

Sustainability Matters

2nd March 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.**

Overcoming Societal Addictions: What Can We Learn From Individual Therapies?

"The need for human society to rapidly deal with climate change, limit population and material consumption growth, transition to a renewable energy path, distribute wealth more equitably, and deal with a host of other interrelated problems is widely accepted in the scientific community and, increasingly, in the policy community (Costanza *et al.*, 2014). However, movement in this direction has been slow. To many, this lack of movement is hard to understand. Given the increasingly obvious warning signs, why has society still not taken appropriate action and changed its behavior accordingly?"

"In this paper, we draw the analogy between defensive denial at the society level and defensive denial from drug or alcohol addicts when warned about the long-run implications of their behavior. It is well known in addiction therapy that it is rarely effective to directly confront addicts concerning the damage they are causing to themselves and others. Rather than motivating addicts to change, such interventions often result in a reactive denial on the part of the addict and lack of progress toward overcoming the addiction. Yet, such a confrontational approach is typical of the strategies used by scientists and activists who try to effect change at the societal level regarding climate change, overconsumption, overpopulation, inequality, and many other issues. From a psychological perspective, then, the lack of progress in ameliorating these issues is to be expected as long as these topics continue to be approached in a mainly confrontational, judgmental way. Like with individual addictions, taking a less confrontational approach does not deny the reality of the dire consequences. It merely recognises that knowledge and communication of those dire consequences is often not enough to motivate change, and can even have the effect of prolonging the destructive behavior. Perhaps more progress would be made with a different way of framing and discussing the issues that is more analogous with the practices that help people overcome individual addictions.

"We first define addiction at the individual level and then explore how entire societies might also be thought of as addicted to specific modes of behavior.

More:

www.researchgate.net/publication/308958235_Overcoming_societal_addictions_What_can_we_learn_from_individual_therapies, 9 pages, 467kb

Source: Prof. Robert Costanza, 16th February 2017. ❖

Towards a Framework for Defining and Measuring Changes in Natural Capital – Working Paper 1st March 2014, Natural Capital Committee

"..... We consider that all human welfare results from the use of these three kinds of capital; natural capital is distinguished by being available without human intervention of any kind, although for it to contribute to welfare and production there is almost always the need for some input of human or produced capital.

More: www.naturalcapitalcommittee.org/category/publications/

Source: Chris Ferkins, 24th February 2017. ❖

SUSTAINABILITY GROUP EVENTS

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



Announcements in 'due course'. ❖

Investing in People and the Planet

"In a world threatened by ecological disaster, global inequality and human tragedy, how can we make a difference? The bank we select, the pension fund and insurance we choose, the investments we support, and the voice we raise to shape Government investments and financial behaviour, can begin to make the changes needed when joined with the efforts of others. This book shows how and why.

"Robert Howell has written a compelling and comprehensive argument for responsible investment that deserves widespread acknowledgement", Amy Domini, Author, Founder and Chair, Domini Social Investments, US.

Purchase from: quaker.books@quaker.org.nz for NZ\$25 plus P&P, or during national tour; Invercargill, Thursday 23rd March Dunedin, 25th March. Christchurch, 27th March. Nelson, 29th March. Wellington, 31st March. Palmerston North, 3rd April. Napier, 5th April. Tauranga, 7th April. Hamilton, 10th April.

More: <https://investinginpeopleandtheplanet.wordpress.com/>. For questions, endorsements, or further information about the book contact Robert at rhowellnz@gmail.com. Blog at <http://a-resilient-world.blogspot.co.nz/>

Source: Dr Robert Howell, 20th February 2017. ❖

Think Resilience: Preparing Communities for the Rest of the 21st Century

"This new online course is about preparing our communities for the rest of the 21st century.

"We live in a time of tremendous political, environmental, and economic upheaval, which begs a profoundly important question: What should we do? We at Post Carbon Institute believe that, among other things, two areas of engagement are absolutely critical:

1. Understand the true nature of the challenges we as a society face. What are the underlying, systemic forces at play? What brought us to this place? Acting without this understanding is like putting a band-aid on a life-threatening injury.
2. Build community resilience. While we must also act in our individual lives and as national/global citizens, building community resilience is our greatest means of mitigating and adapting to the 21st century's sustainability crises.

