

Sustainability Matters

8th Dec 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.**

Youths Turn Up the Heat

"A few weeks ago, a federal judge in Oregon made headlines when she ruled that a ground-breaking climate lawsuit will proceed to trial. And some experts say its outcome could rewrite the future of climate policy in the United States.

"The case, brought by 21 youths aged 9 to 20, claims the federal government isn't doing enough to address the problem of climate change to protect their planet's future – and, they charge, is a violation of their constitutional rights on the most basic level. The case has already received widespread attention, even garnering the support of well-known climate scientist James Hansen, who has also joined as a plaintiff on behalf of his granddaughter and as a guardian for 'future generations'.

"The U.S. government under President Obama, along with several others representing members of the fossil fuel industry, filed to have the lawsuit dismissed. But on 10th November, federal judge Ann Aiken denied the motion, clearing the case to proceed to trial. According to, the non-profit representing the youth plaintiffs, a recent case management conference indicated that the case would likely go to trial by summer or early fall of 2017.....

"I see across the U.S. the number of governors and the number of mayors who are pursuing climate change agendas in their own places with great vigour", Esty said. 'I expect that that will continue to be an important element of why the United States moves forward on its climate change agenda, even if there's some resistance from a Trump administration.' 'And even if the federal lawsuit fails, its effects could still reverberate in other ways. It's opened up a new legal avenue for fighting climate change that may become more common in the future, May said.

"And according to Esty, the case may end up serving as a source of inspiration to young people across the world who might, in their own countries and in their own legal context, decide they should pursue court cases or other legal action against those who appear to be foot-dragging on the issue of climate change.'

"..... , Our Children's Trust is already supporting similar cases in several other countries, including Pakistan and Uganda.

"I think we will win this case, and it will transform our federal climate policy so that it's focused on protecting the constitutional rights of young people', Olson said. 'But I agree that whichever way the case goes, it is serving a very important purpose in reframing the climate crisis as one which affects human rights, and fundamental rights that citizens of the United States hold, and also citizens of other nations across the world.'

More: www.washingtonpost.com/news/energy-environment/wp/2016/12/01/trump-could-face-the-biggest-trial-of-the-century-over-climate-change/

Source: NZ Herald, pages A28/A27, 3rd December 2016. ❖

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. ❖

Two Seafloor Tidal Power Experiments

"The first underwater turbines are connected to Scotland's power grid...

"Two turbines installed off Scotland's coast aren't harnessing the country's winds to generate power. Instead, these blades are spinning underwater, using an even more predictable renewable power source in the region – tides.

"The offshore array is the world's first network of tidal turbines to deliver electricity to the power grid, according to Nova Innovation, the company behind the development

"Seven years after the Atlantic Ocean mercilessly chewed up its last attempt to harness the tides, on Tuesday Nova Scotia finally fulfilled its decades-long dream to put an underwater wind turbine on the floor of the Bay of Fundy...

"Dubbed the Open-Centre Turbine, the 1000-tonne, 10-blade device was lowered to the ocean floor earlier this month before being plugged into the Nova Scotia power grid via underwater cable.

More:

www.joboneforhumanity.org/the_tide_is_turning_for_a_new_source_of_green_energy plus www.joboneforhumanity.org/nova_scotia_just_fulfilled_its_longstanding_dream_to_harness_the_tides_with_an_underwater_windmill

Source: Editor, 5th December 2016. ❖

SUSTAINABILITY GROUP EVENTS

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



Announcements in 'due course'. ❖

Government Forms Climate Change Adaptation Technical Working Group

"New Zealand's Climate Change Minister Paula Bennett has brought together a panel of 10 experts to provide advice to government on how New Zealand can build resilience to the effects of climate change. The group has also been tasked with taking into account 'sustainably growing our economy' ...

"New Zealand needs to be better prepared to adapt to the effects of climate change. To help achieve this, Minister for Climate Change Issues Paula Bennett has asked a group of technical experts across government and the private sector to provide advice on options for adapting to the effects of climate change ...

