

Sustainability Matters

Compiled and published by Ray Skinner, FCA

Business achieving a tomorrow for tomorrow's children

5th August 2021



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Centre for Sustainable Finance Launched

"Toitū Tahua, the Centre for Sustainable Finance, was launched today [30th July] to implement the Sustainable Finance Forum's 2030 roadmap for a sustainable financial system.

Comprising representatives from banks, insurance companies, industry, Māori businesses and iwi, professional services, civil society, academia, and Government, the Sustainable Finance Forum (SFF) is an initiative of The Aotearoa Circle, a unique partnership of public and private sector leaders committed to restoring New Zealand's natural capital.

"Toitū Tahua co-chair Bridget Coates said the SFF's vision is to transform the current financial system into one that enables an inclusive, fair society that operates within planetary boundaries.

Early focus has been placed on three workstreams:

- Inclusive finance, to support disadvantaged groups, particularly those vulnerable to high-rate lending
- Sustainability standards and guidance, the first of which is the Sustainable Agricultural Finance Initiative, a tool to help ensure environmental and social factors are included into decision-making for agricultural finance (See separate news release.)
- Sustainable finance capability building initiatives including developing with EY a sustainability 101 micro-credentials programme for New Zealand businesses, and developing with the Sustainable Business Council and Deloitte a survey to establish a baseline understanding of the issues facing CFOs with respect to climate change and sustainable finance.

"Also announced today was an extension to Chapman Tripp's legal opinion, first announced with the SFF roadmap last year, on the responsibilities of company directors with respect to climate to now include the responsibilities of trustees. ...

"The SFF roadmap covers three themes – changing mindsets, transforming the financial system and financing the transformation. Under these themes are 11 priority areas with recommendations. ...

More: <https://www.nzherald.co.nz/business/aotearoa-circle-accelerating-towards-a-more-sustainable-future/T3DSWJ466TFSJOR3BRZY24K5IE/> plus <https://www.nzherald.co.nz/> Search "2021 Sustainable Business report" for 11 stories including sustainable agriculture finance guidance [All are paywalled] and www.theaotearoacircle.nz/sustainablefinance, 

Source: Tim Marshall, Wright Communications, 26th July.

Climate Change/Carbon Neutrality Content Sought

"We'd love to hear from any CAs who have been involved with any businesses or organisations in either Australia or New Zealand which have sought to go carbon neutral or actively reduce carbon emissions. We will be creating content online and in *Acuity* on sustainability issues and we'd welcome some practical examples/case studies of CAs involvement and experience in this area.

Contact: businessreform@charteredaccountantsnz.com

Source: Karen McWilliams, Climate & Sustainability online group, CA ANZ 28th July 2021. 

IFRS Foundation Seeks Nominations for Chair and Vice-Chair of Proposed International Sustainability Standards Board

"The IFRS Foundation Trustees continue to seek nominations for the Chair and Vice-Chair of a proposed new International Sustainability Standards Board (ISSB) within the existing governance structure of the Foundation.

"The recruitment process will be guided by an executive search firm appointed by the Trustees. The full role specifications and how to apply are available.

"Further details on the Trustees' work on sustainability reporting are available from the Sustainability-related Reporting project.

More: www.ifrs.org/content/dam/ifrs/news/2021/issb-chair-role-specification.pdf plus www.ifrs.org/news-and-events/news/2021/07/trustees-look-for-nominations-chair-and-vice-chair-of-proposed-issb/

Source: IFRS, 1st August 2021. 

Routledge Handbook of Environmental Accounting

"Edited by Jan Bebbington, Carlos Larrinaga, Brendan O'Dwyer, Ian Thomson.

"This handbook showcases the broad spectrum of diverse approaches to environmental accounting which have developed during the last 30 years across the globe.

"The volume covers a range of physical issues such as water, carbon and biodiversity, as well as specific accounting matters such as management control, finance and audit. Moreover, seven chapters present environmental accounting issues that arise in the regions of Africa, Asia, Europe, MENA, North America, the Pacific and South America. The handbook also highlights future challenges in all the topic areas addressed as well as introducing new topics, such as links between environmental accounting and the circular economy, and the issues associated with animal rights. Edited by leading scholars in the area and with key contributions from across the discipline, and covering a diverse range of perspectives and locations, the volume is divided into five key parts:

- Part 1: Framing the issues
- Part 2: Financial accounting and reporting
- Part 3: Management accounting
- Part 4: Global and local perspectives
- Part 5: Thematic topics in environmental accounting

"This handbook will act as a significant publication in drawing together the history of the field and important reference points in its future development, and will serve as a vital resource for students and scholars of environmental accounting and environmental economics.