"We're offering this course – *Think Resilience: Preparing Communities for the Rest of the 21st Century* – to help you get started. You can either take it (consisting of 22 video lectures by Post Carbon Institute Senior Fellow Richard Heinberg, totaling about 4 hours) at your own leisure or participate in a six week long guided course, facilitated by Richard himself.

More: <https://education.resilience.org/>

Source: Post Carbon Institute, 24th February 2017

Editor: As a suggestion listen to the 5:44 minute introduction video by Richard. He is very measured and listenable. He has visited NZ several times and is the author of several excellent books. ❖

Life In a Post-flying Australia, and Why it Might Actually be OK

"The aviation sector is a massive consumer of fossil fuels and producer of carbon emissions; but can Australia really do without it

More: www.eco-business.com/opinion/life-in-a-post-flying-australia-and-why-it-might-actually-be-ok

Source: eco-Business.com, 25th January 2017. ❖

Plastic Waste into Concrete

"A New Zealand company is turning plastic waste into high-quality concrete.

"Plazrok, the brainchild of south Auckland-based company Enviroplaz, is unique in that it can transform absolutely any type of plastic into a rock-like substance that forms the aggregate of concrete.

"We don't take the labels off, we don't have to disassemble it or take any of the other components off it, we can use it in its entirety', said Enviroplaz founding director Peter Barrow. 'We don't even need to clean it – the process we put it through does everything for us.'

"What's more, concrete companies would not have to change their processes at all in order to use the Plazrok in their product.

Yet they would end up with concrete that is 10 to 40% lighter than usual. That spells big savings.

"For example, when they were building Britomart ... there were 7000 truck movements between Wiri and Britomart in order to deliver that concrete. If you decreased the weight by 20% you've dropped that down to 5000 trips. Think about what that does for your industry, for the roads, for your diesel usage, for your tyre savings', Barrow said.

"Plazrok concrete had strengths comparable to conventional concrete, while offering seismic advantages. ...

"All we're doing is substituting the aggregate, which gets mined out of hillsides, with this material', he said. 'So we're saying it can all come here ... no plastic needs to enter landfill anymore.'

"Enviroplaz has developed another innovative plastic product, Plaztuff, which could have big implications for the construction industry.

"Barrow said Plaztuff was seven times lighter than steel, and can also be used in place of stainless steel, aluminium, fibreglass or plywood, yet does not rot, rust or corrode.

"There's no reason that we should be chucking plastic in the oceans or rivers, or in landfills.

"If you took an aluminium boat and you took a sledgehammer to it you'd ding it. If you took a sledgehammer to this it won't do a thing', Barrow said. What's more, it's completely recyclable.

More:

http://m.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=11802845

Source: *NZ Herald*, page B3, 27 February and Rob Skinner. ❖

VisionFund International, Microfinance Network – Social Performance Report

"VisionFund International, World Vision's network of over 30 microfinance institutions across Africa, Asia, Latin America and Eastern Europe, presents its 2016 Social Performance Report.

"In 2016, VisionFund lent \$USD729 million to 1.2 million clients around the world, sustaining 2,400,000 jobs in developing countries. With the ultimate aim of impacting the lives of children, 72% of VisionFund's clients are women, a figure that rises to 92% in Asia. Through microfinance and economic empowerment, VisionFund touched the lives of 4.4 million children in 2016.

"VisionFund's impact multiplies through partnerships with other organisations in holistic programme delivery. In 2016, these partnerships have been especially fruitful, bringing thousands of water pumps to farmers in Zambia, latrines to families in the Philippines, and water filters to households in Cambodia. VisionFund is also moving further into fragile contexts, entering the Democratic Republic of Congo this year.

"VisionFund was created in 2003 to bring financial services and lending to some of the poorest and most vulnerable communities in the world. With small loans, savings facilities, insurance, and training, VisionFund clients are able to establish and develop farms and small businesses to earn income and educate, feed and clothe their children, and create jobs. In doing so, VisionFund grows livelihoods and transforms communities around the world.