"Their advice will be based on sound evidence, starting with a stocktake of existing adaptation work across central and local government and the private sector. ...

"Climate change adaptation technical working group members;

- Dr Judy Lawrence (Co-Chair) Dr Lawrence is Adjunct Research Fellow, Climate Change Research Institute, Victoria University Wellington
- Penny Nelson (Co-Chair) Ms Nelson is responsible for the MoE's strategy and evaluation functions, environmental monitoring and reporting, as well as the Ministry's interests in the science system and climate change
- Frances Sullivan, Principal Policy Advisor, LGNZ
- James Hughes, Associate Director – Climate and Resilience, AECOM
- Bryce Davies, Senior Manager Government and Stakeholder Relations, IAG
- Bruce Wills, farmer and businessman
- Sam Dean, Chief Scientist, Climate and Atmosphere Centre, NIWA
- Kirk Hope, Chief Executive of BusinessNZ
- Whaimutu Dewes, Lead Advisor to the Climate Change Iwi Leaders Group.

"Focus is on adaptation and ignoring the benefits of mitigation.

"The Group will not revisit New Zealand's climate change targets, look at options to mitigate climate change, get involved with international negotiations, investigate options which would replace or discontinue the New Zealand Emissions Trading Scheme, write policy, or develop regulations or legislation."

More: www.mfe.govt.nz/climate-change/adapting-climate-change/climate-change-adaptation-technical-working-group

Source: Editor, 30th November 2016.

Comment: No biologists or similar, or from health sector among the team, nor Treasury which is apparently considering setting up a working party looking into how much climate change-induced sea-level rise will cost the country. ❖

It's Different This Time. Are we Ready? And How Will it End? SingularityU NZ

An excellent summary by Simon Harvey of day 3 of the recent summit in Christchurch attended by about 1,400 people.

More: <https://www.linkedin.com/pulse/its-different-time-we-ready-how-end-day-3-nz-summit-simon-harvey>

Source: Simon Harvey, LinkedIn News, 23rd Nov. 2016.

Editor: Formation of Ministry of the Future seems to be a great idea. A challenge I have is marrying all this up with the real issues faced by many people throughout the world and who are facing substantial challenges – the hugely deprived and dispossessed for example. I wonder what the outcome would be if we put our energy and resources in to that. As an example, resolving leprosy which after millennia is still a scourge for many. Of 7.4 billion people 2.4 billion do not have appropriate sanitation. Are solutions for 'real' issues being sought? ❖

Kathmandu Sustainability Report

"Kathmandu increased their use of sustainable cotton from 38% to 59% in 2016 according to their 2016 Sustainability Report.

"Consumers are becoming increasingly aware of the environmental and social impacts of cotton in the clothing they wear, particularly as these issues come up in films like 'The True Cost'. Kathmandu's goal is to phase out conventional cotton completely by 2020.

"We care about promoting and protecting workers' rights throughout our supply chain, and improving working conditions," says Textile R&D and Responsible Materials Manager Manu Rastogi. "We also care about sustainability and protecting the outdoor environment we love to play in...."

"Kathmandu is a recognised leader in sustainability. The company won the Large Business Sustainability Leadership award at the 2016 Banksia Sustainability Awards [Australia] on 30th November. The Banksia Foundation has been promoting sustainability with its annual awards since 1989. It is Australia's most prestigious and longest running sustainability awards program.

More:

http://img.scoop.co.nz/media/pdfs/1612/Kathmandu_2016_Sustainability_Report_Media_Release.pdf Report = 34pages, 4.84 Mb, GRI framework, not audited.

Source: Editor, 5th December 2016. ❖

Chernobyl Reactor Safely Confined

"Thirty years after the nuclear disaster in Chernobyl, the radioactive remains of the power plant's destroyed No.4 reactor have been safely enclosed following one of the world's most ambitious engineering projects.

