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McGuinness Institute Annual Newsletter – Issue 20: 2019



Dear subscriber,

Welcome to the McGuinness Institute annual newsletter.

In this issue we include a letter from our Chief Executive, an update of our projects since May 2018 and an outline of our work programme for the remainder of 2019 and beyond.

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1. Letter from our Chief Executive

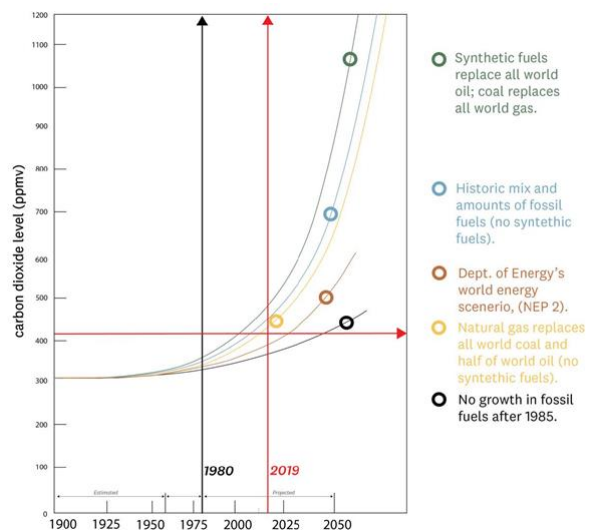
Climate change

In the first half of 2019 the Institute has undertaken a significant amount of work around climate reporting, attending events such as the [Just Transition Summit](#) (read our blogs from the two days [here](#)), reading international literature and talking to people about the current state of play. Over the course of this work, we have become overwhelmed by the urgency of this issue.

Looking forwards, it is easy to see how climate change will become the central focus of all public policy. It will impact not only the economy, but also health, education, policing, science, local government to name only a few. Climate change is likely to disproportionately affect the poor, who will not be able to move to safer areas with more stable climates, or gain access to sufficient food and water. However, everyone will be affected eventually.

We are entering a new and uncertain way of life. Unfortunately, we have a very poor understanding of exponential growth, which means our forecasting and planning techniques will be inadequate for the challenges ahead. At the same time, we are failing to equip the next generation with the skills and knowledge necessary to navigate this new and uncertain future. Ten years ago I talked about a range of possible climate change scenarios, but now the earth is living through some of these scenarios and we have become the experiment.

Looking backwards, hard decisions should have been made in the 1980s and 1990s. This is illustrated by the graph to the right, which was adapted by the McGuinness Institute from the [Global 2000 Report to the President: Entering the Twenty-First Century. Volume Two – The Technical Report](#) (p. 326). Future generations will pay the price for the favouring of private interests over public interests, and short-term decision-making over long-term decision-making. Public policy needs to reclaim responsibility for acting in the public interest and making decisions for the long term. If we fail to take a mature approach to managing our future, the future will manage us.



New Zealand has a responsibility to lift our game and take advantage of our agility, creativity and resourcefulness. As a relatively wealthy, educated and developed country situated in a peaceful part of the world – we are rare! We have a responsibility to use all our skills and relationships to set an example for the rest of the world.

These observations resulted in the decision to focus our work programme on climate change. We will work hard to crowdsource a climate change strategy for New Zealand, propose a climate reporting framework for the public and private sectors, review and reflect on past institutions with a long-term focus (such as the [Commission for the Future](#) in the 1980s) and undertake a youth workshop to empower Pasifika youth with foresight tools.

Final thoughts

On an even more sombre note, I want to close by acknowledging the tragic events of Friday 15 March. The Christchurch terror attacks on two mosques were an ungentle reminder that we are all New Zealanders and we need to step up and work hard to be the country we want to be. Our thoughts continue to be with those affected; in particular we want to express our support for the Muslim community of New Zealand. Assalaamu Alaikum.

Thank you for your interest in our work. Please do not hesitate to contact me if you have any observations or questions about the Institute's previous or upcoming work. Your feedback is important. Please also keep up to date with our upcoming events by checking our [events page](#).

