Progressing towards a sustainable New Zealand

January 2016
Foreword

As the New Year gets underway I am brimming with optimism based on progress over the past 12 months. The global agreement on climate change at Paris, while not perfect, is a remarkable achievement and has spawned a ‘can-do’ attitude among government, business and community worldwide.

We have also seen a turning of the tide in New Zealand: the recognition among ever larger numbers of businesses that sustainability is core to success, rather than a ‘nice to have’. For me, this became evident with the doubling of attendees at the NZI Sustainable Business Network Awards in 2015 compared to the previous year – having almost 600 people from corporates through to small businesses and non-profits celebrating success was the best possible vote of confidence in sustainability.

Business has a crucial role to play in transforming the systems upon which we depend – food, water, transport, energy and social systems - for a more sustainable future. In 2014 we identified practical opportunities to bring about system change through a mix of research, workshops and consultation with businesses and individuals around the country. In 2015 we focused on turning some of those opportunities into viable projects and I’m thrilled to be able to report real progress.

Henry Ford said that, “coming together is a beginning; keeping together is progress; working together is success” and it’s collaboration that has been both the key to the success of our projects and the most uplifting part of our work.

Thank you, thank you to all the organisations that have stepped up to partner with us. In particular I’d like to recognise our Partners: Gull, Hubbards, Fuji Xerox, Auckland Council, INZIDE Commercial, Philips, Tork, Healthy Families NZ, Auckland Tourism, Events and Economic Development, Fulton Hogan, NZ Sustainable Business Network

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Transport Agency, Foundation North, Department of Conservation, EECA Business and AECOM. Together with our Support Partners they are leading the path to a more sustainable future for us all.

We’d love you to join us, whether your interest lies in transport, food, procurement, investment, employment outcomes, rethinking waste or restoring our waterways. There are opportunities to get involved, whether you want to partner with us, or simply keep up to date with our progress. Individual contacts can be found on page 20 or you can contact our office to find out more on +64 (0)9 826 0394, office@sustainable.org.nz

Rachel Brown
In 2015 the Sustainable Business Network completed the second year of project work in collaboration with hundreds of diverse organisations, large and small, to help bring about a better business future for New Zealand. This report summarises progress in four areas: smart transport, social value, the circular economy, and restorative food and water.

The Sustainable Business Network (SBN) is aiming to transform New Zealand to a model sustainable nation by leading positive change in four transformation areas: Renewables, Community, Mega efficiency and Restorative. Within each of these transformation areas we have identified one core focus which is an area of critical importance to New Zealand in which we want to use the strength and diversity of our Network to help shift systems onto a more sustainable path.

Our project work focuses on progressing business opportunities in each of these areas:

- **Renewables**
  Accelerating smart transport in NZ

- **Community**
  Embedding social value into business models

- **Mega efficiency**
  Accelerating the circular economy in NZ

- **Restorative**
  Restoring NZ’s food and water systems

We have partnered with UK-based Forum for the Future, one of the world’s leading sustainability organisations, to apply their **Big Shift** approach to each of these areas. This approach identifies practical ways of bringing about change through collaboration and by looking at whole systems.
Objectives

New Zealand leads globally in renewable energy sources for electricity use but our biggest challenge is transport, which accounts for about 20-40 per cent of our greenhouse gas emissions. Almost all of our transport energy is non-renewable and we are dependent on imported fossil fuels to keep our current system running.

Our vision for Smart Transport is that by 2050 Aotearoa New Zealand will be self-sufficient with all energy derived from renewable sources.

Projects

Biofuels offer an immediate means of reducing the environmental impact of vehicle emissions, particularly heavy vehicles, as we continue to transition to an electric vehicle future. You can already buy biofuel (bioethanol or biodiesel) at the pump in a blend of up to 10 per cent and it doesn’t require any conversion of your engine to use it safely. SBN has partnered with Gull, Auckland Transport, Fulton Hogan, NZ Motor Caravan Association and Tourism Holdings Limited to publish a guide aimed at busting the myths that currently slow the sale of blended biofuels.

Our vision is to increase the use of biofuels in New Zealand by 20 per cent by 2017.
Electric Vehicles

Shifting our national fleet to electric is a no-brainer. Although new electric vehicles tend to be more expensive, prices are coming down and the lower running costs help offset some of the higher price tag. Additionally second-hand cars are selling at a similar price to their petrol equivalent. SBN is working with partners Opus, Mighty River Power, LeasePlan and Optifleet to play a role shifting our vehicles to electric.