More:

www.nytimes.com/2016/11/29/world/europe/chernobyl-disaster-cover.html with excellent video

Source: *ENS News*, 7th December 2016. ❖

Sustainability a Big Deal for Rail Link

"Auckland's City Rail Link (CRL) project is on track to deliver substantial sustainability benefits, according to its annual review released this week [1st week December 2016]."

"CRL Project Director Chris Meale says the aim is to build New Zealand's largest infrastructure project while creating the least possible waste, using minimal resources, choosing the right resource and method for the task and contributing to Auckland's social fabric.

"Embedding sustainability within the thinking of the CRL management team and our contractors has been key to our current success in this area. We want to set the benchmark for delivering sustainable infrastructure in New Zealand."

"Construction has begun on the CRL which will connect Britomart with two new underground train stations (mid-town near Aotea Centre and at Karangahape Road) and a redeveloped Mt Eden station where it will join the western line and create an efficient two-way rail system.

"During the current construction, the team is working on key sustainability targets with its contractors and so far is achieving success.

"Chris Meale says that the CRL itself will offer major environmental benefits. In Auckland, transport is responsible for about 40% of greenhouse gas emissions with the majority from road transport...."

More: <https://at.govt.nz/media/1972000/crl-sustainability-annual-review-2015-2016.pdf> 38 pages 5.23Mb, plus <https://at.govt.nz/projects-roadworks/city-rail-link/sustainability/>

Source: *Scoop*, 2nd December 2016. ❖

NZX Publishes Corporate Governance Code Submissions

"NZX has published the non-confidential submissions received from interested parties in response to its proposed updated NZX Corporate Governance Best Practice Code (NZX Code).

"NZX published this proposed code in August, which is based on a three tier structure comprising of principles, recommendations and commentary. This is the first substantive update to the NZX Code since 2003, and the second stage of consultation continued the strong engagement to this review, with submissions received from Australia and the United Kingdom, as well as major governance groups, issuers, corporate firms and investors in New Zealand.

"NZX received 43 submissions. It will now consider feedback received before publishing the final NZX Code, which is intended to be released in Q1 2017.

"A list of the parties who made submissions to the second stage of the review is below, and full submissions can be found at; www.nzx.com/regulation/corporate_governance_submissions

"Further background, including the initial consultation paper, discussion document, and previous submissions, can be found at: www.nzx.com/regulation/consultation

"**NOTE:** Should you have any questions, or wish to discuss, we are happy to talk through the consultation papers and discuss feedback.

Source: Lucy Revill, Policy Advisor, NZX 29th November.

More: www.nzx.com/regulators/NZXR/announcements/293441

Editor: All the submissions, including excellent ideas such as those from the McGuinness Institute. ❖

Goodwill Helping Growing List of Retailers, Consumers Eliminate Waste

"Mission-driven start-up Give Back Box® was founded in 2012 by Monika Wiela, who at the time was running an online shoe store. The idea was inspired by a homeless man she encountered in Chicago, who was holding up a sign saying he needed a pair of shoes. Wiela returned later that day with shoes for him, but he was gone. She spent that night thinking about what she could do with all the empty boxes in her warehouse and also help people like that man, and a new social enterprise was born.

"As Wiela researched further, she learned, an estimated 11 million tons of clothing, footwear, towels, bedding, drapery, and other textiles end up in U.S. landfills every year. In addition, online shopping is now the preferred method for much of the buying public. According to the EPA, more than 4 million tons of corrugated boxes are discarded and landfilled each year.

"With this knowledge, Wiela's mission crystallised. If online retailers would use Give Back Box, shipping boxes and other items could be kept out of landfills. The impact would be remarkable.

"Wiela's first step to bring her dream to reality was to find a non-profit with a national footprint which could accept donations on a grand scale. The organisation would have to be able to not only accept used clothing but other items people wanted to donate. The non-profit enterprise also needed to have a program to recycle the boxes it would receive, further limiting landfill waste.

More:

www.sustainablebrands.com/news_and_views/waste_not/s/teven_sambli/give_back_box_goodwill_helping_growing_list_retailers_consumers plus www.csrwire.com/press_releases/39487-Goodwill-Partners-Urge-People-to-Donate-Using-the-Give-Back-Box-this-Cyber-Monday and <http://givebackbox.com/>

Source: *Report Alert*, 29th November 2016.

