

Sustainability Matters

16th February 2017

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.**

How Corporate Dark Money is Taking Power on Both Sides of the Atlantic

[George Monbiot](#)

"It took corporate America a while to warm to Donald Trump. Some of his positions, especially on trade, horrified business leaders. Many of them favoured Ted Cruz or Scott Walker. But once Trump had secured the nomination, the big money began to recognise an unprecedented opportunity.

"Trump was prepared not only to promote the cause of corporations in government, but to turn government into a kind of corporation, staffed and run by executives and lobbyists. His incoherence was not a liability, but an opening: his agenda could be shaped. And the dark money network already developed by some American corporations was perfectly positioned to shape it. Dark money is the term used in the US for the funding of organisations involved in political advocacy that are not obliged to disclose where the money comes from. Few people would see a tobacco company as a credible source on public health, or a coal company as a neutral commentator on climate change. In order to advance their political interests, such companies must pay others to speak on their behalf.

"Soon after the second world war, some of America's richest people began setting up a network of thinktanks to promote their interests. These purport to offer dispassionate opinions on public affairs. But they are more like corporate lobbyists, working on behalf of those who fund them.

"We have no hope of understanding what is coming until we understand how the dark money network operates. The remarkable story of a British member of parliament provides a unique insight into this network, on both sides of the Atlantic. His name is Liam Fox. Six years ago, his political career seemed to be over when he resigned as defence secretary after being caught mixing his private and official interests. But today he is back on the front bench, and with a crucial portfolio: secretary of state for international trade.....

"In April 1938, President Franklin Roosevelt sent the US Congress the following warning: 'The liberty of a democracy is not safe if the people tolerate the growth of private power to a point where it becomes stronger than their democratic state itself. That, in its essence, is fascism.' It is a warning we would do well to remember.

More:

www.theguardian.com/commentisfree/2017/feb/02/corporate-dark-money-power-atlantic-lobbyists-brexite

Source: Mike Finlayson, Facebook, 3rd February 2017

Editor: Long article. Well worth reading. Warning: 'not good'. ❖

SUSTAINABILITY GROUP EVENTS

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



Announcements in 'due course'. ❖

Thriving in the Uncertain Economy

"Brexit, the EU and President Trump are taking the world into stormy waters – are you prepared?

"So much is happening in the world today! Big changes are afoot both in New Zealand and globally, and one thing is for certain... there is a lot of uncertainty in the air!

"You may be asking yourself questions like, 'What is going to happen to the world? What is going to happen to the economy? and What impact is all of this going to have *on my business?*'

"Those are definitely valid questions you want to be asking yourself in order to navigate in the uncertainty we are all facing right now. Because as we have seen in the past, when businesses stay in the same place and do not move and shift with what is happening in the world, they go out of business fast!

"So how do we cope in business when every day we wonder 'what next?'

"Join us at the next Big Thinking Business Forum where you will learn ...

- What to do and how to prepare yourself and your business in today's uncertain economy
- How to be an influential leader during times of massive change and uncertainty
- PLUS: Powerful table discussions to go into specifics for growing your business

"Rod Oram is speaking about the current volatile economy we are in and will reveal how you can prepare in your business to navigate the stormy waters and thrive

"Lisa Martin from Sanford Group is speaking about leadership in Choppy Seas: how one organisation increased profits 152% right here in NZ waters

When/Where: Tues 14th March, 8.30am – 12.30pm, Auckland
More: www.bigthinkingbusiness.com/

Source: Clare Feeney, LinkedIn, 7th February 2017. ❖

29th CSEAR Conference – Scotland

"This residential conference at The University of St. Andrews is a gathering of academics, practitioners and researchers who focus on the teaching, research, theory and practice of social, environmental and sustainability accounting and reporting. The spirit of the conference is interdisciplinary and so submissions are also invited from perspectives beyond accounting..

"The CSEAR conference provides a forum for scholarly work in various stages of development and explicitly encourages open discussion as well as close collegiality. We invite you to submit a 250-word proposal/abstract to: csear@st-andrews.ac.uk by 15th May 2017 for inclusion in the conference programme. Paper acceptance will be notified by 7th June 2017.