All the best,
Wendy McGuinness

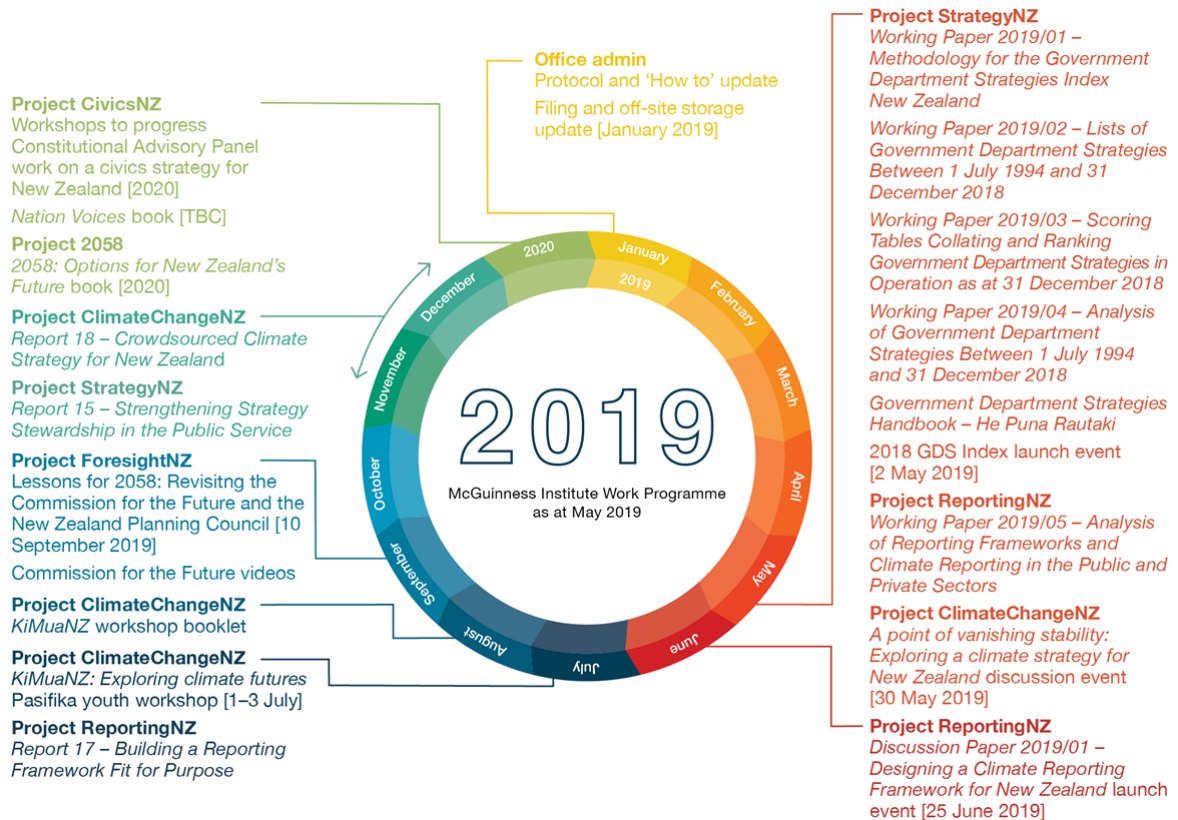
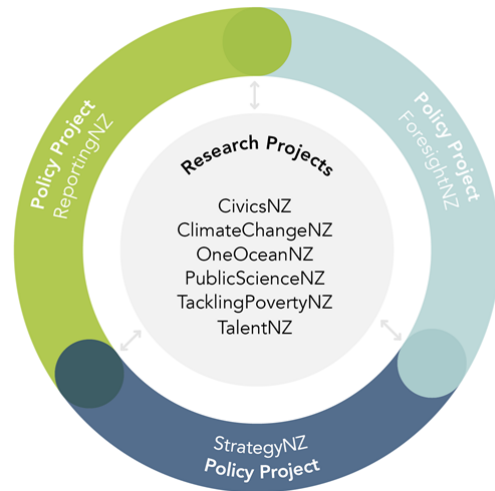


2. Our 2019 work programme

The image on the right illustrates how our two types of projects (policy and research) interlink to form the work programme below.

We use our research projects to inform our policy projects and vice versa. This approach has been effective for us in the past, ensuring we are responsive to the real world. Our observations about climate change led to the realisation that we need to discuss climate change far more broadly than just in response to livestock and agriculture. This in turn led to the decision to rename *Project LivestockNZ* as *Project ClimateChangeNZ*. The image below illustrates our work programme by the 2019 calendar year. A more detailed discussion about each of the projects is provided below.

Figure 1. Linkages between projects



3. Project 2058 overview

Project 2058 is the Institute's flagship project focusing on New Zealand's long-term future. In 2008, when

selecting a year in the future to guide our thinking, the year 2058 was selected as a year distant enough in the future to avoid self-interest but close enough to realistically drive our work forward. Last year in 2018, we commemorated the 10th anniversary of the project's inception with the development of the *Āpōpō Journal* and an update of the *Project 2058 Methodology*.



Past initiatives and events include:

October 2018: Project 2058 Methodology: Version 5

The *Project 2058 Methodology: Version 5* outlines the approach and guiding principles of *Project 2058* and is continuously updated. Prior to 2018, it was last updated in 2012 with *Project 2058: Methodology and review of work – Version 4*. The 2018 update documents our progress and outlines the next steps in the process.

January 2019: Āpōpō Journal

Āpōpō Journal was developed throughout 2018 as a unique publication by and for New Zealanders aged 18–25, to help them shape their long-term future. It has been designed not for one specific year but for the next 40, so it can be used at any point from 2019–2058. *Āpōpō Journal* provides space for users to reflect on their past experiences, plan for today and prepare for tomorrow. The journal features life skills and practical advice, a pātaka maumahara (an evolving time capsule), a maramataka (calendar) detailing [historic national dates](#), and an overview of futures studies tools. *Āpōpō Journal* celebrates the diversity of New Zealand and illustrates the importance of using hindsight, insight and foresight to navigate future pathways, which is why 'Āpōpō' (te reo Māori for 'tomorrow') was chosen as the title.



The initial spark for creating the journal came from past Institute workshops involving young voices from around Aotearoa. These workshops provide an opportunity for 18–25 year olds to come together and apply hindsight, insight and foresight to work on significant future issues affecting our nation's future. Past workshops include [TacklingPovertyNZ](#), [WakaNZ](#), [CivicsNZ](#) and [ForesightNZ](#).

WakaNZ participant and contributing poet Anna-Marei Kurei describes her most valuable workshop experiences:

'Learning about myself, my skills and capabilities. I just feel like there's a power in knowing yourself, your weaknesses and strengths, and working with both to navigate space and achieve goals.'

