk assessment

The following risks for a successful implementation of the Guidance Principles have been identified. Please note that the list is not exhaustive.

Risks	Mitigation measures
Low acceptance due to increased production costs caused by the compliance and formalization steps.	Promote incentives for products compliant with sustainability criteria (i.e. the Principles and Objectives) such as access to bigger national or international markets possibly also paying higher prices for these kind of products. Other incentives setup up by governments could include tax incentives.
Insufficient local technical capacities (e.g. experts on changes needed to avoid the worst practices).	Creation of local training programs for recyclers and other relevant local actors such as local Governments representatives.
Lack of support from local and national governments as well as from international recyclers, product manufacturer, retailers and traders as potential users of the Guidance Principles.	Setup of targeted communications and awareness raising activities.
Drop of market prices of natural resources.	Develop business cases for potential users to improve the understanding on business models that could help adapting to price variations

Cost of formalization is too high.	Promote a phased approach towards the legality in the mid-term. Develop with support of local governments and Civil Society Organizations incentives for formalizing.
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7. Development process

The Guidance Principles are developed and maintained through an International Workshop Agreement (IWA) under the International Organization for Standardization (ISO).⁹ The proposal¹⁰ for an IWA on these Guidance Principles was formally accepted by the ISO Technical Management Board in April 2015 as the ISO IWA 19¹¹ and the process was officially launched in October 14, 2015.

The ISO IWA 19 process includes four Workshop sessions two of which shall be face-to-face ones. Public consultations are conducted to stakeholders worldwide (also non-ISO IWA 19 members) to contribute to the Guidance Principles development process.

In addition, local consultations of the working drafts of the Guidance Principles will take place to ensure the participation of certain key stakeholders in the process.

The final version of the Guidance Principles is expected by the end of 2016 and will consist of the following parts:

- i. Background part: Describes the motivation, aim, users, economic operators involved, beneficiaries and scope of the Guidance Principles as well as relevant definitions.
- ii. Principles and Objectives: Describes the five Guidance Principles and 17 associated objectives to be considered in metal recycling in Subsistence Activities (SA), Unofficial Business Activities (UBA) and Official Business Activities (OBA).
- iii. Assurance and Traceability: Describes the requirements for a credible traceability of sustainable secondary metals.
- iv. Governance: Provides information for future revisions and interpretations of the Guidance Principles, as well as the responsibilities of the implementing body to be set up.
- v. Bibliography
- vi. Annexes

⁹ An explanatory diagram of the ISO IWA process is available from: http://www.iso.org/iso/tmb_iwa.pdf

¹⁰ The proposal is available from: http://sustainable-recycling.org/sustainable-recycling/wp-content/uploads/2015/06/SRI_ISO-IWA-Proposal.pdf

¹¹ ISO has assigned the number 19 to the current IWA process, i.e. Working Draft (WD) IWA 19: www.iso.org/iso/home/store/catalogue_tc/catalogue_detail.htm?csnumber=69354

8. Public review¹²

The working drafts of the Guidance Principles will be published on the Sustainable Recycling Industries (SRI) website¹³ to allow non-ISO IWA 19 members to provide comments and suggestions for improvement. There will be at least two rounds of public consultations of 60 and 30 days respectively to feed into the development of Version 1.0 of the Guidance Principles.

8.1. Submission of comments by ISO IWA 19 members:

- a. When submitting comments (via the template), all members of the ISO IWA 19 are to include their name, organisation, country and stakeholder group.¹⁴ This information is recorded by the ISO IWA Secretariat.
- b. A summary table of all comments from the members of the ISO IWA 19 with their name/organisation/country/stakeholder group will be published on the ISO platform (ISOLutions)¹⁵ and circulated via email to all members of the ISO IWA 19. The table will also include the results of the deliberation of the comments resolution meeting.¹⁶ Those results will provide the rationale for integrating comments from the members of the ISO IWA 19 in the next version or not.
- c. Members of the ISO IWA 19 may contact the ISO IWA Secretariat¹⁷ if further clarification is needed in relation to the results of the comments resolution meeting.
- d. A summary table of all comments from the members of the ISO IWA 19 without their name/organisation/country/stakeholder group will be published on the SRI website.¹⁸ The table will also include the results of the deliberation of the comments resolution meeting. Those results will provide the rationale for integrating comments from members of the ISO IWA 19 in the next version or not.

