

Sustainability Matters

29th Sept. 2016

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;

- 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.**

Climate Change and Business Conference Heavy Lifters at Mangere Marae 2016

"The leading [NZ] climate change conference for business, governments and civil society.

"This event builds on the success of last year's conference and delves more deeply into the implications of transitioning to a low carbon economy for business, local government and communities.

"Topics being covered include:

- Business strategy: Developing a business strategy to align with 2°C
- Adaptation: Learning from international cities best practice
- New Zealand's transition pathway: Framework and timeline
- Finance: What is needed to stimulate low carbon investment?

Organisers: Environmental Defence Society

When/Where: 11th – 12th October 2016, Auckland

More: www.cvent.com/events/climate-change-business-conference-2016/event-summary-cc6508d36a604fd3933817cf04fc6fee.aspx

Source: SBN, 20th September 2016. ❖

Fresh Focus Needed on Climate Change Governance

By Gary Taylor of Environmental Defence Society.

More: <http://pureadvantage.org/news/2016/09/22/fresh-focus-needed-climate-change-governance/>

Source: Pure Advantage, 22nd September. ❖

Dilmah's Philosophy of Caring and Sharing: A Conversation with Merrill Fernando

Merrill Fernando is the founder and Chairperson of Dilmah, the world's only ethically produced tea, which retains all the profits in his country and they are shared with the poor and wider community. Awarded the prestigious Business for Peace Award in Oslo in 2015 by the Nobel Peace Laureates Committee.

Merrill will discuss how he built a global brand against a backdrop of conflict with industry peers, civil war, and economic inequity.

When/ Where: 5:45pm Tues 4th Oct, Old Government Buildings, Victoria Uni, Wellington

More:

<http://igps.victoria.ac.nz/events/Upcoming%20events/index.htm>

Source: Tieke: ECO Alerts & Event, 28th September 2016. ❖

SUSTAINABILITY GROUP EVENTS

Next event – Date of webcast yet to be 'sorted'.



Announcements in 'due course'. ❖

"Hurimoana Dennis, chair of Te Pūea Memorial Marae, looks back over the marae's efforts to help homeless people during the winter.

"Poverty showed its ugly head in a car, van, carport or an overcrowded garage. The homeless were no longer just rough sleepers, they were dads, mums and kids, 181 to be exact, 104 kids and 77 adults.

"Or 152 Maori, 17 Pacific, 10 Ethnic, 2 European whanau – it didn't matter how you looked at it, it was always sad and in some cases very bad.

"In the end they kept coming and coming and coming and they all had their own unique set of circumstances: overcrowding, eviction, living below the poverty line, bureaucracy and poor decisions.

"To be honest, finding them all homes turned out to be a relatively easy task. It was all the associated issues such as strep throat, rotten teeth, self-harm, unemployment, family violence, drug or alcohol abuse, mental health, bail conditions, court appearances, financial debt, lawyers, officials, rejection from whanau and vulnerable kids, that presented the most challenges....

"On the ground we learned a lot. We learned the marae was a better front door for this social service provision, it took away all the visual barriers and allowed agencies and marae whanau to get on with doing what needed to be done.

"So not only did we find them homes we worked with others to resolve a wide range of issues that were specific to each whanau. No appointments, no waiting in queues, no frustration....

More:

www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11714072

Source: *NZ Herald*, page 36, 22nd September 2016.

Editor: A MUST READ about what those trained from life's experiences achieved and what the professionals could not and did not. ❖

The TTIP is Not a Free Trade Agreement

"America's foremost intellectual, Noam Chomsky, on why the Transatlantic Trade and Investment Partnership (TTIP) is not a free trade agreement. In fact to a large extent they are not event trade agreements. They are investor rights agreements. The reason why they're kept secret from the public and as soon as you look at them you will see why – notice I say secret from the public, not secret. They're not secret to the Corporate lawyers and lobbyists who are writing the detailed regulations in the interests of their constituents ...

"Highly protectionist" and "for the benefit of private powers".

More: <https://www.youtube.com/watch?v=4abS3S0PzpQ>

3.3million views (at Facebook), 2:06, Channel 4 News, 16th May 2016.