"Table of contents with names of authors

More: www.routledge.com/Routledge-Handbook-of-Environmental-Accounting/Bebbington-Larrinaga-ODwyer-Thomson/p/book/9780367152338 Reduced price NZ\$357.60

Source: Editor, 26th July 2021.

Editor: Jan Bebbington is a leading academic from NZ. 

The Atlas of Disappearing Places: Our Coasts and Oceans in the Climate Crisis

"The direction in which our planet is headed isn't a good one, and most of us don't know how to change it. The bad news is that we will experience great loss. The good news is that we already have what we need to build a better future." — from the introduction.

"Our planet is in peril. Seas are rising, oceans are acidifying, ice is melting, coasts are flooding, species are dying, and communities are faltering. Despite these dire circumstances, most of us don't have a clear sense of how the interconnected crises in our ocean are affecting the climate system, food webs, coastal cities, and biodiversity, and which solutions can help us co-create a better future.

"Through a rich combination of place-based storytelling, clear explanations of climate science and policy, and beautifully rendered maps that use a unique ink-on-dried-seaweed technique, *The Atlas of Disappearing Places* depicts twenty locations across the globe, from Shanghai and Antarctica to Houston and the Cook Islands. The authors describe four climate change impacts – changing chemistry, warming waters, strengthening storms, and rising seas – using the metaphor of the ocean as a body to draw parallels between natural systems and human systems.

More: www.goodreads.com/book/show/54497948-the-atlas-of-disappearing-places 224pages

Source: *Climate Fwd* [NY Times], 22nd July 2021. 

Forced Displacement at Record Level, Despite COVID Shutdowns

"Each year, UNHCR issues a report on the latest facts, figures and stories about refugees and displaced people around the world. I wanted you to be one of the first to see the latest information.

"2020 brought new challenges for the world – especially for refugees. The magnitude and severity of food crises worsened as conflicts, extreme weather and the economic and personal fallout of COVID-19 made it even more difficult to survive.

"If knowledge is power, I hope these facts make you feel even more empowered to help refugees.

"By the end of 2020, a staggering 82.4 million people around the world were forced to flee their homes because of persecution, conflict, violence or human rights violations. This is an increase from 79.5 million at the end of 2019.

"In just three years, approximately 1 million children were born as refugees. UNHCR estimates that between 2018 and 2020, an average of between 290,000 and 340,000 children per year were born as refugees.

"Measures implemented by governments to limit the spread of COVID-19, including restricting freedom of movement and closing borders, made it considerably harder for people fleeing war and persecution to reach safety.

"But there is hope. A number of countries have continued to offer refugees safety and protection despite the pandemic. Uganda, for example, has accepted thousands of refugees from the Democratic Republic of the Congo while ensuring that necessary health measures, including quarantine, were also taken. In addition, 3.4 million displaced people returned to their home countries in 2020 and started rebuilding their lives.

More: www.dailykos.com/campaigns/forms/sign-the-petition-help-continue-aid-for-refugees plus <https://news.un.org/en/story/2021/06/1094292> 240 pages 16.67Mb

Source: *Daily Kos*, 21st July 2021. 

Developing a Carbon Reduction Programme

"Find out about some of the key components you need to build a successful carbon management programme and how to approach the complex problems you might face implementing your reduction plans.

"Learn about the University of Canterbury's carbon reduction journey, starting with their master planning and redevelopment of their campus following the 2011 earthquakes, through to their current projects and plans to phase out use of coal boilers at their campuses, and to leverage their land holdings to help them achieve their goal of being carbon neutral by 2030.

When/Where: 10:00 – 11:00am, Thurs, 12th August 2021

More:

https://us06web.zoom.us/webinar/register/9416272530826/WN_yAz3RqTxR4K3hRyobtmcpq

Source: Toitū Envirocare, 27th July 2021 

To Accelerate Climate Action, Start with Mandating Climate Education in Schools

"In the fight against climate change, making climate education compulsory in schools is top priority to build capacity for a sustainable future, said founder of Climate Governance Malaysia, Sunita Rajakumar.

"Not teaching a child about climate change is like sending them on a boat trip without teaching them to swim or giving them any food. That's exactly what we're doing now and it's horrific", said Rajakumar.

