

# Sustainability Matters

Compiled and published by Ray Skinner, FCA

Business achieving a tomorrow for tomorrow's children

23<sup>rd</sup> Nov. 2023



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## Mary Robinson, Former Irish President: Responsible Business Honouree Award

"Companies need to be '10 times bolder' in their approach to the climate crisis and call for a total phase-out of fossil fuels, says leading human rights advocate Mary Robinson.

"The former Irish president, who was given the Responsible Business honouree award at Reuters Events' annual Responsible Business Awards yesterday [2<sup>nd</sup> November] in London, said global corporations should use their lobbying muscle to press for an ambitious agreement to tackle climate change and nature loss at the United Nations' COP28 climate conference in Dubai, which starts on 30<sup>th</sup> November.

"The problem is most political leaders are aware the climate and nature of (the) crisis is serious, and they need to do something, but that is very far from a crisis mentality. And we need a crisis mentality', she said in an exclusive interview on the eve of the ceremony.

"When business says, 'Actually, we have to treat this as a real crisis', that would help.'

"Robinson, who served as Ireland's first woman president (1990-97), before becoming UN High Commissioner for Human Rights (1997-2002), has long been an advocate for greater ambition on the part of both business and government to tackle climate change and accelerate a just transition. ....

"Often business leaders will say to me, 'I really didn't take this seriously until my nine-year-old grandchild asked me, 'Are you destroying our world?' ....

"Modern corporations were not created to defend human rights, nor do the competitive pressures of contemporary capitalism or the opacity of global value chains encourage them to do so. But Robinson refuses to let such realities get her down, preferring instead to draw inspiration from her former presidential peer, Mandela.

"He (Mandela) always used to say, 'It always seems impossible until it is done', she concluded. 'I don't know how many times in a week I would quote that .... but it does make us feel, 'yes, we can do it'.


**More:** [www.reuters.com/sustainability/society-equity/mary-robinson-business-needs-be-bold-push-phase-out-fossil-fuels-cop28-2023-11-02/](http://www.reuters.com/sustainability/society-equity/mary-robinson-business-needs-be-bold-push-phase-out-fossil-fuels-cop28-2023-11-02/)

**Source:** Reuters Events, 3<sup>rd</sup> November 2023. 

## The Solutionists: How Businesses Can Fix the Future

"A must read for anyone working in sustainability or wanting to help build the sustainable future. Author Solitaire Townsend does an incredible job of sharing her learnings on how to achieve positive impacts while speaking candidly about the challenges those of us working in the industry face every day.

**More:** [www.goodreads.com/book/show/108862126-the-solutionists](http://www.goodreads.com/book/show/108862126-the-solutionists) 280 pages, April 2023 plus [www.thetalentadvisors.com/leadership-boards-dianne-jacobs-reading-circle/new-business-leadership](http://www.thetalentadvisors.com/leadership-boards-dianne-jacobs-reading-circle/new-business-leadership)

**Source:** Go Well Consulting, 9<sup>th</sup> November 2023. 

## CA ANZ Updates its Climate Change Policy Statement

"Governments in Australia and New Zealand have committed to achieving net zero greenhouse gas (GHG) emissions by 2050. This goal can only be achieved by establishing a robust and reliable line of communication between financial markets and the global community. Hence, the demand for climate-related financial information has driven the development of disclosure regimes by Government and standard setters.

"The Chartered Accountants Australia and New Zealand (CA ANZ) Strategic Roadmap to 2025, addresses these demands. Our pillar on sustainability includes initiatives that focus on acting with urgency on climate change.

"CA ANZ's Climate Change Policy Statement outlines the ever-growing evidence of the scale and severity of climate change, and with it, the potentially profound consequences on both economic and non-economic industries. According to the Reserve Bank of Australia, 'climate change risks can manifest in different ways for different types of financial entities.' The Statement notes a rapidly changing climate may negatively impact productivity, financial and political stability, living standards and employment.

"The Statement also outlines how accountants, as data and risk professionals, can make a difference to support organisations and investors alike through climate change mitigation. ....