Fellow contributing poet and *WakaNZ* participant Shaquille Shortland shares his observations about the journal:

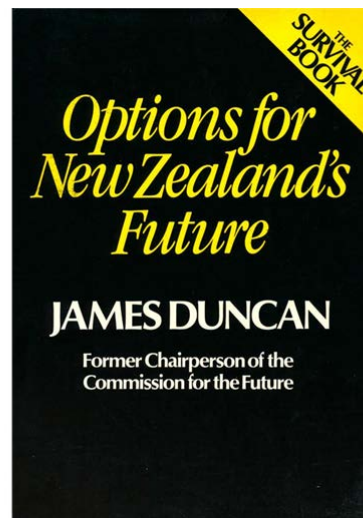
'A journal like this is definitely something that is needed in our generation; an era in which the Internet is king and Google gives us the answer instantly. Yes it's knowledge, but understanding is only built along the journey taken to attain the knowledge.'

Complimentary copies of *Āpōpō Journal* have been offered to decile one secondary schools across the country, and the journal is available for purchase from the Institute's [online store](#). For further purchase information see the [journal website](#). Read the blog about the publication of the journal [here](#).

Going forward, we will focus on:

2020: 2058 – Options for New Zealand’s Future book

The Institute is excited to be working on our ten-year retrospective publication. This book will look back on the projects, workshops, and voices of the McGuinness Institute since its early inception as the Sustainable Future Institute. It will build on the book *Options for New Zealand’s Future* by James Duncan, Chair of the [Commission for the Future](#) (see image right). James Duncan’s book was published in 1984 and looked forward 30 years, while the Institute’s book will set out options for New Zealand’s future in 2058, looking forward 40 years in order to build on the last



ten. The Commission was disestablished by Prime Minister Robert Muldoon in 1982. You can learn more about the work of the Commission in [Report 11 – A History of Future-thinking Initiatives in New Zealand 1936–2010: Learning from the past to build a better future](#) and by attending our event ‘Lessons for 2058 – Revisiting the Commission for the Future and the New Zealand Planning Council’ on 10 September 2019. Find out more about the event in the *ForesightNZ* section of the newsletter below or on our [events page](#).

4. OUR THREE POLICY PROJECTS [top](#)

4. Our three policy projects

Our three interlinking policy projects were developed as a result of our observation that foresight drives strategy, strategy requires reporting, and reporting shapes foresight. In practice, each of these policy tools must work together if we want New Zealand to develop durable, robust and forward-looking public policy.

4.1 ForesightNZ

This project aims to explore New Zealand’s possible futures. To learn more about this project, please see the [ForesightNZ website](#).

Past initiatives and events include:

December 2018: Prime Minister’s 2018/2019 summer reading list

Each year we create a summer reading list for the Prime Minister based on our reflections from the year and forecasts going forward – both locally and internationally. The five books selected for the Prime Minister’s 2018 summer reading list were:



- [Why We Get the Wrong Politicians](#) (Isabel Hardman, September 2018)
- [The Fifth Risk](#) (Michael Lewis, October 2018)
- [The Perils of Perception](#) (Bobby Duffy, September 2018)
- [The Invading Sea](#) (Neville Peat, October 2018)
- [Āpōpō Journal](#) (McGuinness Institute, January 2019)

You can read the blog on the Prime Minister’s 2018/2019 summer reading list [here](#).

Going forward we will focus on:

1–3 July 2019: KiMuaNZ: Exploring climate futures workshop

The *KiMuaNZ: Exploring climate futures* workshop will bring together 36 young New Zealanders between the ages of 18 and 25 to highlight the unique perspectives of young people connected to the Pacific. The workshop will focus on exploring different future scenarios and strategies for New Zealand and our Pacific neighbours in a climate changing world. It will also contribute to a continued conversation, allowing us to develop ways to adapt to and mitigate climate-related risks. *KiMuaNZ* follows on from the 2016 *ForesightNZ: Untangling New Zealand's long-term future workshop* and the 2017 *WakaNZ: Navigating with foresight workshop*.



Participants will spend day one with Hawaiian futurist Dr Richard Lum, day two at the New Zealand Treasury with experts from a range of disciplines and day three at Government House (presenting their findings that evening to the Governor-General, MPs, ambassadors and other guests).

Applications have now closed for workshop participants. If you are interested in attending the workshop finale presentation at Government House, please visit our [events page](#) for more information, or register your interest in attending [here](#).

10 September 2019: Lessons for 2058 – Revisiting the Commission for the Future and the New Zealand Planning Council

We are currently in the planning stages of an event that will bring together a range of people interested in the past work of the [Commission for the Future](#) and the [New Zealand Planning Council](#).

The Commission for the Future, established in 1976, was New Zealand's only future-focused government think tank. Its disestablishment in 1982, by the then Prime Minister Rt Hon Sir Robert Muldoon was attributed in part to the Commission's work on the threat of nuclear disaster and national security. The Commission's work also included scenarios on climate change, acknowledging the problems of carbon and the potential of a warming (and cooling) climate.



The McGuinness Institute is fortunate to hold the publications of the Commission of the Future and the New Zealand Planning Council in its [James Duncan Reference Library](#). These provide a rich record of the future thinking being done in New Zealand at that time.

This event will contribute to the McGuinness Institute's ongoing *Project ForesightNZ* programme by building on [Report 11 – A History of Future-thinking Initiatives in New Zealand 1936–2010: Learning from the past to build a better future](#) and contributing to the Institute's own book building on James Duncan's *Options for New Zealand's Future* (1984).

The event will be held at 5.30 pm at the National Library of New Zealand (70 Molesworth St, Thorndon, Wellington). Visit our [events page](#) for more information, or register your interest in attending [here](#).

4.2 StrategyNZ

This project aims to build pathways to New Zealand’s preferred future. Learn more on the [StrategyNZ website](#).