"Speaking on a webinar organised by Eco-Business titled *Carbon targets in Malaysia: Challenges and Opportunities*, she said by mandating climate education in schools, parents and teachers will learn, and it helps build capacity for the next generation.

"As we've seen all around the world, what the overwhelming majority of scientists couldn't achieve, children have managed to achieve", she added.

"While climate education is lacking within most curricula around Asia, there have been grassroots efforts to raise awareness among schools. Last year, a senior lecturer from in Malaysia attracted the participation of 55,000 students from over 500 schools in Johor for a challenge to save water and electricity, revealing a palpable willingness among students to learn more about environmental issues.

"According to Earth Day Network, countries like India, Philippines, China, Japan, and Brazil have had environmental education formally mandated in their national curriculum for years, some even decades.

More: www.eco-business.com/news/to-accelerate-climate-action-start-with-mandating-climate-education-in-schools/ [Log in required]

Source: eco-Business.com, 21st July 2021. 

Launch of a Major Drive for Cosy NZ Homes

"Join us to hear about the most ambitious updates ever to *Homestar*, the green home rating scheme that registers and certifies thousands of homes every year.

"Health, wellbeing, housing standards, and the journey to a less polluted, zero carbon Aotearoa are dominant issues facing our nation, and all our regions.

"Thanks to an extensive consultation involving hundreds of housing experts from across the sector, the upgraded *Homestar* aims to tackle all these issues.

Where/When: Auckland 17th Aug; Hamilton 26th Aug, Wellington 31st Aug, Christchurch 1st Sept, Queenstown 2nd Sept.

More: www.nzgbc.org.nz/Event?Action=View&Event_id=1028 plus www.nzgbc.org.nz/Story?Action=View&Story_id=671

Source: NZGBC, 30th July 2021. 

Europe's 'Right to Repair' Regulation Should Spur the Design Out of e-Waste'

"The growing e-waste problem, raw materials scarcity and global heating is driving new legislation in the consumer electronics industry.

"The UK government recently introduced so-called 'right to repair' legislation in the form of the Ecodesign and Energy Labelling Regulations 2021. This legally requires manufacturers of large electrical appliances like TVs, washing machines and refrigerators to make spare parts available for up to 10 years, to come with repair manuals, and be designed in such a way that they can be dismantled using readily available tools.

"In 2022 the EU is due to introduce similar regulations to cover smaller appliances such as vacuum cleaners, smartphones, tablets and laptops through the designing mobile phones and tablets to be sustainable – ecodesign legislation.

"As design and business leaders, we must not dismiss these policies simply as new standards to meet as part of the cost of maintaining business as usual. Rather, we should see this as an opportunity to start reimagining how our products are made in the first place, and our relationships with customers and users

"In 2019, 53.6 million tonnes of e-waste was produced globally. And, despite many leading brands such as Apple are beginning to make commitments to right to repair, recycling and carbon neutrality, e-waste is still set to increase by 40% by 2030 (according to the UN). The existing linear system in which our products are conceived, developed, manufactured, shipped and sold only encourages their premature replacement, fuelling this growing crisis.

"Of course, we have to work on how to deliver spare parts for 10 years in a sustainable and economic way now. This alone requires an enormous amount of effort.

More: www.reutersevents.com/sustainability/europes-right-repair-regulation-should-be-spur-firms-design-out-e-waste

Source: Reuters Events, 30th July 2021.

Strengthening Resilience to Environmental Change is a National Security Imperative

"The accelerating pace of environmental change has given rise to a challenging array of domestic and global scenarios with high potential to destabilise domestic security and geopolitical equilibrium, threatening U.S. interests at home and abroad.

"Regardless of the causes of environmental change, creating resilience to meet these impending challenges is a national security imperative which will require a comprehensive national-level strategy, open data sharing in strong partnership with industry, and a common resilience framework which enables consistent prioritisation of adaptation investments across regions and localities. [Matrices show environmental threats and vulnerable security systems pertaining to social equities and social justice.]

"We believe the time to act and the opportunity to make a difference is now. While ideological and political debate will continue about the causes of environmental change, the fact that risks exist to our national security and infrastructure remains. It is incumbent on government, the private sector, researchers, and policymakers to come together to address the accelerating risk level and develop data-driven solutions. We believe this framework can serve as the context in which these partnerships can form, and data can be shared to collectively and collaboratively take actions in the interest of national security.