"We signed a commitment to achieve net zero GHG emissions within our organisation as soon as operationally possible, as well as to provide support for our Members to do the same.'

**More:** [www.charteredaccountantsanz.com/news-and-analysis/news/an-update-to-ca-anzs-climate-change-policy-statement](http://www.charteredaccountantsanz.com/news-and-analysis/news/an-update-to-ca-anzs-climate-change-policy-statement) plus [www.charteredaccountantsanz.com/-/media/c91eaba21d3d4c5a929c1ba81aedc7d4.pdf](http://www.charteredaccountantsanz.com/-/media/c91eaba21d3d4c5a929c1ba81aedc7d4.pdf) 2pages, 82KB

**Source:** CA ANZ Regional News, 13<sup>th</sup> November 2023. 


## Deep Trouble: How Climate Change has Reached the World's End

"Scientists have observed startling changes in the vast and wild ocean beneath New Zealand and issued an urgent call to slow the warming of our planet. Jamie Morton explains why these dramatic shifts in our deep south should worry all of us. ....

**More:** <https://www.nzherald.co.nz/nz/climate-change-antarcticas-missing-sea-ice-threatens-storms-floods/ZAVDSFFORBEKTBKLIQJBELXGTE/> Paywall?

**Source:** NZ Herald, Sat 18<sup>th</sup> November, pages A10- and A11.

**Editor:** This is a VERY long article. It is a MUST READ. It provides important and emerging background as to why we need substantial, robust and rapid action to reverse the harms humans are causing to our home – the only one we will likely ever have.

The issues discussed do not pertain to New Zealand alone. Directly and indirectly they impact almost every financial entity of every type. The issues are global in scope and impact. Key elements of the decades long research emanate from NZ scientists. 

## The EU and UK Exported 1,000 Tonnes of a Banned Pesticide to Poorer Countries

"This dangerous fungicide was banned in the EU three years ago. So why is it still being sent to developing countries?"

"Villages in Costa Rica are having to truck in drinking water after a European-supplied pesticide heavily polluted their water.

"Chlorothalonil is a hazardous chemical which was banned in the EU in 2020 over its potential to pollute groundwater and cause cancer.

"Three years on, French authorities are reckoning with a massive clean-up operation from the fungicide which could send water bills soaring.

"But Germany, Italy and the UK are among European countries still shipping out hundreds of tonnes of chlorothalonil-based pesticides to poorer nations, a new investigation by Greenpeace UK's Unearthed unit and Swiss NGO Public Eye has revealed.

**More:** [www.euronews.com/green/2023/06/22/the-eu-and-uk-exported-1000-tonnes-of-a-banned-pesticide-to-poorer-countries-investigation](http://www.euronews.com/green/2023/06/22/the-eu-and-uk-exported-1000-tonnes-of-a-banned-pesticide-to-poorer-countries-investigation) plus [www.eko.org/media/ngos-urge-ursula-von-der-leyen-to-hold-true-to-green-deal-commitment-on-export-of-banned-chemicals/](http://www.eko.org/media/ngos-urge-ursula-von-der-leyen-to-hold-true-to-green-deal-commitment-on-export-of-banned-chemicals/)

**Source:** Eko, 5<sup>th</sup> November 2023.

**Editor:** Why is the pesticide still being sent? → Probably to make money! Probably professionals with codes of ethics are involved in the process. Should their professional bodies be taking disciplinary actions? 🗣️

## Assembly of Investment Chairs 2023

"This event is unique in that its purpose is predominantly for the benefit of Chairs of Investment Committees (and other investment decision makers) from a range of Iwi and not-for-profit organisations, including community foundations, and community trusts.

"The Assembly of Investment Chairs presents a significant opportunity to discuss challenges and opportunities in sustainable investing to create long term value and integrate this sectors values.

"Chairs will have access to the knowledge and thinking of various domestic and international thought leaders, who are industry and academic experts in Sustainable Investing and related topics.

**When/Where:** Tuesday 5<sup>th</sup> December 2023. Auckland

**More:** <https://events.otago.ac.nz/2023aoc>

**Source:** Purpose Capital, 7<sup>th</sup> November 2023. 🗣️

## Tools to Decarbonise the Construction Industry

"The construction industry contributed to 8.2% of New Zealand's annual gross emissions in 2021 and is projected to increase by one-third in the next decade, highlighting the importance and opportunity the industry has to decarbonise.

