

Sustainability Matters

Compiled and published by Ray Skinner, FCA

Business achieving a tomorrow for tomorrow's children

8th July 2021



Designed by
www.vecteezy.com

Path to Net Zero Riddled with Potential Pitfalls

"In the growing climate change movement, 'net zero' has become the buzzword. Over the past six months we've seen an absolute proliferation in companies and countries setting goals to reach net-zero emissions by 2050. While the concept of net zero seems straightforward at first blush, the path to achieving it is riddled with potential pitfalls.

"Challenges include agreeing on a formal definition of the term, ramping up global financing and infrastructure investments, and ensuring green technology advancements occur and their costs are reduced or subsidised to enable a rapid shift away from carbon-emitting fossil fuels. Other hurdles include picking the right carbon offsets, not relying on renewable energy credits alone, attaining the right balance between climate-related policies at the federal and local levels, and starting the ball rolling on hard-to-decarbonise sectors.

"This is the first in a series of thought leadership pieces on net zero that S&P Global is releasing in conjunction with Earth Day. In subsequent research we will dive into carbon offsets, renewable energy credit, emissions in the shipping industry and the financing for net-zero goals.

"Not addressing climate risks, including those associated with carbon prices, could prove costly. S&P Global Trucost data shows¹ that major global companies face up to US\$283 billion in carbon pricing costs and 13% earnings at risk by 2025, under a high carbon price scenario.

"Moreover, major global companies are currently projected to align with a greater-than-3-degree C global warming scenario, falling 72% short of required emissions reductions to achieve the Paris Agreement on climate change. Countries parties to the Paris Accord agreed to initially aim to limit global warming to 2 degrees C this century relative to pre-industrial levels. But the accord also includes a broader and more ambitious aim of reducing emissions enough to limit warming to 1.5 degrees.

More: www.spglobal.com/esg/insights/path-to-net-zero-riddled-with-potential-pitfalls

Source: eco-Business.com, 22nd June 2021. 

Reducing Carbon Emissions in Building and Construction

"Hon Poto Williams, Minister for Building and Construction and Hon Stuart Nash, Minister for Economic Development have released the *Guide to Reducing Carbon Emissions in Building and Construction*. The guide is consistent with the goals of the Construction Sector Accord, and the aims of the Building for Climate Change programme, to lower emissions in the construction sector and prepare buildings for the future effects of climate change.....

More: <https://www.procurement.govt.nz/procurement/specialised-procurement/construction-procurement/construction-procurement-guidelines/#reducing-carbon-emissions-in-building-and-construction> 15 pages, 1.84Mb

Source: SBC Weekly Pānui, 17th June 2021. 

Major Legal Challenge Against Climate Commission

"A coalition of more than 300 lawyers has filed suit against the Climate Change Commission and Climate Minister James Shaw in the High Court.

"They allege the commission's recommended emissions budgets and advice on strengthening New Zealand's Paris Agreement target are not consistent with the international climate pact, the Zero Carbon Act or limiting global warming to 1.5 degrees above preindustrial levels.

"The Climate Change Commission's advice looks ambitious on a first glance. However, when you dig into the detail, it fails to adequately address the scale and urgency of the task and is inconsistent with the legislation and international agreements it is meant to address', Jenny Cooper QC, the president of Lawyers for Climate Action New Zealand (LCANZI), said.

"There is scientific consensus limiting warming to 1.5°C is essential to avoid the worst impacts of climate change. It is also the agreed global goal under the Paris Agreement, and the purpose of the Climate Change Response Act. The Commission's current advice does not meet this target.'

"Many of the arguments that LCANZI make in their legal filing mirror those found in their submission on the commission's draft advice, which Newsroom reported on in March.

"In their statement of claim, filed with the High Court on Thursday [1st July], the lawyers lay out five grounds for review and ask the court to order the commission to re-work its advice on the Paris target and recommended emissions budgets. They also want the court to declare the commission acted unlawfully in providing its recommended emissions budgets and Paris target advice.

"The lawyers' first reason for seeking judicial review deals with the commission's efforts to match New Zealand's Paris target against international estimates for what is needed to limit warming to 1.5 degrees.

More: www.newsroom.co.nz/major-legal-challenge-against-climate-commission plus www.lawyersforclimateaction.nz/news-events/cc-jr

Source: Lawyers for Climate Action, 2nd July. 

Aotearoa Sustainable Development Goals Summit Series

"You're invited to participate in a two-day Summit event, focused on connecting, learning, collaborating and taking real action on the 17 UN Sustainable Development Goals (SDGs). Held over two consecutive days in Ōtautahi Christchurch, the 2021 SDG Summit is far from your 'usual' conference event.

