

Sustainability Matters

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Business achieving a tomorrow for tomorrow's children

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!! New Zealand's Zero Carbon Legislation !!

Although commonly called the Zero Carbon Bill/Act the proposed legislation is formally known as the 'Climate Change Response (Zero Carbon) Amendment Bill'.

This legislation is **IMPORTANT** and may be as important as that for women's suffrage 125 years ago. This is important not only to NZ and NZ'ers but also to other countries and their peoples. 'The world' is literally watching, so it is incumbent upon ALL New Zealanders to ensure the legislation eventually passed by Parliament is as good as it can be and for the potential not weakened to appease political or other interests.

A number of organisations have already prepared submissions and made them available on the 'web'. Assuredly there will be others in coming days.

Collectively these might help *Sustainability Matters* readers formulate their thinking for their own submissions.

CA ANZ is surveying its members to help inform its submission

Submissions close: with the Environment Select Committee at 5:00pm on **Tuesday 16th July**

More: www.mfe.govt.nz/climate-change/zero-carbon-amendment-bill plus www.parliament.nz/en/pb/sc/make-a-submission/document/52SCEN_SCF_BILL_87861/climate-change-response-zero-carbon-amendment-bill Guidance about the submissions process is provided in a short video; www.youtube.com/watch?v=QYuKUJadw1g&feature=youtu.be

Editor: Time to start on my submission and to participate in the CA ANZ survey!

The Conduct of Financial Institutions – Submission by Wise Response Society

Summary:

- We submit the major omission of the Options Paper is a lack of any responsibility for the social and environmental impact of investments, and in particular, the impact on our environment.
- We submit any risk analysis which excludes these factors is inadequate. The duties should include a duty to care for the environment.
- We recommend it is important for any plan which involves a transition to a sustainable and resilient country, should involve the financial sector. ...
- We also submit that to ensure companies carry out these duties, the directors are held liable for this with appropriate penalties for non-compliance in a similar way they are now held accountable for health and safety matters.

More: http://wiseresponse.org.nz/wp-content/uploads/2019/06/Wise_Response_Submission_on_Conduction_of_Financial_Institutions_2019.pdf 13 pages, 227Kb plus <http://wiseresponse.org.nz/> and www.mbie.govt.nz/have-your-say/financial-institutions-conduct-review/

Source: Robert Howell, 20th June 2019

Editor: This excellent submission should be read in full. The thinking should be taken on board by all directors, accountants, investment managers, bankers and their peak bodies e.g. CA ANZ. Submissions closed 7th June.

Free Sustainability Webinars for CA ANZ Members

"Chartered Accountants ANZ is offering short complimentary webinars on climate risk, financial impacts and sustainable practice.

"In brief;

- Unpack the financial impacts of climate-related risks
- Sustainability is an issue that businesses of all sizes should be considering
- Daniel Wiseman from ClientEarth details its involvement with referrals to the FRC on climate risk.

"Chartered Accountants ANZ has created a series of short complimentary webinars on climate-related risk and sustainable business practices for members.

"The series begins with unpacking the financial impacts of climate risk with Karen McWilliams, CA ANZ's business reform leader. The session explores the differences between climate change and climate risk, outlines what has been happening in the climate disclosures space in Australia and New Zealand as well as abroad.

"Daniel Wiseman from ClientEarth details the lessons learned for businesses and auditors, including climate change effects on business, the legal implications of climate trends, ClientEarth's advocacy, including complaints to the Financial Reporting Council (FRC) in relation to climate-risk disclosures, and communication with auditors as a result of these complaints.

"Investment in sustainable business practices can have positive effects on your business by opening up new opportunities. In the sustainable practice – the financial impacts on your business complimentary webinar, Barbara Nebel from Thinkstep Australasia takes you through the business value framework and simple steps that could be applied to your business with minimal effort and great reward;

- **Unpacking the financial impacts of climate risk.** Karen McWilliams CA, Business Reform Leader, Chartered Accountants ANZ, has been designed this webinar for our members in business and practice to raise awareness around the continued area of climate risk.
- **Climate Risk – Lessons learnt for business and auditors.** Join Daniel Wiseman from ClientEarth as he outlines the importance of looking at climate risk from different perspectives.
- **Sustainable practice.** The financial impacts on your business with Barbara Nebel from Thinkstep Australasia.