"Join Toitū Envirocare's panel of experts and Precinct Properties Head of Sustainability, Lisa Hinde, in an online webinar to discuss what sustainable practices and initiatives are currently occurring in the construction industry. This session will take a deep dive into the tools available to measure emissions and how they can be used to make smart decisions to build a low-carbon future.

"During this webinar, you will: .....

**When/Where:** 10:00am 28<sup>th</sup> November. Online

**More:** [https://us06web.zoom.us/webinar/register/2016988722058/WN\\_O2\\_X8F-TE-evOIsSTkv3A#/registration](https://us06web.zoom.us/webinar/register/2016988722058/WN_O2_X8F-TE-evOIsSTkv3A#/registration)

**Source:** Toitū Envirocare, 9<sup>th</sup> November 2023. 🗣️

## 'Frugal Innovation' and 'Boring Solutions' can Best Accelerate Climate Action, say Experts

"In their quest to decarbonise and address the effects of climate change, companies and investors are often tempted to go big by seeking out headline-grabbing ideas. However, that might not be the most effective way to implement climate solutions, according to experts.

"I can tell you from experience the most impactful (solutions) are the most boring ones, which you will not see in the news', said Vinamra Srivastava .....

"Srivastava cited the example of CapitalLand improving the efficiency of its building's cooling systems, which resulted in 10% (energy) savings. 'Nobody is going to put it in the papers (but) of course it's moving the needle. Multiplying this (kind of action) by 10, 15 times — that's what the private sector needs to do', he said. [ALL sectors?]

"Such scalable, efficiency-driven initiatives need not be limited to the energy sector, as they can also be used to improve food security. ....

"The behaviours of city-dwelling Southeast Asians should also be factored into sustainable cooling measures, said Lee Poh Seng, associate professor at the National University of Singapore (NUS) and executive director at the Energy Studies Institute. Although it has long been convenient to simply turn on air-conditioning, which has also been considered a symbol of greater wealth, this ultimately generates more energy waste and worsens urban heat, he said.

"But folks have been staying in this part of the world for centuries, so we can actually tolerate higher temperatures. Instead of relying on mechanical cooling, we can look into integrating passive cooling designs or strategies', said Lee. Examples include designing for sufficient shading and greenery, as well as better ventilation to ensure cooling without using mechanical equipment.

"Lee is trying to walk the talk. 'Since last year, I set my office temperature to 27°C, 2° higher than the NUS guidelines', he said. 'I felt a bit uncomfortable at first, but within two to three months, my body acclimated to the higher temperature.' .....

**More:** [www.eco-business.com/news/frugal-innovation-and-boring-solutions-can-best-accelerate-climate-action-say-experts/](http://www.eco-business.com/news/frugal-innovation-and-boring-solutions-can-best-accelerate-climate-action-say-experts/)

**Source:** eco-Business.com, 8<sup>th</sup> November 2023. 🗣️

## Aucklanders: Have Say on Changing Freshwater Rules

"Freshwater rules are changing in Tāmaki Makaurau and it's time for Aucklanders to have their say on how to improve the region's rivers, lakes and streams.

"Auckland Council wants to check back in with the community on what it thinks of proposed measures to protect, use, and allocate freshwater. ....

"This work is driven by the National Policy Statement for Freshwater Management (NPS-FM) which will affect how Aucklanders manage their land and water use.

"The NPS-FM applies to rivers, streams, lakes, wetlands, aquifers (groundwater) and springs. It is a government policy that requires councils to put the health of freshwater first, then consider the needs of people and other demands for water use .....

**Consultation Closes:** Monday, 4<sup>th</sup> December 2023.

**More:** <https://ourauckland.aucklandcouncil.govt.nz/news/2023/11/how-do-we-put-freshwater-first/> plus <https://akhaveyoursay.aucklandcouncil.govt.nz/freshwaterakl>

**Source:** SBC Weekly Pānui, 9<sup>th</sup> November 2023. 🗣️

## Public Buy-in with Response to Climate Change Essential'

"New Zealand needs an urgent rethink on how it involves the public in adapting to climate change's ever-worsening impacts – with a status-quo approach risking making the problem bigger, researchers say.