"You can expect a mixture of speakers and interactive participant-led sessions including but not limited to: think workshops, world cafe, fish bowl, kōrero, creative stations, activations and small group discussions, a community feast and field trips around the Waitaha Canterbury region, all focused around collaborating for the SDGs.

When/Where: 2nd/3rd September, Christchurch,

More: www.sdgsummits.nz/

Source: Tieke: ECO News, Alerts & Events, 25th June. 

First Glimpse at the 'New RMA' Confirms Shift in approach

"The Ministry for the Environment is in the process of developing three new Acts that will reform the existing resource management system in New Zealand. A Natural and Built Environments Act (NBA) will replace the Resource Management Act 1991 (RMA), a Strategic Planning Act (SPA) will provide a framework for regional spatial planning and a Climate Adaptation Act (CAA) will address powers and funding for managed retreat.

"A glimpse of the work-in-progress NBA was provided this week through the release of the NBA exposure draft by the Government.

"The exposure draft for the NBA is not the full Bill; this will come later in the year. Rather, it provides draft provisions for the foundation of the proposed NBA, including:

- The purpose of the NBA, including a Te Tiriti o Waitangi clause and related provisions;
- The National Planning Framework (NPF); and
- The Natural and Built Environments Plans.

"The exposure draft is consistent with the recommendations of the RM Review Panel and shows the direction of change and how environmental decisions in the future might differ from the current approach: ...

More: www.minterellison.co.nz/our-view/first-glimpse-at-the-new-rma-confirms-shift-in-approach

Source: MinterEllisonRuddWatts, 2nd July 2021. 

Speech to the Sustainable Healthcare and Climate Health Conference Aotearoa

Speech by Governor of the Reserve Bank outlines impacts and actions from a climate change and sustainability perspective and refers to several specific examples.

More: www.beehive.govt.nz/speech/speech-sustainable-healthcare-and-climate-health-conference-aotearoa plus <https://events.otago.ac.nz/shch2021/>

Source: *Carbon News*, 23rd June 2021. 

Welsh Government Suspends All Future Road-building Plans

"The Labour-led Welsh government is freezing new road-building projects as part of its plans to tackle the climate emergency, and an external panel will review all proposed schemes.

"The deputy minister for climate change, Lee Waters, told the Welsh parliament on Tuesday: 'Since 1990, Welsh emissions have fallen by 31%. But to reach our statutory target of net zero emissions by 2050, we need to do much more.

"In the next 10 years, we are going to need to more than double all the cuts we have managed over the last 30 years if we are going to keep temperature rises within safe limits. That means changes in all parts of our lives. Transport makes up 17% of total emissions and so must play its part.

"We need a shift away from spending money on projects which encourage more people to drive, and spend more money on maintaining our roads and investing in real alternatives that give people a meaningful choice.'

"Wales has for too long been prioritising cars over people. I'm hopeful that this new decision signals more of the radical action that will be taken by the Welsh government's new climate change ministry.

"An overreliance on the car has led to increased noise, poorer air quality, time wasted in traffic and an unacceptable burden on communities living near our most congested roads, often in areas where fewer people drive a car.' "

More: www.theguardian.com/uk-news/2021/jun/22/welsh-government-to-suspend-all-future-road-building-plans

Source: *SnippETS*, 1st July 2021. 

Aussie Packaging Company Using Waste Wool Wind Global Sustainability Award

"We Connect announced today [23rd June] Planet Protector Packaging – a company which replaces polystyrene with sheep wool waste – has won the Sustainable Business & Energy Sector Award and the Global award from all category winners. This award demonstrates how people 'rose to the challenge' during Covid with STEM businesses. [Video]

"Since it started four years ago, Planet Protector has been winning awards for their innovative products, with the latest announced on 14th June when the company won the 2021 Aus and NZ Circle Award for Material and Processes because: 'The inventiveness of this entry is what made it the winner: literally taking rubbish off the floor and turning it into a sustainable and scalable circular solution.

More: www.ecovoice.com.au/aussie-packaging-company-using-sheep-waste-wool-wins-global-sustainability-award/

Source: *eco-Voice*, 1st July 2021

Editor: At least two NZ firms are using the product. 