¹² Sections 8.1 and 8.2 were formally approved by the members of the ISO IWA 19. See “[Resolution on the publication of comments to the Guidance Principles by members of the ISO IWA 19](http://sustainable-recycling.org/sustainable-recycling/wp-content/uploads/2015/06/151201_Resolution-Comments-IWA-members.pdf)” and “[Resolution on the publication of comments to the Guidance Principles by the general public](http://sustainable-recycling.org/sustainable-recycling/wp-content/uploads/2015/06/151016_Resolution-Comments-Public.pdf)” available from: http://sustainable-recycling.org/sustainable-recycling/wp-content/uploads/2015/06/151201_Resolution-Comments-IWA-members.pdf and http://sustainable-recycling.org/sustainable-recycling/wp-content/uploads/2015/06/151016_Resolution-Comments-Public.pdf respectively.

¹³ Sustainable Recycling Industries website: <http://sustainable-recycling.org/>

¹⁴ E.g. metal and recycling associations and industries, MSMEs on metal recycling activities in developing countries, Original Equipment Manufacturers (OEMs) and related industry associations, standard setting initiatives for sustainable metals, ISO members, NGOs, government representatives, international (intergovernmental) organizations and cooperation agencies, experts and research institutions related to the topic.

¹⁵ ISOLutions is only accessible for ISO IWA 19 members. Link:

<https://isolutions.iso.org/ecom/livellink?func=ll&objId=34141808&objAction=browse&viewType=1>

¹⁶ The comments resolution meeting consists of the ISO IWA Secretariat.

¹⁷ ISO IWA Secretariat contact e-mail: sri@wrforum.org

¹⁸ Sustainable Recycling Industries website: <http://sustainable-recycling.org/>

8.2. Submission of comments by the general public

- a. Anyone may comment in the public consultation round. Participants of the public consultation must provide their name and country (or 'global' affiliation). Organisation's name and stakeholder group¹⁹ are optional. This information is recorded by the ISO IWA Secretariat. If clarification is needed from a participant, the ISO IWA Secretariat may contact her/him directly.
- b. Participants will be encouraged to be transparent and provide the data requested. However, an opt-out box will be provided to indicate their reason for anonymity, for example: commercial sensitivity, repercussions, or individual privacy considerations.
- c. A summary table of all comments with/without name/organisation/country/stakeholder group will be published on the SRI website.²⁰ The table will also include the results of the deliberation of the comments resolution meeting.²¹ The results will include the rationale for integrating comments from the members of the ISO IWA 19 in the next version or not.
- d. Participants may contact the ISO IWA Secretariat²² if further clarification is needed in relation to the results of the comments resolution meeting.

9. Governance

9.1 ISO IWA 19 Secretariat

The ISO IWA 19 Secretariat consists of four to six representatives from the Roundtable on Sustainable Recycling Industries (SRI Roundtable): two representatives from the World Resources Forum (WRF), one representative from the Swiss Federal Laboratories for Materials Science and Technology (Empa), one representative from the Swiss Association for Standardization (SNV) and the consultants E4tech and CAREY Research & Consulting (CRC).

The main tasks of the ISO IWA 19 Secretariat consist of the overall coordination of the development process of the Guidance Principles. Specifically:

- To draft, review, publish and promote the Guidance Principles;
- To evaluate all comments received on the Guidance Principles via the Comments Resolution Meeting and provide the rationale for integrating them into the next version or not;
- To organize and coordinate the Workshop Sessions, public reviews and local consultations;
- To identify key stakeholders and determine the eligibility of new members of the ISO IWA 19;

¹⁹ E.g. metal and recycling associations and industries, MSMEs on metal recycling activities in developing countries, Original Equipment Manufacturers (OEMs) and related industry associations, standard setting initiatives for sustainable metals, ISO members, NGOs, government representatives, international (intergovernmental) organizations and cooperation agencies, experts and research institutions related to the topic.

