

Sustainability Matters

30th 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.**

'Budget Responsibility Rules' Labour/Greens

"Labour and the Greens have released a set of economic rules to follow if they form a coalition government after the September 23rd election.

"It was presented by Labour leader Andrew Little, finance spokesman Grant Robertson, and Green Party co-leader James Shaw at a business breakfast hosted by law firm Kensington Swan in Auckland, where the audience was made up of business leaders, bankers, economists, academics and NGOs.

"The two parties said the new rules would give New Zealanders confidence about how the two parties would work together on economic issues.

"But they are also an attempt to reassure voters who are unsure or sceptical about how the Greens could influence Labour's economic agenda.

"The 'Budget Responsibility Rules', which include a commitment to run surpluses every year, were developed with input from economists and experienced bureaucrats.

"The rules give people some certainty and some confidence about the sort of fiscal policy approach an alternative government would take", Robertson said.....

"The two parties are also promising to set up a new independent costing unit which will check whether their economic rules are being met. It will also cost Opposition party policies – an idea previously championed by the Greens....

"The rules

1. Run surpluses every year, barring economic shocks or natural disasters.
2. Reduce net debt to 20% of GDP before 2022.
3. Prioritise investments in long-term challenges, such as superannuation, infrastructure and climate change.
4. Keep Crown spending to around 30% of GDP.
5. A progressive, fair tax system.

More:

www.nzherald.co.nz/politics/news/article.cfm?c_id=280&objectid=11824176 plus

http://m.nzherald.co.nz/business/news/article.cfm?c_id=3&objectid=11823356 and www.greens.org.nz/sites/default/files/20170324%20-%20Budget%20Responsibility%20Rules%20FINAL.PDF

Source: *NZ Herald*, pages B10 and 11, 24th March 2017. ❖

Government MPs Vote Down Sustainability Bill

"A bill to include sustainability measures in public finance reporting has been voted down – despite Government MPs saying they supported the sentiment.

"Green Party co-leader James Shaw's Public Finance (Sustainable Development Indicators) Amendment Bill went before Parliament for its first reading yesterday. [22nd March 2017] ...

More: www.carbonnews.co.nz/story.asp?storyID=12100

Source: *Carbon News*, 23rd March 2017. Copyright. ❖

SUSTAINABILITY GROUP EVENTS

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



Announcements in 'due course'. ❖

Leadership in Sustainability Summit – Positioning Sustainability as the Ultimate Innovation Driver

"The world is changing. Fast. The USA election result, Brexit, underwhelming Federal and Central government action across Australia and New Zealand, the launch of the Sustainable Development Goals, and other emergent social, technological, economic and political shifts are serving to simultaneously disorient, overwhelm, refocus and activate the sustainability enterprise. In response to this unique moment, we are offering one-day recurring Leadership in Sustainability Summits in three major cities to help refresh our individual and collective leadership vision, energy and impact in ways that are best attuned to the times.

"These unique sessions will interest senior leaders, leadership teams and sustainability professionals from all sectors, introducing best in class content that has been validated through executive education programs offered at Harvard University. The value proposition is high for anyone seeking tangible approaches for increasing their leadership ability to co-create new organisational systems and leadership methods to navigate 21st century complexities.

"Content, case studies and activities specifically address and advance a crucial new sustainability leadership framework focused on transforming organisations and communities to achieve a radical increase in: the flow of new ideas; group intelligence and learning; effective de-risking; complex stakeholder engagement; organisational agility; and shared purpose. ...

"The world IS changing, and now is the time to direct it towards a better future for all through sustainability leadership. Be a part of this experience.

When/Where: NOTE DATES

Melbourne, 9am-5.30pm, Tues 4th April, (Sydney 23rd March)

Auckland, 9am – 5.30pm, Fri 7th April, University of Auckland

More: www.acts.asn.au/events-2017/leadership-sustainability-summit/

Source: Lesley Stone, 16th March 2017. ❖

Western Australia is the Climate Emergency 'Canary in the Coalmine'

"What is happening in Western Australia has lessons not just for Australia but for the world in helping to understand how the climate emergency is altering habitats, vegetation, water, and forests. Rainfall has declined significantly in WA and the residents of the cities rely mostly on desalination plants now for their fresh water.