Registrations open: Late March 2017

More: www.st-andrews.ac.uk/csear/conferences/csearuk201729thcsear/

Source: Lynn Christie, CSEAR, 14th February 2017. ❖

Eco-friendly Food Packaging to be Tried at Major Events

"A trial of disposable food packaging and cutlery which can be composted begins at three major events in Christchurch over the next month [February/March].

"The trial will see almost 200,000 people using compostable food packaging and cutlery as the Christchurch City Council trials more sustainable event practices.

"Food vendors at Sparks, the Christchurch Lantern Festival, and the Fairfax Night Noodle markets have signed up to use the compostable 'service ware' in a bid to reduce the amount of waste going to landfill.

"....if waste sorters were not on site, almost 100% of waste went to landfill – a figure he hoped to turn around dramatically with the trial.

"Until now, we have not been able to put packaging and cutlery in the green bin or even recycling because they contain plastic coatings. In Christchurch our recycling and composting facilities don't currently accept products with a plastic coating. We wanted to trial a range that didn't have a plastic coating and see just what difference it would make to the amount of waste going to landfill at events.' ...

"All the vendors at these events will have to use the plastic-free service ware where possible, knowing that some liquids require plastic coated containers

More: <https://ccc.govt.nz/cwp.govt.nz/the-council/newsline/show/1366>

Source: *Christchurch Newsline*, 10th February 2017. ❖

Mini-farms Sowing the Seeds of Global Food Security

"Tiny, bio-intensive operations show smallholder farmers from around the world how they can grow far more food than conventional approaches.

"..... millions of small-scale farmers, especially in Latin America and Africa, are turning to it because it's low-cost and low-tech, and it produces far greater yields than conventional agriculture while using far less land and water.

"Bio-intensive's key components besides transplanting and double-digging are on-site composting, close plant spacing, use of seeds from plants that have been naturally pollinated and specific food-to-compost crop ratios. These methods are rarely practiced on large farms, where mechanisation is more profitable, but they can be life-changing for the 90% of the world's farmers who work 4 acres (2 hectares) or less by helping them to make the most of a given plot of land.

"Research shows bio-intensive farms use 50 to 75% less land, 50 to 100% less fertiliser, 67 to 88% less water and 94 to 99% less energy to produce a given amount of food than conventional farming. Perhaps most intriguingly, bio-intensive methods 'grow' farmable soil – at a rate 60 times faster than occurs in nature – while traditional farming methods tend to deplete farmable soil through wind and water erosion.....

More: <https://ensia.com/features/how-three-u-s-mini-farms-are-sowing-the-seeds-of-global-food-security/>

Source: *Carbon News*, 10th February 2017. ❖

"Carbon Insetting? – What's that?"

"Insetting is a type of carbon emissions offset, but it's about much more than sequestering carbon: It's also about companies building resiliency in their supply chains and restoring the ecosystems on which their growers depend.

More: <https://ensia.com/features/companies-from-chanel-to-ben-and-jerrys-are-benefiting-from-the-new-carbon-insetting-trend/>

Source: Todd Reubold, LinkedIn Environmental Consulting Professionals, 3rd February 2017. ❖

FOUND – NZ's Best New Food Businesses

"Home-grown oyster sauce. Artisan ginger beer. Fermented fruit flour. Meat from a regenerative farm. Could they be a taste of things to come in New Zealand food?"

"These are the winners of the Good Food Boost competition, announced today. [9th February.]

"The competition seeks out the very best in fledgling 'good' food businesses. The winners get expert help and mentoring from the nation's top foodies.

"This year the mentoring team includes:

- Michael Van de Elzen - celebrity chef
- Kim Evans - founder of premium café and bakery Little & Friday
- Martin Yeoman - communications guru of Assignment
- Paul Johnston - Life Health Foods.

"Michael Van de Elzen says: 'There are some great businesses here that hopefully will be able to go to the next level. I'm excited. Kiwi ingenuity applied to food can be a world beating combination.'

