

Sustainability Matters

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Business achieving a tomorrow for tomorrow's children

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Climate Change Commission's Advice to Government Released

"*Ināia tonu nei: A Low Emissions Future for Aotearoa* is our first advice to Government on climate action in Aotearoa said the Climate Change Commission on 9th June 2021 upon the release of its report to the New Zealand government.

"The advice in this report details the paths Aotearoa can take to meet its climate targets.

"Aotearoa has committed to reaching net zero emissions of long-lived greenhouse gases by 2050 and reducing biogenic methane emissions between 24-47% by 2050. The Commission's role is to provide independent, evidence-based advice to reach those targets.

"The report was delivered to the Minister of Climate Change and then tabled in Parliament in June 2021.

"In delivering this advice, we believe we have presented ambitious and achievable paths that Aotearoa can take to meet its climate targets and contribute to global efforts to address climate change.

"This advice is grounded in evidence and analysis and refined based on what New Zealanders have told us through consultation.

"It is now over to Government to decide whether to accept the advice, and to show how it will shape climate action in Aotearoa. The Government has until 31st December 2021 to set the first three emissions budgets out to 2035 and release the country's first emissions reduction plan detailing the policies it will use to achieve the budgets.

"Transformational and lasting change is both necessary and possible. The technology and the tools Aotearoa needs to reach its climate targets exist today. Our evidence shows climate action is affordable.

"*Ināia tonu nei* – the time is now.

More: www.climatecommission.govt.nz/our-work/advice-to-government-topic/inaia-tonu-nei-a-low-emissions-future-for-aotearoa plus 'What we heard about our draft advice' at www.climatecommission.govt.nz/our-work/advice-to-government-topic/inaia-tonu-nei-a-low-emissions-future-for-aotearoa/chapter-summaries/ and www.stuff.co.nz/environment/climate-news/125383874/what-does-the-climate-change-commissions-roadmap-mean-for-our-lives

Source: Climate Change Commission, 9th June 2021.

Webinar: Friday 11th June and will be recorded, at www.eventbrite.co.nz/e/he-pou-a-rangi-the-climate-change-commission-explaining-our-advice-tickets-157885460663

Rethinking the Value of Used Parts – The Accounting and Financial Management Implications

"*ReValu-Parts, Rethinking the Value of Used Parts* is a new white paper providing a starting point for establishing a trusted methodology to evaluate the financial value of used parts in the balance sheet. A working group led by Circular Economy Solutions GmbH has developed a cross-industry accepted evaluation methods of used parts to improve the access to finance for circular businesses handling used parts.

"In many companies, sustainability work is moving from the communications manager and over to the finance manager. It is no longer enough to describe how the company works to become more environmentally friendly, take more social responsibility or reduce its CO2 emissions. Investors, banks, customers and partners are increasingly demanding the hard facts. To be able to call itself sustainable in the future, a company must be able to document data and figures on various criteria. It is expected clear and quantified goals are set, the status of the business today is documented, and a clear plan is presented with concrete measures to achieve the goals. In the same way as for the financial information, there is a need for common standards and measurement methods for the sustainability reports. ...

"The work is based on the car market, where several circular processes are used today, such as reuse, repair, reproduction and recycling. For example, 10% of the total turnover of spare parts in the car market comes from reworked parts from used cars. We have prepared a proposal for a method for valuing these used materials based on IAS 2 and IFRS 13.

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More: www.ifac.org/knowledge-gateway/supporting-international-standards/discussion/rethinking-value-used-parts-accounting-and-financial-management-implications and www.ellenmacarthurfoundation.org/assets/downloads/business/ReValu-Parts-6.pdf 18 pages 419Kb

Source: Karen McWilliams, via Climate and Sustainability Group, CA ANZ, 24th May 2021.

Is ESG On The Way Out?

"In the past six to twelve months hundreds of articles have surfaced raising concerns about ESG (Environment, Social, Governance), a term often used in financial circles to refer to non-financial issues for responsible investing. For instance, O'Leary and Valdmanis writing in their *HBR* article entitled *An ESG Reckoning Is Coming*, point out, 'The push in recent years for companies to commit to ESG efforts is commendable. But so far, those efforts have yielded scarce results'. And many, including Thomas O'Neill who writes for *Responsible Investor*, have noted ESG ratings are wildly inconsistent.

"Whether ESG stands the test of time remains to be seen. One thing seems clear: current approaches to ESG will need to transform in order to avoid the common pitfalls of ESG management.