More: www.visionfundmedia.org/eReader/socialperformance/2016/ plus www.visionfund.org/

Source: ReportAlert, 8th February 2017. ❖

Whether You Run Your Business for Short Term Gains or Sustainable Goals, Readers of Your Annual Report Should be Able to Tell

"Never before has there been so much information available about companies in the public domain, and yet trust between business and the public is not improving. Investors are also looking for greater insights, beyond merely good governance and into intangible value drivers such as corporate culture. How do we begin to address this trust gap and what should be the way forward in terms of renewing the 'social contract' businesses have with society?" Hywel Ball, EY's UK managing partner for assurance, explains in the CBI's *Business Voice: Annual Reporting*

More: www.cbi.org.uk/businessvoice/latest/annual-reporting/

Source: Loree M. Gourley, Director of Regulatory & Public Policy and Ethics Committee Board Member at ICAS, *LinkedIn Pulse*, 15th February 2017. ❖

Who's Still Fighting Climate Change? The U.S. Military

"Despite political gridlock over global warming, the Pentagon is pushing ahead with plans to protect its assets from sea-level rise and other impacts. Here's how.

"Ten times a year, the Naval Station Norfolk floods. The entry road swamps. Connecting roads become impassable. Crossing from one side of the base to the other becomes impossible. Dockside, floodwaters overtop the concrete piers, shorting power hookups to the mighty ships that are docked in the world's largest naval base.

"All it takes to cause such disarray these days is a full moon, which triggers exceptionally high tides.

"Norfolk station is headquarters of the Atlantic fleet, and flooding already disrupts military readiness there and at other bases clustered around the mouth of the Chesapeake Bay, officials say. Flooding will only worsen as the seas rise and the planet warms. Sea level at Norfolk has risen 14.5 inches in the century since World War I, when the naval station was built. By 2100, Norfolk station will flood 280 times a year, according to one estimate by the Union of Concerned Scientists.

"This visibly changing geography made Norfolk the natural poster child for the climate challenges confronting the Defense Department – and seems as good a setting as any to consider the fate of climate science and the military in the new political era in Washington that will set the bar for how climate science is pursued by the government.

"The Defense Department has been planning for climate change for more than a decade, often in the face of roadblocks set up by climate science skeptics in Congress.

"On American shores, three feet of sea-level rise, a mid-range estimate that could occur by 2100 – would threaten 128 coastal bases, valued at \$100 billion. Among the most vulnerable are 18 installations arrayed along the Atlantic and Gulf of Mexico coasts from New London, Connecticut to Key West, Florida. Nine of those properties are major Navy hubs. At least four bases in Florida, Virginia, and South Carolina – including the Marine Corps Recruit Depot Parris Island – could be mostly submerged by century's end. Likewise, parts of the U.S. Naval Academy in Annapolis, Maryland, where tidal flooding now occurs 50 times a year, could also be under water.....

"But the elephant in the room amid all the planning is cost and funding. Billions are required, and that kind of funding is hard to come by even when members of Congress are not arguing about whether climate change exists. That's the hard issue. How are we going to pay and which areas are we not going to protect? No politician wants to raise his or her hand and say, 'you guys are out of the fence line.'.....

"You can't wait for a certain yes, it's going to be here or not. You've got to make decisions in advance, based on the uncertainty that you have.'

More: <http://news.nationalgeographic.com/2017/02/pentagon-fights-climate-change-sea-level-rise-defense-department-military/>

Source: *National Geographic*, 12th February 2017. ❖

Declare in New Zealand

"The Declare eco-label is growing fast in NZ.

"Easy for specifiers and contractors alike, it's also a cost effective way for manufacturers to demonstrate the steps they are taking to eliminate Red List or worst in class toxic chemicals from their building products.

"The Living Building Challenge alerted us to how endemic these chemicals are in the supply chains, asking us not to use them in our projects, finding alternatives and advocating for their removal through a new culture of transparency. The latest NZ products to Declare include Firth and Golden Bay for concrete and cement.

