

Sustainability Matters

17th December 2009

A fortnightly selection of topical **news and views** about economic, social and environmental issues.
Designed especially for accountants and those who use the services of accountants.

Sustainability Matters is:

- Partly sponsored by members of the **Sustainability Working Group**, a special interest group attached to the New Zealand Institute of Chartered Accountants (NZICA).
- Compiled and published by Ray Skinner of *Sustainability Matters*, providers of specialist services relating to sustainability and business support. **Business achieving a tomorrow for tomorrow's children.**

How Long Does it Take?

"I was born in 1992. You have been negotiating all my life. You cannot tell us that you need more time".

"Christina is 17, and lives in the Solomon Islands – a country whose very existence is threatened by sea level rise in her lifetime. These were her words as she addressed the Copenhagen climate negotiations this week. Meanwhile, lead United States negotiator Todd Stern is referring to Copenhagen as nothing more than a 'first step'.

"That's where the main battle is at Copenhagen: it's all about where the goal posts are set. It's exactly what we've been preparing for.

Source: Avaaz eMail, 12th December 2009. ❖

SAICA Establishes a Dedicated Website Supporting Sustainability

"The South African Institute of Chartered Accountants (SAICA) has taken a significant step in positioning itself as a promoter of sustainable business and sustainability reporting in South Africa by launching *Green*, a book on why corporate leaders need to embrace sustainability to ensure profitability according to a news release of 22nd July 2009.

Another SAICA initiative was to launch a dedicated web site which is a platform they are building. "The website offers a quick and easy way to get up-to-speed with the main issues in sustainability and sustainability reporting.

..... "noted that recent research revealed that almost one-third of directors of the top 200 companies listed on the JSE are Chartered Accountants [CAs(SA)], as well as one-third of the CEOs. "Clearly, the value they add to these organisations is treasured by management and shareholders alike. These chartered accountants play an influential role and can develop and drive the necessary strategies within their organisations to ensure that South Africa fulfils its duties and obligations in addressing sustainability challenges."

Topics include; reporting, investment guidelines, carbon trading, sustainability assurance, SA government's response, sustainability tools, publications, book reviews, training courses, tips for living sustainably, press releases and blogs.

More: www.sustainabilitysa.org

Source: Editor, 16th December 2009. ❖

SUSTAINABILITY GROUP EVENTS

2010 – Video-linked events, except for December, will be held on the 3rd Tuesday of the month i.e. Tuesday 16th February, 20th April 15th June, 17th August, 19th October, and early December.

Locally organised activities/events may occur in Auckland, Wellington and Christchurch on the 'odd' months. If you have ideas or would like to help contact the Editor. ❖

Accounting Groups Seek Global Financial Reporting Standards on Emissions

Universal accounting standards on financial information related to climate change are the goal of a group of national accounting organisations.

In association with [The Prince of Wales Accounting for Sustainability Project](#), 15 of the 17 signed up organisations recently signed an open letter to political leaders worldwide calling for such standards. (Although a member, NZICA does not seem to have signed.)

"...of the AICPA said that universal corporate accounting standards would reduce complexity and allow businesses and investors to make better decisions about reporting their climate change data, according to a press [release](#) (PDF).

"The organisations seek an independent, stakeholder-led body to develop and adopt the required accounting standards, in conjunction with government authorities.

"Collaboration with other major accounting bodies in international groups like the Accounting for Sustainability Project is essential to success in providing thought leadership and influence in this emerging area."

"The Prince of Wales's Accounting for Sustainability Project report notes that benefits of a move towards sustainability were reduced risk ('very' or 'somewhat' likely to produce benefits for 78% of companies), enhanced brand and reputation (77%), customer retention (72%), and improved employee health and productivity (68%).

"Many corporations are already reporting emissions and other climate change related information to the Carbon Disclosure Project. CDP's Carbon Disclosure Standards Board has developed a draft framework to be unveiled 10th December in conjunction with Copenhagen talks. (As at 16th December it is not yet available on their web site at www.cdsb-global.org.)

More: www.environmentalleader.com/2009/12/10/accounting-groups-look-for-global-financial-reporting-standards-on-emissions/

Source: *Environmental Leader*, 11th December 2009. ❖

Green

"Aims to raise the level of awareness of sustainability issues amongst chartered accountants by providing a summary of problem areas surrounding the topic, and highlighting the principle initiatives, both locally and globally, that have been put in place to address them.

"If you think 'sustainable development' is an environmental melodrama, think again. Sustainable development is a non-negotiable business process obligation that is critical to the survival of business, the environment as well as society for the benefit of the world and future generations.

More: www.sustainabilitysa.org/Publications.aspx

Source: *Accountants Journal*, November 2009, page 75. ❖

Risk, Responsibility and Opportunity: The CEO's guide to climate action

This PWC publication "considers the CEO's role in climate change, some of which are crucial for survival, while others help define success, not just in tackling climate change, but to gain a strategic advantage over competitors. The five key CEO roles considered in this report are:

1. Seizing growth opportunities
2. Empowering and protecting your business
3. Setting an example
4. Empowering others
5. Helping to define climate change policies.