More: www.environmentalleader.com/2021/05/is-esg-on-the-way-out/ plus <https://corpgov.law.harvard.edu/2020/09/23/the-seven-sins-of-esg-management/> *The Seven Sins of ESG Management*: 'The sins of ESG management outlined in this post may not necessarily qualify as deadly sins for companies, but they can prove very dangerous as they may lead to poorly managed or superficial approaches to risk management. By adopting a comprehensive ESG strategy which focuses on material issues, companies can take full advantage of the opportunity offered by a sound ESG management system to address risks and protect long-term shareholder value.

Source: *Environmental Leader*, 26th May 2021.

Editor: Although not new it is good to see these ideas brought together.

Eating Ultra-processed Food for a Month Aged My Body by 10 years'

"Dr Chris Van Tulleken changed his diet for a month for a new BBC programme, and was shocked by the toll on his mind and body.

"Dr Chris Van Tulleken doesn't want to ban bacon sandwiches outright – but he does have a serving suggestion. 'I just want there to be a warning on the packet saying this food is associated with increases in obesity, cancer and death', says the 42-year-old television doctor. 'And then you can go ahead and enjoy it.'

"After coming for our bacon sarnies he wouldn't stop there: fish fingers, baked beans, all the childhood staples which most of us grew up on (and have returned to sneakily for lunch during this year of lockdown). 'In Britain, we don't have a food tradition', Dr Van Tulleken says, witheringly, with the result that, 'British cooking has all been ultra-processed'.

"The diet, he estimates, aged his body by 10 years, but more disturbing was the impact on his mind. MRI scans taken after the experiment confirmed the junk food had rewired his brain; strengthening the appetite and reward neural pathways into patterns more familiar with a drug addict.

"Several months on, and subsequent scans have shown the neurological changes have yet to be reversed. Particularly worrying, he adds, is the impact of this food on developing brains – particularly given the fact that according to his programme, currently two out of every three calories consumed by children and adolescents in Britain is derived from ultra-processed foods.

More: www.telegraph.co.uk/health-fitness/nutrition/diet/eating-ultra-processed-food-month-aged-body-10-years/ [Sign in likely required]

Source: Telegraph, 21st May 2021. 

Capitals Coalition Update

"This month [May] has seen the release of a new global goal for nature** which is being embraced at the highest levels and will drive ambition in government, business and society. The paper sets out the vision of a nature positive world by 2030

"We have also released two new online resources this month, a new searchable Case Study Database which highlights capitals applications from around the world, and the Biodiversity Guidance Navigation Tool which steers practitioners through a biodiversity-inclusive natural capital assessment.

"Sticking with biodiversity, the Align project is running a series of seminars and workshops in June which will be of interest if you are interested in joining the standardisation process.

"Knowledge and skills on the capitals approach are in high demand, with many organisations hiring at the moment, including us. We're looking for a dynamic, proactive and creative individual to join our communications team.

More: <https://mailchi.mp/capitalscoalition.org/capitals-coalition-april-newsletter-5055990>

** <https://capitalscoalition.org/wp-content/uploads/2021/04/Nature-Positive-The-Global-Goal-for-Nature-paper.pdf> *A Nature-Positive World: The Global Goal for Nature*, 21 pages, 1.31Mb

Source: Capitals Coalition, 25th May 2021.

Editor: Page 16: 'Without a commitment to a nature-positive future we will not meet our climate or human development goals and will thus imperil our common future. Nor will we meet our vision for biodiversity of Living in Harmony with Nature. A global goal for nature which is nature-positive is a necessary complement to our climate neutrality goal. Meeting both in an integrated way is a prerequisite for equitable sustainable development, a robust economic recovery, and most important of all, the health of the planet and its people. 

UK Consultation on Environmental Principles

"Ministers will put protecting the environment at the heart of future policy, under new plans set out today [10th March].

"The landmark Environment Bill will create a duty on ministers across Whitehall to be guided by five internationally recognised environmental principles when making policy – protecting the environment for the next generation and demonstrating to the world the environment is at the front and centre of the Government's work, ahead of the 2021 United Nations Climate Change Conference. ...

"This legally binding statement will introduce five environmental principles, committing the government to building back greener;

- The integration principle states policy-makers should look for opportunities to embed environmental protection in other fields of policy that have impacts on the environment.
- The prevention principle means government policy should aim to prevent, reduce or mitigate harm.
- The rectification at source principle means if damage to the environment cannot be prevented it should be tackled at its origin.
- The polluter pays principle is those who cause pollution or damage to the environment should be responsible for mitigation or compensation.
- The precautionary principle states where there are threats of serious or irreversible environmental damage, a lack of scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.