"In 2017 NZ manufacturers' Declare applications will be processed locally in NZ, making it easier for us to find and use non-toxic projects, whilst supporting LFNZ education and outreach.

"Questions about Declare? eMail Fiona Caulfield, NZ Declare Program Manager at info@declare.org.nz

More: <https://living-future.org/declare/declare-about/>

Source: Living Future NZ Collaborative, 15th February 2017. ❖

AI Gore Principal Speaker at ECOCITY World Summit 2017 – Melbourne

"We are delighted to announce that the Hon AI Gore (former US Vice President and current Chair of The Climate Reality Project) will be the Principal Speaker at the ECOCITY World Summit 2017.

"Mr. Gore will deliver his famous slide presentation including his insights on the role of cities in meeting the global climate challenge.

"The involvement of Mr. Gore will further strengthen the potential for this ECOCITY World Summit to play a crucial role in accelerating global climate change action by cities and subnational governments.

"The ECOCITY World Summit 2017 will bring together researchers and practitioners from government, business, communities and universities to Melbourne from across the globe to address three key questions:

- What are the sustainability risks and opportunities facing our cities?
- How can we imagine a better urban future?
- And what do we have to do to get there?

"The ECOCITY Summit will have a strong focus on practical solutions and policy priorities, as well as big ideas. ...

"The involvement of Mr. Gore will further strengthen the potential for the Melbourne Ecocity World Summit to play a crucial role in accelerating global climate change action by cities and subnational governments.....

When/Where: 12th – 14th July 2017, Melbourne

More: www.ecocity2017.com/

Source: Eco-Business Partnerships, 2nd February 2017. ❖

10 Reasons to Build Resilience

"Helping local and regional government build more resilient and robust communities to thrive in a changing world...

"Resilience has become a buzzword, with civic organisations, think tanks, community groups, corporations and local business addressing potential risks. A system is said to be resilient if it has the capacity to defend against, adapt to and repair itself after disturbances. Resilience can also be defined as the, 'ability of the system to evolve in order to accommodate environmental hazards or policy change and to expand the range of variability with which it can cope.'

"Energy, economy and environment are all highly correlated, yet as a society we fail to understand how these are inextricably linked. Unfortunately much of our thinking is compartmentalised and the broader picture is not well understood. Before we can take positive action and make real change we must understand the challenges and the realities based on facts and evidence based research.

More: <http://rethinkenterprises.co.nz/wp-content/uploads/2017/02/ReasonstoBuildRes6-1.pdf> 17 pages, 4.85Mb, with numerous graphs

Source: Andrew Martin, 7th February 2017. ❖

'Planned Retreat' Enters the Climate Dialogue

"The strategy is emerging from the shadows as scientists and governments try to figure out how to move people out of the way of coastal flooding and other hazards

"As sea levels rise, U.S. communities have several strategies to cope with the effects of climate change, the president of the National Academy of Sciences said yesterday [30th January 2017].

"There's triage for high-dollar assets, like airports and military installations and even the Statue of Liberty, Marcia McNutt said. But more and more, she added, 'organised retreat' is a part of the conversation.

"That strategy, once politically unpalatable, has emerged from the shadows in recent months as scientists, community leaders and governments try to figure out how to move people out of the way of coastal flooding and other hazards.

"Such a strategy could start with building codes, McNutt told an audience gathered yesterday at the National Press Club for an event organised by the Stanford Woods Institute for the Environment. The event, which focused on adaptation to climate change, is part of a series highlighting the environmental and energy challenges and risks that the Trump administration must confront in the coming years, including adaptation to climate change.

More: www.scientificamerican.com/article/ldquo-planned-retreat-rdquo-enters-the-climate-dialogue/

Source: *Carbon News*, 2nd February 2017.