"A new report, released by the Helen Clark Foundation and engineering consultants WSP, argues community engagement will be just as important as getting the right engineering solutions for threats like rising tides and more intense storms.


"With the Auckland floods in January, followed hot on the heels by Cyclone Gabrielle, the reality of climate change has now really hit home for many', said the report's author, WSP fellow Kali Mercier.

"With a few notable exceptions though, it still feels like there is a general lack of urgency in preparing for the impacts climate change will have.

"We really don't want to be in a position where all our efforts go towards costly recovery efforts from ever-worsening disasters.'

"The scale of the climate threat to New Zealand – some 750,000 people, 500,000 buildings and billions of dollars of infrastructure are already at risk from extreme flooding – is now relatively well understood by policymakers. ....

**More:** <https://helenclark.foundation/publications-and-medias/a-shared-future/> 58pages 14.8Mb plus <https://www.nzherald.co.nz/nz/climate-change-where-nz-risks-getting-adaptation-badly-wrong/7Q5X5PFT5BFLPJ2YTWW6234CI/> Paywall

**Source:** NZ Herald, page A5, 21<sup>st</sup> November 2023. 

## Small Business Sustainability Checklist


"The International Federation of Accountants' (IFAC) *Small Business Sustainability Checklist* is a diagnostic tool designed to be tailored by each business according to its own unique circumstances, including its industry sector, lifecycle, and products and services provided. It lists a comprehensive range of initiatives and actions to be considered in terms of environmental, social, and governance (ESG) factors. Not all actions in the Checklist will be relevant to every SME, but the Checklist aims to help all organisations to take small steps on what could be a long but highly fulfilling journey.

"Small and medium-sized practices (SMPs)\*\* are ideally placed to help SMEs on this journey because of their deep business knowledge and expertise. The Checklist was developed under the umbrella of IFAC's work on Practice Transformation, which highlights the need for SMPs to adapt to remain relevant and serve a rapidly changing world. SMPs are also strongly encouraged to use the Checklist to begin their own journey and consider their strategy, policies, and procedures on sustainability. This is also critical to both attracting and retaining the next generation of talent.

"The Checklist has been launched together with an expanded range of external resources to help practitioners upskill and build knowledge in this emerging area. IFAC has prepared a dedicated web page which provides material on sustainability reporting, advisory, assurance, and education and training.

**More:** [www.ifac.org/about-ifac/small-and-medium-practices/publications/small-business-sustainability-checklist](http://www.ifac.org/about-ifac/small-and-medium-practices/publications/small-business-sustainability-checklist) plus <https://ifacweb.blob.core.windows.net/publicfiles/2023-11/Small%20Business%20Sustainability%20Checklist.pdf> 12 pages, 2.29Mb

**Source:** Debbie Kandauw, CA ANZ, Weekly Digest for Climate & Sustainability, 17<sup>th</sup> November 2023.

**Editor:** \*\* The intended primary target is likely Tier3 and Tier 4 accounting practices. However organisations can directly use the check list. 

## GCSE Previews Sustainability Program Standards with Key Audiences


"Learning opportunities in sustainability have never been more varied and abundant than they are today. From 2006 to 2022, sustainability degree programs have proliferated across US [and other?] higher education institutions along with thousands of minors, concentrations, certificates, and courses in sustainability.

"As sustainability continues to develop as a distinct academic discipline and professional practice, it is important to ensure quality and consistency across programs, while maintaining respect for diverse institutional contexts. Shared program standards can help in evaluating and improving the curriculum, pedagogy, and overall learning experience, while helping to communicate the meaning and value of a sustainability degree to prospective students and employers.

"Over the past year, GCSE has worked with a broad range of stakeholders, from faculty and students to professionals and employers in the sustainability field to collaboratively develop best practices for sustainability programs in higher education. This fall, GCSE has engaged with key audiences in sustainability education to review and iterate these best practices into draft program standards.

