

Sustainability Matters

24th Nov 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.**

Sanford Issues 2016 Integrated Report

Following hard on the heels of winning the Gold Award for its 2015 integrated report in June at the 2016 Australian Reporting Awards (www.arawards.com.au/specials) Sanford issued its third integrated report on 16th November.

"This, our third integrated Annual Report, focuses on Care.

Uncompromising Care in everything we do, from ensuring healthy oceans, protecting our environments, enabling our people and supporting enduring communities and partnerships to a sustainable business that produces healthy food.

"This Report is our authentic report to you, our stakeholders, on how we are delivering on that care. We always strive to do what's right, but sometimes we need to do better still. Our intention is that this Report shows how Care drives everything we do. Every day. Everywhere.

"Each of these chapters starts with the global context, showing how we contribute towards achieving the United Nations (UN) Sustainable Development Goals (SDGs).

"The related material issues and value creation are then presented, focusing on what matters most to our stakeholders and the business, alongside progress against our 2016 targets. Case studies and achievements bring our reported data to life, describing our challenges and achievements. Each chapter concludes with a 'future focus' setting out our targets for 2017 and beyond, moving us towards our 2025 aspirations and ultimately our vision. Our key performance indicators are documented from page 134, and our financial statements from page 139. (Page 8)

A key element of the report is the Business Excellence Framework (Pages 5 and 6.)

More: www.scoop.co.nz/stories/BU1606/S00379/sanford-takes-sustainability-and-integrated-reporting-awards.htm, plus www.scoop.co.nz/stories/BU1611/S00640/sanfor-move-from-volume-to-value-helps-boost-profit-152.htm and www.sanford.co.nz/investors/reports-1/company-reports/2016/2016-annual-report/, 190 pages, 9Mb

Source: Clare Feeny 17th November 2016. ❖

Water Loo

"November 18th was the little-known World Toilet Day. The WC is an amenity we often take for granted. But of the world's 7 billion people, 2.4 billion people do not have 'improved sanitation' and one billion people still defecate in the open according to the World Toilet Organisation.

More: <https://charteredaccountantsnz.com/en/Site-Content/Business-Trends-Insights/Acuity/November-2016/The-toilet-revolution.aspx>

Source: *Acuity*, November 2016, page 15. ❖

SUSTAINABILITY GROUP EVENTS

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



Announcements in 'due course'. ❖

A Resource of Resources

The **Sustainability Matters**, web site is being revamped. As part of that, acting upon longstanding suggestions of readers of the newsletter *Sustainability Matters*, Ray Skinner has recently added some resources about 'sustainability'.

These include 121 books, films and similar, plus 70 items such as standards, protocols, guidelines. Considerably more could be teased out from the 15 years of newsletters.

There is also potential to add other categories such as a compendium of online tools and a readily accessible list of sustainability-centric trainers/educators and consultants.

The content currently provided for each entry is quite extensive. Consequently even though the tools used are 'mobile friendly' devices with small screens may be 'challenged'.

Your feedback would be appreciated on issues such as;

- Is there value to you in providing such information?
- What other categories of material would be useful?
- How could the content be enhanced?
- How could the presentation be improved – without requiring expense to be incurred? (The website uses *WordPress*, plus the *TablePress* plug-in which is the 'best-in-class' but has inherent limitations.)
- What else comes to mind?

More: www.sustainabilitymatters.co.nz/resources/

Contact: ray@sustainabilitymatters.co.nz. ❖

The GRI Standards

"The GRI Standards represent the global best practice in sustainability reporting. They are designed to be used as a set by organisations to report about their impacts on the economy, the environment, and society.

"The GRI Standards contain all of the main content and disclosures from the G4 Guidelines – no new topics have been added. Impacts on the reporting process will be minimal for existing G4 reporters. Any changes to the structure of the content are explicitly described in the 'Mapping G4 to the GRI Standards' tools below.

"The modular structure of the Standards is flexible, and the new format gives reporters clear distinctions between reporting requirements, recommendations and guidance. Key concepts are also clearly defined, making the Standards accessible for new reporters.