Editor: Also see *Yale Environment 360* of 3rd February 2017; Experts warn the flooding exacerbated by climate change will disproportionately impact low-lying, low-income communities worldwide. This week at *Yale Environment 360*, journalist Bruce Stutz reports from the Wilmington, Delaware neighbourhood of Southbridge, where residents are determined to build up their flood defences and stand their ground. Sitting less than four feet above sea level, Southbridge, a largely African-American community, now frequently floods after high tides and rain events. But residents are working with the city to launch a \$24 million project to update stormwater management systems and convert nearby wetlands into a park and flood control project. 'Retreat is not an option', says one local planner. **More:** <http://e360.yale.edu/features/a-vulnerable-community-braces-for-the-impacts-of-sea-level-rise>. ❖

Otago Polytechnic, Student Village Dunedin

"Largest solid timber, integrated education and sustainable project in NZ!

"This student accommodation project with 231 beds is following the philosophy of the *Living Building Challenge* and is now under construction with completion for the 2018 student intake. The design by Mason & Wales Architects aims to go as far as possible to meet the LBC Petals within budget. High efficiency lighting, water fixtures, appliances and building envelope in conjunction with energy recovery ventilation, natural ventilation and good daylight levels to every room will ensure quality, healthy spaces for all students to optimise their learning.

"A key objective of the Polytechnic is to integrate education into their infrastructures students become sustainable practitioners in their field of endeavor. These aspirations will be interwoven into the Village construction with opportunities for student involvement and observational learning. The Village will be the tallest and largest cross laminated timber (CLT) structure by volume in New Zealand. This resulted in XLam, suppliers of the timber panels gaining FSC certification as a Company and also a DECLARE label for the product. ...

More: www.op.ac.nz/about-us/news-and-events/id/1775

Source: Living Future NZ Collaborative, 15th Feb. 2017. ❖

The Power Use and Mis-use of Social Media and Big Money

More: <https://medium.com/startup-grind/how-the-trump-campaign-built-an-identity-database-and-used-facebook-ads-to-win-the-election-4ff7d24269ac>

Source: ActionStation, 25th January 2017. ❖

National Network Manager

"The Sustainable Business Network (SBN) is a membership-based social enterprise made up of businesses, governmental agencies and organisations located across the country.

"We are looking for someone with a successful track record in client management and a passion for sustainability. The ability to work autonomously and organise, plan and manage your time effectively will be crucial to the success of this role, as will your natural ability to develop relationships.

"The role requires a high level of energy, enthusiasm, organisation, self-management, and professionalism.

"Key Responsibilities;

- Membership Acquisition
- Membership Retention and Development
- Membership Administration
- Regional Development

More: www.seek.co.nz/Job/32901821

Source: SBN, 28th February 2017. ❖

Building a Human Economy

"Last week [3rd week January], we caught the world's attention by revealing the staggering fact that eight men have as much wealth as 3.6 billion people. Since then, over 50,000 people have joined our campaign to even it up. Between 1988 and 2011 the incomes of the poorest 10% increased by just \$65, while the incomes of the richest 1% grew by \$11,800 – 182 times as much. Today nearly 800 million people – one in nine – across the world will go to bed hungry or undernourished. Meanwhile the world's billionaires will wake up having slept rather better, and their invested wealth will have increased by countless millions even as they slept.

"Let's be clear: this is not an exposé of eight people, but of a broken economic system. Narrowing the gap between the richest and the rest requires us to take on a more challenging task than asking eight men to change their behaviour. It requires us to create a more human economy; one that does not result in 1% of the world's population owning the same wealth as the other 99%. We want an economy that rewards enterprise, hard work and innovation but one that also gives people, regardless of their background, a fair chance in life. Do you? If so, sign on!

More: <https://actions.oxfam.org/new-zealand/en/actions/it-time-even-it>

Source: Oxfam, 26th January 2017. ❖

Reaching the Sustainable Development Goals Natural Capital Protocol Recognised as Important Tool

"On 9th December 2016 the Council of the European Union officially recognised that Natural Capital Accounting, manifested in the Natural Capital Protocol, as an important tool for maintaining biodiversity. This is a step towards reaching the Sustainable Development Goals (SDGs).

"The Natural Capital Protocol is a framework designed to help generate trusted, credible, and actionable information for business managers to make informed decisions. The Protocol aims to support better decision making by including how we interact with nature, or more specifically natural capital.

"While the practice of natural capital accounting (NCA) has been debated for years, the recent recognition shows that the topic is now reaching the strategy tables of the frontrunners within sustainable and responsible businesses.