"GCSE's Sustainability Education Community of Practice meets monthly to discuss key features of this work. ....

**More:** <https://mailchi.mp/gcseglobal/the-connection-introducing-our-new-mission> plus [www.gcseglobal.org/pathways-to-accreditation](http://www.gcseglobal.org/pathways-to-accreditation)

**Source:** GCSE, 9<sup>th</sup> November 2023. 

## Climate Leaders Coalition Launch 5<sup>th</sup> Anniversary Snapshot

"The Climate Leaders Coalition has today launched its fifth anniversary Snapshot Report which reveals signatories have collectively reduced their emissions by 3.6 million tCO<sub>2</sub>e. since joining the Coalition. That's a cumulative 29% reduction and equivalent to the average annual emissions of 270,000 New Zealanders.

"The business movement for climate change has come a long way since we launched in 2018. ....

"Other Coalition fifth anniversary highlights include: 100% of signatories are working within their value chains, including with suppliers and customers, to reduce their scope 3 emissions, compared to 60% in 2018-19. 85% of signatories have a 1.5 degree-aligned emissions reduction pathway for scope 1 and 2 emissions.

"The remainder are working on moving to a 1.5 degree-aligned target or waiting on updated guidance from the Science-Based Targets initiative. 97% of signatories have identified and measured their current significant scope 3 emissions, up from 35% in 2018 – 19.83% of signatories are now disclosing their climate risks and opportunities, up from 21% in 2020. ....

"The Climate Leaders Coalition was launched in July 2018 with a mission of having business CEOs leading the response to climate change through collective, transparent, and meaningful action on mitigation and adaptation. The Coalition has 88 signatories which collectively create around 32% of GDP, have a collective turnover of \$126 billion and employ more than 213,000 people. ....

**More:** <https://m.scoop.co.nz/stories/BU2311/S00100/fifth-anniversary-snapshot-shows-signatories-have-reduced-emissions-by-3-6-million-tonnes.htm> plus <https://climateleaderscoalition.org.nz/wp-content/uploads/2023/11/CLC-5th-Anniversary-Snapshot-Report.pdf> 24 pages, 2.26Mb and has a detailed schedule of each company's progress and status

**Source:** SBC Weekly Pānui, 9<sup>th</sup> November. 

## Uncounted Emissions: The Hidden Cost of Fossil Fuel Exports

“Author and activist Bill McKibben explores how a handful of wealthy, powerful countries are touting progress on reducing emissions, while ramping up the production of oil and gas for export.

“Under the Paris Agreement, a country’s exports of fossil fuels don’t count toward its emissions, meaning the U.S., Canada, Norway, and other rich nations can accurately report to be cutting emissions at home even as they ship fossil fuels – and the pollution they produce – overseas. These countries, writes McKibben ‘have made the right noises about the need for urgent climate action; they just haven’t been willing to face down their exporters’.

**More:** <https://e360.yale.edu/features/fossil-fuel-export-emissions-climate-change>

**Source:** *Yale Environment 360*, 16<sup>th</sup> November 2023. 

## Climate-related Disclosures – Scenario Analysis Information Sheet

“This information sheet details compliance expectations of New Zealand’s Financial Markets Authority (FMA) for scenario analysis disclosures made under the climate-related disclosures (CRD) regime. It will be useful for climate reporting entities (CREs), their directors, and other interested parties.

“The CRD framework includes a requirement to conduct scenario analysis and disclose the process undertaken.

“This information sheet sets out:

- How the FMA will apply the CRD framework relating to scenario analysis,
- What the FMA will look for when determining compliance with those standards; and
- Other considerations that may help CREs ensure they meet the disclosure requirements.

“This information sheet was updated in October 2023 to address questions raised during engagement with climate reporting entities and industry bodies.

“The substantive updates are inclusion of:

- Additional details and clarification regarding quantification in the context of scenario analysis; and
- An illustrative diagram to explain the relationship and links between the Strategy disclosures in NZ CS 1 and how they may inform or support one another.

“Other minor updates have been made to provide further clarification and context.