More: www.gcseglobal.org/gcse-essays/strengthening-our-resilience-environmental-change-national-security-imperative

Source: GCSE, 30th July 2021.

Editor: Very interesting paper – the issues raised are not peculiar to USA.

All-of-Government Office Supplies Contract Goes Low Waste and Sustainable

"A new All-of-Government (AoG) office supplies contract – used by over a thousand government agencies – focuses on low-waste, sustainable products, and will deliver tangible economic and environmental outcomes, Laurence Pidcock, General Manager of New Zealand Government Procurement (NZGP, a branch within MBIE), announced today.

"These are the sort of contract changes – when looked at across the whole of the public sector – which will help reduce carbon emissions and design waste out of our system."

"Whether it is providing carbon neutral office paper, toner and inkjet cartridge recycling or upcycling used pens into educational resources for schools, the changes will be seen and felt in thousands of ways", said Mr Pidcock.

"The contract went live on 18th July and has a total annual spend of \$62 million. Suppliers have committed to reducing the waste associated with their products by favouring recyclable and compostable materials, and supporting a shift to circular economy through product stewardship schemes

More: www.mbie.govt.nz/about/news/all-of-government-office-contract-goes-low-waste-and-sustainable/

Source: Carbon News, 20th July 2021

Editor: The suppliers selected are named.

Advertising Standards Board Rules 'Zero Carbon Gas' Advertising Campaign Misleading

"The Advertising Standards Complaints Board has upheld a complaint by Lawyers for Climate Action NZ about an advertising campaign by Firstgas and has ordered the adverts to be withdrawn. The decision is available here. [See link below] The Firstgas group includes Rockgas, who deliver LPG to approximately 165,000 customers across the country.

"In their ads, Firstgas claimed:

New Zealand's heading towards zero carbon so we're ensuring our gas is going zero carbon too. You know what that means for you? Absolutely nothing. You can continue doing what you love. And help change the world, without changing too much of yours. Find out more at gasischanging.co.nz.

"The takeaway for Firstgas customers was that they could continue to use gas, without adding carbon to the atmosphere.

"LCANZI [among others] complained to the Advertising Standards Authority that the ads were greenwashing. ...

More: www.lawyersforclimateaction.nz/news-events/firstgas-decision

Source: Lawyers for Climate Action, 26th July 2021.

Beetle Walks Upside Down Under Water Surface – World-first Film

"An Australian beetle has been observed walking upside down along the surface of water – the first instance such behaviour has been visually documented.

"The tiny aquatic beetle, about 6mm to 8mm in length, has been recorded scuttling along the undersurface of a pool of water in New South Wales.

"In a rare documentation of the behaviour, Gould said he then realised the beetle seemed to be walking on the underside of the water's surface as if it were a pane of glass.

"I think I was just lucky", Gould said. "The most interesting thing is it's able to rest on the underside of the water's surface as well as walk.".... [Video]

More:

www.theguardian.com/environment/2021/jul/09/beetle-that-can-walk-upside-down-under-water-surface-filmed-in-australia-in-world-first

Source: Center for Biological Diversity, 30th July 2021.

Global Cooling Prize: Solving Cooling Dilemma

"In many parts of the world, access to affordable cooling is increasingly viewed as a necessity. Cooling supports positive health outcomes, higher productivity, and accelerated economic development. It is the source of thermal comfort in our homes and offices, it preserves our food and medicines, and it provides suitable conditions for learning in schools. However, over 3 billion people in the world today are at some risk to their health and safety due to lack of access to cooling.

"Access to cooling is not only critical to provide respite from extreme heat, but it is also an important climate justice and equity issue. Unfortunately, people living in developing countries in tropical and subtropical regions where the need is the greatest have dramatically lower access to cooling today.

"However, increasing population and rapid urbanization, coupled with a warming planet, are expected to drive exponential growth in demand for cooling over the next three decades.

"Under a business-as-usual trajectory, the number of residential/room air conditioners (RACs) in service is estimated to increase from 1.2 billion units today to 4.5 billion units by 2050. RAC demand in developing countries is expected to increase fivefold over this same period.

"The resulting increase in power demand would place a massive new burden on electricity grids already straining at their limits.

"Air conditioning accounts for 40%–60% of peak electricity consumption in many major cities with high levels of penetration. Under a business-as-usual trajectory, these air conditioners would consume an additional 5,400 terawatt-hours (TWh), requiring an estimated 2,000 gigawatts (GW) of new electrical generation capacity, by 2050.