A List of Electric Ute's – The Future Kiwi Status Symbol

"Kiwi's seem to have got into a flustered state over the latest EV rebate announcement, worried that their precious utes won't be the same electric or that they will stop being imported with the new fees driving up price. The reality is drastic change is needed to reduce emissions so pushing those which don't need to be in high emitting vehicles into alternatives is something people need to come to terms with. For those with their hearts set on a big social status ute however, here is a list of electric alternatives to swap into in the near future. And don't worry mate, it will still handle the hills and has enough range for your runs to the back paddock, boat ramp or local bakery.

"Sadly the small NZ market means we are not as high on the priority list when it comes to manufacturers shipping to us. Hopefully with the new incentives in place for EV's we will see an increase in options available for Kiwi's as our EV sales increase. Naturally as the technology grows too the options will also increase as manufacturers become able to replicate certain combustion models performance as electric. We can already see from discussions post the rebate announcement that having options for everyone will be the only way we will see a full uptake of electric transport in NZ. The attachment to utes is something of a cultural aspect to our country so I don't think they will be given up easily, if at all. Therefore, meeting this demand will be key, but with government incentives we are finally in the game when it comes to really having a crack at lowering our carbon emissions.

More: www.chargesmart.co.nz/post/a-list-of-electric-ute-s-the-future-kiwi-status-symbol

Source: *ChargeSmart*, 1st July 2021. 

The People Creating an Oasis with Seawater

"A large portion of the world's population lives in areas where fresh water is in short supply. Often there are competing needs for drinking water and water for crops; and with growing populations, this trend is not reversing. Well, some very smart people had the idea to use sea water to farm produce in the desert... and it actually works. Not only can food be grown but re-vegetation of the surrounding area, drinking water and even lithium for batteries are potential co-benefits of the technology.

More: www.carbonees.com/single-post/snippets-for-17-june-2021 and www.bbc.com/future/bespoke/follow-the-food/the-people-creating-an-oasis-with-seawater.html

Source: *SnippETS*, 17th June 2021.

Editor: Centuries-old technology fit for the present and the future. 

No Heaters Needed in Rural Dream Home

"Randal and Pam Greenbank, who have built an ultra-energy-efficient home with off-grid solar and battery storage (plus a generator, just in case). The pair subdivided and sold their dairy farm, saving a spot for themselves to build a passive house. This winter will mark their first without a power bill, though the home naturally stays warm. ...

More: www.stuff.co.nz/environment/climate-news/125178182/no-heaters-required-in-this-rural-dream-home

Source: ForeverProject, 25th June 2021.

Editor: "The couple were quoted \$110,000 to have a power cable laid up their 850m-long driveway to the house. So they went for a better solution choosing to build an off-grid passive house powered by solar energy." 

Why You Need to Pay Attention to the G7's Communiqué

"If you are finding it hard to keep up with all the developments in the climate and non-financial reporting landscape, you are not alone.

"If you have no idea what I [Karen McWilliams FCA] am talking about, you really need to get up to speed on what's happening as this is shaping the future of business and accounting.

"The need for transformation: The G7 Finance Ministers and Central Bank Governors' communiqué in early June noted a focus on a 'transformative effort to tackle climate change and biodiversity loss', with specific reference to the IFRS Foundation's work to establish an International Sustainability Standards Board and the launch of the new Taskforce on Nature-related Financial Disclosures (TNFD).

"In particular, the G7 Finance Ministers and Central Bank Governors 'support moving toward mandatory climate-related financial disclosures ... based on the Taskforce on Climate-related Financial Disclosures (TCFD)'. ...

"Role of accountants: For those still wondering what this has to do with accountants, it was recently reported in *The Australian Financial Review* that the Australian Securities and Investments Commission, the corporate regulator, wrote to five fossil fuel companies and their auditors in mid-2020 about their lack of disclosure of climate-change risks. The letters followed complaints that the companies' operating and financial reviews (OFR) and directors' reports had failed to disclose the risks to the businesses from climate change.... [Long article]

More: www.charteredaccountantsanz.com/news-and-analysis/insights/opinion/why-you-need-to-pay-attention-to-the-g7s-communication

Source: Bruce Gilkison, 17th June 2021

Editor: NB: Links which provide additional insights. 

Can we Reduce Inequality in NZ?

"At the next instalment of the *Economy of Enough* webinar series, Max Rashbrooke will address the question: can we reduce inequality in Aotearoa New Zealand?

"Max is a Senior Associate with the Institute for Governance and Policy Studies at Victoria University Wellington. His twin research interests are in economic inequality and open government, and he has worked extensively as a journalist.