"The resources and tools below provide support for new and existing reporters using the GRI Standards....

More: www.globalreporting.org/standards/gri-standards-download-center/ plus www.environmentalleader.com/2016/10/19/what-you-need-to-know-about-the-gri-sustainability-reporting-standards

Source: GRI, 19th October 2016, plus *Environmental Leader*, 20th October 2016. ❖

SBN Awards 2016

The NZI Sustainable Business Network Awards, which are now in their 14th year, celebrated on Thursday [17th November] the contribution organisations and individuals are making to transforming New Zealand to a more sustainable nation. There were special congratulations to Air New Zealand, winner of the supreme award 'Greatest Contribution to a Sustainable New Zealand'. Accolades went to;

Sustainability Champion

Winner – Barry Coates, Green Party, formerly Oxfam and The University of Auckland

Commendation – Gareth Morgan, The Morgan Foundation

Communicating Sustainability

Winner – Better NZ Trust

Community Innovation

Winner – Ecotricity

Commendation – Kiwibank and Banqer

Commendation – Little Yellow Bird

Community Impact

Winner – Sustainability Trust

Commendation – Good Neighbour Trust

Mega Efficiency Innovation

Winner – Ecotricity

Commendation – Energy and Technical Services

Commendation – Method Recycling

Mega Efficiency Impact

Winner – Kiwi Experience

Commendation – Fulton Hogan/Tauranga Airport Authority

Renewables Innovation

Winner – NZ Bus

Commendation – Scion

Commendation – Flick

Renewables Impact

Winner – Air New Zealand

Commendation – ChargeNet

Restorative Innovation

Winner – Ekos

Commendation – Junk Run

Restorative Impact

Winner – Ceres Organics Commendation – We Compost

Commendation – ZingBokashi

Energy Management

Winner – NZ Bus

Commendation – Fonterra Edendale site

Greatest Contribution to a Sustainable New Zealand

Winner – Air New Zealand

Commendation – Ceres Organics

More: <http://sustainable.org.nz/sustainability-news/awards-oh-what-a-night> [Were you among the almost 600 people there?], plus <http://sustainable.org.nz/awards/>

Source: Editor; 21st and SBN 22nd November 2016. ❖

Natural Capital – Finance Sector Supplement

The Natural Capital Coalition is developing a supplement to its natural capital framework to provide guidance to help financial institutions incorporate the consideration of natural capital impacts and dependencies into their lending, investment and insurance practices and processes. The engagement phase runs through to 9th December 2016 with consultation occurring April – June 2017. Participation is invited.

More: <http://naturalcapitalcoalition.org/projects/finance-sector-supplement/>

Source: Clare Feeney 23rd November 2016. ❖

Watch Humans Go From a Tiny Group in Africa to 7 Billion in 5 Minutes

"Here's a fun distraction after a long week.

"It's been a bad week for a lot of Americans. How about an interesting distraction?

"The video above, from the American Museum of Natural History, shows essentially all of human history in just six minutes. It shows humanity spreading across the world over a few hundred thousand years – even as our population remained under 1 million. After that came the rise and fall of many empires and civilizations, plagues, wars, and so on – all the way to our current population of around 7 billion.

"Here are some of the notable moments in the video:

- About a minute in, the map begins tracking population in the millions – showing the rapid expansion of humanity with the advent of farming.
- Around 3:15, in the 13th century, the Mongol Empire rises, invading its neighbors, expanding quickly, and killing huge segments of the population. The Mongol conquests are still considered [among of the deadliest wars in history](#), killing tens of millions of people at a time when the world population was much smaller – around 360 million.
- Around 3:30, in the 14th century, the bubonic plague spreads around the world, [killing](#) more than 20 million people in Europe – nearly one-third of the continent's population – and 75 million around the world, when the global population was about 380 million. Combined with the Mongol conquests, this created the first lengthy period in which human population actually declined.
- Around 4:10, in the 18th century, the world population begins to explode thanks to the Industrial Revolution and modern medicine. From 1800 to 2015, the global population grew from about 1 billion to nearly 7 billion. And the population is projected to peak at about 11 billion around 2100.