Editor: Potential for a similar initiative in NZ? ❖

Better Futures Report Gives Businesses Insight into Kiwi Sustainability Mindset

"Quality education was high up on Kiwis' concerns.

"Ecostore, Air New Zealand and The Body Shop are some of the brands Kiwis associate as being leaders in sustainability. But overall, New Zealanders struggle to name leading sustainable brands, according to the Colmar Brunton *2016 Better Futures Report*.

"The report showed seven out of 10 respondents could not name a leading sustainable brand in New Zealand. ... When prompted, the top companies that came to mind were Ecostore, Earthwise, The Body Shop and Air New Zealand.

"Three-quarters of respondents said the way businesses talked about their social and environmental initiatives was confusing.

"Poverty was the greatest concern for respondents of a survey looking into Kiwis' attitudes to the United Nations sustainable development goals.

"The report included results of New Zealand's first survey into public sentiment towards the United Nations' sustainable development goals. The 17 goals include no poverty, climate action, reduced inequalities, clean water and sanitation and quality education.

"Although the Government signed up to these goals in 2015, those surveyed had little awareness of them.

"However, when prompted and asked for their opinions on the goals, the response was loud and clear. Between 60% and 80% rated each goal as 'very important'.

"The survey showed organisations recognised for their sustainable practices were mostly environmentally-focused and while respondents considered environmental issues important, there were others more important.

"When asked to name the single most important goal, the top goal was eliminating poverty. Towards the bottom of the list were gender equality, life below water and life on land.

"Colmar Brunton chief client officer Sarah Bolger said the results showed New Zealanders cared the most about improving the day-to-day lives of others, with strong focus on social issues.

"In particular, Kiwis think we need to do more towards achieving zero hunger, sustainable cities and communities and no poverty as they believe our performance in these areas fails to measure up to the importance we place on them," she said.

"Outside the United Nations goals, the number of people concerned about affordable housing increased 2% from last year and concern about climate change was up 5%

"More than 80% worried about the future and whether enough was being done to keep New Zealand safe and healthy.

"Despite New Zealanders becoming increasingly committed to green and sustainable lifestyles, just 31% said they will buy more fair trade or ethically, socially and environmentally friendly products over the next year.

More: www.stuff.co.nz/business/industries/86777498/better-futures-report-gives-businesses-insight-into-kiwi-sustainability-mindset plus www.colmarbrunton.co.nz/news/better-futures-report/, 4.5Mb, 13 pages easy to read.

Source: Editor, 28th November 2016

Editor: Top 5: Violence in society 69%, Increasing cost of living 67%. Pollution of lakes and seas 60%. Affordable housing 59% (68% in Auckland). Affordable healthcare 58%. 3 in 4 want to work for responsible businesses. ❖

COP22 – Achievements at Marrakech

For a summary of what was achieved read the following comprehensive article,

More: <http://ens-newswire.com/2016/11/20/cop22-nations-hold-fast-to-paris-climate-accord/>

Source: ENS, 22nd November 2016. ❖

Determining the Problem to be Solved or Investment Logic Mapping

“ILM was developed by the State Government of Victoria, Department of Treasury and Finance in Australia in 2003, to screen budget bids. It was formally introduced to New Zealand by the State Services Commission (SSC) in July 2008, following successful pilots by the Ministry of Health. It is being increasingly used by New Zealand Government agencies and is included in the New Zealand Treasury's guidelines for Public Sector Business Cases. Although its origins are in the public sector it has proved an equally valuable technique when used in the private sector.....

“Investment Logic Mapping (ILM) is a technique to ensure robust discussion and thinking is done up-front, resulting in a sound problem definition, before solutions are identified and before any investment decision is made. It is a technique to ensure the 'story' about any proposed investment makes sense (the 'logic' part of ILM) and to test and confirm that the rationale for a proposed investment is evidence-based and sufficiently compelling to convince decision makers to commit to invest in further investigation and planning.