²⁰ Sustainable Recycling Industries website: <http://sustainable-recycling.org/>

²¹ The comments resolution meeting consists of the ISO IWA Secretariat.

²² ISO IWA 19 Secretariat contact e-mail: sri@wrforum.org

- and
- To ensure open and transparent public communications of the ISO IWA 19 process.

9.2 Chair and Vice Chair of Workshop sessions

Chair and Vice Chair are appointed by ISO IWA 19 members.

Chair and Vice Chair shall be neutral and her/his main tasks consist of:

- Ensure that all points of view expressed during a workshop are adequately summed up so that they are understood by all present.
- Conduct the workshop with a view to reaching consensus.
- Ensure that all decisions are clearly formulated and, if needed, made available to the participants before closure of the meeting of the workshop.

9.3 Members of the ISO IWA 19²³

9.3.1 Membership

Individuals may serve the ISO IWA process by representing their organizations or any stakeholder group.²⁴ They shall hold relevant experience regarding the purposes of the ISO IWA process.

9.3.2 Roles and responsibilities

Members of the ISO IWA 19 are committed:

- a. To understand the objectives and expected results of the ISO IWA process.
- b. To take a genuine interest in the expected results and overall success of the ISO IWA process.
- c. To act on opportunities to promote the ISO IWA process.
- d. To actively participate in the ISO IWA process.

9.3.4 Eligibility of new ISO IWA 19 members (See Application Form in Annex I)

A. New members shall:

²³ Section 9.3 was formally approved by the members of the ISO IWA 19. See "[Resolution on Terms of Reference for participation in the ISO IWA 19](http://sustainable-recycling.org/sustainable-recycling/wp-content/uploads/2015/06/151201_Resolution_ToRs_Membership.pdf)", available from: http://sustainable-recycling.org/sustainable-recycling/wp-content/uploads/2015/06/151201_Resolution_ToRs_Membership.pdf

²⁴ E.g. metal and recycling associations and industries, MSMEs on metal recycling activities in developing countries, Original Equipment Manufacturers (OEMs) and related industry associations, standard setting initiatives for sustainable metals, ISO members, NGOs, government representatives, international (intergovernmental) organizations and cooperation agencies, experts and research institutions related to the topic.

- a. Accept and adopt the already established ISO IWA process and structure.²⁵
 - b. Accept all Resolutions agreed at the time of their appointment as new members of the ISO IWA 19.
 - c. Address a 'letter of motivation' to the ISO IWA 19 Secretariat introducing themselves, and explaining their suitability, availability and reasons for becoming a member of the ISO IWA 19.
- B. The decision of accepting or rejecting new members shall be taken by the ISO IWA 19 Secretariat.

9.4 Decision making

The ISO IWA 19 process is based on consensus building. It is a voluntary process in which a mutually acceptable agreement and compromise is sought by all participants in the best interest of the whole. For the purposes of this process, consensus shall be understood, according to ISO/IEC Directives, Part 1, 2.5.6, as "general agreement, characterized by the absence of sustained opposition to substantial issues by any important part of the concerned interests and by a process that involves seeking to take into account the views of all parties concerned and to reconcile any conflicting arguments". In any case, consensus does not necessarily imply unanimity.

The Guidance Principles and their revisions are ultimately approved by ISO IWA 19 Members by consensus. For ISO IWA Workshop Sessions, it will be the responsibility of the Workshop Chairperson to determine when consensus of the workshop participants has been reached on a particular item or deliverable.

10. Review and revision

A review of the Guidance Principles shall take place after three years of their publication. The result of the review may be to confirm the Guidance Principles for a further three-year period, to withdraw them or to submit them for further processing as another ISO deliverable (e.g. standard).

An IWA may exist for a maximum of six years after which it shall either be withdrawn or be converted into another ISO deliverable.