More: www.charteredaccountantsanz.com/news-and-analysis/news/free-sustainability-webinars-for-members

Source: Karen McWilliams, LinkedIn, 18th June 2019.

The Formula for Telling Sustainability Stories which Stick

More: www.greenbiz.com/article/formula-telling-sustainability-stories-stick plus www.thinkparallax.com/Insight/formula-communicating-esg-white-paper/

Source: CSEAR, 25th June 2019.

Auckland Council Declares Climate Emergency

"By unanimously voting to declare a climate emergency we are signalling the council's intention to put climate change at the front and centre of our decision making", says Mayor Phil Goff

"Today [11th June], members of Auckland Council's Environment and Community Committee voted to join a growing community of cities around the world which have formally and publicly recognised the urgency for action on climate change by declaring a climate emergency.

"Our declaration further elevates the importance of an immediate national and global response to address our changing climate", said Councillor Penny Hulse, chair of the committee.

"We want to be a part of the global community calling for change. We have listened and are listening to people; to Aucklanders who supported targeted rates to improve the health of our environment and water, to the students who went on strike and demanded action on climate, to groups like Extinction Rebellion who came to the council and pleaded with us to take more action including declaring this climate emergency. To these groups and to the many others who have made their voices heard, I say thank you", says Councillor Hulse.

"Mayor Goff says, 'Our obligation is to avoid our children and grandchildren inheriting a world devastated by global heating. Scientists tell us that if we don't take action, the effects of heating will be catastrophic, both environmentally and economically.

"In declaring an emergency, we are signalling the urgency of action needed to mitigate and adapt to the impact of rising world temperatures and extreme weather events. The Intergovernmental Panel on Climate Change says we have only around 12 years to reduce global carbon emissions to limit temperature rises to 1.5 degrees.

"While international and national actions are critical, at a local and personal level we need to play our role in achieving that target."

"What does this mean for Aucklanders? By declaring a climate emergency, the council is committing to:

- Continue to robustly and visibly incorporate climate change considerations into work programmes and decisions
- Continue to provide strong local government leadership in the face of climate change, including working with local and central government partners to ensure a collaborative response
- Continue to advocate strongly for greater central government leadership and action on climate change
- Continue to increase the visibility of our climate change work
- Continue to lead by example in monitoring and reducing the council's greenhouse gas emissions
- Include climate change impact statements on all council committee reports. ...

"What the science says

"What we're doing

"What next?

"And today [11th June], the council approved public consultation of a draft climate framework for Auckland - Te Tāruke-ā-Tāwhiri: Auckland's Climate Action Framework' ...

More:

<https://ourauckland.aucklandcouncil.govt.nz/articles/news/2019/06/auckland-council-declares-climate-emergency/> plus http://infocouncil.aucklandcouncil.govt.nz/Open/2019/06/ENV_20190611_AGN_6851_AT_files/ENV_20190611_AGN_6851_AT_Attachment_67783_1.PDF 114 pages, 3.18Mb

Source: Bruce Gilkison, 13th June 2019. 

Two Worked Examples on Social and Human Capital Accounting

"We are pleased to announce the launch of two worked examples of Social and Human Capital Accounting from Canadian members of the A4S CFO Leadership Network.

"These in-depth studies have been created to show how two members have implemented social and human capital accounting within their respective organisations. The worked example from Brookfield Asset Management focuses on human capital valuation and the one developed by The Co-operators Group explores the importance of recognizing and responding to mental health problems.

"Brookfield Asset Management: The project was a first step in creating a better understanding of their human capital.

"As a result of the project, Brookfield measured the value of their human capital in order to increase the effectiveness in how they organise and develop their employee base. They found human capital made up 60% of their market capitalisation. Further, the company found the value of their 80,000 employees was approximately twice the value of the cost of replacing them.

"The Co-operators Group: This worked example outlines their mental health initiative, highlighting the issues faced and the trigger for action.

"It illustrates how they made the initial business case for this initiative, the approach taken to date with respect to the implementation of the business case, and the creation, collection, measurement of metrics and reporting of outcomes. This is an excellent example of where sustainability has had a significant positive impact on business performance.

More: www.accountingforsustainability.org/en/knowledge-hub/guides/social-and-human-capital.html plus www.accountingforsustainability.org/brookfield-shca.html and www.accountingforsustainability.org/cooperators-shca.html

Source: A4S, 12th June 2019. 