“The main 'artifacts' from Investment Logic Mapping are the Investment Logic Map and the Benefit Management Plan.

“**The Investment Logic Map** is a simple single-page flowchart that tells the story of an investment and exposes its underpinning logic. It is in plain English and has been designed to answer many of the key questions required to make an investment decision.

“**The Benefit Management Plan** specifies the benefits an investment is expected to deliver, and the evidence that will be required to prove the benefits have been realised. This information is captured in the form of a Benefit Management Plan (BMP) which includes:

- A description of the expected benefits
- Realisation targets and dates
- Supporting KPIs, Metrics and Measures
- Identification of the benefits owner and a description of their accountabilities
- A benefit map, and
- Mechanisms for reporting and monitoring realisation, including post project closure.

“ILM can help business case developers and sponsors define and validate the business need and the benefits the solution is expected to deliver.

More:

www.treasury.govt.nz/statesector/investmentmanagement/plan/bbc/methods/investmentlogicmapping, plus www.nzta.govt.nz/roads-and-rail/highways-information-portal/processes/project-development/strategic-case/investment-logic-mapping/

Source: Tim Marshal, 25th November 2016.

Editor: A key aspect seems to be identification and involvement of the 'correct' stakeholders. Another aspect is around monetisation of items which are not usually monetised. Extensive resources and names of [NZ] facilitators/trainers. ❖

Process or Product – Which is More Important?

“.... The lesson learned from this story being ... the journey is as important as the destination. In today's media parlance – we were on a journey and it was a bit of a rollercoaster but we got through it!

“...we often have the debate – is process more important than the product or vice versa.

“In the picture below [visit web site] the process is messy and undefined but reflects the learning, while the well-structured neat product is more presentable and more accepted.

“It is the same with reporting. The process of collecting, collating and making sense of information and opinions can be messy – while the learning from it can be immense.

“So which would you choose? The process (read Jason's adventurous journey) or the product (read 'golden fleece') or both?

More:

<https://socialauditnetwork.wordpress.com/2016/11/02/social-impact-should-we-be-talking-process-or-product/>

Source: SAN 25th November 2016

Editor: Alan Kay the author of the article has been a leader of the social audit movement since inception and has visited Australia and NZ to advising on projects

NOTE: There will be social audit and accounting training in Sydney early 2017; <http://mercury.org.au/social-accounting/>

Seeing Green: The Use and Abuse of American Environmental Images

“.....Yet most historical accounts ignore the crucial role images have played in the making of popular environmentalism, let alone the ways that they have obscured other environmental truths. Finis Dunaway closes that gap with *Seeing Green*. Considering a wide array of images – including pictures in popular magazines, television news, advertisements, cartoons, films, and political posters – he shows how popular environmentalism has been entwined with mass media spectacles of crisis. Beginning with radioactive fallout and pesticides during the 1960s and ending with global warming today, he focuses on key moments in which media images provoked environmental anxiety but also prescribed limited forms of action. Moreover, he shows how the media have blamed individual consumers for environmental degradation and thus deflected attention from corporate and government responsibility. Ultimately, Dunaway argues, iconic images have impeded efforts to realise – or even imagine – sustainable visions of the future.

“Generously illustrated, this innovative book will appeal to anyone interested in the history of environmentalism or in the power of the media to shape our politics and public life....

More:

<http://press.uchicago.edu/ucp/books/book/chicago/S/book/13666193.html> 344 pages, 73 halftones, 6 x 9, 2015

Source: Editor, 25th November 2016. ❖

NZ's First Community Owned Windfarm

The community at Blueskin Bay, 20 km north of Dunedin, is fundraising to build their own wind farm as New Zealand's first community-led wind energy development. They propose to build 3 turbines, enough to power all the homes of Blueskin Bay. The company owned by a local trust is currently working through a mediation process with the opponents.

More: www.blueskinenergy.co.nz/

Source: Tieke: ECO Alerts & Events 7th December 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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