"Join us for a brief presentation by Max followed by a Q&A. Bring your questions and suggestions to the discussion. For an introduction to some of Max's work have a look at <https://www.maxrashbrooke.net/>

When/Where: 7.30-9.00pm Wed. 14th July, Zoom with Meeting ID: 844 4110 9675 and Passcode: 407461

More: www.ourclimatedeclaration.org.nz/

Source: Our Climate Declaration, 29th June 2021. 

Net Zero Seattle High-Rise Saves on Construction

"The company behind a new high-rise apartment building in Seattle hopes to prove constructing a net-zero energy building can be faster and more affordable than traditional building. The building is going up with new technology which makes construction faster, more affordable, and far more sustainable, building technology company Sustainable Living Innovations (SLI) says. SLI is calling the project the 'world's first net-zero energy high-rise apartment building.'

"The high-rise will be fitted with SLI's proprietary, tech-enabled building panels, which are built in a factory with pre-installed electrical wiring, plumbing and mechanical equipment. At the site, crews will erect the high-rise by fitting the panels together in a precise sequence. Because there is less on-site construction work required, 303 Battery will go up more quickly than a conventional building....

"The sustainability features ... include solar on the building's roof, exterior walls and balconies; underfloor radiant heating in units; captured rainwater and reclaimed greywater; regenerative gear elevators, and daylight sensors to reduce power use throughout the building.

"The building will be the world's first multi-family tower to meet the net zero energy requirements set by the International Living Futures Institute.

More: www.environmentalleader.com/2021/06/net-zero-seattle-high-rise-saves-on-construction-builder-says/

Source: *Environmental Leader*, 19th June 2021. 

New Zealand's Largest Green Living & Sustainable Lifestyle Show is BACK!

"This expo is dedicated to promoting a healthy, environmentally friendly, sustainable lifestyle for New Zealanders.

"Featuring Eco home/building, food and beverages, advisory services, supplements, organic products, health and wellness, beauty and personal care, household products, pet products, gardening, grocery and other categories

When/Where: 7th & 8th August, Christchurch

More: www.gogreenexpo.co.nz

Source: Tessa Vlaar, GoGreenExpo, 24th June 2021. 

German Citizens' Assembly Calls for Concrete Climate Action Ahead of Election

"To a flurry of online applause and waving hands, citizens from across Germany agreed Wednesday [23rd June] night on more than 80 ways for the country to meet its commitments to slash emissions under the 2015 Paris climate agreement.

"It was a lot of work', said Adnan Arslan, a 32-year-old participant in the virtual assembly from Velbert who works in manufacturing. 'I think we did a good job on the recommendations – the rest is up to the politicians.'

"The 160 participants in the democratic experiment were selected by lottery to represent a country of 83 million people with vastly differing opinions on how – and how fast – to green its economy. The group was randomly chosen within demographic constraints such as age, education and state or country of origin, but not selected to fit political views or voting intentions.

'Supported by an expert panel of scientists, the assembly was tasked with working out how Germany could implement climate goals which are both fairer and more ambitious in the energy, mobility, construction and food sectors.

"It was not always easy to come to the same denominator', Arslan said. 'But we did it and reached a consensus.' ...

More: www.dw.com/en/citizens-climate-assembly-germany-recommendations/a-58029968

Source: *Carbon News*, 25th June 2021. 

Mindful Money's First Ethical Investment Awards

"The inaugural Ethical and Impact Investment awards were held on 29th June at Generator in Wynyard Quarter in an event with over 200 participants. COVID restrictions meant the participants from Wellington and Australia joined online.

"Mindful Money Founder and CEO, Barry Coates congratulated entrants, finalists and winners on huge step up in practice on all aspects of ethical investment. The awards show that standards are rising. As several of the judging panelists commented, the standard of entries is far higher than it would have been even two years ago. The bar for good practice is being raised, and quickly. ...

More: <https://mindfulmoney.nz/pages/22/awards/> plus www.scoop.co.nz/stories/BU2107/S00001/best-practice-just-got-far-better-winners-at-the-mindful-money-ethical-and-impact-investment-awards.htm

Source: Carbon News, 30th June 2021

Editor: The Reserve Bank Governor's address refers to their new Statement of Intent issued 29th June 2021 available at www.rbnz.govt.nz/-/media/ReserveBank/Files/Publications/Speeches/2021/speech2021-06-29-mindful-money-awards.pdf 

'Drought' Doesn't Cover it Anymore. This is Aridification and it's Not Going Away

"The past few weeks of record-bashing temperatures in the Pacific Northwest is just insult to injury in a parched Western United States. This is what the region looks like as of the last days of June. [See two maps] Comparing those maps demonstrates one fundamental thing – a huge swath of the West is becoming desert, joining our neighbours to the south. It's hard to overstate how dire the future looks.

