

Sustainability Matters

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Business achieving a tomorrow for tomorrow's children

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XRB Publishes Comparison Document for NZ CS and IFRS S1 and S2

"On Friday, 13th October, the External Reporting Board (XRB) published a comparison document explaining the differences between the Aotearoa Climate Standards (NZ CS) and the IFRS Sustainability Disclosure Standards (IFRS S1/S2).

"A link to the Comparison Document appears below.

"Who should read this? Why? All climate reporting entities (CREs) as defined in Part 7A of the Financial Markets Conduct Act 2013 (FMCA) should read this Comparison Document. It will be particularly relevant to those with an international connection, e.g. who raise capital internationally, are a subsidiary of an international group, or operate as a branch in New Zealand.

"Many CREs (i.e. those with 31st December or 31st March year ends) are more than halfway through their first reporting year and will be publishing their first climate statements in the first part of 2024. The greater the understanding as to the New Zealand regime and how it aligns with the international approach, the better.

"What does it cover? In New Zealand, the NZ CS have already been issued as New Zealand led the world with one of the first mandatory climate-related disclosure regimes, for entities which are CREs.

"The IFRS S1/S2 are not directly binding, but are expected to guide jurisdiction-specific requirements to the extent each country's reporting standards authority sees fit. For example, the Australian Treasury has stated the draft for the Australian mandatory climate-related disclosure standards, to be released by the Australian Accounting Standards Board later in the year, will 'closely align' with the IFRS S2.

"The Comparison Document provides the XRB's reconciliation of the NZ CS it issued with IFRS S1/S2. It finds:

More: www.minterellison.co.nz/insights/xrb-publishes-comparison-document-for-nz-cs-and-ifrs-s1-and-s2 plus www.xrb.govt.nz/dmsdocument/5006 33pages 1.1Mb

Source: Debbie Kandauw, CA ANZ, Weekly Digest for Climate & Sustainability, 20th October 2023.

Editor: In short, the reporting is complicated and not for the faint hearted, especially for multi-nationals. ☺

Continued Progress on Ambition Contrasts with Lack of Detailed Action Plans

"Climate Action 100+, the world's largest investor engagement initiative on climate change, has released the latest round of company assessments against its newly updated Net Zero Company Benchmark, drawing on distinct analytical methodologies and datasets from public and self-disclosed data from companies. [Extensive press release.]

More: <https://igcc.org.au/climate-action-100-assessments-of-global-companies-2023/> with 49page summary 899KB and full dataset.

Source: IGCC, 19th October 2023

Editor: The focus seems to be on reductions of emissions intensity rather than absolute reductions. The upshot is absolute emissions can still markedly increase yet be considered favourably. ☺

Research: Rapid Ice Melt in West Antarctica Now Inevitable

"Accelerated ice melt in west Antarctica is inevitable for the rest of the century no matter how much carbon emissions are cut, research indicates. The implications for sea level rise are 'dire', scientists say, and mean some coastal cities may have to be abandoned.

"The ice sheet of west Antarctica would push up the oceans by 5 metres if lost completely. Previous studies have suggested it is doomed to collapse over the course of centuries, but the new study shows even drastic emissions cuts in the coming decades will not slow the melting.

"The analysis shows the rate of melting of the floating ice shelves in the Amundsen Sea will be three times faster this century compared with the previous century, even if the world meets the most ambitious Paris agreement target of keeping global heating below 1.5C above pre-industrial levels.

"Losing the floating ice shelves means the glacial ice sheets on land are freed to slide more rapidly into the ocean. Many millions of people live in coastal cities which are vulnerable to sea level rise, from New York to Mumbai to Shanghai, and more than a third of the global population lives within 62 miles (100km) of the coast. ...

More:

www.theguardian.com/environment/2023/oct/23/rapid-ice-melt-in-west-antarctica-now-inevitable-research-shows plus www.nature.com/articles/s41558-023-01818-x

Source: NZ Herald and atAdvocacy 25th October 2023.

Editor: In short 'we' have likely sat on our hands and argued the toss for 20-40 years longer than we should and are still not doing sufficient to fix the mess 'we' have created *c* action to fix the ozone hole. ☺

Climate Ready Australia National Summit

"Now is the time to catalyse climate action in Australia. Our summit will focus on sharing knowledge and building capacity for climate action among Australia's peak bodies, across all levels of government, business and NGOs – with an agenda driven by the industry peak bodies collaborating together for a Climate Ready Australia 2030.