"It's a pretty insightful, inspiring look at how far humanity has come – from a tiny group of people in Africa to 7 billion people all around the world. So make sure to watch the full video above.

More: www.vox.com/2016/11/12/13600834/human-world-population-video

Source: Malcolm Rands, Facebook share 17th November 2016

Editor: 'Staggering'. ❖

Lecturer in Management and Sustainability

"The School of Management, which is housed in the Massey Business School invite applications from academic scholars who are researching in the area of sustainable management, are able to deliver teaching across all levels and supervise research students....

"Based at the University's Auckland campus, in Albany, you will have cross-school teaching in the area of organisational communication and cross-school responsibility for leading and developing a programme of co-curricular initiatives in entrepreneurship. Dubbed as the 'Innovation campus'; its focus is on transforming smart ideas into valued products, tools and services with social, environmental and economic benefits. With over 70 majors on offer, the academic staff and students are well connected through research activity, partnerships, internships as well as learning institutes and key organisations around the globe....

"To be successful in appointment, you will have a PhD conferred, demonstrated teaching and research expertise in in Management and Sustainability and a track record of research outputs....

More: www.linkedin.com/comm/jobs/view/204994607

Source: LinkedIn Jobs, 16th Nov. [Posted 26 days prior]. ❖

Tiny Houses, Big Ideas

Volume 6 | Issue 3 | Page 34-35 | May 2015

"In a time when the 'American Dream' tells us bigger is better, people are downsizing their space to make more room in their lives. Tiny Houses are small homes, often built by their owners, between 150 and 300 sq ft with a focus on simplicity and minimalist living. This trend in housing is a stark contrast to current housing in America and has been gaining support over the past few years.

"American homes have largely stayed the same for the past 60 years with two main exceptions: size and cost. In 1950, the average home was just shy of 1,000 square feet and cost an average US\$7,354. Compare this to today's homes of 2,385 square feet at an average cost of US\$343,300.

"The real noteworthy concept here is the income to home cost ratio:

- 1950: (median household income: US\$4,237, average house cost: US\$7,354)
- 2015: (median household income: US\$51,939, average house cost: US\$343,300)

"During this time, while the size of homes has more than doubled, family size has decreased from an average of 3.67 to 3.13 people. Houses have gotten a lot bigger but also much more expensive. In 1950, only those with very good credit could qualify for a 15-year mortgage, while today most loan applicants are securing 30 and even 40-year mortgages just to make owning a home possible.

"All this is to say that housing has become unaffordable to more and more people due to a shrinking middle class, higher costs of living, and decreased buying power of our incomes. It's clear to many that something needs to change. The average American now spends 33 to 50% of their income on housing.

"This lifestyle has allowed me to start my own business, to spend more time with family, and to pursue life goals that had been long deferred. Since moving into a Tiny House, I've been able to write and publish a book, travel for six months out of the year, and pursue some key passion projects that weren't attainable in my life before.

"To think that today I spend almost half the year traveling the world, while earning a good living and being more financially stable is a life most could only dream of. Yet this is my reality and the reality of most people who live Tiny.

"Finally, a few quick tips on how to make your way to The Tiny Life:

More: www.thesolutionsjournal.com/article/tiny-houses-big-ideas/

Source: Editor, 17th November 2016.

Editor: It seems the author lives alone. Even so the general principles could be widely applicable. ❖

Global Carbon Budget 2016 Published

For the third year in a row, global carbon dioxide emissions from fossil fuels and industry have barely grown, while the global economy has continued to grow strongly. This level of decoupling of carbon emissions from global economic growth is unprecedented.

More: <https://theconversation.com/fossil-fuel-emissions-have-stalled-global-carbon-budget-2016-68568> plus www.futureearth.org/europe/low-growth-global-carbon-emissions-continues-third-successive-year for short video

Source: Gordon Shaw, LinkedIn Sustainable Business Leaders in NZ, 15th Nov 2016

Editor: For technophobes the paper, data, and a myriad of figures from the GCP website at www.globalcarbonproject.org/. ❖

Reconnect to the Biosphere

"Why we have to stop considering nature and the environment as something separate from society?