"The winners are:

- Green Spot Technologies: high nutrient flour made from fermented fruit and vegetable pulp (that would otherwise go to waste)
- Hakanoa Handmade Drinks: artisan ginger beers and syrups made from classic recipes
- Judge Bao: oyster and hoisin sauces made from natural New Zealand ingredients
- Mangarara: The Family Farm: meat packs from a regenerative agriculture farm in Hawkes Bay

"They will also take their wares to the FoodBowl food innovation facility in Mangere. There they will be able to test out new production and packaging ideas.

"The competition is run by the Sustainable Business Network (SBN) and Auckland Tourism, Events and Economic Development (ATEED).

"Emily King, SBN Project Lead, said: 'For us 'good' food is local, seasonal, healthy, tasty, culturally connected or organic. These businesses tick all the boxes.

More: <http://sustainable.org.nz/wp-content/uploads/2017/02/Good-Food-Boost-winners-2017.pdf>

Source: Fiona Stephenson, SBN, 10th February 2017

PS: What we mean by 'good food'. Good food should be grown, made, bought, sold and eaten in ways that strengthen our food systems.

Good Food:

- Is legal, safe, healthy and nutritious
- Contributes to local economies
- Reduces 'waste' and inefficiencies
- Protects water, soil and biodiversity
- Is transparent about where it comes from and how it is grown and cared for
- Recognises and enhances cultural diets and food practices. ❖

SDG Compass Annex: Linking the SDGs and GRI Standards

"This linkage document outlines the connections between the Sustainable Development Goals (SDGs) and the relevant indicators and disclosures in the GRI Standards and Sector Disclosures. These linkages are based on a more detailed analysis available on the SDG Compass website.

More: www.globalreporting.org/standards/resource-download-center/, plus www.globalreporting.org/standards/resource-download-center/sdg-compass-annex-linking-the-sdgs-and-gri-standards/ 1.5Mb

Source: GRI, 9th February 2017. ❖

Global Risks Report 2017

"The World Economic Forum *Global Risks Report 2017 12th Edition*, released last month [January 2017], outlines five key challenges the world now faces: reviving economic growth; reforming market capitalism; facing up to the importance of identity and community; managing technological change; and protecting and strengthening our systems of global cooperation.

"The year 2016 has seen profound shifts in the way we view global risks. Societal polarisation, income inequality and the inward orientation of countries are spilling over into real-world politics. Through recent electoral results in G7 countries, these trends are set to have a lasting impact on the way economies act and relate to each other. They are also likely to affect global risks and the interconnections between them.

"Against the background of these developments, this year's Global Risks Report explores five gravity centres that will shape global risks. First, continued slow growth combined with high debt and demographic change creates an environment that favours financial crises and growing inequality. At the same time, pervasive corruption, short-termism and unequal distribution of the benefits of growth suggest that the capitalist economic model may not be delivering for people. The transition towards a more multipolar world order is putting global cooperation under strain. At the same time, the Fourth Industrial Revolution is fundamentally transforming societies, economies, and ways of doing business. Last but not least, as people seek to reassert identities that have been blurred by globalisation, decision-making is increasingly influenced by emotions

"In addition to these gravity centres, this year's *Global Risks Report* presents deep-dive discussions of risks posed by ...

More: http://www3.weforum.org/docs/GRR17_Report_web.pdf
78 pages, 7.77Mb

Source: GRI 9th February 2017.

Editor: Although well-researched and constructed it does not seem to deal with issues arising from consumerism. Economic growth and globalisation seem to be seen as important; some would disagree. Management of debt seems to receive cursory consideration. ❖

ActionStation's Plan for 2017 Election

"ActionStation is the new force for people who believe in a fair and flourishing New Zealand. Together we are building a vehicle for people of all backgrounds to unite independent of party politics, special interests and the usual labels that divide us.

"We act together, in new ways and in real time, to create what we cannot achieve on our own: a society, economy and democracy that serves us – everyday people and the planet we love.

"2017 is an election this year – which means we have an opportunity to have a national conversation about the kind of country we want to be. What kind of example do we want to send to the world? Will we choose multiracial and multicultural solidarity and coexistence, or will we choose fear, hatred and anger?

"Last year, more than 4,000 members of the ActionStation community voted on, and discussed what, we should pursue as our election strategy for 2017.

"Now we're ready to present to you the comprehensive results of that survey, the plan for 2017, how you can get involved, and answer any and all of your questions.