Past initiatives and events include:

February 2019: Submission on Aotearoa New Zealand Government Tourism Strategy

The McGuinness Institute took the opportunity to respond to the *Aotearoa New Zealand Tourism Strategy* consultation in February 2019. This consultation proposed a more deliberate and active role for government in tourism, to make sure that growth is productive, sustainable and inclusive. The Institute made nine key suggestions to the consultation framed around the *GDS Index Scorecard*, as it provides clear detail on what makes a good strategy. The submission goes on to make a further eight general observations about the draft strategy. These observations are centred around making the strategy clearer through providing context.

The complete submission can be read [here](#). The final strategy, published by the Ministry of Business, Innovation and Employment in May 2019, can be read [here](#).

The Government Department Strategies Index Framework					
1 Opportunities and Threats	2 Capabilities and Resources	3 Vision and Benefits	4 Approach and Focus	5 Implementation and Accountability	6 Alignment and Authority
1.1 Does it identify opportunities going forward?	2.1 Does it identify current and future capabilities (e.g. with, partnerships/ relationships)?	3.1 Does it provide a clear vision as to what success would look like (a desired future condition)?	4.1 Does it break down the vision into a number of strategic goals/objectives that are tangible, specific and different from each other?	5.1 Does it identify who is responsible for implementing the GDS?	6.1 Does it discuss performance to the strategy and identify any lessons learnt from these?
1.2 Does it identify threats going forward?	2.2 Does it identify what capabilities it does not have and needs to acquire or work around?	3.2 Does it identify who the beneficiaries are and how they will benefit?	4.2 Does it identify a range of strategic approaches to solve the problem?	5.2 Does it identify who will report on its progress?	6.2 Does it align with its department's SOF?
1.3 Does it contain a clear statement describing the problem that this strategy is trying to solve?	2.3 Does it identify current and future resources (e.g. financial)?	3.3 Does it describe how success will be measured and how/when time frame?	4.3 Does it clearly describe the chosen approach, outlining what it will and will not do?	5.3 Does it explain how progress will be reported (e.g. reports and statistics) and over what time frame?	6.3 Does it align with its department's EPF?
	2.4 Does it identify what resources it does not have and needs to acquire or work around?	3.4 Does it describe how success will be measured and how/when time frame?	4.4 Does it highlight the risks, costs and benefits of the chosen pathway/ approach (e.g. provide predicted comparisons)?	5.4 Does it discuss whether the GDS will undergo a final review once it is completed, updated or replaced?	6.4 Does it align with its department's annual report?

Submission | Aotearoa New Zealand Government Tourism Strategy
4 February 2019

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May 2019: Government Department Strategies (GDS) Index 2018 update

The *2018 GDS Index* was launched on Thursday 2 May, along with the *Government Department Strategies Handbook – He Puna Rautaki*, to a group of government officials, MPs and other interested parties.

At the launch, Wendy McGuinness discussed why government department strategies (GDSs) are important corporate documents, the process the Institute took in conducting the research, and the obstacles and challenges experienced in conducting this research.



The 2018 *GDS Index* research found that 148 GDSs were in operation at 31 December 2018. The rankings evaluate whether or not essential information is provided in the GDS documents, based on the *Scorecard* the Institute developed with the help of strategy experts. This is so that readers can go on and assess the quality of the strategic approach for themselves.

The *By the Numbers* infographic pictured right presents the results of this research. This information

tells a story about the current state of GDSs in New Zealand and the work that is required to improve them. It raises questions over who has responsibility for these strategies (given that 30% of them are unsigned), whether we need to distinguish between higher and lower level strategies, and whether there are too many (or too few) strategies to drive government initiatives.

This work is intended to contribute to a broader discussion about how to build strategic capability in the public service in order to build collaboration between MPs and department CEOs and between a range of government departments.

Read the blog about the launch event [here](#) and view the PowerPoint presentation [here](#). The *Government Department Strategies Handbook – He Puna Rautaki* is available for purchase from our [online store](#) and the working papers are available [here](#).

Going forward we will focus on:

November/December 2019: Report 15 – Strengthening Strategy Stewardship in the Public Service

This report will bring together feedback from our [StrategyNZ](#) workshops with government departments and the findings from our research on the state of strategic management in the public sector. It will utilise data from the [GDS Index](#), which spans five years, to observe key trends in public service strategic practice. The purpose of the report is to contribute to a discussion on ways New Zealand might improve the quality of strategy development and implementation in the public service.

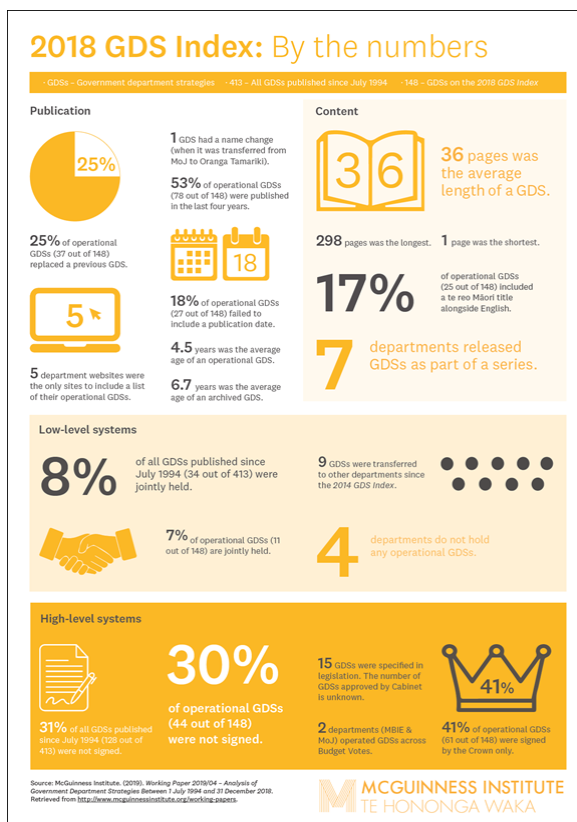
4.3 ReportingNZ

This project aims to develop stronger systems to chronicle and shape New Zealand’s progress. *ReportingNZ* has been a major focus for the Institute since 2017. Learn more on the [ReportingNZ website](#).