Source: Mike Finlayson, Facebook Share, 20th September. ❖

'White Helmets' of Aleppo – Two Stories

"It should have been a banner month for the White Helmets. The acclaimed Syrian volunteer rescue group is the subject of a documentary that was released on Netflix on 16th September. The organisation is up for the Nobel Peace Prize next month, and a raft of celebrities including George Clooney, Ben Affleck and Justin Timberlake petitioned the prize committee in support of the group's nomination. On 22nd Sept. the White Helmets, who are known inside Syria as the Civil Defence, won the Right Livelihood Award, also known as the 'alternative Nobel', honouring the volunteers for their bravery in rushing to the aid of Syrian civilians under relentless bombardment. The group claims to have rescued some 60,000 people since 2013.

"But now, the White Helmets have become the targets of that bombing. In the besieged rebel-held section of the city of Aleppo, at least three of the group's four operations centres were damaged by airstrikes in one night. Many of their vehicles were destroyed. A fire station was heavily damaged. Even the rescue centre featured in the Netflix documentary was destroyed. ...

"The White Helmets have received over \$40 million in funding from the US Government [USAID] and the UK Foreign Office despite their claims of being 'fiercely independent and accepts no money from governments, corporations or anyone directly involved in the Syrian conflict'.

"The UK and US governments are involved in the illegal war against Syria and are intent upon 'regime change' in Syria, therefore they are 'directly involved in the conflict'.

"The White Helmets claim to be 'unarmed and neutral' while embedded in areas occupied solely by Al Nusra [Al Qaeda] and ISIS. They are armed. They have been photographed and filmed supporting Al Nusra/Al Qaeda who are foreign mercenaries massacring the Syrian people.

More: <http://time.com/4507009/aleppo-offensive-syria-white-helmets-attack/> plus www.theguardian.com/global/2016/sep/23/the-white-helmets-syria-volunteer-rescue-workers-heroes-hope-horror and <https://www.netflix.com/nz/title/80101827> then www.change.org/p/nobel-prize-do-not-give-2016-nobel-peace-prize-to-syrian-white-helmets

Source: Rachael Elliott, Rob Skinner, 25th Sept 2016. ❖

2016 Quality of Life Survey – NZ

Rich in infographics, graphs and tables showing trends, with more available in detailed reports. The seven participating city and regional councils have provided news releases regarding their own areas. The surveys started in 2003 and have been conducted every two years since 2004.

More: www.qualityoflifeproject.govt.nz/survey.htm 'Topline Report' is 9.6Mb 115 pages. Plus www.scoop.co.nz/stories/AK1609/S00711/most-waikato-people-rate-life-positively-survey.htm and www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=11714709

Source: Beat Huser, via LinkedIn, 23rd Sept 2016. ❖

Innovative Use of Cat Advertising in London Tube

"Instead of asking you to buy something, we're asking you to think about what's really valuable in your life. It might not be cats, but it's probably something you can't find in the shops' – Glimpse Founder James Turner, in a press release.

More: with 6.5 million views of the 33 second video at <https://www.facebook.com/MicMedia/videos/1228191410536980/>

Source: SBN, 20th September 2016. ❖

Charity Begins With a Home

"A stolen bag in Kenya changed James Woodward's life, and will continue to change the lives of some of Nairobi's most disadvantaged orphans.

"James Woodward CA put Africa on his travel plans in 2007, expecting to do a short stint of volunteering before hitting London, then returning to Sydney to start a new job at KPMG.

"The idea was certainly that this would be once in a lifetime', he says.

"But his life changed after his bag was stolen en route to Uganda and he was confronted by orphan children living in conditions his conscience wouldn't let him ignore.

"Today he lives in Nairobi, Kenya's capital, and runs a charity helping 'the worst of the worst cases' of Nairobi street children and orphans find new, loving homes. And that's just in his spare time. The 30 year old is KPMG's East Africa Market Lead for the infrastructure sector....

"Back in Australia, Woodward registered Kickstart Kids International as a charity to work with impoverished communities in sustainable ways. He established an orphanage in Nairobi in 2007, travelling there from Sydney 39 times in four years. This is now run entirely by locals – a rarity in Kenya, he says. ...

"By 2009 the charity was ready to establish another facility, but Woodward was not keen on the traditional orphanage model.