Empowering NZ Business and Acting on Plastic – SBN Annual Conference: *The End of Plastic As We Know It*

"We are in the middle of a worldwide movement away from the waste and pollution of discarding fossil fuel-derived plastics. It is having profound impacts throughout every business and sector. This is an exciting time of innovation, where opportunities await those getting ahead of the curve.

"New Zealand's relative remoteness and small scale provide unique challenges, yet our internationally heralded innovations make huge waves. We have the opportunity to lead the world. This is especially true with regards to new materials development and packaging use.

"The Sustainable Business Network is hosting this special event. Together business leaders and experts will take an in-depth look at this issue. We will explore what it means for your business and for sustainable business in New Zealand.

"The day will provide you with the practical information and inspiration you need to thrive in the emerging low carbon circular economy. Together we will touch on design, procurement, supply chain management and more. Unrivalled networking opportunities will give you the system-wide connections you need to succeed. ...

"Activities

When/Where: 8:30 – 5:30, Monday 26th August, Auckland. Early bird tickets on sale until Friday 12th July.

More: <https://sustainable.org.nz/conference/>

Source: SBN, 12th June 2019. 

NZ's Second National Sustainable Development Goals Summit

"The United Nations Sustainable Development Goals provide an agenda for transforming the world to meet the challenges of ending poverty, enhancing social inclusion, environmental sustainability, peace, good governance and economic prosperity for all countries and peoples. The organising committee are pleased to invite you to join this national, multi-sector *Summit on the Sustainable Development Goals* – together we are accepting the challenge for our sphere of influence in New Zealand.

"The need for urgency and greater action to progress sustainable development are recognised in the 2019 Summit's theme of Accelerated action, together.

"The purpose of the Summit is to bring together people from all sectors to develop and commit to positive action and accountability on the critical SDGs within our broader spheres of influence. We will do this by providing a platform for recognising, sharing and combining knowledge and skills, and seeking to weave together many threads of accelerated action through preparatory work, keynote addresses, panel discussion and action planning.

"The Summit outcomes will be:

- Participants with increased knowledge, skills and tools to act and influence;
- Enhanced commitment and momentum for accelerated action, together beyond the Summit;
- Expansion of key partnerships to deliver accelerated action, and
- An electronic record of the keynote addresses and panel discussions, and the accelerated action plans developed and agreed to within the summit and contributed to by all those who join in.

When/Where: 2nd September 2019, UofA, Auckland

More: www.sdgsummit2019.org

Source: Dr Lesley Stone and Dr Thomas Neitzert, summit co-chairs, 31st May 2019. 

Climate Change & Business Conference 2019

"Where the world is going to arrive is not clear: 1.5°, 2°, or 3° of warming are all still potential futures. Which one eventuates depends on how fast we act and how hard we work to change. What is clear, is a transition to a climate change-resilient future for New Zealand and its business community is must happen.

"By the end of the year a Zero Carbon Act setting New Zealand's transition pathway is likely to be in force and an understanding of what it means at a business-level will be critical for effective future decision-making.

"The questions climate resilience and emissions reductions as part of that transition raise are numerous & complex.

- How do you make decisions when faced with an unknown and changing future?
 - How do you plan and execute a physical and strategic adaptation plan?
 - How do you secure multiple wins out of climate-related action?
 - How do you help your workforce to transition to be effective and efficient in a new world?

"This October, with the help of international and national experts and businesses leading in climate change action, the 2019 Climate Change and Business Conference, New Zealand's premier climate change event, will explore the answers to your questions, and provide solutions to create opportunities from the transition for your business.

When/Where: 8th to 9th October, Auckland

More: <https://web.cvent.com/event/ffa39c03-26d9-461a-8efe-a9f0977b11db/summary>

Source: CCBC, 4th June 2019 → An EDS event. 

Keep NZ Earth Building Standards Up To Date

"Thanks to EBANZ, New Zealand is a pioneer in Earth Building Standards. Published in 1998, the original standards have proved their worth; there has been no reported failure to date of any compliant earth building but lessons have been learnt from the Christchurch and Kaikoura earthquakes, and the results of new research need to be incorporated. To save our standards, and to remain world leaders in earth building technology, they must be updated.