Past initiatives and events include:

July 2018: Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors

This working paper, which has supplemented several of the Institute’s aforementioned submissions, aimed to contribute to a dialogue on how New Zealand might manage risks and maximise opportunities for growth in the transition to a low-carbon economy. It was hoped that this working paper would be particularly useful to the Productivity Commission, the Ministry for the Environment and the Climate Leaders Coalition. The purpose of this working paper is to explore the extent of climate change reporting in the annual reports (or, if not available, the financial statements) of both public and private sector organisations. The term ‘climate change reporting’ refers to discussion of the behaviour of an organisation in terms of climate



change risks and initiatives and carbon emission metrics, costs, controls and targets in an annual report.

Read the blog about the working paper [here](#) or read the working paper in full [here](#).

September 2018: Working Paper 2018/04 – Legislation Shaping the Reporting Framework: A compilation

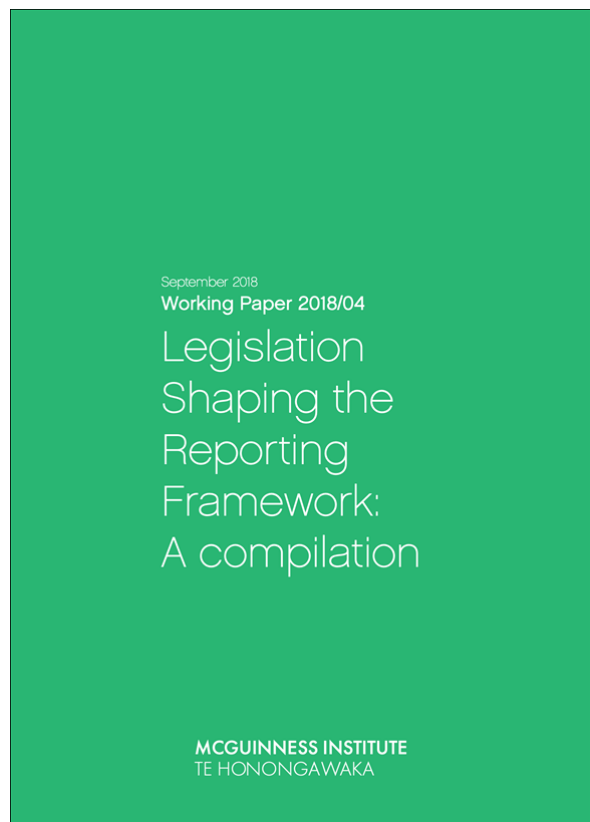
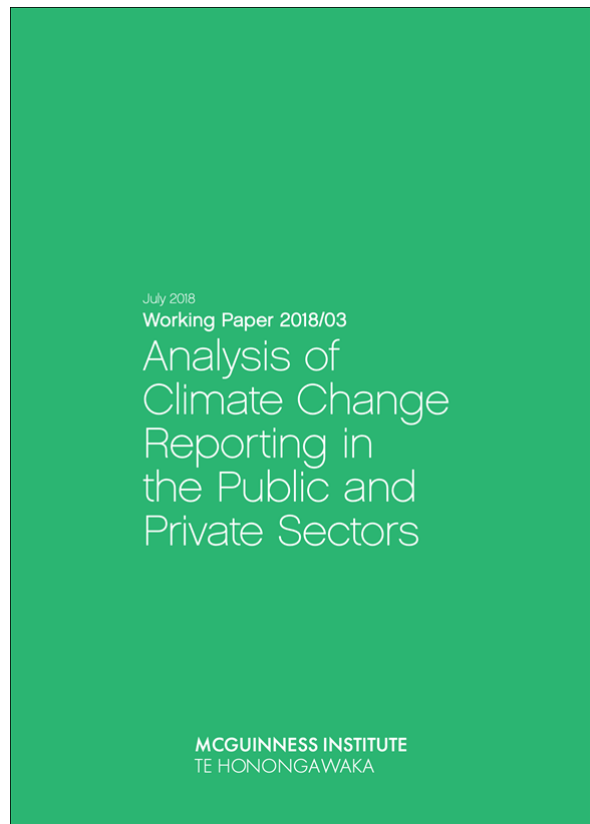
Working Paper 2018/04 – Legislation shaping the reporting framework: A compilation is a supporting document to the Institute’s *Report 17 – Building a Reporting Framework Fit for Purpose*, a comprehensive review of New Zealand’s reporting framework. The working paper provides excerpts of the relevant legislation referred to in the report, broken down into four parts:

1. Acts
2. Legislative instruments
3. Secondary legislation
4. Bills

This working paper is also intended to be read alongside *Working Paper 2018/01 – NZSX-listed Company Tables* and *Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors*.