"We have to start from the premise that each child deserves to have one adult who is absolutely crazy about them. You're never going to get that in an institution. You're also never going to get that if you take them straight off the street and force them into a family.'

"He wanted to help break the poverty cycle and prevent further abandonment. So the charity built Olturoto Children's Village to simulate a home environment, then reintegrate children into loving families.

"The quality of care is designed to replicate a Kenyan home environment with eight children in each of the four houses. The children have a carer, they go to school, and they have chores and responsibilities.

"There are currently eight children in the village which will have the capacity to hold 32 children once all facilities are up and running.

More: <http://charteredaccountantsanz.com/Site-Content/Business-Trends-Insights/Acuity/September-2016/Charity-begins.aspx>

Source: *Acuity*, September 2016, pages 80-82. ❖

Recycling Flip Flops from Kenya's Ocean Shores

"June 29th 2015. The world's oceans are vast, floating dumps for plastic pollution. Without a serious plan for cleaning up the world's oceans, this situation is dire and becoming worse every day. With a goal of retrieving and recycling 400,000 flip flops a year from the coast of Kenya, one small start-up in Nairobi is making a big difference.

"The incredibly creative team of artisans at Ocean Sole transform the retrieved flip flops into colourful masterpieces. Safari animals, including lions, rhinos, elephants, giraffes, and warthogs deliver an important message about marine conservation with their delightful, whimsical creativity. These recycled flip flops from the ocean shores of Kenya are creating global awareness about our careless human footprint. [See the marvellous photos and short video.]

More: <http://planetsave.com/2015/06/29/recycling-flip-flops-from-kenyas-ocean-shores/> plus www.ocean-sole.com/

Source: Rob Skinner 25th September, saying; 'The company is supported by the hotel I'm staying at in Nairobi'. ❖

SEC Probes Exxon over Accounting for Climate Change

"We wanted to make sure you read the news this week in the *Wall Street Journal* that the U.S. Securities and Exchange Commission (SEC) is investigating ExxonMobil for how it has valued its assets in light of plunging oil prices and pending regulation to address climate change.

"This is a huge step forward by the SEC, and a potential tipping point not just for Exxon, but for the oil industry as a whole. It underscores that climate change is a key financial risk for fossil fuel producers, and reveals just how much liability the industry has taken on through its work to deny the urgency of climate change.

"We [Ceres], along with our investor network, have been warning the SEC about inadequate disclosure of climate risk for nearly a decade. Just this month, we launched Disclose What Matters, a call to companies to provide robust disclosure of material sustainability issues in financial filings. And, at this year's Exxon AGM, major asset owners and managers from across the globe called upon Exxon to report how climate policies would impact its assets and business strategies.

"Exxon's steadfast refusal to admit any impairment to its fossil fuel reserves despite the drop in oil prices and the impact of the global climate agreement reached in Paris raises serious questions. The world has changed fundamentally in the past 18 months, and Exxon seems unwilling to acknowledge this.

"It appears the SEC is now reviewing whether Exxon failed to adequately consider such risks due to pending and planned carbon-reducing regulations, such as a price on carbon pollution.

"The SEC take this issue seriously is a major step forward.

More: www.wsj.com/articles/sec-investigating-exxon-on-valuing-of-assets-accounting-practices-1474393593 plus www.ceres.org/disclosure/disclose-what-matters

Source: Ceres, 23rd September 2016. ❖

An 'Unexpected' Outcome of Climate Change and Weather Events

"On a steamy hot afternoon, Arbie Goings was out looking for the itinerant dead. Mr. Goings, a veteran of disaster mortuary work, has been acting for the past few weeks as a 'cemetery recovery consultant' here in the part of Louisiana that saw the worst of recent flooding. The cemetery here was certainly in need of recovery: coffins were strewn about, floodwater-filled graves sat empty and there was no way to tell which coffin went where.

"What possibly lay in store, as Mr. Goings had discovered multiple times over the last decade, were searches through waterlogged funeral home records, wrenching family decisions about the opening of coffins, the dreadful risk of wrong guesses and the prospect that no definite identification could be made at all.

"But for this macabre and peculiar undertaking, what other system is there? 'We've talked about bar codes', said Mr. Goings, whose own house had flooded. 'Walmart moves billions of boxes with bar codes. It seems to work pretty well.'