"The social-ecological approach and the concept of ecosystem services, the benefits humans derive from ecosystems, have been key in the research of the centre since its inception.

"Why? Because in our globalised society, there are virtually no ecosystems that are not shaped by people and no people without the need for ecosystems and the services they provide. People and nature are truly intertwined in what we refer to as social-ecological systems.

"Economies and societies are fundamentally integrated with what is called the biosphere, the thin sphere around the planet which supports all life on Earth. This includes the life-supporting ecosystems that provide us with a hospitable climate, clean water, food, fibres and numerous other goods and services.

"However, this integration is often not reflected in either policies or human behaviour. Globalisation is one explanation for the disconnection between humans and nature. During the last 200 years, and particularly after World War II, economic development, international collaboration, technical and social innovation, improved health and wealth have all contributed to boost the standard of living for most people.

"Within the same period of time, the Earth's ecosystems have started to show signs of fatigue, not only at local levels, but also at larger geographical scales. More than half of the planet's ecosystem services that support human well-being have been assessed as being degraded or used unsustainably..... To reconnect the human mind to the biosphere, there's the need for a mental change.

"It is time to realise that societies and economies are integral parts of the biosphere and start working on more adaptive ways of governing our natural capital, not for the sake of the environment only, but for our own development. Poverty alleviation and future human development cannot take place without a wider recognition of nature's contribution to our well-being, health and security.

"It is time for a shift in perception – from people and nature seen as separate parts to interdependent social-ecological systems. Reconnect.

More: <http://stockholmresilience.org/research/research-news/2015-02-19-reconnect-to-the-biosphere.html>

Source: Stig Ehnbohm, 31st October 2016

Editor: Additional interesting thinking and research at <http://stockholmresilience.org/>. ❖

SASB Releases Robust Research and Analytics Tool

"The Sustainability Accounting Standards Board™ (SASB)™ today [20th Oct] launched the SASB Navigator, a platform that combines financially material sustainability information with data and analytics to help users understand and analyse industries' and companies' sustainability performance and disclosure.

"The SASB Navigator provides asset owners, asset managers, corporate professionals, lawyers, consultants, and accountants with actionable material information not available anywhere else. On the SASB Navigator, users can analyse disclosure quality of SASB topics for 4,000+ companies' public filings, examine and benchmark against industry performance for SASB metrics, access evidence of financial impact, and receive topic alerts to stay informed on emerging evidence....

More: www.prnewswire.com/news-releases/sasb-releases-robust-research-and-analytics-tool-300347955.html plus <https://navigator.sasb.org/>

Source: SASB, 21st October 2016.

Editor: Cost \$1,200pa with \$200 discount to 31st Dec 2016. ❖

Sustainable Coastlines' Campaign to Build 'The Flagship Education Centre'

"Charity group Sustainable Coastlines recently launched a crowd-funding campaign to help complete The Flagship Education Centre – a unique and ambitious re-locatable building planned for Auckland's Wynyard Quarter.

"The campaign, run throughout the month of November through the Kickstarter website, asks supporters to make small or large contributions to help raise the \$60,000 critically needed to finish this exciting project – in return for a range of rewards. When completed, The Flagship could be the most sustainable building in New Zealand.

"Made almost entirely from upcycled and salvaged materials, this purpose-built event, education and training space will be a showcase for sustainability, bringing a range of creative and inspiring projects to the area. Open to the public, The Flagship will grace the corner of Beaumont and Madden Streets from early 2017.

"The funding from this campaign will ensure the charity can reach its ambitious goal of registering the centre as a fully-certified 'Living Building' – the world's most rigorous sustainable building certification.

"The centre represents a major step for Sustainable Coastlines in its mission to help people look after waterways and coastlines by significantly increasing its ability to deliver the large-scale training and education needed. It simply needs your support to finish the building.