²⁵ Proposal for ISO IWA on 'Guidance Principles for Addressing Sustainability in Secondary Resources Management-Focus on Metals' approved by the ISO Technical Management Board, April 2015. Link: www.sustainable-recycling.org/sustainable-recycling/wp-content/uploads/2015/06/SRI_ISO-IWA-Proposal.pdf

11. Grievance Mechanism

Any stakeholder may contact the ISO IWA 19 Secretariat to request more information about the process or to raise any concern related to:

- The development and revision of the Guidance Principles, including how public comments are handled by the SRI Secretariat;
- Misuse of the Guidance Principles or any action that could negatively affect the reputation of the Guidance Principles, the ISO IWA 19 process or its members;
- Misrepresentation or infringement of these TORs by one ISO IWA 19 Member;
- Acceptance/refusal of new ISO IWA 19 Members.

Both members of the ISO IWA 19 and participants from the general public may contact the ISO IWA 19 Secretariat²⁶ if further clarification is needed in relation to the results of the comments resolution meeting (see sections 7.1.c and 7.2.d respectively).

12. Public communication

The following items shall be publicly available on the SRI website:

- a. An updated summary of the status of the process, including a timeline for the publication of the working drafts of the Guidance Principles and the rounds of public consultations.
- b. The updated working drafts of the Guidance Principles.
- c. All governance documents related to the process (i.e. the present Terms of Reference and the resolutions agreed by the members of the ISO IWA 19).
- d. The meeting reports of the Workshop sessions.

²⁶ ISO IWA Secretariat contact e-mail: sri@wrforum.org

Annex I. Application form for becoming a member of the ISO IWA 19²⁷

(see also here: www.sustainable-recycling.org/sustainable-recycling/wp-content/uploads/2015/06/151201_Resolution_ToRs_Membership.pdf)

1. Personal Data

Family name:	
First name:	
Mr. or Ms.	<input type="checkbox"/> Mr. <input type="checkbox"/> Ms.
Title:	
Company/Organization:	
Stakeholder group ²⁸ :	
Address:	
Country:	
Phone:	
E-mail:	

²⁷ The motivation letter shall be sent as pdf attachment at sri@wrforum.org with the subject “Becoming member ISO IWA 15”.

²⁸ Stakeholder groups are: MSMEs (Micro, Small and Medium Enterprises) working on metal recycling activities in developing and emerging economies, metal and recycling associations and industries, manufacturers, trade associations, trade unions, environmental non-Governmental organisations (NGOs) and civil society organisations (CSOs), Original Equipment Manufacturers (OEMs) and related industry associations, researchers, Standards systems setting initiatives, certification and accreditation bodies for sustainable recovery of metals, Governments and local authorities representatives, International (intergovernmental) organisations and Development cooperation agencies and foundations, ISO members and ISEAL Community.

2. Agreements

- I accept and adopt the already established ISO IWA 19 process and structure.²⁹
- I accept all resolutions agreed at the time of my appointment as a new member of the ISO IWA 19.³⁰

3. Letter of Motivation

[Introduction of yourself and explanation of your suitability, availability and reasons for becoming a member of the ISO/IWA 19]

Applicants for membership to the ISO IWA 19 are invited to provide a short bio of their professional work and an explanation of their suitability, availability and justification for becoming a member.

The letter of motivation shall be a maximum of two pages in length. Please sign, date and send to:

Sonia Valdivia

ISO IWA 19 Secretariat

Email: Sonia Valdivia sonia.valdivia@wrforum.org

²⁹ Proposal for ISO IWA on 'Guidance Principles for Addressing Sustainability in Secondary Resources Management-Focus on Metals' approved by the ISO Technical Management Board, April 2015. Link: sustainable-recycling.org/sustainable-recycling/wp-content/uploads/2015/06/SRI_ISO-IWA-Proposal.pdf

³⁰ The resolutions are available from: <http://sustainable-recycling.org/sri-roundtable-overview/guidance-principles/>