"Catastrophe is the mother of invention, a lesson few other states have had to learn quite as harshly as Louisiana. With an ever-sinking coast and a front-line position for the fiercer hurricanes and other weather threats related to climate change, the state has begun to advertise itself as a disaster laboratory, a place to figure out how to combat storm surge or how to resettle imperiled communities – or how to keep track of the dead

More: www.nytimes.com/2016/09/19/us/we-built-an-app-keeping-track-of-louisianas-flood-tossed-dead.html

Source: *The Weekly Genealogist*, NEHGS, 22nd Sept. 2016.

Editor: Similar issues will arise in NZ and elsewhere. ❖

Risk and Return: Two Workshops to Help You Sell the Benefits of Risk-based Training – PLUS – Simple Test to Rate Your Risk Appetite

"Sustainability guru Bob Willard offers help to environment and sustainability professionals whose executives are pushing back on sustainability and asking, 'Why should we bother with all this environmental and social stuff?'

"Bob says what they really want is answers to the 'Big Three Whys' executives must ask of any value proposition – not just sustainability initiatives:

- Is it the right thing to do?
- Is it the financially rewarding thing to do?
- Will bad things happen if we don't do it?

"These are the top three of ten 'whys' any executive or board should ask, but Bob notes that answering a simple 'Yes' to those questions may need a detailed cost-benefit analysis to back it up.

"This assessment is essentially about risk and return – the topics of my next two workshops:

- *Liability to Viability: the risks the environment poses to businesses* → 4th October, Auckland
- *ROI: the financial return on investment on environment and sustainability training* → 18th October, Auckland.

"Risk starts with understanding your personal and organisational risk appetite. Download my **risk appetite self-assessment chart** and work out your score on a scale across four risk zones:

- Stagnation and vegetation – Extreme risk-aversion and the risk of doing nothing
- Prudence and common sense – A sound appreciation of risk as a sensible business tool
- Nothing ventured, nothing gained – Risk perception as a creative business tool
- Delusion and denial – The fool's heedless path to well-deserved failure.

"How would you score yourself and your organisation?'

More: www.clarefeeney.com/training/current_workshops/ plus www.clarefeeney.com/whats-your-risk-appetite-take-a-simple-test-to-rate-your-own-and-that-of-your-organisation/

Source: Clare Feeney, 15th September 2016. ❖

Today I Learned: Bees Could Help Save Elephants – By Scaring Them

"Elephants versus bees: Who wins? In one corner, you have the African elephant, weighing in at around 2,000 pounds. In the other, the tiny African honeybee, weighing about one-tenth of a gram. Seems like a quick win for the elephant, but the African honeybee is a fighter, armed with an aggressive temperament and hundreds of friends ready to join the fight. An elephant's thick hide shields its body from most stings, but it has a weakness: its trunk. Ever have a bee fly up your nose? Ouch! No wonder elephants run when they hear bees buzzing.

"Who's the real winner, though? Turns out it's probably elephants. Conservation groups have developed innovative ways of using elephants' fear of bees to protect them from potentially dangerous conflicts with humans. By harnessing the bees' buzz, conservationists can actually save elephants.

More: <http://video.nationalgeographic.com/video/TIL/160906-sciex-til-paula-kahumbu-elephants-bees> 1:33

Source: National Geographic, 24th September 2016. ❖

Water Footprinting Workshop

With a focus on the primary sector participants in this workshop will hear from water management experts, and have an opportunity to explore the role of water footprinting in the context of;

- Global, national and local water resources are increasingly under pressure in the face of growing demand for food production and economic development around the world.
- 'Greenwashing' is no longer tolerated as companies seek to demonstrate their environmental credentials on a global stage.
- Can water footprinting approaches support New Zealand's primary sector companies to differentiate their products in international markets?

When/Where: 11th November 2016, Massey University, Wellington

More: <http://lcm.org.nz/water-footprint-workshop-0>

Source: Sarah McLaren, 27th September 2016. ❖

Risk Based Approach to Natural Hazards Under the RMA

"As part of the initial scoping for a National Policy Statement (NPS) on natural hazards, Tonkin and Taylor carried out some research on using a risk based approach to natural hazard management under the RMA, and made some recommendations for what could be included in a NPS. This is their final report.