"There is no pathway to tackling climate change which does not involve the recovery and protection of nature.

"The policy statement will guide ministers across Government departments towards opportunities to prevent environmental damage whilst supporting innovation and sustainable development, helping the Government in its aim to deliver the most ambitious environmental programme of any country. ...

Consultation closed: 2nd June 2021

More: www.gov.uk/government/news/consultation-launched-on-environmental-principles plus https://consult.defra.gov.uk/environmental-principles/draft-policy-statement/supporting_documents/draftenvironmentalprinciplespolicystatement.pdf 20pages, 468kb

Source: edie, 27th May 2021.

Editor: The proposal has excellent ideas which could be very useful in other countries to adopt incl. NZ as it considers its replacement for the Resource Management Act. 

Major Seaweed Breakthrough

"CH4 Global Inc., and its scientific collaborator in New Zealand, NIWA, are thrilled to announce their collaboration has solved the largest challenge for the emerging Asparagopsis seaweed aquafarming industry – triggering spore release. This breakthrough now allows the scientific team to trigger spore release 'on demand' which is critical to enabling large scale commercial farming of Asparagopsis seaweed

"CH4 Global estimates the aquaculture of Asparagopsis seaweed could be worth more than NZ\$500 million dollars to seaweed farmers in NZ and Australia within seven years, and more than NZ\$1 billion dollars by 2030. It will be the first commercially-grown seaweed in these two countries, creating a new high growth industry supporting indigenous and fishing communities far from main centres of economic activity.

"Asparagopsis has been shown to reduce methane emissions in ruminant animals by more than 90%

More: www.scoop.co.nz/stories/SC2106/S00010/research-collaboration-uncovers-mechanisms-to-trigger-spore-release-for-asparagopsis-seaweed.htm

Source: Benda Saunders, 4th June 2021. 

Net-Zero Emissions: Winning Strategy or Destined for Failure?

"Net zero – balancing emissions by absorbing equivalent amounts of CO2 from the atmosphere – is the defining strategy for international climate efforts. But as our contributing writer Fred Pearce reports at *Yale Environment 360* this week, some scientists and activists are now arguing that this approach simply allows the perpetuation of the status quo and is destined to fail. In a recent commentary, British climatologist Robert Watson and two co-authors contend those who support the push for net zero have 'licensed a recklessly cavalier 'burn now, pay later' approach', which allows emissions to continue to soar. But other scientists and policymakers say the net-zero strategy is effective in pushing nations and businesses to set emission-reduction targets they can then be pressured to meet.

More: <https://e360.yale.edu/features/net-zero-emissions-winning-strategy-or-destined-for-failure>

Source: *Yale Environment 360*, 29th May 2021. 

Sri Lanka to Ban Palm Oil Imports, Raze Plantations over Environmental Impacts

"In a move which has taken many by surprise, Sri Lanka plans to start reducing palm oil plantations. There are good reasons behind the decision – Oil palm absorbs a lot of water, is not a good host for biodiversity, and it is actually self-seeding and becoming a weed. On top of that and possibly one of the biggest reasons is the industry employs fewer people than other traditional crops which are environmentally better. This looks like a win for both environment and people!

More: www.carbonees.com/single-post/snippets-for-3-june-2021 plus www.eco-business.com/news/sri-lanka-to-ban-palm-oil-imports-raze-plantations-over-environmental-impacts/

Source: *SnippETS*, 3rd June 2021. 

Keeping the Big Picture in Mind (and avoiding a checklist mentality)

"There should be a shift towards the measurement of sustainability performance on major projects, whatever the industry. Often the focus is too late or centred around 'ticking the box' compliance, missing the opportunity for true sustainability leadership with a project-specific strategy and objectives.

"Achieving effective sustainability performance management requires strong leadership and a desire to leave a legacy for future projects. Focusing on the 'why' of sustainability is one way to keep the big picture in mind. Considering the four pillars of sustainability (Figure 1), each project has a unique sustainability context depending on its purpose, geography and function.

"Based on this context, sustainability leadership seeks to advocate for the implementation of sustainability outcomes that promote transparency and accountability, engage communities and result in the creation of shared value.

"Sustainability infrastructure assessment systems provide the platform and the guide to measure and verify sustainability performance. However, it is often difficult to define and articulate meaningful sustainability outcomes and narratives if there's only a checklist mentality.