"Protecting the Earth Building Standards keeps NZ at the forefront of the global movement toward natural, affordable housing that is good for our planet.

"The challenges of climate change are upon us. The mainstream building industry is a huge contributor to CO₂ emissions and wastefulness. The materials we build with are really important if we are to radically reduce CO₂ emissions by the building industry, and this is where earthen materials come in. They have a low carbon footprint and are relatively easy to construct; affordable and imminently suited for owner-builders and community housing projects.

"If these standards are not updated we will lose our world class guidelines, along with a clear pathway to consenting; earth building will no longer be affordable and safe. This would be a tragic step backward.

"What are the Earth Building Standards?

"The Resolution: EBANZ is now working ... to bring development work on the standards to its conclusion. Funding is estimated to be around \$95,000 with this collaborative approach; to date donations have raised around \$34,500; but we still have \$60,000 to go.

"EBANZ (a non-profit organisation) has also spent over \$42,000 on research, review, and revision related items, and EBANZ members have volunteered several thousands of hours of time with a value well over \$500,000.

More: <https://givealittle.co.nz/cause/we-need-your-help-to-keep-nz-earth-building-safe> plus www.earthbuilding.org.nz/help-ebanz-save-our-standards/

Source: Faith Gould, EBANZ, 21st June 2019. 

Cutting Construction and Demolition Waste

"The New Zealand Ecolabelling Trust has released a draft specification for the minimisation and management of construction and demolition waste. The Trust administers the Environmental Choice New Zealand (ECNZ) ecolabel on behalf of the Government. The draft specification will be open for comment till 13th August.

"This proposed specification sets out the requirements C&D Waste Services will be required to meet in order to be licensed to use the Environmental Choice New Zealand Label. The specification is split into modules of criteria that differentiate environmentally preferable waste services. There are common criteria applicable for all waste services, then specific criteria for three distinct service types in the C&D waste industry; waste recovery service providers, construction waste generators, and demolition waste generators. The specification also defines the means to be used to demonstrate and verify conformance with each of the criteria' Page 4.

More: <https://environmentalchoice.org.nz/assets/Specification/Draft/EC-59-19-C-D-Waste-Services-Proposed-Criteria-002.pdf>. 32 pages, 218KB

Source: SBC Weekly Pānui, 20th June 2019

Editor: Two weeks ago a home in my neighbourhood was demolished with an excavator – weather boards, roofing iron, windows, flooring, studs and more. A least direct cost, most waste model. This was a seemingly excellent home aged about 50 years. 

Sanfords Wins Australian Reporting Awards

"Indonesia entrant Pt Vale Indonesia was the best the best first time entry.

"Sanford picked up the top award for Annual Report of the Year at the 69th Australasian Reporting Awards last night [19th June] in Melbourne, as well as being finalists in the Integrated Report and Sustainability Report categories, and achieving the Gold Award standard once again. Fonterra and Watercare both received Gold Awards, and Watercare won the Public Sector Sustainability Reporting Award.

"Of particular note was the outstanding performance of the Malaysian organisations this year. Seven of them achieved Gold Awards for excellence: AMMB Holdings Berhad, Axiata Group Berhad, KPJ Healthcare Berhad, Malayan Banking Berhad, Malaysian Resources Corporation, Petronas Chemicals Group Berhad, and Puncak Niaga Holdings Berhad.

"New Zealand was also well represented among the Award winners with Gold Awards going to the Accident Compensation Corporation, Fonterra Cooperative Group, Inland Revenue, Marlborough Lines, NZ Super Fund, The Bay of Plenty Health Board, the Whanganui District Health Board and Watercare Services – in addition to Sanford Limited. The high standing of the reporting of the Accident Compensation Corporation and the NZ Super Fund organisations should assure New Zealanders their financial affairs are in safe hands.

"New Zealand organisations also featured strongly in the ARA Special Awards for specific aspects of reporting. Auckland's Watercare Services won the Public Sector Sustainability Reporting Award and NZ Super Fund was a Finalist for the Report of the Year Award. ...

"Calls for entries to the 2020 Australasian Reporting Awards commence in September.

More: www.arawards.com.au/ See link to media release.

Source: *SBC Weekly Pānui*, 20th June 2019. 