**More:** [www.fma.govt.nz/library/guidance-library/scenario-analysis-information-sheet/](http://www.fma.govt.nz/library/guidance-library/scenario-analysis-information-sheet/) 22pages, 583Kb

**Source:** Debbie Kandauw, CA ANZ, Weekly Digest for Climate & Sustainability, 17<sup>th</sup> November 2023. 

## Why Grazing Bison Could be Good for the Planet


American bison were hunted almost to extinction by European settlers. Now making a comeback, they could help reverse damage to prairies from decades of poor management.

“The shortgrass prairie makes up 71 million hectares (27,413 sq miles) of remote land straddling the US/Canadian border to the east of the Rocky Mountains. This rare habitat is in ecological decline. For the last 150 years, wildlife have surrendered the prime habitat to cows. ...

[Long article – experiences in Montana, USA.]

**More:** [www.bbc.com/future/article/20231102-why-grazing-bison-could-be-good-for-the-planet](http://www.bbc.com/future/article/20231102-why-grazing-bison-could-be-good-for-the-planet)

**Source:** *atAdvocacy*, 16<sup>th</sup> November 2023

**Editor:** Endemic species can be better than introduced species. 

## Financial System Stability: Solvency II Joint Letter

“We are 18 civil society organisations concerned with making the financial system more stable and sustainable, and we see the trilogue negotiations on Solvency II, the legislative framework for EU (re)insurers, as a key opportunity to make insurers resilient and better protected against climate change and its wide-ranging consequences.


“Introducing a tailored transition plan provision in Solvency II is crucial to push insurers to adequately address climate-related risks and consider impacts, while ensuring regulatory coherence across EU law.

“In this joint letter addressed to EU policymakers involved in the review of Solvency II, we emphasise how a transition plan obligation in Solvency II logically fits with other pieces of legislation, adding the necessary prudential perspective without creating any duplication.

Page 5: CREs are only required to disclose a description of the process they have undertaken to conduct scenario analysis, rather than disclose how resilient their business model and strategy was to the scenarios constructed and analysed.

**More:** <https://shareaction.org/policies/transition-plans-in-solvency-ii-joint-letter> plus [www.aefinfo.fr/assets/medias/documents/5/3/537388.pdf](http://www.aefinfo.fr/assets/medias/documents/5/3/537388.pdf) 4 pages and [www.responsible-investor.com/bank-climate-transition-plans-on-course-to-enter-eu-capital-rules/](http://www.responsible-investor.com/bank-climate-transition-plans-on-course-to-enter-eu-capital-rules/) also [www.edie.net/report-insurers-continue-to-support-oil-and-gas-expansion-while-withdrawing-cover-for-climate-hit-communities/](http://www.edie.net/report-insurers-continue-to-support-oil-and-gas-expansion-while-withdrawing-cover-for-climate-hit-communities/)

**Source:** Eko, 18<sup>th</sup> November 2023.

**Editor:** The above is a little out of context. However the issues, which become apparent from the letter and references such as that below provide context. The financial and going concern issues also seem to apply to entities in countries beyond the EU. 

## Live from COP28 Dubai: Rod Oram and Laura Gemmell

“COP (Conference of the Parties) is the annual climate summit bringing countries together to address climate change and accelerate action. This year, COP28 will see the first global stocktake to assess how the world is progressing against emission reduction commitments made under the Paris Agreement in 2015.


“COP28 is also set to involve more people than ever before. Many ... from the business sector are taking part in the wider programme which runs alongside the political negotiations. ...

“Laura and Rod will be sharing their experiences and discuss the progress of negotiations, what big issues are getting attention, and what to watch out for in the closing days of the conference. We’ll explore what businesses can learn from COP, and get a glimpse into the New Zealand experience ...

**When/Where:** Thurs 7<sup>th</sup> Dec. 5:00 - 6:00pm NZDT. Online.

**More:** <https://sustainable.org.nz/learn/events/live-from-cop28/>

**Source:** SBN, 15<sup>th</sup> November 2023.

**Editor:** COP is from Thurs, 30<sup>th</sup> to Tues, 12<sup>th</sup> Dec 2023. 

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