"Stories are everything – in sustainability as in life. By framing the context, setting meaningful targets, and measuring a project's sustainability outcomes, they build a narrative which gives genuine meaning to the data and evidence. Engaging the project team, stakeholders and community early in a project's development is part of the storytelling approach.

More: www.aurecongroup.com/thinking/thinking-papers/sustainability-performance-management

Source: *SBC Weekly Pānui*, 3rd June 2021. 

IFRS Foundation Update on Sustainability Project

"The IFRS Foundation Trustees invite interested stakeholders to join them for live webinars which offer an update on the Trustees' work on setting up a proposed new standard-setting board – International Sustainability Standards Board – which would develop sustainability-related disclosure requirements to meet investors' needs.

"The webinars will summarise feedback gathered during the Trustees' 2020 Consultation and how the Trustees have responded to it. The speakers will also outline the Trustees' strategic decisions and the remaining stepsbefore the Trustees make a final determination on the new board by the United Nations COP26 conference in November 2021.

"The same topics will be discussed at each session,

When/Where: 7th July 2021 for 45 minutes, online from UK, with recordings available

More: www.ifrs.org/news-and-events/news/2021/06/ifrs-foundation-trustees-to-host-webinar-update/ For background see IFRS Foundation Trustees' *Feedback Statement on the Consultation Paper on Sustainability Reporting* of 30th April at www.ifrs.org/content/dam/ifrs/project/sustainability-reporting/sustainability-consultation-paper-feedback-statement.pdf 34 pages, 520kb

Source: IFRS, 5th and 8th June 2021. 

EVs & Beyond

A NZ-centric magazine providing update of developments, news pertaining to electric vehicles of all types and sizes plus EV chargers and charging trials, used EV's for sale, e-bikes and e-scooters and more.

More: <https://evsandbeyond.co.nz/welcome-to-the-may-2021-evs-and-beyond-magazine/> 9.58Mb, 32 pages

Source: *SBC Weekly Pānui*, 3rd June 2021. 

The Secretive World of UN Shipping Talks

"During a contentious meeting over proposed climate regulations last fall, a Saudi diplomat to the obscure but powerful International Maritime Organization switched on his microphone to make an angry complaint: One of his colleagues was revealing the proceedings on Twitter as they happened.

"It was a breach of the secrecy at the heart of the I.M.O., a clubby United Nations agency on the banks of the Thames which regulates international shipping and is charged with reducing emissions in an industry which burns an oil so thick it might otherwise be turned into asphalt. Shipping produces as much CO2 as all of America's coal plants combined.

"Internal documents, recordings and dozens of interviews reveal what has gone on for years behind closed doors: The organisation has repeatedly delayed and watered down climate regulations, even as emissions from commercial shipping continue to rise, a trend that threatens to undermine the goals of the 2016 Paris climate accord.

"Behind closed doors, though, resistance remains. At a climate meeting last winter, recordings show the mere suggestion shipping should become sustainable sparked an angry response.

"And just last week [1st week of June], delegates met in secret to debate what should constitute a passing grade under the new rating system. Under pressure from China, Brazil and others, the delegates set the bar so low emissions can continue to rise – at roughly the same pace as if there had been no regulation at all.

"Delegates agreed to revisit the issue in five years.

More: www.nytimes.com/2021/06/03/world/europe/climate-change-un-international-maritime-organization.html Sign in required. Very long article

Source: *Climate Home News*, 5th June 2021. 

G7 Backs Mandatory Climate Risk Disclosure

"Group of Seven (G7) rich countries backed moves to force banks and companies to disclose their exposure to climate-related risks on Saturday [5th June], a measure seen as vital to efforts to safeguard the financial system from climate change shocks.

"G7 finance ministers meeting in London also called for more coordination to measure what impact companies are having on the climate and environment, warning of the risk of fragmentation as local jurisdictions adopt different approaches.

"The push towards mandatory reporting is being discussed by the wider group of G20 nations. Some believe agreement on it could be reached by the time of the U.N. Climate Change Conference in Glasgow starting 1st November.

"The G7 communique said mandatory disclosures should be made according to existing recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD).

More: www.reuters.com/business/environment/g7-backs-making-climate-risk-disclosure-mandatory-2021-06-05/

Source: Editor, 6th June 2021. 