"Day 1 will include the 'must-have conversations' affecting organisations which are serious about advancing climate action and enabling a just transition. It will open with strategic thought leadership and discourse to accelerate climate action, with a range of curated and challenging keynotes, discussions and panels.

"Day 2 will focus on capability building and includes bespoke two-hour learning labs, co-designed and delivered by Griffith University and industry experts. ... Day two is themed around getting to the 'how' of climate action – developing knowledge, leadership, capability and responses to empower effective and just climate action across Australian society. ...

When/Where: 22nd to 23rd Nov. Brisbane and online

More: www.griffith.edu.au/research/climate-action/climate-ready-australia-national-summit

Source: Debbie Kandauw, CA ANZ, Weekly Digest for Climate & Sustainability, 11th October 2023. ☺

How Congruent is Budget 2023 with New Zealand's Climate Commitments?

"As part of its Public Good Programme, The New Zealand Institute of Economic Research (NZIER) has released its inaugural climate budget assessment (NZIER Insight 108), announcing plans to assess the impact of New Zealand's annual Budget on achieving our climate change goals each year.

"The New Zealand Government has committed to net zero emissions by 2050 and a 50% reduction of gross emissions by 2030. However, New Zealand is behind the curve when it comes to reviewing the impact of its policies on the environment, with France, Ireland, Nepal, Sweden and the UK leading the way.

"Budget 2023 has several new initiatives intended to support climate commitments. However, using its framework, adapted from international assessment standards, NZIER found the climate effects could be unfavourable for 80% of the new initiatives' expenditure in terms of the contribution to reducing emissions, including the five-year infrastructure package. This assessment was forced to rely on judgement and experience, where better data reporting would improve decision-making.

"Owing to the wide-ranging effects of climate change, NZIER's first Climate Budget Monitor focuses on CO₂-e emissions. For example, although rebuilding cyclone-affected areas will produce emissions, it is also essential to increase climate resilience in these regions, and building back better has the potential to lead to efficiency gains and lower long-term emissions compared to reinstating the lost infrastructure. Rebuilding activity has therefore been categorised as a neutral expense. Meanwhile, the government's \$451 million investment in scientific research centres to contribute to addressing climate change was rated very favourable.

"To enable future analyses to go beyond carbon emissions to compare the environmental, economic and social effects of a policy, NZIER is also calling for standardised reporting in Budget documents. It recommends the new framework be enshrined in law via an amendment to the Public Finance Act. While the Parliamentary Commissioner for the Environment, Simon Upton, recommended the government provide a report to the House on the expenditure it allocates to environmental outcomes and the progress being made, no holistic approach currently exists.

More: www.nzier.org.nz/news/how-green-are-our-government-dollars-nzier-insight-108 plus www.nzier.org.nz/hubfs/Public%20Publications/Insights/NZIER%20Insight%20108%20Climate%20budget%20reporting%20%20Update.pdf

Source: Clare Feeney, 12th October 2023.

Degrowth for a New Generation

"Degrowth – a planned and unbiased contraction of the economy – is intended to bring energy and material use into alignment with what ecosystems can sustain. But degrowth promises even more than that. Degrowth is also a social and environmental movement which is being embraced by younger generations.

"Post Carbon Institute is pleased to be in conversation with author and researcher, Timothée Parrique, and community organizer and writer, Jamie Tyberg. Together we will explore what degrowth is (and isn't), how people are embracing the concept of degrowth, what needs to happen to move degrowth from classrooms to boardrooms and staterooms, and how to confront powerful people and institutions who are trying to keep us pinned to the ruinous growth paradigm.

When/Where: 26th October 2023, 10:00 – 11:15am US Pacific Time. Online

More: www.resilience.org/events/

Source: Post Carbon Institute, 13th October 2023.

EU Reaches Deal on Exit Schedule from Climate-wrecking F-gases

"Lawmakers in Brussels have agreed on the dates by which heat pumps and electrical equipment must ditch fluorinated gases and switch to more climate-friendly alternatives.

"F-gases account for about 2.5% of EU greenhouse gas emissions. Among the worst of them, SF₆ is 25,000 times worse for the climate than CO₂ – and the bloc has committed to phasing all of them out rapidly via the Montreal treaty and its Kigali amendment.

"Yet, F-gases are also vital to the functioning of crucial technologies: heat pumps and switchgear for electrical systems ...

"F-gases in medium voltage switchgear will be banned from 2030, while the cut-off for high-voltage models will be set at 2032. On top, should climate-friendly alternatives not be available, the super climate-wrecker SF₆ can continue to be used. ...