October 2018: Think Piece 30 – Package of Climate Change Reporting Recommendations

This think piece addresses how New Zealand’s geography, ecosystem, natural resources, agricultural base and environmental values require a unique approach to addressing climate change, and how this creates a problem to solve that is both urgent and



important. The think piece talks about how information is urgently needed to inform investors and insurers, and to shape New Zealand's public policy. It continues to discuss how it is important that we produce standards to ensure that reports can be compared and relied upon and offers a package of nine climate reporting recommendations. To our knowledge, there are no international mandatory standards for climate change reporting on which we could base a New Zealand standard, extending the lead time required for us to produce one.

The complete think piece can be read [here](#).

Package of Climate Change Reporting Recommendations

Think Piece 30: October 2018

Wendy McGuinness
Wendy is the Chief Executive of the McGuinness Institute.

BACKGROUND

New Zealand's geography, ecosystem, natural resources, agricultural base and environmental values require a unique approach to addressing climate change. This creates a problem to solve that is both urgent and important. Information is urgently needed to inform investors and insurers, and to shape New Zealand's public policy. At the same time, it is important that we produce standards to ensure that reports can be compared and relied upon. To our knowledge, there are no international mandatory standards for climate change reporting on which we could base a New Zealand standard, extending the lead time required for us to produce one (see the illustration above).

Report 17 - Building a Reporting Framework Fit for Purpose focused on ensuring the reporting framework - our information infrastructure - is sufficiently durable and flexible. The report found that strengthening annual report requirements for climate change disclosures would require the amendment of several pieces of legislation, which would take a substantial amount of time and result in a fixed set of requirements not necessarily appropriate for today's rapidly changing environment. For these reasons, the Institute proposes a two-staged solution.

PROPOSAL

Filing a *Statement of Climate Change Information* should be mandatory for a category of entity called 'climate change reporting entities'. This term should be legally defined to include all FMC reporting entities, 'large' companies, state sector entities, local governments, registered charities (Tier 1) and other significant entities either connected to vulnerable infrastructure or with significant carbon emissions and pollutants (ideally to be determined by the independent Climate Change Commission proposed under the Zero Carbon Bill).

The statement should be two pages and should be organised around the three steps of problem solving: identification, measurement and management. The identification of climate change could take the form of risk identification, both in terms of impact of climate change on the entity or impact of the entity on climate change. Measurement could be outlined in terms of metrics and costs used to benchmark progress towards mitigating climate change risk. Management could be described in terms of controls, targets and initiatives intended to mitigate the risks of climate change to the company or to the environment.

Stage 1: Zero Carbon Bill
The first stage is to take advantage of the opportunity presented by the Zero Carbon Bill to make climate change information part of regulatory filings by incorporating the statement into the Bill. Currently, regulatory filings are only required of companies or registered charities, meaning that a public register for the state sector and local government organisations may need to be established. The advantage of this approach is primarily that the Bill is scheduled to be enacted by July 2019, meaning it offers a short-term solution that addresses the urgency of climate change. The requirements could be reset at the beginning of each year (ideally by the Climate Change Commission), enabling them to be refined as users (e.g. shareholders, bankers, creditors, policy analysts, scientists and engineers) and their specific information needs became more apparent.

McGuinness Institute
Think Piece 30

17 October 2018: Integrated Reporting panel discussion at CPA Congress 2018

Wendy was a member of a panel session on [Integrated reporting: Understanding the different methodologies](#), held in Auckland as part of the [CPA Congress 2018](#). The session was chaired by Mark Hucklesby (National Technical Director, Audit at Grant Thornton) and the other panellists were Mark Yeoman (COO and CFO of the Warehouse Group Limited) and Kate Alexander (Board Director of Ravensdown Ltd). Mark Hucklesby provided an overview of integrated reporting and raised the question of why New Zealand is lagging behind international best practice in this area. Mark Yeoman shared his insights as a preparer of integrated reports and Kate Alexander shared her thoughts from a director perspective. Wendy shared five observations of factors that are likely to drive the move to integrated reporting.




Read the blog about the event [here](#).

November 2018: Submission to the Tax Working Group on the Future of Tax: Interim Report

The McGuinness Institute welcomed the opportunity to respond to the *Future of Tax: Interim Report* by the Tax Working Group. In this submission we built on our earlier submission from May 2018, focusing on the natural capital section. The submission agreed with the Group's work with stakeholders to develop a framework to support the future evolution of the tax system that reflects principles from te ao Māori, alongside the four capitals of the Living Standards Framework and the principles of tax policy design. The submission also addressed how New Zealand

makes relatively little use of environmental taxation, and how there are clear opportunities to increase environmental taxation, both to broaden the revenue base, and to help address the significant environmental challenges we face as a nation.

The submission can be read [here](#).



Submission | Submission to the Tax Working Group
on the Interim Report on the Future of Tax
November 2018

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February 2019: Submission on New Zealand Regulatory Board Proposed Revision of Code of Ethics

The Institute made a submission to the New Zealand Regulatory Board's *Proposed Revision of Code of Ethics* (New Zealand Institute of Chartered Accountants). We have been working in the area of annual reporting for several years as part of our *Project ReportingNZ*. The key documents in this project are the draft *Report 17 – Building a Reporting Framework Fit for Purpose* and *Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors*, both found [here](#). In the submission, we explained how we consider New Zealand to have a number of unique characteristics that warrant more specific detail in the proposed revised Code to make the Code 'fit for New Zealand's purpose', and how we also consider the international Codes discussed in the proposed revised Code to be outdated and behind best practice – creating a policy and practice gap for members.