"If there is one conclusion to be drawn from the pages that follow, it is this: The challenge ahead is daunting and critical, but not insurmountable. The biggest challenge is to develop a new approach to doing business and a new mindset within business. We hope this report will help show the way."

More:

www.pwc.com/en_GX/gx/sustainability/pwc_ceo_guide_climate_change_change.pdf (380kb)

Source: PWC climate change eMail 9th December 2009. ❖

Storms of My Grandchildren

Published on 8th December 2009 this book is "An urgent and provocative call to action from the world's leading climate scientist – speaking out here for the first time with the full story of what we need to know about humanity's last chance to get off the path to a catastrophic global meltdown, and why we don't know the half of it.

"In *Storms of My Grandchildren*, Dr. James Hansen – the nation's leading scientist on climate issues – speaks out for the first time with the full truth about global warming: The planet is hurtling even more rapidly than previously acknowledged to a climatic point of no return. Although the threat of human-caused climate change is now widely recognised, politicians have failed to connect policy with the science, responding instead with ineffectual remedies dictated by special interests. Hansen shows why President Obama's solution, cap-and-trade, which Al Gore has signed on to, won't work; why we must phase out all coal, and why 350 ppm of carbon dioxide is a goal we must achieve if our children and grandchildren are to avoid global meltdown and the storms of the book's title.

More: www.stormsofmygrandchildren.com. ❖

Dutch CR Reporting Guidance Now Recommends GRI Guidelines

On 24th November 2009 the Dutch Accounting Standards Board (DASB) published the reviewed Annual Reporting Guideline (the RJ-400) and its CSR supplement. The RJ-400 provides information for Dutch Companies' annual reporting practices, including relevant Dutch legal stipulations, international standards and court rulings. The extensive supplement offers recommendations regarding CSR reporting for Dutch companies. The supplement encourages companies to engage with societal issues and ensure that although CSR and CSR reporting may be voluntary, they should be taken seriously.

More:

www.globalreporting.org/NewsEventsPress/LatestNews/2009/NewsDecember09DutchAccountingStandardsChanges.htm

Source: *GRI Newsletter*, 10th December 2009. ❖

Sustainability Buzzwords: Making sense of all the terms

"Like any field, sustainability has a host of different terms, and for a while they seemed to be multiplying like rabbits. It can be overwhelming to people new to sustainability. The risk is not that they do not know them all well; that is often not necessary. The risk is they are not aware of the ones that best apply to their situation and how they interrelate.

Excellent article from ISSP at:

www.ecosteps.com.au/imagesDB/webPages/ISSPSustainability_Buzzwords_10_09.pdf

Source: EcoSteps, 14th December 2009. ❖

Transitions to Sustainability

NZSSES will be holding its 4th International Conference, at the University of Auckland, 30th November to 3rd December 2010. Abstracts are due by 16th April 2010. Paper themes;

- Evolutions in Technology
- Limits to Growth
- New Economics of Sustainability
- Beyond Today's Infrastructure
- Resilient Societies
- Embedding Sustainability.

For 'Embedding Sustainability' ideas are being sought around;

"How will we make sustainability a part of our daily lives? How will we educate society to meet this challenge so that sustainability becomes common practice? Sustainable outcomes will be achieved more quickly once people grasp the need for change, understand the benefits and then convert this knowledge into new behavioural patterns. Papers are sought that will address how we embed sustainability into school curricula, tertiary institutions, professional development and every day learning experiences.

More: www.nzses.auckland.ac.nz/conference/abstracts.htm

Source: Vicky Adin, 11th December 2009. ❖

ISO Begins Work on International Sustainable Packaging Standards

International standards for packaging and the environment should be the result of newly laid groundwork by ISO.

"About 70 packaging industry leaders representing 14 countries met on 10/11th December in Stockholm, to iron out the details. ISO aims to develop six standards: source reduction, reuse, recycling, energy recovery, chemical recovery, composting and biodegradation. A seventh umbrella standard will outline requirements for using the other standards.

ISO expects to complete a final draft of the standards sometime in 2012. Metrics have been released to help companies measure progress toward ... sustainable packaging.

More: www.environmentalleader.com/2009/12/10/iso-begins-work-on-international-sustainable-packaging-standards/

Source: *Environmental Leader*, 11th December 2009. ❖

Governance for Sustainability, a Plea to the Profession

Until posted reasonably soon to www.nzica.com this 'must read' article written by members of the Sustainable Development Reporting Committee about the accounting profession will be available from Chris Neame SDRC@nzica.com.

Source: *Accountants Journal*, December 2009, page 32. ❖

Contributions and feedback are welcomed.

Send your news items, handy hints, case studies, suggestions, comments and questions to Ray Skinner of *Sustainability Matters*.
eMail: ray@sustainabilitymatters.co.nz Phone: +64 (09) 443 0773 Web: www.sustainabilitymatters.co.nz