View the event live streamed 7th February 2017. About ½ hour describing the idea and ½hour responding to questions.

More: <https://www.facebook.com/ActionStationNZ/> plus www.facebook.com/ActionStationNZ/videos/1101189256669948/ with 5,554 views 15th February 2017

Source: ActionStation, 6th February 2017. ❖

What is the Real Cost of That Dress? –

Where You are Putting Your Money

"Buy less. Choose well. Make it last. Quality, not quantity. Everybody's buying far too many clothes. —Vivienne Westwood

"We are becoming increasingly aware of what we eat, and what we put on our body in terms of cosmetics and other personal care products. It is becoming more common for people to be mindful of the social and environmental impacts or benefits of their consumer choices. This awareness is filtering into parts of the clothing industry and fashion world.

"It seems the fashion industry is spearing down several paths and some companies are increasingly compelled to utilise transparency and ethical practice as part of their sales pitch, but how authentic are their claims? The bulk of it is clothing with very short life spans. I'm definitely not a *fashionista*. I source lots of my clothes from op shops, pieces that are hand sewn (not by me, I lack the sewing knack) or made by local designers.

"But, I still have pieces in my wardrobe with questionable supply chains – those bits and pieces that were cheap or convenient for me to buy. What's the real cost of my choices?

"At this point in time, we are buying 400% more clothes than we did 20 years ago. Fashion carries with it the connotations of seasons, style, capitalism and four fashion shows a year telling you what to wear.....

"The gender footprint is also considerable. Fashion is the largest employer of women across the world, but only 2% of these workers are receiving a living wage....

"The 40,000 tons of indigo used a year pollutes waterways, corrodes piping in waste water plants and is toxic to fish and other aquatic life. With three billion pairs of jeans manufactured globally every year, Berkeley researchers have taken on exploring alternative options to modifying the gene and bacteria to produce indican, the blue colour required for denim....

"Some people are even opting to simplify their clothing choice by thinking about what they wear at work. The uniform or utilitarian dress movement, inspired by the male corporate suit, has been happening for a while. Wearing a work uniform is becoming more popular for the time, energy and stress it saves. People are selecting an outfit or a few outfits to wear during work time and opt to leave all other clothes for play.

More: <http://upliftconnect.com/real-cost-of-that-dress/>
80,737 shares as at 13th February

Source: Lissette Rawson, Facebook share, 7th Feb. ❖

Responsible Investment Masterclass

"..... join our first Responsible Investment Masterclass for 2017 and gain practical insights into responsible investment.

- Hear from our subject matter experts and leaders who work in responsible investment on a daily basis. ...
- Leave the session armed with some practical tips on how to go about strengthening your approach within your organisations, or how to make a start on your journey.
- Receive a workbook to complete practical, real-world scenarios and personalise the content for your own use...
- Have the opportunity to highlight the most useful themes from the day to shape a practical session to be held at the *Philanthropy Summit 2017: Innovate for Impact* in May.

When/Where: 9:00am –5:00pm, 22nd March, Auckland

More: <http://philanthropy.org.nz/ecoman-to-speak-at-responsible-investment-masterclass/>

Source: SBN, 9th February 2017. ❖

Business Model Research

This is a research project by Joel Clarke a Master of Commerce student in Management at the University of Otago in Dunedin. Through his research he hopes to develop a better understanding of the strategies and business models of eco-organisations, and organisations with an environmental orientation. He has a particular interest in researching how these organisations develop capabilities to both create and capture value.

He is keen for people/organisations to participate in his research. This would involve providing consent and completing a survey which he says should take no more than 10 minutes.

Joel has a passion for strategy and is intrigued by the concept of the triple bottom line and businesses being more than economic contributors to society. To this end, He is seeking completion of data collection before the end of February.

"What is the Aim of the Project? The term 'business model' is unique – this is because it is universally applied yet remains largely undefined. An emerging thread of literature states that the business model is the mechanism that is employed to create value and capture value for organisations by leveraging fundamental capabilities.

"However, such statements lack substance and have the potential to generate confusion. For example, what capabilities create value let alone capture value?