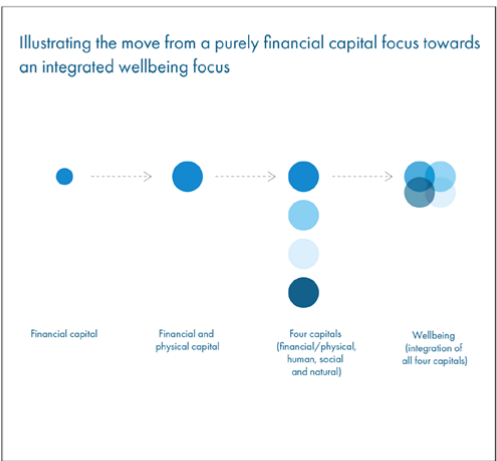
The submission can be read [here](#).

Going forward we will focus on:

2019: Report 17 – Building a Reporting Framework Fit For Purpose

In October of last year we released a draft of our *Project 2058* report for public comment. The report

Illustrating the move from a purely financial capital focus towards an integrated wellbeing focus

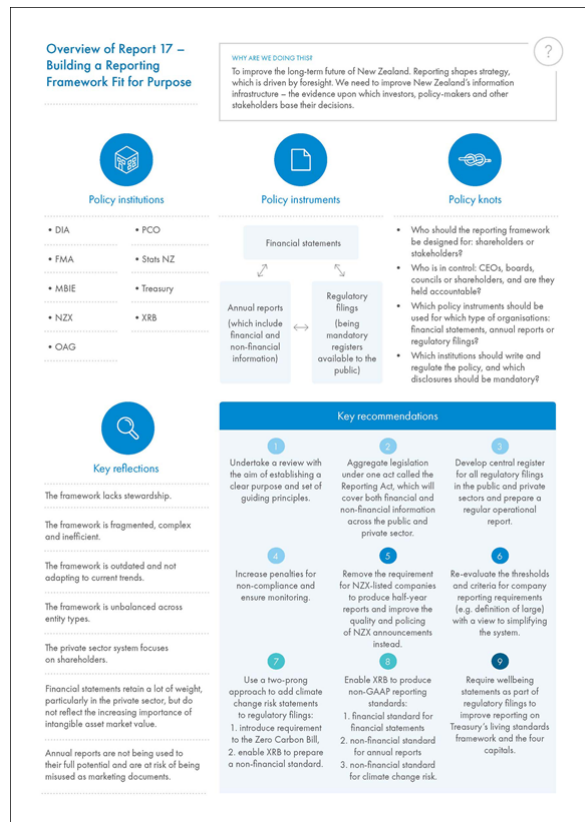


Submission | New Zealand Regulatory Board Proposed Revision of Code of Ethics
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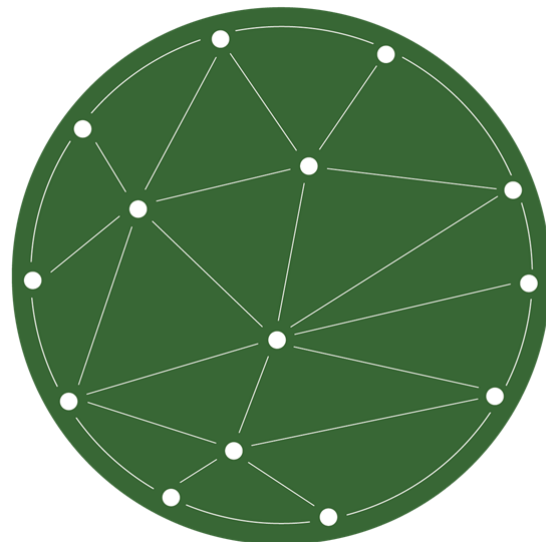
brings together our key work in *Project ReportingNZ*, including the 2017 *ReportingNZ Surveys*, *Working Paper 2018/01 – NZSX-listed Company Tables* and other supporting publications. The report aims to undertake the first full review of New Zealand’s reporting framework in 30 years in order to add to the conversation about how to improve the function and refine the purpose of the reporting framework. We aim to highlight key findings and make suggestions on how New Zealand might better use external reporting to drive foresight and strategy so that the country is better prepared for the future.

We received a substantial amount of feedback on this draft, much of which related to climate reporting. This led to our decision to prepare an additional discussion paper specifically on climate change reporting. Once this is completed, we will return to *Report 17* and process the remaining points raised in the feedback, with a view to publishing the final report next month. Version 2 of the report is available in draft [here](#) and a more detailed discussion of how it fits into *Project ReportingNZ* is available on our blog [here](#).



2019: Discussion Paper 2019/01 – Designing a Climate Reporting Framework for New Zealand

The discussion paper, mentioned above, explores the current climate reporting framework in New Zealand, as distinct from the broader reporting framework that is the subject of *Report 17*. As part of the preparation for this paper, we have met with a significant number of interested parties to share our current thinking. These meetings have allowed us to outline the current New Zealand context of climate reporting in terms of instruments and institutions. The discussion paper also brings together McGuinness Institute research to date with the best of other national and international research in what is proving to be a rapidly developing area. The paper closes by outlining what we see as the emerging challenges and opportunities for New Zealand.



The paper will be launched at a discussion event held at the Institute on 25 June 2019. Learn more about the event [here](#) or register your interest in attending [here](#).

2019: Working Paper 2019/05 – Analysis of Reporting Frameworks and Climate Reporting in the Public and Private Sectors

To support the discussion paper, the Institute is currently working on the third series of data analysis that forms part of *Project ReportingNZ*. This data set includes both the 2017 and 2018 annual reports of public and private sector entities operating in New Zealand. These entities are NZX Main Board companies, Deloitte Top 200 companies, government departments, Crown agents and Crown entities, state-owned enterprises and local authorities. The research will look at (i) the extent to which these entities are reporting against internationally recognised frameworks, and (ii) the extent to which they are reporting climate-related information. This

information will be presented in graphs like other working papers published in the series, which are available [here](#).