Infrastructure Strategy for Aotearoa New Zealand

"The New Zealand Infrastructure Commission, Te Waihangā is developing an Infrastructure Strategy for Aotearoa New Zealand. According to their consultation document, they have already done one round of consultation and this latest consultation document sets out for feedback, ideas and views on the proposed direction for the Strategy.

"In the document they say they have taken the following messages from that first consultation round of consultation. They say New Zealanders told them;

- The time it takes to build new transport options is an important transport issue. Lack of access to public transport and the time it takes to get around cities are close behind. Improving public transport is the preferred solution.
- Ageing schools and hospitals and access to safe drinking water are the main issues holding us back as a country. More investment in our water networks is needed and we could be using technology to save water.
- We create too much waste and our cities can't keep up with its growth. Producing less waste is important in preparing for the impacts of climate change.
- Our environment is the top priority when it comes to making infrastructure decisions.

"The Commission says consultation results from this new round will be used to finalise the draft Infrastructure Strategy which will be provided to the Minister for Infrastructure in September 2021.

"ECO has not had time to work though the paper but we are pleased to see it has a good deal about transportation, the imperative to respond to climate change and to reduce emissions, and it recognises alternatives to hard infrastructure should always be considered.

"We did not spot much at all about the need to protect adapt or avoid impacts on biodiversity and ecosystems, nor any discussion of knowledge infrastructure such as environmental data collections and their accessibility. May be that is there but we missed it.

Submissions Close: 24th June 2021

More: www.infrastructure.govt.nz/strategy/have-your-say/
175 pages, 7.5Mb

Source: Tieke: *ECO News, Alerts & Events*, 1st June. 

How Returning Lands to Native Tribes is Helping Protect Nature

"Contributing writer Jim Robbins reports on a growing movement to return land to Native American tribes to manage for conservation. From California to Maine, tribes are regaining control of their historical lands, Robbins writes, and some are using traditional knowledge, from ways to support wildlife to the use of prescribed fires, to protect these ancestral grounds. The Salish and Kootenai have taken over management of the National Bison Range on land returned to them in Montana; California's Yurok Tribe is set to restore salmon spawning streams in territory it reacquired with the help of conservation groups; and a Mohican tribe will now oversee a nature preserve on New York's Hudson River.

More: <https://e360.yale.edu/features/how-returning-lands-to-native-tribes-is-helping-protect-nature>

Source: *Yale Environment 360*, 4th June 2021. 

London Mayor Sadiq Khan Declares 'Retrofit Revolution' to Slash Building Emissions

"The measures are part of a new package dubbed the 'retrofit revolution', unveiled today (2nd June) by Mayor of London Sadiq Khan.

"The Centre of Excellence is being created with funding from the Department for Business, Energy & Industrial Strategy (BEIS), which has chosen the capital as the location following consultations. The centre will help social housing providers gain access to funding for major retrofitting projects, after such organisations expressed difficulty with identifying appropriate schemes and crafting successful applications. This includes access to the next round of the £160m Social Housing Decarbonisation Fund.

"The scheme will connect social housing providers, builders and technology installers so they can co-develop and co-deliver large-scale retrofitting programmes. City Hall estimates it could unlock a pipeline of £10bn in retrofitting works, which could support 150,000 jobs, this decade.

More: www.edie.net/news/6/London-Mayor-Sadiq-Khan-declares-retrofit-revolution-to-slash-building-emissions/

Source: edie, 3rd June 2021.

Editor: Perhaps similar could be done in NZ and Australia. 

Sustainably-Minded Customers: The New 'Era of Sustainability'

"We are in the midst of a new 'era of sustainability' in which sustainably-based values, attitudes and preferences are driving lifestyle choices and buying decisions. Customers globally are 'voting with their wallets.'

"According to Principles for Responsible Management Education (PRME), which has established a Working Group on Sustainability Mindset representing 128 universities in 46 countries, the Sustainability Mindset is a way of thinking and being that results from a broad understanding of the ecosystem's manifestations, and an introspective focus on the personal values and the higher self. The mindset finds its expression in actions for the greater good of the whole. The Sustainability Mindset is ultimately a lens through which we analyse and interpret information, and make decisions.

"A recent Nielsen study reported 81% of global respondents feel strongly companies should help improve the environment.

More: www.environmentalleader.com/2021/06/sustainably-minded-customers-the-new-era-of-sustainability/ plus www.unprme.org/prme-working-group-on-sustainability-mindset **

Source: *Environmental Leader*, 9th June 2021

Editor: ** Well worth a look. 