"Accordingly, the basis of this project is to bring meaning to the term 'business model' for academics, managers and entrepreneurs alike. To achieve this, this project will investigate what inputs allow eco-organisations to create and capture value. By employing the 'eco'/green' context unique insight can also be gleaned into the concept of value relating to the triple bottom line.

More: eMail joel.clarke@otago.ac.nz

Source: Joel Clarke, 9th February 2017

Editor: Other projects will look at 'social' aspects. ❖

Silicon Will Blow Lithium Batteries Out of Water, Says Adelaide Firm

"An Adelaide company has developed a silicon storage device which it claims costs a tenth as much as a lithium ion battery to store the same energy and is eyeing a \$10 million public float...

"1414 Degrees' process can store 500 kilowatt hours of energy in a 70-centimetre cube of molten silicon – about 36 times as much energy as Tesla's 14KWh Powerwall 2 lithium ion home storage battery in about the same space.

"Put another way, he says the company can build a 10MWh storage device for about \$700,000. The 714 Tesla Powerwall 2s that would be needed to store the same amount of energy would cost \$7 million before volume discounts.....

"Pure silicon is abundant and cheap. It is attractive as a storage medium because it is stable at the 1414 degree melting point, and can hold the heat for a week or two with adequate insulation although 1414 Degree's devices are designed to charge and discharge daily.

"If the claims stand up at commercial scale the molten silicon storage device could be one of the technological breakthroughs that make it cheaper to store energy from wind and solar farms. This could smooth out their intermittent generation and also help prevent or isolate blackouts from transmission failures

More: www.afr.com/news/silicon-will-blow-lithium-batteries-out-of-water-says-adelaide-firm-20170207-qu7eq7

Source: Malcolm Rands, Facebook share, 12th February. ❖

About WTMF

"The Working Together More Fund (WTMF) was established to help groups wanting to work together to achieve greater results for our communities...

"..... as the name indicates, working together more can achieve great things to help deliver better quality, more convenient or a greater number of services for our communities.

"Objective: To assist community groups to make a greater difference for the people and communities they serve, through working together more closely with other organisations. The Fund can provide seeding money and expertise to develop collaborative arrangements, but does not provide on-going operating costs.

"Some of the ways in which collaboration can happen are when two or more organisations:

- Share physical facilities such as office space and equipment
- Share 'backroom' services – payroll, accounting, IT etc
- Share volunteers, secondment of staff
- Cooperate at a planning level including allocating activities/clients to reduce duplication
- Share aspects of management and/or governance
- Merge to form one organisation

"While a level of working together is expected as part of normal operations for all organisations, sometimes collaboration over and above 'business as usual' can bring significantly improved services to clients including efficiency and effectiveness gains for the organisations involved.

"Take a look at our 'stories' page to see how we've worked with community organisations wanting to partner with other groups for great results. Our 'Criteria & Dates' page outlines the sorts of initiatives the fund supports. ...

More: www.workingtogether.org.nz/about-wtmf/

Source: Tieke: *ECO Alerts & Events*, 9th February 2017. ❖

2017 National Sustainability Conference – Australia

"Andrew Hoffman from the University of Michigan says 'Solutions to climate change require new types of aggressive thinking... the ultimate responsibility for making this shift is falling first and foremost on business.'

"Rather than looking to government for solutions, many businesses are taking responsibility for climate change seriously and changing the system on their own. If there are no solutions coming from the business world, there will be no solutions at the necessary scale.'

"The 2017 National Sustainability Conference themed 'Renewables – Markets – Innovation – Opportunities – Capital' will address the application of sustainability practice, and what this means in today's ever-changing world.

"The program is designed to give delegates the opportunity to network with peers, presenters and partners. Access will be included to the full program on podcast, post event.

"Participation in this workshop will equip you with the knowledge, the tools, and the determination to make a difference in your business that will not only position your organisation as a leader in eco-restorative business practices, but ensure bottom line rewards, business longevity, and fun for you, your staff and your clients and stakeholders.

When/Where: 23rd-24th March 2017, Brisbane

More: <http://conference.sustainability.asn.au/>

Source: Assoc. for Sustainability in Business Inc, 6th Feb. ❖

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