"Key insights from the seminar were that NCA can be a support tool for selecting suppliers and in logistics planning. It may also help in finding innovative solutions and develop new, green business models. Finally, NCA can be used in the branding of companies as environmentally conscious and responsible. ...

More: www.climate-kic.org/news/natural-capital-accounting/

Source: Clare Feeney, 25th January 2017. ❖

New Zealand One of 19 Full Democracies

"The latest Democracy Index by the Economist Intelligence Unit, entitled: *Revenge of the 'deplorables'*, lists only 19 full democracies, down from 20 in 2015. 72 countries of the 167 surveyed, covering nearly the entire global population, experienced a decline in their total score compared with 2015. Now, only 4.5% of the world lives in a full democracy, down from 8.9% in 2015 after the US was demoted from a full democracy to a flawed democracy.

"The report's title refers to the popular revolt against political elites who are perceived by many to be out of touch and failing to represent the interests of ordinary people.

"The report says that until recently political elites have largely assumed that the values represented by the liberal democratic consensus are shared by the vast majority of the electorate. The events of 2016 proved this is definitely not the case in the UK or the US, and probably not true for many other democracies in Europe.

"The report argues the revolt started in the 1970s, and Brexit and the election of Donald Trump are consequences of a long term decline in the effectiveness of democratic political institutions, rather than its cause. In other words, Brexiters and Mr Trump are beneficiaries of this trend rather than its cause. In addition, they say the US would have been demoted regardless of the US presidential result.

"While the political elite acknowledges Brexit and Trump supporters had legitimate reasons to be unhappy with the status quo, instead of seeking to understand the causes, some have sought to disparage those who supported them, even questioning whether ordinary people should be trusted to make decisions about important matters such as the UK's membership of the EU.

"In addition, the report says given such low levels of trust in government in the US, Hillary Clinton, an establishment insider, was the worst candidate the Democratic Party could have chosen.

"The 19 full democracies among the 167 countries surveyed include:

- | | |
|----------------------|----------------------------|
| 1. Norway 9.93 | 2. Iceland 9.50 |
| 3. Sweden 9.39 | 4. New Zealand 9.26 |
| 5. Denmark 9.20 | 6. Canada and Ireland 9.15 |
| 8. Switzerland 9.09 | 9. Finland 9.03 |
| 10. Australia 9.01 | 11. Luxemburg 8.81 |
| 12. Netherlands 8.80 | 13. Germany 8.63 |
| 14. Austria 8.41 | 15. Malta 8.39 |
| 16. UK 8.36 | 17. Spain 8.30 |
| 18. Mauritius 8.28 | 19. Uruguay 8.17 |

"The US was ranked 21st with a score of 7.98 out of 10, down from 8.05 in 2015. Switzerland's score of 9.09 has not changed since 2008. The scores are based on ratings for 60 indicators, grouped into five categories: electoral process and pluralism; civil liberties; the functioning of government; political participation; and political culture. Full democracy requires a score of 8.00 or more. Notable flawed democracies in Western Europe include: France (7.92), Italy (7.98), Portugal (7.86), Belgium (7.77) and Greece (7.23).

More: <http://lenews.ch/2017/01/31/democracys-decline-switzerland-now-one-of-only-19-full-democracies-says-study/> plus www.eiu.com/public/topical_report.aspx?campaignid=DemocracyIndex2016

Source: Rob Skinner, *Facebook*, 2nd February 2017. ❖

Ireland to Become First Country to Fully Divest from Fossil Fuels

"... The Irish Parliament passed the historic legislation in a 90 to 53 vote in favour of dropping coal, oil and gas investments from the €8bn (£6.8bn) Ireland Strategic Investment Fund, part of the Republic's National Treasury Management Agency.to sell its investment in fossil fuel industries over the next five years.

More: www.independent.co.uk/news/world/europe/ireland-votes-divest-fossil-fuels-climate-change-world-first-country-parliament-renewable-energy-a7549121.html

Source: Greenpeace, post *Facebook*, 28th January 2017. ❖

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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