"The Colorado River Research Group has decided to use the term 'aridification', which they translate as 'a transformation to a drier environment'. The idea of 'drought' is temporary. The idea of aridification is the permanent new reality the West faces. ...

"Accepting the entire West – including the newly baked Pacific Northwest coast – is arid, and is going to remain so for the foreseeable future, means accepting we have to take action. It means we have to start holding our lawmakers and policymakers as accountable as ourselves.

More: www.dailykos.com/stories/2021/7/5/2037827/--Drought-doesn-t-cover-it-anymore-for-the-West-This-is-aridification-and-it-s-not-going-away

Source: DailyKos, 7th July 2021

Editor: The 387 comments as at 7th July make interesting reading – I've read just a few! 

Urban Refuge: How Cities Can Help Solve the Biodiversity Crisis

"Cities have long been considered biodiversity deserts, devoid of wildlife beyond pigeons and squirrels. But as our contributing writer Janet Marinelli explains today at Yale Environment 360, scientists are increasingly recognising cities can play a significant role in fostering biodiversity. Even before the coronavirus pandemic, when images of mountain goats and pumas on city streets flooded the internet, a variety of species – from owls to otters to bobcats – were being seen regularly in urban areas around the world. With recent studies showing cities are important refuges for an array of animals and plants, researchers are now working with planners and managers to make cities part of the solution to the biodiversity crisis.

More: <https://e360.yale.edu/features/urban-refuge-how-cities-can-help-solve-the-biodiversity-crisis>

Source: *Yale Environment 360*, 2nd July 2021. 

Nauru Presses to Approve Deep-sea Mining

"The small Pacific island nation of Nauru has notified the United Nations' International Seabed Authority (ISA) of its intention to start deep-sea mining, in a significant step forward for a pioneering minerals industry which some environmentalists say could have a devastating impact on the marine ecosystem.

"Nauru's President Lionel Aingimea told the ISA of its mining plans in a 25th June letter, Reuters reported on Wednesday. Nauru, roughly 4,506 km northeast of Australia, asked the ISA to approve its plan within two years, although the rules governing deep-sea mining have yet to be finalised.

"Nauru together with two other small impoverished Pacific island countries – Tonga and Kiribati – are the sponsoring states for deep-sea mining company, DeepGreen's exploration of 149,543 sq km in a stretch of the Pacific Ocean between Hawaii and Mexico called the Pacific's Clarion-Clipperton Zone

"The deep ocean holds the world's largest reserves of minerals. Sea-bed mining remains technologically and commercially unproven, but the increasing difficulty of finding the deposits on land together with the rising demand for the metals in clean energy technologies is increasing interest in digging up the ocean's riches.

More: www.eco-business.com/news/pacific-island-of-nauru-presses-un-to-approve-deep-sea-mining/

Source: eco-business.com, 30th June 2021. 

Climate Change & Business Conference: Now to Net Zero

"The Environmental Defence Society, Sustainable Business Council and Climate Leaders Coalition are partnering for the first time to kick energy and direction into the transformation that's needed. We're at a historic moment for climate and business. By October, the government will be preparing its response to the Climate Change Commissions final recommendations and COP26 will be just around the corner. The world is counting down to the 2030 targets and accelerating towards net zero by 2050.

"This year's conference will focus on the central role of the business sector in decarbonising Aotearoa. It will provide a platform for leaders to share fresh ideas about how they are executing strategies to build resilience and deliver on ambition. ...

When/Where: 13th and 14th October 2021, Auckland.

More: <https://tcc.eventsair.com/ccbc/>

Source: The Conference Company, 15th June 2021. 

The Deadline Effect: How to Work like It's the Last Minute – Before the Last Minute

"Perfectionists and procrastinators alike agree – it's natural to dread a deadline. Whether your goal is to complete a masterpiece or just check off an overwhelming to-do list, the ticking clock signals despair. Christopher Cox knows the panic of the looming deadline all too well – as a magazine editor, he has spent years overseeing writers and journalists who couldn't meet a deadline to save their lives. After putting in a few too many late nights in the newsroom, he became determined to learn the secret of managing deadlines. He set off to observe nine different organisations as they approached a high-pressure deadline. Along the way, Cox made an ever greater discovery: these experts didn't just meet their big deadlines – they became more focused, productive, and creative in the process.

More: <https://bookshop.org/books/the-deadline-effect-how-to-work-like-it-s-the-last-minute-before-the-last-minute/9781982132279> 240 pages published 6th July.

Source: *Orion*, 2nd July 2021. 