"Forests were felled in the 20th century to make way for wheat, but as trees attract rainfall and wheat does not, so the rains have stopped coming. As a consequence, the skies and clearer and therefore there are more frosty nights. Forest clearing has resulted in younger thirstier forests, but the rain is not there to water them.

"So Western Australia is warming and drying in a way that presages the impacts of forest clearance elsewhere in the world – a world that already has a major freshwater crisis. Hear the fascinating Radio National ABC documentary. Solutions proposed in this programme which make interesting listening.

More: www.abc.net.au/news/2017-01-20/was-south-west-a-canary-in-the-coalmine-for-climate-change/8180496

Source: Tieke: ECO Alerts & Events, 25th January 2017. ❖

Sustainability is Not Enough; We Need Regenerative Cultures

"Sustainability alone is not an adequate goal. The word sustainability itself is inadequate, as it does not tell us what we are actually trying to sustain. In 2005, after spending two years working on my doctoral thesis on design for sustainability, I began to realise that what we are actually trying to sustain is the underlying pattern of health, resilience and adaptability that maintain this planet in a condition where life as a whole can flourish. Design for sustainability is, ultimately, design for human and planetary health (Wahl, 2006b).

"A regenerative human culture is healthy, resilient and adaptable; it cares for the planet and it cares for life in the awareness that this is the most effective way to create a thriving future for all of humanity. The concept of resilience is closely related to health, as it describes the ability to recover basic vital functions and bounce back from any kind of temporary breakdown or crisis. When we aim for sustainability from a systemic perspective, we are trying to sustain the pattern that connects and strengthens the whole system. Sustainability is first and foremost about systemic health and resilience at different scales, from local, to regional and global.

"Complexity science can teach us that as participants in a complex dynamic eco-psycho-social system that is subject to certain biophysical limits, our goal has to be appropriate participation, not prediction and control (Goodwin, 1999a). The best way to learn how to participate appropriately is to pay more attention to systemic relationships and interactions, to aim to support the resilience and health of the whole system, to foster diversity and redundancies at multiple scales, and to facilitate positive emergence through paying attention to the quality of connections and information flows in the system. This book explores *how* this might be done. [This is an excerpt of a subchapter from [Designing Regenerative Cultures](#), published by Triarchy Press, 2016.]

"One proposal for guiding wise action in the face of dynamic complexity and 'not knowing' is to apply the Precautionary Principle as a framework that aims to avoid, as far as possible, actions that will negatively impact on environmental and human health in the future. From the United Nation's 'World Charter for Nature' in 1982, to the Montreal Protocol on Health in 1987, to the Rio Declaration in 1992, the Kyoto Protocol, and Rio+20 in 2012, we have committed to applying the Precautionary Principle over and over again.

"The Wingspread Consensus Statement on the Precautionary Principle states: 'When an activity raises threats of harm to human health or the environment, precautionary measures should be taken even if some cause and effect relationships are not fully established scientifically' (Wingspread Statement, 1998). The principle puts the burden of proof that a certain action is not harmful on those proposing and taking the action, yet general practice continues to allow all actions that have not (yet!) been proven to have potentially harmful effects to go ahead unscrutinised. In a nutshell, the Precautionary Principle can be summarised as follows: practice precaution in the face of uncertainty. This is not what we are doing.