Growing Well at Pūniu River Care

"Iwi environmental organisation Pūniu River Care is seeing positive outcomes for its people and for conservation following its establishment near Te Awamutu.

"The group has been involved in a number of environmental projects in the region following the creation of its own plant nursery.

"Pūniu River Care has attracted funding from a number of organisations including the Waikato River Authority.

"Chief Executive Shannon Te Huia says having a strong cultural connection to the Pūniu River has been instrumental in the development of an organisation with a strong values base.

"Pūniu River Care has grown to an organisation of 20 staff and in the past four years has produced around 600,000 plants and now at 300,000 per year. 'When we first started we grew 8,000 plants in our spare time, with just a vision and definitely not funded. We didn't understand what nitrogen was, we didn't understand what phosphorus was, we didn't understand these contaminants, but we knew what dirt was because when we would swim in the water we knew it was dirt', he says.

"He says it was a simple concept for them that by planting trees they would keep the dirt where it was supposed to be, and not in the water. Shannan Te Huia says the key for him is increasing the health and wellbeing of the people as well as the river. He says it is not enough just to say that, but to see the results.

More: <https://puniuinc.org/> plus <https://puniuinc.org/whakamarama-about>

Source: Waikato River Authority newsletter, 13th June. 

Shareholders Defy Bank Management

"In South Africa, Standard Bank shareholders defied management and voted to pass a resolution obligating the bank to disclose information on its coal investments and put forward a new policy to limit climate change [31st May]. It's the first time we've seen a climate shareholder resolution pass for any listed company in the world. And it came just after Nedbank became the first bank in Africa to divest from coal. With both African and Japanese banks backing away from fossil fuels, it's clearly becoming a worldwide phenomenon.

More: <https://350.org/this-is-how-were-shutting-down-fossil-fuel-finance/> plus <https://citizen.co.za/business/business-news/2137489/standard-bank-shareholders-defy-board-in-vote-for-greener-disclosure/> and <https://350africa.org/nedbank-officially-cuts-ties-with-coal/>

Source: 350.org, 13th June 2019. 

ISO 50001 Explained

"This updated ISO 50001 guide, produced in association with edie's supporting partner Centrica Business Solutions, provides an in-depth summary of the ISO 50001 Standard which can be used by an organisation to establish and maintain a continuous level of energy performance improvements.

"ISO 50001 has already been implemented by thousands of businesses across the world to boost energy efficiency efforts, but a number of key questions will need to be answered before any business embarks on the certification process.

"Is ISO 50001 suitable and appropriate for all organisations? What are the potential business benefits of the Standard? And how does the accredited ISO 50001 certification process work?

"This nine-page edie explains guide, updated in June 2019, answers all of these questions and more to help energy managers understand exactly what they need to do before, during and after the ISO 50001 certification process.

More: www.edie.net/downloads/edie-explains--ISO-50001/394 11 pages, 1.27Mb

Source: edie, 12th June 2019.

Editor: ISO 50001 is a data-driven standard and – unlike ISO 9001 and 14001 – uses a baseline from which an organisation must demonstrate improvement. [Page 2]. 

Documentary: *Fools and Dreamers*

"Film screening through New Zealand followed by Q&A, depending on venue, with Hugh Wilson (kaitiaki, Hinewai Nature Reserve), Jordan Osmond and Antoinette Wilson (directors, Happen Films).

"*Fools and Dreamers* is a 30-minute documentary telling the story of Hinewai Nature Reserve, on Canterbury's Banks Peninsula, and its kaitiaki/manager of 30 years, Hugh Wilson. We learn about the commitment of Hugh and the Maurice White Native Forest Trust to regenerate marginal, hilly farmland into native forest, using a minimal interference method that allows nature to do the work, giving life to over 1500 hectares of native forest, waterways, and the creatures that live within them.

"An inspiring, charismatic personality, Hugh's passion and enthusiasm for his life's project come through in every sentence he speaks. A dreamer who has made his dream come true, Hugh has proven without doubt that nature knows best – and that he is no fool. ...

"Showings have sold out in Christchurch and Akaroa

Where/When: Picton, Wgtn, Naier, Tauranga, Auckland, Whanganui, Carterton 4-26th July

More: <https://happenfilms.com/fools-and-dreamers>

Source: *Tieke: ECO Alerts & Events*, 19th June 2019. 