"Therefore, a transformative cooling solution is needed – a solution which not only uses low-GWP refrigerants but also consumes dramatically less energy. Such a solution could be a step toward solving the cooling dilemma – keeping both people and the planet cool.

"We need manufacturers to develop and bring these solutions to market. We need policymakers to undertake targeted policy actions to raise the bar of minimum energy performance standards and stretch the performance rating systems to the level of these new RACs to better inform consumers.

"And finally, we need consumers to use their purchasing power to drive the market transformation and buy these 5X lower climate impact RACs for their homes.

"We call on all actors in the cooling sector to come together and demonstrate their leadership in this decisive decade of action. It's possible to provide access to cooling for all, without further warming the planet.

More: <https://rmi.org/insight/global-cooling-prize-solving-the-cooling-dilemma/> 20 pages, 1.71Mb plus <https://globalcoolingprize.org/>

Source: RMI, 31st July 2021. 

Creative Responses to Environmental Problems

"Join us for our next webinar with Dr Niki Harre on Wednesday 11th August 2021. Niki will be talking to us about getting beyond 'fear-based' narratives and how to engage people by promoting positive emotions and empathy, and offer some real life examples.

"Dr Niki Harre is a professor in the School of Psychology at the University of Auckland. Her recent research projects have focused on sustainable communities and schools, core human values, positive youth development and political activism.

"In 2007 Niki edited, with Quentin Atkinson, the book *Carbon*

Neutral by 2020: How New Zealanders Can Tackle Climate Change. Her two latest books are *The Infinite Game: How to Live Well Together* and *Psychology for a Better World: Working with People to Save the Planet*. She is also the coordinator of a three course sustainability module available to Arts and Science students at the University of Auckland.

"Bring your questions and ideas to the Q & A following the presentation.

When/Where: 7:30 - 9:00pm Wednesday 11th August, via: Zoom meeting room

More:

www.ourclimatedeclaration.org.nz/beyond_apocalypse_webinar

Source: Our Climate Declaration, 25th July 2021. 

Shift Production from Beef to Chicken – Ethiopia's Climate Plan

"Ethiopia is hoping to induce a shift from beef to chicken production as part of plans to deepen its emissions cuts and increase its climate resilience by 2030.

"The East African nation country has more livestock than anywhere else in Africa. The sector, dominated by cattle, accounts for 48% of national greenhouse gas emissions, according to its improved climate plan submitted to the UN this week.

"The government has identified agriculture as a priority sector to help create rural employment opportunities, boost exports and help achieve economic growth of 10% a year over the next decade.

"Urbanisation and a growing population is expected to increase demand for meat, which risks driving up methane emissions, Fekadu Beyene Aleka, commissioner for the environment, ...

"Cattle belch methane, which has a stronger warming effect than carbon dioxide. To limit methane emissions, the government wants to increase the share of poultry, fish, and small ruminants. Under its updated climate plan, Ethiopia said it wants to replace non-dairy cattle with chickens, sheep and goats.

"By 2030, the government wants to increase the amount of commercial chickens sold from 33,000 tons to nearly 81,000 tons and produce nearly five times more sheep and six times more goats. ...

More: www.climatechangenews.com/2021/07/30/ethiopia-shift-beef-chicken-production-updated-climate-plan/

Source: *Climate Home News*, 31st July 2021. 

World's Most Powerful Tidal Turbine Starts

"Orbital Marine Power's O2, the world's most powerful tidal turbine, has started grid-connected power generation at the European Marine Energy Centre (EMEC) in Orkney, UK. The innovative, floating turbine was towed up to Orkney in June before being anchored in the fast-moving waters of the Fall of Warness, where a subsea cable connects the 2MW unit to the electricity network ...

"The floating turbine is 74m long and weighs about 680 tons. It is expected to operate for 15 years with the capacity to meet the annual electricity demand of around 2,000 homes with clean, predictable power from the fast-flowing waters and reduce CO2 emissions by 2.2 tons per year. ...

"Outwardly, O2 resembles an airplane. It has a 1-MW turbine nacelle on either side of its hull with 10metre blades

"Another groundbreaking element of the project is the O2 will generate green hydrogen ...

More: www.inceptivemind.com/o2-world-most-powerful-tidal-turbine-starts-exporting-clean-power/20304/

Source: Craig Skinner, Facebook, 2nd August 2021. 