

## **World Environment Day – Business Symposium**

Auckland, 4 June 2008

### *Towards a Low Carbon Economy – Business Opportunities and Innovative Solutions*

To mark World Environment Day 2008, about 230 representatives from the business community, NGOs, universities and government departments attended a Business Symposium at the Royal New Zealand Yacht Squadron in Auckland on 4 June. The event was hosted by the Institute of Policy Studies and the Climate Change Research Institute (in the School of Government, Victoria University of Wellington) and supported by a wide range of organizations.

The symposium was preceded by a business breakfast (hosted by the NZ Business Council for Sustainable Development) during which attendees heard presentations from eminent speakers, including the Minister for Science and Technology Development, Hon Pete Hodgson, and the Executive Director of UN Environment Programme, Achim Steiner. Via a video link-up with California, Governor Arnold Schwarzenegger greeted the audience and commended New Zealand for its support for World Environment Day. He said that innovation was an important element to bring to bear in tackling climate change and, despite what is often said, determined policy action can bring about effective and beneficial change.

The Business Symposium was opened by Prime Minister, the Right Honourable Helen Clark. She outlined the Labour-led government's responses to the challenge of climate change and said that New Zealand was committed to delivering on its Kyoto commitments and participating fully as the world moved towards a low-carbon future. She said that government policy aimed to provide the framework and strategy within which business could respond to the new opportunities as well as the new challenges that climate change presented. She emphasized that business and government must be partners in the fight against global warming.

Martin Manning, Professor of Climate Change at Victoria University of Wellington, discussed the scientific underpinnings of climate change. He remarked that it had taken perhaps 20 years for the world to become aware that resolute action was needed urgently to address global warming. He emphasized that CO<sub>2</sub> persisted for a long time in the atmosphere. Hence, even if early action is taken to reduce global CO<sub>2</sub> emissions so that they peak within 10 years, a delay in the response of the atmosphere would mean that warming would continue for more than a century beyond the peak. Accordingly, he argued that serious mitigation action was needed within the next 10–15 years. As a former New Zealand representative on Intergovernmental Panel on Climate Change and manager of their recent assessment of the physical science of climate change (Working Group 1), he commended the collaborative approach taken by the international scientific community as a helpful way for nations to work together to tackle the serious threat that climate change posed to the world community.

John Whitehead, the Secretary to the Treasury, discussed the challenges and opportunities for business as it adapted to the imperatives of climate change. In

particular, he emphasized the need for a robust policy framework, and outlined the logic for the government's emission trading legislation. He was followed by Dr Basil Sharp, from the Economics Department at the University of Auckland, who discussed rights-based mechanisms (or economic instruments) for resource and environmental management and, in particular, emissions trading.

The second part of the symposium focussed on presentations by representatives from four New Zealand companies in different economic sectors, and the steps they are taking to address climate change and enhance sustainability.

David Baldwin (CE of Contact Energy) said that the electricity generation portfolio of his company already contained over 50% renewable energy, including wind, hydro power and geothermal. He then outlined his company's plans for further development of renewable resources. Andrew Ferrier (CE of Fonterra) stressed the importance to the New Zealand economy of its dairy exports and of having green credentials in the world market. He described the efforts that Fonterra made in all sectors of its operations (farms, processing and transport of product to worldwide and home markets) to reduce their carbon footprint within a culture of continuous improvement. He commented on the need to let customers worldwide know, that despite long transport distances, NZ dairy products have relatively low-carbon footprints, often lower than locally sourced competitive products. John Dick (Managing Director of the Langham Hotel in Auckland), described their award-winning approach to sustainability, stressing the importance of involving staff at all levels and harnessing their enthusiasm as champions for improvement in energy efficiency, water management and recycling. The NZ company Coca-Cola Amatil NZ, bottles and packages a wide range of beverages including cola, beer and water. Sharlene Wells discussed her company's approach to managing energy, waste, and to reducing transport costs.

The four presentations were followed by a lively panel discussion, chaired by Professor Jonathan Boston. The symposium concluded with a brief examination, by Rod Oram, of the key issues facing New Zealand business and a summary of the main themes highlighted by contributors to the event.

Paule Stephenson and Jonathan Boston (Institute of Policy Studies)

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*The symposium was funded by the Ministry for the Environment and hosted by the Institute of Policy Studies and Climate Change Research Centre, School of Government, Victoria University of Wellington. It was held in collaboration with the following organizations:*

- *The Auckland Chamber of Commerce*
- *Business New Zealand*
- *The Climate Change and Business Centre*
- *Environmental Defence Society*
- *New Zealand Business Council for Sustainable Development*
- *New Zealand Climate Change Centre*
- *NIWA*
- *The Royal Society of New Zealand*

- *The University of Auckland Business School*