We ran a workshop with Auckland Transport, Opus and EECA to identify the best approach for linking electric vehicles with car-sharing schemes (like Cityhop).

Our vision is to increase the number of electric vehicles in New Zealand by an additional 1000 by the end of 2017.

Bike 2050

The Bike 2050 project aims to make the transition to active modes of transport (cycling and walking) as easy as possible for business. It will help address social issues (e.g. physical inactivity, which results in long-term health impacts and stress), environmental issues (increased air and water pollution; carbon emissions; increasing congestion and road traffic injury in cities) and economic issues (access to transport for employment and high costs of transport).

The vision of Bike 2050 is to increase by 20 per cent the number of SBN members regularly choosing active modes of travel, particularly bikes, in New Zealand by 2017.

Smart Working Hub

The way our major cities are designed (large and sprawling) has meant those who live in the suburbs have a long daily commute, largely by private vehicle since our public transport systems are poorly served. This creates a reliance on motorways, congestion, air pollution, stress and ill health. Internet technology and smart phones allow us to work differently. We worked with Hobsonville Land Company and Crown Fibre to begin to test the possibility of creating a smart working hub in the Hobsonville area. Funding is still required for the next stage and to create a business case. If you are interested in finding out more, let us know.
Highlights of 2015

The Smart Transport Forum
This was the first event to pull together the diversity of actors involved in smart transport. It created greater activity and collaborations.

Electric Vehicles
This project created a strong business case for delivering an Auckland-wide car sharing and electric vehicle scheme. Members in the Bay of Plenty held an event to progress the electric vehicle opportunity there.

Bike 2050
This is now a very active project with a growing number of businesses looking to participate in our campaign in 2016 and design activities that will be trialled over 2016-17.

Biofuels Guide
In conjunction with our project partners and members, we published a guide - Biofuels: your first step to kicking the fossil fuel habit.

Renewables on Commercial
Workshop held with members to provide information on renewable energy on commercial premises.

New Models of Public Transport
Testing new forms of public transport by sharing existing resources: led by Opus which is trialling the idea of a shared economy model in Hawkes Bay and Auckland.
Next steps and opportunities

**Biofuels**
We will share the results of trials to encourage further uptake of biofuels by large fleets. We will also run a campaign to encourage the greater uptake of biofuels and support the opportunity with biomethane.

**Electric Vehicles**
We will work on the collective procurement of electric vehicles (new or second hand). We’ll also be working on integrating electric vehicles and car sharing schemes into New Zealand cities. In related work, we’ll be focusing on extending battery life and recycling opportunities to create a second life for them.

**Total Energy Tool**
We will collaborate with others to create a simple market solution to help small and medium enterprises move to 100% renewable energy.

**Intelligent Mobility**
By creating collaborative learning events, we will foster new business models in mobility including the Internet of Things.

**Smart Transport Forum**
In July 2016 we will hold a one-day event to help the transition to a renewable future, pulling together key players in smart transport.

**Bike 2050**
We will create a business best practice guide to cycling to support employers with the best way of getting employees riding bikes and walking more frequently. We’ll be redesigning urban infrastructure for cycling using a systems approach and design competition. In addition through a Get Active campaign, support resources and fun events we will generate opportunities for people to experience the health, environmental and economic benefits of cycling.
Objectives

There are many complex social issues facing New Zealand, and we believe that businesses have a unique opportunity to address them by placing people and wellbeing at the heart of business. This needs to happen internally and externally, through products and services that meet a social need, by considering the social impact of investments, and by developing robust supply chains that build, rather than erode, positive social outcomes.

Projects

Over the course of 2015, we have worked to help embed sustainability criteria into procurement decisions by working with 25 of New Zealand’s largest businesses and government agencies (including councils). We identified the need to make it simple and efficient for businesses to assess the sustainability of their supply chains, so we have developed an assessment tool that is practical and realistic both for the procurement team to assess and for suppliers to be able to answer. We are now getting organisations to test this tool, before sharing it with our members in 2016.
The most important community that a business operates within is its internal one, its employees, which is why we convened events in Wellington, Tauranga and Auckland in 2015. They discussed best practice strategies for engaging employees in your organisation’s purpose and sustainability vision. The member-only events received high levels of interest from participants and some amazing case studies proving that size doesn’t matter with employee engagement. It’s about attitude, alignment and openness to work with your employees to create a unique work environment. Following the events a useful guide was compiled on *Valuing Your People: How to effectively engage your employees*.