More and to fund the project:

www.kickstarter.com/projects/1105302897/help-us-complete-the-flagship-education-centre

Campaign ends: 5:00pm, 30th November 2016

Source: Camden Howitt, Sustainable Coastlines, 16th Nov. ❖

How Inequality Made These Western Countries Poorer

"Rising inequality holds back economic growth -- according to a recent [report by the Organization for Economic Co-operation and Development](#) (OECD).

"The organisation, which is primarily composed of high-income countries, analysed economic growth from 1990 to 2010 and found that almost all 21 examined countries missed out on economic growth due to rising inequalities. (We take a closer look at the countries that were hardest hit in the second half of this post.)

"When income inequality rises, economic growth falls, the authors of the report concluded. They explained their findings by pointing out that wealth gaps hold back the skills development of children – particularly those with parents who have a poorer education background. In other words: A lack of access to high-quality and long-term education among poorer citizens in many OECD countries hurts the economy.

"The authors did not examine the impact of a country achieving zero inequality (something that would come close to idealised communism), but used inequality levels and economic growth in 1990 as their reference, which they compared to data from 2010.

"The wealth gap in OECD countries is now at its highest level since 30 years, as this chart below shows. [Graph shows NZ very high in the inequality stakes – and there's more.]

More:

www.washingtonpost.com/news/worldviews/wp/2015/01/05/how-inequality-made-these-western-countries-poorer/

Source: Mike Finlayson, Facebook post, 22nd October 2016. ❖ **Source:** Editor 16th November 2016. ❖

Rod Oram: Agriculture's Great Opportunity to Lead the Low Carbon Race

"New Zealand is unique in the world when it comes to agriculture and climate change, our government and farmers tell us.

"No we aren't, the United Nation's scientists prove to us.

"Globally, agriculture, forestry and other land uses account for 24% of human-induced greenhouse gases. Only electricity and heat production are bigger at 25%, followed by industry at 21%, transport at 17%, other energy at 11% and buildings at 6%.

"The response by countries is also gaining momentum. For example, most have included agriculture in their pledges in Paris last year to cut emissions substantially by 2030.

"In this encouraging landscape New Zealand stands out as a do-nothing contrarian. Our government has excluded agriculture from the Emissions Trading Scheme. This relieves farmers of the need to change while dumping the financial burden of their inaction on other sectors, taxpayers and consumers.

"The government said in its ETS report last year it won't include agriculture until 'there are economically viable and practical technologies available to reduce emissions' and 'our trading partners make more progress on tackling their emissions in general.'

"But both those conditions are being met. In denying so, the government is being deeply deceitful. It is setting New Zealand up for grave economic and reputational damage.

"Existing, economically viable opportunities to begin reducing agricultural emissions were clearly laid out in the Parliamentary Commissioner for the Environment's report of 19th October, available at www.pce.parliament.nz/publications/climate-change-and-agriculture-understanding-the-biological-greenhouse-gases...

"We can turn agriculture from our worst climate change liability into our most profitable low carbon opportunity.

More: www.stuff.co.nz/business/farming/85791828/rod-oram-agricultures-great-opportunity-to-lead-the-low-carbon-race

Source: Kit Withers, 31st October 2016. ❖

Measure What Matters: A Framework for Action – Global Goals that work for Business, Government and People

"Based on Measure What Matters research and consultations the following actions are suggested to help forge alignment between different measurement systems at the corporate, national and global levels for; government, business, investors and civil society.

"On 12th July 2016 His Royal Highness The Prince of Wales convened a global forum, 'Measure What Matters: a Framework for Action', in London. The forum is the culmination of the three year Measure What Matters initiative and included the launch of a report – *Global Goals that work: For business, government and people*. The focus of the framework is the Sustainable Development Goals.

More: www.accountingforsustainability.org/media-centre/measure-what-matters-a-framework-for-action plus <http://measurewhatmatters.info/project-updates/report-global-goals-that-work-for-business-government-and-people/>

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