[Lengthy article]

More: <https://medium.com/age-of-awareness/sustainability-is-not-enough-we-need-regenerative-cultures-4abb3c78e68b> plus <http://sehn.org/wingspread-conference-on-the-precautionary-principle/> and www.triarchypress.net/designing-regenerative-cultures.html 'We need to ask the deeper question of why we are worth sustaining. Our answers will inform how we ask the more operational questions and implement tentative answers and solutions. Such deeper questioning will shape how we might initiate wise actions that help us to transition towards regenerative cultures.' Published 3rd May 2016, 288 pages ISBN 978-1-909470-77-4

Source: Malcolm Rands, Facebook share about 25th March. ❖

Levi's Dreams Big to Lead Change in the Fashion Industry

"Levi Strauss is dreaming big to close the loop on its manufacturing supply chain, and is looking to revolutionise the apparel sector with ideas that could shake-up the conventional notion of a fashion brand.

"By 2025, the world's oldest jeans brand plans to manufacture all of its products from recycled cotton. It would be the first company to do so.

"So in just eight years, the family-run US\$4.5 billion firm will stop using cotton sourced from cotton fields to make its famous 501s, relying instead on old clothes from people's closets.

"There is just one minor obstacle, though. The technology to turn worn cotton into a quality material that looks like denim hasn't been invented yet....

"Though some virgin cotton was used, Levi's is claiming it is a breakthrough for a sector that, in the US alone, creates 13.1 million tonnes of textile waste a year, 11 million tonnes of which ends up in landfill.

"Levi's runs a programme in five major markets – Japan, the United States, Canada, the United Kingdom and Germany – that gives customers a 15% discount on a new Levi's item if they donate any old clothes (they don't have to be Levi's) to be recycled....

"Levi's is also looking to find business opportunities in sustainability. The company is planning to roll out its Levi's Tailor Shops concept, where customers can get their old clothing repaired, altered or customised, beyond the United States and Japan.

"It's not just about making garments last longer, but about opening up a potential new revenue stream for us', Kobori explains.

More: www.eco-business.com/news/levis-dreams-big-to-lead-change-in-the-fashion-industry/

Source: eco-Business.com, 15th February 2017. ❖
School for Social Entrepreneurs (SSE)

"The School for Social Entrepreneurs (SSE) is a charity that supports people using entrepreneurial approaches to tackle complex social problems. Our vision is of a fair and equal society where the potential of all people is fully realised. SSE invests in individuals from all backgrounds who have practical ideas for change.

"We run practical learning programmes and courses to support people from all backgrounds to realise their potential and bring about lasting social and environmental change. Our courses help individuals start, sustain, and scale social enterprises, charities and community projects.

"..... SSE uses an innovative learning approach, which focuses on real world issues and practices. We also provide courses aimed at established not-for-profits, covering common issues in the charity sector. Whatever stage you're at in your organisation, we'll provide expert support to advance your social enterprise.

"We mobilise the experience of enterprising people who have identified an unmet social need and support them to use entrepreneurial approaches to create a sustainable solution to address this issue. There is no typical student at School for Social Entrepreneurs. The people that attend our courses have ranged in age from 17 to 74 and come from diverse cultural and ethnic backgrounds. At the SSE we believe your passion for change is what matters most, not where you come from. ...

"The SSE was founded in East London in 1997 and has since grown to become a global network. The SSE now operates in 12 locations across the UK and has schools in Canada and India.

More: www.the-sse.org/about-school-for-social-entrepreneurs/

Source: SAN 25th March 2017. ❖

Companies Save \$14 for Every \$1 Invested in Reducing Food Waste

"Companies save \$14 in operating costs for every \$1 they invest in reducing food waste, according to a report from a coalition of businesses, government officials and NGOs. ...

More: www.environmentalleader.com/2017/03/companies-save-14-every-1-invested-reducing-food-waste/

Source: *Environmental Leader*, 9th March 2017. ❖

Communicating the Natural Capital Benefits of Built Asset Design

"Leading UK building and civil engineering company Sir Robert McAlpine and Hammerson Plc, a major owner, manager and developer of retail property, have been working to encourage the uptake of Natural Capital Accounting within the UK construction industry.

"The companies jointly published a report in collaboration with Trucost entitled '*Designing for Natural Capital: Understanding and Communicating the Natural Capital Benefits of Built Asset Design Improvements*'.