A challenging area, sustainable investment has continued to be an important area for us throughout 2015, and this year we have worked to raise the issue with many different financial institutions. Going forward into 2016, we are working with Kiwibank and BNZ to help them understand the opportunity for their business better.

We hosted a workshop for SBN members who have operations or markets in Mangere-Otahuhu to see what we could do together to provide more meaningful employment experiences for young people in the region, so they can create better futures for themselves and their communities. The growth of innovative and disruptive collaborations to create solutions to complex social challenges has been a common theme in 2015, including in this workshop. While many organisations came from different sectors and were of different sizes, they quickly identified four possible initiatives or programmes they could support to address the problem of unemployment in their region. We will be further developing and testing these solutions in 2016.
**Highlights of 2015**

**Valuing Your People events**
The three Valuing Your People events, in Auckland, Wellington and Tauranga, were a highlight with more than 80 people attending, seven speakers from different businesses and a resource for those unable to attend.

**Smart Procurement Trials**
Fuji Xerox and Auckland Council have agreed to trial the Smart Procurement Assessment Tool in all of their contracts. Other large organisations are also looking into this, including NZI/IAG. Look out for further information in the year to come.

**Smart Procurement**
Collaborating with 24 large corporates and council organisations over 5 workshops to come up with the Smart Procurement Assessment Tool.

**Meaningful Employment**
We held a workshop with 10 businesses committed to addressing socio-economic issues in Mangere-Otahuhu. Four viable programmes came out of it that we will be prototyping in 2016.
Next steps and opportunities

**Smart Procurement**
We are excited to have a group of pioneering organisations like Auckland Council, Fuji-Xerox and IAG who are already piloting the tool and will be sharing their experiences with us in 2016.

**Supplier Training Workshops**
Why not come along to our workshops in 2016 to see how you can start to answer our Smart Procurement Assessment Tool? Or alternatively, think about assessing your own supply chain with this assessment tool and let us know how you get on.

**Lead and Influence**
Sustainability champions and advocates often struggle to engage and inspire critical stakeholders in sustainability. To address this, we’ve created the **Lead and Influence Sustainability course**. If you’d like to hone your skills to become more effective with your projects, keep in touch with how the first cohort goes and get involved in the next course.
The circular economy is one of the only viable business models that can achieve growth and prosperity while still living within the limits of the Earth’s natural resources. We define the circular economy as one where the life cycle of products is maximised, usage optimised and at the end of life all materials are fully utilised. It is a sustainable alternative to the linear take-make-waste model and minimises waste by keeping materials in as high value circulation as possible.

The SBN has embarked on a mission to accelerate the circular economy in New Zealand. We are working to drive awareness, action and competency among our members to facilitate the greater adoption of circular economy practices and models such as incorporation into product design, product stewardship schemes, maximising asset usage via the sharing economy, offering products as services and maximising the value from current waste streams.

Objectives

Our key project is tackling waste in the office refurbishment and build sector. In this initiative we are working to shift the sector onto a more circular path by maximising the usage of existing materials, diverting waste from landfill and ensuring suppliers of new materials have a product stewardship scheme in place so they can take back and reutilise or recycle materials at the end of their life. We are now actively working with members on case studies.

Circular Economy Model Office

Projects
Highlights of 2015

CEMO
The creation of the Circular Economy Model Office Guide, outlining the reuse, repurpose and recycling options for all the materials you would typically find within an office environment.

Events
Excellent educational events on such things as electronic waste recycling and the ‘Internet of Things’. We also hosted New Zealand’s first Open Source Circular Economy Days event in June, part of a worldwide event.

Knowledge Sharing
Facilitating knowledge sharing among a host of diverse circular economy practitioners at a ‘facilitating the circular economy’ workshop organised by SBN.

Features at the NZI Sustainable Business Network Awards
Key circular economy models such as waste to value, reusability, sharing economy and end of life solutions featured heavily at the Awards.
Next steps and opportunities

**CEMO**
SBN will continue to work with organisations to see Circular Economy Model Offices come to fruition.

**Campaign**
We will create a communication campaign to encourage the movement towards more circular practices.

**Food Waste**
We will commence a project looking at opportunities within the pre-consumer food waste sector in March.

**Deconstruction and Reuse**
We will commence work on a collaborative three year project to bring circular economy practices into the demolition and construction industry.