"Quote(s) Thanks to the agreement found today to phase out the F-gases and ozone-depleting substances, we will prevent 32,000 tonnes of ozone-depleting emissions and save the equivalent of almost 500 million tonnes of CO₂ by 2050. This is excellent news for Europe and for the world. With F-gases used for air conditioning and refrigeration and demand in this area projected to grow, it is essential we make sure these technologies do not exacerbate global warming and climate-friendly alternatives are incentivised.

Maroš Šefčovič, Executive Vice-President for European Green deal, Interinstitutional Relations and Foresight - 05/10/2023

More: www.euractiv.com/section/energy-environment/news/eu-reaches-deal-on-exit-schedule-from-climate-wrecking-f-gases/ plus https://ec.europa.eu/commission/presscorner/detail/en/ip_23_4781

Source: Editor, 12th October 2023.

Editor: All NZ designers, specifiers, suppliers, installers, service people, building owners and equipment users should be 'on to' this.

Climate Outlook for Aotearoa Predicts Rivers in the Sky, Heatwaves in the Sea

"Bigger, heavier 'rivers in the sky' - like the atmospheric river that brought record rainfall to Auckland in January – are on the cards as the planet heats, the latest report on Aotearoa's climate says.

"Infectious diseases and pests will be more likely to spread, and it's 'almost certain' (90%) new pests will become established here, especially as parts of the North Island became more suitable for sub-tropical species to thrive.

"That is according to Statistics NZ and the Ministry for the Environment's Our Atmosphere and Climate 2023 report.

"The actual impacts will depend on how much greenhouse gas countries produce, and various complex climate processes.

"But, based the current trajectory, where countries are tackling emissions but not fast enough to meet the Paris Agreement target of keeping global heating inside 1.5C-2C, Aotearoa can expect around another 1.0-1.3C of heating by 2050 on top of what it is already experiencing, it says.

"Aotearoa is warming; it's us. We are sure. It's bad. But we can do something about it. [Lengthy article.]

More: www.mnz.co.nz/news/national/499887/climate-outlook-for-aotearoa-predicts-rivers-in-the-sky-heatwaves-in-the-sea plus <https://environment.govt.nz/publications/our-atmosphere-and-climate-2023/> 76 pages 4.1Mb

Source: SBC Weekly Pānui, 12th October 2023.

Possums, Rats, Stoats and Old Scooter Batteries

“Entrepreneur Shaun Ryan’s pest-detecting cameras mix new with old: artificial intelligence and used batteries from Lime scooters.

“The Christchurch-based engineer, who sold his e-commerce business in 2018, has paired up with his brother Grant to develop smart tech targeting possums, stoats, rats, hedgehogs, wallabies and feral cats and dogs.

“The duo is so confident in the ability of technology to beat pests they expect the country’s predator free by 2050 goal could be accomplished a decade early.

“The innovations developed by the non-profit Cacophony Project will be available to anyone.

“They’re seeing three times as many possums as trail cameras, and ... up to 20 times as many rats,’ he said.

“Each thermal camera will be powered by an old battery from a Lime e-scooter.


“A Cacophony Project engineer had worked in the electric vehicle field and knew one of the Lime employees – and a plan to upcycle used batteries from damaged scooters was hatched, Shaun said.

“The battery’s actually perfectly good... We package them up and make them really waterproof and drop the voltage down.’

“The organisation is developing trapping as well as monitoring. Pests are good at avoiding these devices, Shaun said. ‘Typically, for every 100 predators which go past a trap, just one will go into it – which is really frustrating.’

“But if just one animal goes in, it’s far more likely – according to research – others will follow.

More: www.stuff.co.nz/environment/133086411/old-scooter-batteries-powering-hunt-for-possums-stoats-and-rats

Source: Editor, 12th October 2023. 

A Director’s Guide to Mandatory Climate Reporting

“Earlier this year, the Australian Government confirmed its intention to introduce climate reporting obligations for large Australian corporations and financial institutions. It is currently proposed that the requirements be phased in from July 2024.

“As long-term stewards of their organisations, directors have a critical role to play in overseeing what ASIC Chair, Joe Longo, has called ‘the biggest change to corporate reporting in a generation.’


“As host of the Climate Governance Initiative (CGI) Australia, the AICD is pleased to have collaborated with our partners Deloitte and MinterEllison to produce a guide aimed at preparing Australian directors for mandatory climate disclosure.