"With the study having confirmed to Sir Robert McAlpine and Hammerson the value of natural capital accounting, they were keen to share the analysis and the lessons learned to encourage further uptake.

"Towards the end of last year [2016] the companies co-hosted an event entitled '*Communicating the Natural Capital Benefits of Built Asset Design*' for key clients and consultants across the industry.

"There was a lot of interest among those present in how natural capital accounting can be used to help inform better design decisions in the UK construction industry. Both Sir Robert McAlpine and Hammerson are now looking to further develop the tool on future projects.

More: <http://naturalcapitalcoalition.org/communicating-the-natural-capital-benefits-of-built-asset-design/> plus <http://naturalcapitalcoalition.org/designing-for-natural-capital-understanding-and-communicating-the-natural-capital-benefits-of-built-asset-design-improvements/>

Source: Clare Feeney, 25th January 2017. ❖

New Cafe and Retail Space Opens at Middlemore Hospital

"Middlemore Hospital has become the first New Zealand hospital to provide an organic food shop on its premises.

"The south Auckland hospital has completed a nearly \$1 million makeover of its retail precinct, Paataka Place, which officially opened on 7th February.

"Outdated cafe food has been given the boot in favour of healthier options like Subway, Fuku Sushi, Columbus Coffee, Elixir Espresso, and Little Goodness. ...

"The store is an offshoot of the couple's Goodness Grocer stores in Pukekohe and Waiuku, which they established about four years ago to provide organic and healthy food.

"It's the first of its kind in a hospital in the country,

"It's pretty exciting to see organic food becoming part of the mainstream and it's great to have that support from the DHB and the government,' Martin says.....

More: www.stuff.co.nz/national/health/89152140/New-cafe-and-retail-space-opens-at-Middlemore-Hospital

Source: SBN, 14th February 2017. ❖

Audit & Assurance – The Icing On the Sustainability Cake

"According to the latest Edelman Trust Barometer, trust is in crisis. The suspicion of greenwash is increasingly fueled through non-credible communication, the misuse of sustainability for marketing, and corporate scandals. Investors and other stakeholders are concerned about a growing 'credibility gap'.

"Robust data, reliable facts and focus on material issues are vital to close this gap. Independent audits and assurance provide additional confidence, add tangible business value and are rewarded by sustainability indices, such as DJSI and CDP.

"Join us for a 30 minute webinar on 5th April to find out how sustainability reporting and the assurance process generate added value, without being a daunting task.

When/Where: Wed, 5th April 2017, at 1:00 - 1:30 pm (Sydney / Melbourne), or 3:00 - 3:30 pm (Auckland / Wellington)

More: <https://zcl.campaign-view.com/ua/SharedView?od=11287eca7c3e21&cn=11a2b0b1cd948b3&cd=13bcf00930d74067&m=4>

Source: Mathias Nebel, 27th March 2017. ❖

Environmental Pressures Rising in New Zealand

"New Zealanders enjoy a high environmental quality of life and access to pristine wilderness. However, New Zealand's growth model, based largely on exploiting natural resources, is starting to show its environmental limits with increasing greenhouse gas emissions and water pollution, according to a new OECD report. ...

"While the country only accounts for a tiny share of global emissions, the OECD's third Environmental Performance Review of New Zealand finds that intensive dairy farming, road transport and industry have pushed up gross GHG emissions by 23% since 1990. Despite generating 80% of its electricity from renewable sources, among the highest in OECD countries, New Zealand has the second-highest level of emissions per GDP unit in the OECD and the fifth-highest emissions per capita.

"Having largely decarbonised its power generation, New Zealand needs to ensure its climate policies are effective in curbing emissions in all sectors, notably transport and agriculture," said OECD Environment Director Simon Upton, presenting the report in Wellington. "This means strengthening the Emissions Trading Scheme and ensuring sectoral policies are aligned with the need for a low emissions transition."