**Events**
We will host events around the country to continue to build knowledge and momentum around the circular economy, from March onwards.
Objectives

Our vision is to restore New Zealand’s food and waterways through creating tangible projects that catalyse regenerative planting of our streambanks and enable good food practices to grow and thrive across Aotearoa in both businesses and our communities.

Projects

The first year of the project saw 120 donors funding six projects across New Zealand. This equated to 6000 metres of stream being planted by the $125,000 raised for stream restoration projects. Those streams were tributaries of the Whitestone River in Southland, Pangaroa and Taharoa/Grandy Lake Forest at Whangawehi in Hawke’s Bay, Kiwitea River tributary in Manawatu-Whanganui and Waikohu River tributary in Gisborne. All thanks to six field partners! See millionmetres.org.nz for details.
Projects

This project mentored four **up and coming good food businesses**: Ahikā’s wellness tonics, Line’s Knaekbrød, the Green Kitchen’s One Broth and the Hungarian Artisan company’s salami. The project was supported by Auckland Tourism Events & Economic Development (ATEED), Panuku Development Auckland, and The Food Bowl. A big thank you to mentors Mike Van de Elzen of Boy and Bird, Chris Morrison of All Good Organics and Martin Yeoman of Assignment Group for their guidance and connections into the food sector for these businesses.

We brought together 120 food businesses from around New Zealand to work out the **Future of Food**. Fifteen speakers discussed topics of traceability, the future consumer, investment and growth, and how we can improve our food system, including real food challenges from businesses.

Ten organisations from Invercargill to Kaitaia are working on **access to healthy food** in New Zealand. We held huī in Wellington and Auckland in 2015, the third will be held in Christchurch in March 2016 and an online peer to peer learning and information exchange supports the groups by taking a food systems approach to their community food challenges. SBN also supported and attended the Wellington Regional Food huī and helped to convene the Bay of Plenty Kai huī in October. The Good Food Network is supported by Ministry of Health Healthy Families NZ and comprises: Healthy Families Invercargill (Sport Southland), Healthy Families Spreydon-Heathcote (Pacific Trust Canterbury), Well South, Healthy Families Lower Hutt (Hutt City Council), Toi te Ora Bay of Plenty District Health Board, Healthy Families Whanganui Rangitikei Ruapehu (Te Oranganui), Healthy Families Far North (Te Runanga o Te Rarawa), Healthy Families Waitakere (Sport Waitakere), and Healthy Families Manukau, Manurewa-Papakura (Tāmaki Healthy Families Alliance).
Million Metres Stream Project Funding
We received the Department of Conservation Community Fund for the Million Metres Streams Project to fund a full time project manager for three years – welcome to Georgina Hart!

Awards Finalist
Million Metres was a finalist in the Morgan Foundation River Awards 2015.

Network
We formed the National Good Food Network, New Zealand’s first training programme for organisations taking a food systems approach to improving their regional food systems.
Next steps and opportunities

**Forum**
Attend the Future Food Forum in April 2016.

**Million Metres**
You can support Million Metres by donating to your favourite stream. We’re also looking for a major sponsor to help us grow the project to make it even more awesome. Contact us if you’re interested in backing this winner.

**Food Waste**
In 2016 we’ll be working on pre-consumer food waste, understanding the waste streams for our food manufacturers and industry. Contact us if you’re a food business that would like to know more.

**Good Food Boost**
Enter your fledgling food business into the Good Food Boost mentoring programme, February and March 2016. Contact us if you are an up and coming food business that needs some guidance.

**Be a Founding Partner!**
In 2016 we will be convening the Future Food business programme to create an influential group of businesses that demonstrate restorative food (health, social, environment and economic). Founding partners will develop the operating paradigm of the group and agree the selection of other good food businesses who should participate. They will also play a key role in developing a strategy, areas of focus for the group’s work and an associated budget.
We'd love to hear from you if you would like to be involved in any, or all, of our work streams. There are opportunities to be a Partner, Support Partner, project participant or simply to follow our progress. Together we can shift New Zealand onto a more sustainable path. Please join us.

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The Sustainable Business Network (SBN) is shaping the future through better business. As the largest organisation of businesses dedicated to sustainability in New Zealand, the SBN connects you with other innovators, enabling you to collaborate on solutions. We inspire our members to succeed through learning events and sharing your stories, and we help you act through projects, campaigns and expert advice.

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This report follows on from our 2014 report, Business Opportunities for a Sustainable NZ.
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