“The Guide:

- Outlines the proposed Australian mandatory reporting framework
- Sets out the key legal obligations for directors
- Provides practical steps directors can take to ready their organisations for the commencement of the mandatory climate reporting regime

More: www.aicd.com.au/risk-management/framework/climate/a-directors-guide-to-mandatory-climate-reporting.html 73 pages, 6.17Mb


Source: Debbie Kandaaw, CA ANZ, Weekly Digest for Climate & Sustainability, 11th October 2023.

Editor: Has a consolidated list of questions for directors to ask. 

The Planet’s Big Blue Machine: Why the Ocean Engine Matters

“In the e360 interview, we talk with British physicist Helen Czerski about the impacts, both dramatic and subtle, which human-caused warming is having on the world’s oceans. Czerski describes oceans as gigantic and highly complex engines which are undergoing important changes, as seas are deprived of oxygen, stratification increases, and the currents that influence global weather are altered. ‘As an ocean scientist’, she says, ‘I’ve learned the ocean humbles you all the time. It does things you didn’t expect.’

More: <https://e360.yale.edu/features/helen-czerski-interview>

Source: *Yale Environment 360*, 13th October 2023. 


The Blue Machine: How the Ocean Works

“All of Earth’s oceans, from the equator to the poles, are a single engine powered by sunlight, driving huge flows of energy, water, life, and raw materials. In *The Blue Machine*, physicist and oceanographer Helen Czerski illustrates the mechanisms behind this defining feature of our planet, voyaging from the depths of the ocean floor to tropical coral reefs, estuaries that feed into shallow coastal seas, and Arctic ice floes.

“Through stories of history, culture, and animals, she explains how water temperature, salinity, gravity, and the movement of Earth’s tectonic plates all interact in a complex dance, supporting life at the smallest scale – plankton – and the largest – giant sea turtles, whales, humankind. From the ancient Polynesians who navigated the Pacific by reading the waves, to permanent residents of the deep such as the Greenland shark that can live for hundreds of years, she introduces the messengers, passengers, and voyagers that rely on interlinked systems of vast currents, invisible ocean walls, and underwater waterfalls.

“Most important, however, Czerski reveals while the ocean engine has sustained us for thousands of years, today it is faced with urgent threats. By understanding how the ocean works, and its essential role in our global system, we can learn how to protect our blue machine. Timely, elegant, and passionately argued, *The Blue Machine* presents a fresh perspective on what it means to be a citizen of an ocean planet.

More: <https://www.norton.com/books/9781324006718> plus www.goodreads.com/book/show/123979539-the-blue-machine 464 pages June 2023

Source: *Yale Environment 360*, 13th October 2023. 

Multidimensional Disadvantage and Wellbeing

“Our Economics and Research team have published a working paper on Multidimensional disadvantage and wellbeing. The paper examines the measurement of different types of disadvantage – income poverty, deprivation, and social exclusion – to develop new measures to assess disadvantage. These new dimensional measures are then used to examine the relationship between disadvantage and wellbeing.

“This working paper supports the quantitative analysis used to inform the findings and recommendations of the Commission’s inquiry into economic inclusion and social mobility – *A Fair Chance for All: Breaking the cycle of persistent disadvantage*.

More: www.productivity.govt.nz/publications/multidimensional-disadvantage-and-wellbeing/ plus www.productivity.govt.nz/assets/Research/Multidimensional-disadvantage-and-wellbeing-WP-Version.pdf 89 pages 2.69Mb

Source: Productivity Commission, 19th October 2023. 

Sustainability Leaders Summit 2023


"Social and environmental sustainability have become a mainstay of both our political climate and economic reality. As a result, Sustainability Executives have been positioned at the helm of corporate responsibility, navigating the complex pathway towards transparency and lasting impact.

"The Sustainability Leaders Summit congregates these executives, facilitating an esteemed platform of cross-industry insight, discussion and connection between some of New Zealand's most respected organisations. The Summit features an ambitious, outcomes-focused agenda, driven by world-class speakers for set on transforming businesses for the better.

"Attendance at the Sustainability Leaders Summit is strictly for in-house Sustainability executives and professionals. If you are a Service Provider to sustainability executives, please email zoeb@connectmedia.com to discuss your involvement.

When/Where: Wed. 22nd Nov 2023, all day. Auckland

More: <https://sustainable.org.nz/learn/events/sustainability-leaders-summit-2023>

Source: SBN, 17th October 2023. 