"With respect to agriculture which accounts for 49% of emissions – the highest share in the OECD – the report suggests either incorporating emissions from agriculture into the Emissions Trading Scheme, or developing alternative measures to counter the pressures of farming. The use of environmentally related taxes, charges and prices should be expanded. [See graph comparing NZ with other top 10 OECD countries, 2014]

"Growth in intensive dairy production has increased the level of nitrogen in soil, surface water and groundwater. The nitrogen balance (the difference between nutrients entering and leaving the system) increased more than in any other OECD country from 2000 to 2010.

More: www.oecd.org/environment/environmental-pressures-rising-in-new-zealand.htm 254 pages

Source: Carbon News, 21st March 2017. ❖

OECD Takes NZ to Task for Approaching Environmental Limits in Limitless Growth Quest

"ECO yesterday [21st March] welcomed the release of the OECD Environmental Performance Review 2017 of New Zealand, a ten-yearly appraisal of aspects of our policies and performance. It comes in an 18 page Highlights report and a longer version. It is politely highly critical of the government's economic growth strategy based on expansion of primary industry and suggests that New Zealand decouple economic growth from increasing resource use. That is something that growth experts and ECO have been saying for decades.

"We hope the government listens.

"In 2016, ECO met with the OECD Review team and gave them suggestions for policy changes.

"Here's some key points from the Review:

- the OECD draws attention to the fact that 75% of water used in New Zealand is for irrigation
- the increasing use of nitrogen is leading to a decline in water quality
- we are increasing our greenhouse gas emissions and the growth is coming from agriculture
- our transport system is road dependent and needs more investment in alternatives - cycling, walking and public transport
- our wildlife extinction rates are amongst the highest in the world
- it recommends we speed up progress on the National Policy Statement on Biodiversity.

More: Same reference as preceding article plus highlight report at www.oecd.org/environment/country-reviews/Highlights_OECD_EPR_NewZealand.pdf plus <http://propbd.co.nz/tag/environment-2/> and www.fishandgame.org.nz/newsitem/oecd-report-new-zealand-environment-%E2%80%98wake-call%E2%80%99-fish-game

Tieke: ECO Alerts & Events, 22nd March 2017. ❖

1st Annual Regenerative Future Summit

**The world is in crisis. Solutions abound.
Join us to create a bridge to a regenerative future.
"Make the world work for 100% of humanity."**

– Buckminster Fuller

"We need a new economic narrative to deliver well-being and shared prosperity on a healthy planet. Join us to create a vision to transform the economy."

"The Regenerative Future Summit is the first of its kind. Three hundred thought leaders, and change-makers like you will reframe 'the economy'. The #RFSummit17 is part of a series of international meetings held previously in Paris, Germany and New York in which business leaders, scientists, faith leaders, scholars and people like you framed the principles of an economy in service to life. Now it's time to make it real."

"This is your chance to engage with global thought leaders and work with them to transform the global economy. Unlike many conferences where the audience sits passively, this will be a working session. Experts will set the frame, then invite you to engage with it and with them. Our goals are to:

- Finalise and launch the new narrative of a world that works for 100% of humanity
- Hone/validate the theory of change to implement the new narrative
- Develop action plans to implement the theory of change and to engage with the global movement and make it real here on the Front Range.

Early bird pricing ends 31st March, 2017!

When/Where: 15th -17th May, 2017, Boulder, Colorado

More: <https://regenerativefuture summit.org>

Source: Hunter Lovins, 18th March 2017. ❖

Creating Living Buildings – Professional Short Course

"What does it take to deliver positive projects that add value for our clients, our communities and nature? Aimed at design, engineering and construction professionals and their clients, the course offers a unique opportunity to upskill, share ideas and shift direction."

"CPD points and 50% ECCA Bursaries are available."

"Running for the fourth year, this leading edge 2 day course is an opportunity to dive into Living Buildings solutions in a regenerative context."