"While the report provides recommendations for possible NPS content, it is not government policy and does not necessarily reflect the direction for the content of the proposed NPS.

"Publication Ref. CR234, September 2016, 1.25Mb, 102 pages.

Executive Summary

".....Tonkin +Taylor's work to develop recommendations on a NPS and related guidance has included:

- Analysis of the relevant regulatory context including proposed changes to the Resource Management Act (RMA);
- Analysis of the international standard ISO 31000:2009 Risk management – Principles and guidelines and its supporting Handbook for good practice risk management process;
- An extensive literature review; and
- Analysis of six New Zealand case studies.

"Information from the research and analysis has been used to determine:

- Good practice for risk management in natural hazards planning;
- Issues and challenges to achieving good practice; and
- What would overcome the barriers to good practice?

"A set of recommendations for a NPS and other national level guidance or interventions is provided drawing on the outcomes of the research and analysis; the expertise and experience of the T+T team of natural hazards experts, and our independent challenge team. Recommendations are made on:

- The structure and content of a NPS, including some suggested 'strawman' text;
- Content and nature of supporting guidance and tools;
- The process to develop the NPS and related guidance and tools; and other interventions.

More: www.mfe.govt.nz/publications/natural-hazards-management/risk-based-approach-natural-hazards-under-rma

Source: Marje Russ, T+T, 15th September 2016. ❖

Zero Tillage

"When asked what the linkage is between food security and climate change, most people don't have a ready answer. Some see climate change as threatening how well food plants will grow in future, but they don't see many other obvious linkages.

"In fact, the linkage between the two is fundamental to our very existence. But more importantly, how soil and plants affect climate change is more important than how climate change affects plants and soil.

"And it all revolves around carbon.

"Most of the excess carbon dioxide in the atmosphere has come from the soil in one way or another. The primary culprits are fossil fuels (oil, gas and coal) that are all mined from deep within the soil. Less is known about carbon's role in the top soil that grows our food, even although this contributes up to 20% of atmospheric CO2 because of what mankind does to it when growing plants.

"Farmers started cultivating the soil centuries ago in order to grow food in bulk. The first [heavy] plough appeared in the 1100s and now everyone knows what a plough is. It has become one of the most recognisable icons of agriculture. And most home-gardeners still religiously dig the soil in order to grow their healthy plants on a smaller scale.

"But little did either group know digging and ploughing are about the worst possible things anyone can do to soil. Not only does soil disturbance contribute to climate change, it gradually kills off the soil biology on which our very existence on earth is dependent....

"It's almost like the game of rugby repeating itself? Just like rugby, low disturbance no-tillage was not invented in New Zealand. But just like rugby, NZ perfected it to a level that is superior to anything else in the world. Unless the rest of the world follows NZ's lead, they will suffer in the same way as other rugby-playing nations have suffered. Only this time, the stakes are people going hungry rather than losing a rugby match.

"And this is even more important than climate change!

More: <http://pureadvantage.org/news/2016/09/06/5345/>

Source: Pure Advantage, 22nd September 2016. ❖

Sustainability Reporting Gives Local SMEs the Chance to Go Big

"Small and medium-sized enterprises (SMEs) in six developing countries will get a better chance at bringing their products to the global market as a result of participating in a sustainability reporting programme.

"The Global Reporting Initiative (GRI) and the Swiss State Secretariat for Economic Affairs announced on 5th September the start of the second phase of the Corporate Sustainability and Reporting for Competitive Business. The programme seeks to help local businesses in developing countries gain better access to global value chains by integrating transparency and sustainability reporting into their processes.

"As more international companies seek to source products from local businesses that report their environment, social and government (ESG) impacts transparently, there has been a demand from local businesses to align with this in order to compete globally, observed GRI. GRI also believes entering global value chains could create more jobs and income opportunities for people, while upholding fair labour practices and sustainable use of natural resources.

More: www.eco-business.com/news/sustainability-reporting-gives-local-smes-the-chance-to-go-big/

Source: eco-Business.com, 21st September 2016. ❖

Contributions and feedback are welcomed.

Send your news items, handy hints, case studies, suggestions, comments and questions to Ray Skinner of *Sustainability Matters*.

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