How Coke Killed the Refillable Bottle

"The Coca-Cola Company is the largest consumer-facing global seller of plastics, producing 134 billion – almost one quarter (23%) – of the world's PET plastic bottles. Its 'Every Bottle Back' pledge stands in stark contrast to the company's #1 ranking for five years running in #BreakFreeFromPlastic's brand audits of plastic pollution.

"In fact, Coca-Cola itself was an early leader in refillables. During the company's early years, it pioneered a waste-free system for fountain drinks and created a successful deposit return system that ensured an impressive 96% of its glass bottles were reused.

"But between the 1950s and 1970s, the company gutted its own refillable infrastructure in the US, opting for single-use containers which externalised the cost of its new packaging waste onto the public and ratepayers. Story of Stuff Project's new report reveals Coke knew at the start of the 1970s switching to single-use containers would be worse for the environment, but doubled down regardless.

More: <https://action.storyofstuff.org/sign/tell-coca-cola-bring-back-refill/> plus www.youtube.com/watch?v=4XP-BBGMCNs 12:44 and www.storyofstuff.org/plastic/bottle-deposits/

Source: Story of Stuff, 19th October 2023. 

Transition Plan Taskforce Unveils 'Gold Standard' Climate Disclosure Frameworks


"The Transition Plan Taskforce (TPT) has delivered what it calls a 'gold standard' Disclosure Framework for corporate climate transition plans, which aligns with globally recognised reporting frameworks and standards.

"The requirement is around net-zero transition plans, which support long-term corporate emissions goals with interim milestones and outline the necessary steps to change business models and investment. Plans should also detail how workers will be supported and the need for upskilling and reskilling addressed.

"The TPT states a company's transition plan should take a strategic and rounded approach which explains how ...

"In terms of specific recommendations the TPT outlines a five-step process to improving corporate disclosure. ...

More: www.edie.net/transition-plan-taskforce-unveils-gold-standard-climate-disclosure-frameworks-for-corporates/

Source: edie, 13th October 2023. 

Water from Abandoned Coal Mines Heating Buildings

"Britain's deep coal mines have become a surprising source of green energy, one which has been heating the town of Gateshead successfully for 6 months.

"The scheme is believed to be replicable in areas with extensive abandoned mine works and offers a kind of renewable redemption for a nation with a long history of dirty energy.

"Gateshead Council's mine water project launched in March 2023 and now has a large central heat pump which provides low-carbon heating to 350 high-rise buildings, an art gallery, a college, an industrial park, and several office buildings.

"As oil and gas gradually replaced coal, Britain's hundreds of miles of coal mining tunnels were gradually abandoned over the decades. Inundated by flood waters which became heated by the Earth's core, Britain suddenly had a semi-naturally occurring geothermal energy source to harvest.

"At certain depths, mine water can sit at over 45°C. The renewable energy use here involves pumping the water into home heat pumps which further raises the temperature.

More: www.goodnewsnetwork.org/old-coal-mine-filled-with-warm-water-has-been-heating-a-town-with-green-energy-for-6-months/

Source: atAdvocacy News, 24th October 2023. 

Australia Breaches WHO Treaty with Carbon Neutral Certification of Big Tobacco Company

"The [Australian] government has been forced to revoke carbon neutral certification given to a big tobacco company after the endorsement was found to be in breach of a World Health Organisation treaty to which Australia is a signatory. ...

"Australia is a signatory to the World Health Organisation Framework Convention on Tobacco Control [FCTC], which means the government must protect its policies from interference from the tobacco industry and its interests.

"Among many clauses, the FCTC states government consultation with the tobacco industry should be limited to measures needed for public officials or agencies to enact effective tobacco control; that action should be taken to de-normalise the tobacco industry's 'socially responsible' activities; and partnerships with the tobacco industry should be rejected.

"The documents show after being alerted to the complaint, the health department's director of tobacco control advised the department of industry 'promotion of the tobacco industry's carbon neutral operations could be perceived as a corporate social responsibility activity and government endorsement could be in contravention of the FCTC'.

"The director noted 'the 'greenwashing' tactic used by the tobacco industry globally.

"Greenwashing is described by the University of Bath's Tobacco Tactics watchdog as harmful or controversial industries marketing themselves as environmentally friendly in a bid to divert public attention from their environmentally damaging practices.

"A report on tobacco industry greenwashing co-authored by the World Health Organisation found 'at every step of production, the tobacco industry has an impact on the environment'

More: www.theguardian.com/business/2023/oct/20/australia-breaches-who-treaty-with-carbon-neutral-certification-of-big-tobacco-company

Source: Editor, 20th October 2023. 