When/Where:

- Christchurch, 15-16 August, ARA Institute of Canterbury
- Auckland, 23-24 August, AUT & Otago Polytechnic

More: <http://us3.campaign-archive1.com/?u=ca298d2dee606a09a5b846755&id=dab74e8d95&e=0bc723dc14>

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

Science Teach-In Toolkit

"NCSE [the National Council for Science and the Environment, USA] has created the NCSE *Science Teach-In Toolkit*, available to all organisations and individuals at no cost, to support science teach-ins being planned to share knowledge and raise awareness about science and its value to society."

"A science teach-in is an informal lecture, discussion or series on any one of a variety of scientific issues that relate to the public interest, decision-making and policy-making and raise awareness about science and its value to society..."

".....The *Science Teach-In Toolkit* is available to all NCSE member institutions and the public free of charge. It includes a collection of planning resources and template documents. Any organisation or individual planning a Science Teach-In is encouraged to share additional resources and templates with NCSE, which will be added to the toolkit....."

More: www.ncseglobal.org/ncse-science-teach-in-toolkit

Source: NCSE. 28th March 2017. ❖

Passive Progressive

"A Dunedin couple have built a new home with no heating. What were they thinking? Kim Dungey reports."

"It's a cool, rainy Monday but John Crump is walking around home in his shirtsleeves."

"The temperature outside hovers around 9°C. The temperature inside is about 22°C. In every room, every day of the year."

"Yet there is no fireplace and no central heating."

"I call it the anti-Dunedin house', Mr Crump says."

"It's light and it's warm.'"

"The home is the first in Dunedin to be certified under the international 'passivhaus' standard which is designed to maintain an indoor temperature of 20-22°C while reducing heating costs by about 90% over a code minimum build."

"The Crumps say the glazing, thermal modelling and certification added about 10% to the home's construction costs, but reduced running expenses mean it will pay for itself relatively quickly. Their power bills used to be \$200 in summer and up to \$600 in winter. Now they are \$60-\$70."

"Michael Sly, whose home near Arrowtown has also been designed with no heating or cooling, says costs will reduce as more components are made in New Zealand. Last year he and his business partners set up a Cromwell factory to manufacture structural insulated building panels, and recently the 135mm-thick larch window frames made by Mosgiel firm ThermaDura became the first building product in the southern hemisphere to be certified for passive house projects. Certified materials are not mandatory, but owners using them know the manufacturers' performance claims have been checked."

"Before moving into their 150sqm home 15 months ago, Mr Sly and partner Jodie Lynes spent \$11,000 a year on energy and petrol. Now, with no heating and a hybrid vehicle that is recharged partly from solar panels on the home's roof, those costs are about \$1500....."

"Mr Shaw says it is ironic that Nasa astronauts are able to work in a "shirt-sleeve environment" in space, but New Zealanders struggle to achieve it in their houses."

"The whole point of doing this is the concept of comfort, that generally, as New Zealanders, we have no idea exists', Mr Sly says. 'It's like trying to explain what snow looks like to someone who's never seen snow.'"

More: www.odt.co.nz/lifestyle/magazine/passive-progressive

Source: Elrond Burrell, LinkedIn New Zealand Sustainability Professionals Networking Group, 23rd March 2017. ❖

Measuring the Earth: Classical Calculations About World's Size and Shape

"Around 250 BCE, Eratosthenes accurately calculated the circumference of the Earth, for the first time in history. This was a famous achievement, even then. What exactly did he do, why, and what was the impact of his discovery? Did he have competitors, and were there flat-earththers? This course introduces you to these historical problems and context."

"This course is for anyone interested in the history of science and philosophy or in Greco-Roman antiquity."

"By the end of this course, you will have gained an:

- Understanding of the people, events and technical problems involved in ancient thinking about the size and shape of the Earth
- Appreciation of and discussed the difficulties created by the nature of our evidence.

When/Where: 6:00 – 8:00pm Wed. from 3rd May, for 5 weeks, Wellington

More: <http://ce.victoria.ac.nz/courses/546-measuring-the-earth-classical-calculations-about-worlds-size-and-shape>

Source: Victoria Continuing Education, 23rd March 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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