5. Our six research projects

In addition to the three policy projects, we also operate six research projects. These are briefly discussed below. If you are interested in learning more, please see each individual project website.

5.1 CivicsNZ

This project aims to build the social capital and empowerment of New Zealand citizens. Learn more on the [CivicsNZ website](#).

Past initiatives and events include:

December 2018: 10 things I wish my friends knew about going to the UN

The McGuinness Institute was pleased to be able to sponsor 2017 *WakaNZ* workshop participant Trinity Thompson-Browne for her trip to the [United Nations Permanent Forum on Indigenous Issues \(UNPFII\)](#). Trinity attended the seventeenth session of the forum in April 2018. The forum is intended to act as a high-level advisory body to the Economic and Social Council. The April session was themed 'Indigenous peoples' collective rights to lands, territories and resources'.



The Institute tries to support workshop participants to make the most of relevant opportunities arising in the year following their workshop and we have also previously supported Trinity's media initiative for Māori youth: [Fruit from the Vine](#). Read our blog about the launch of the initiative and the blog about Trinity's UN experiences [here](#).

Going forward we will focus on:

2020: Workshops to progress Constitutional Advisory Panel recommendations

Project CivicsNZ has always followed the work of the Constitutional Advisory Panel (CAP) with interest. We are currently in the scoping stages of workshops to build on their recommendation that New Zealand should produce a civics strategy. If you interested in working with us, please do not hesitate to [get in touch](#).

5.2 ClimateChangeNZ

This project has absorbed the Institute's previous *Project LivestockNZ*. This new project aims to explore a climate change strategy for New Zealand. Learn more on the [ClimateChangeNZ website](#). The remainder of our research projects are on hold while we focus on climate change.

Past initiatives and events include:

July 2018: Submission to Ministry for the Environment on the Zero Carbon Bill

The Institute made a submission to the [Ministry for the Environment](#) on the [Zero Carbon Bill](#) in July 2018. The submission referred to the Institute's [Working Paper](#)

[2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors](#), and spoke in favour of the government setting a target to reach net zero emissions across all greenhouse gases by 2050. The submission went on to explain how we believe the government should set an example to the world by achieving this target through reduction of domestic emissions only, without relying on international carbon credits. The submission also spoke in support of ongoing review and/or revision of any targets set, as flexibility and adaptability will make us more resilient to risk and change. We also outlined our support for te Tiriti o Waitangi and belief that mātauranga Māori should explicitly be part of the knowledge relevant to climate change considered by the Climate Change Commission. We also noted our support of consideration of the impact on poverty, as we discovered through our work in [Project TacklingPovertyNZ](#) that those experiencing poverty are the most vulnerable to the effects of climate change.

The full submission is available [here](#).

July 2018: Submission to Productivity Commission on a Low-emissions Economy

The Institute made a submission to the New Zealand Productivity Commission during the Commission's inquiry into transitioning into a low-emissions economy in July 2018. The submission referred to the Institute's [Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors](#). This working paper aimed to contribute to a dialogue on how New Zealand might manage risks and maximise opportunities for growth in the transition to a low-carbon economy, and explore the extent of climate change reporting in the annual reports (or, if not available, the financial statements) of both public and private sector organisations. The inquiry found that while the challenges of achieving a low-emissions economy are large, they are not beyond the will or ability of communities to respond. New Zealand can reach its low emissions targets if it has the right institutions and policy settings in place.

The submission can be read [here](#).

8 August 2018: Landscape of climate change research in New Zealand lunchtime discussion

Throughout the Institute's research for *Report 17*, we found a dearth of climate change reporting in New Zealand; there is no specific requirement for

19 July 2018
Ministry for the Environment
PO Box 10362
Wellington, 6143

To whom it may concern,

Thank you for the opportunity to contribute to this important conversation.

Please find attached a final draft of *Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors*, which forms the bulk of the McGuinness Institute's submission in support of the Zero Carbon Bill. (Please note we do not wish to have this final draft published; we will send another copy of the working paper that we are happy to have published and which will include the last editorial changes). In this letter we briefly set out the answers to some of the submission questions and then provide context to *Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors*.

Zero Carbon Bill submission questions

- 1. & 2.**
The McGuinness Institute supports the government setting a target now to reach net zero emissions across all greenhouse gases by 2050.
- 3.**
We believe the government should set an example to the world by achieving this target through reduction of domestic emissions only, without relying on international carbon credits.
- 4.**
The Institute also supports ongoing review and/or revision of any targets set, as flexibility and adaptability will make us more resilient to risk and change.

8.
The Institute supports te Tiriti o Waitangi and believes that mātauranga Māori should explicitly be part of the knowledge relevant to climate change considered by the Climate Change Commission. We also note our support of consideration of the impact on poverty, as we discovered through our work in *Project TacklingPovertyNZ* that those experiencing poverty are particularly vulnerable to the effects of climate change (see [tacklingpoverty.org](#)).

Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors

Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors is particularly relevant in answer to Q. 16. 'Should we explore setting up a targeted adaptation reporting power that could see some organisations share information on their exposure to climate change risks?' Our research highlights the current extent of climate change reporting in New Zealand and, in our opinion, the current standard is not sufficient to build an informed society capable of withstanding the effects of climate change.

The working paper builds on the research in *Working Paper 2018/01 – NZSX-listed Company Tables* by adapting its methodology to focus specifically on the disclosure of climate change information.

Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors draws on the work of the Task Force on Climate-related Financial Disclosures (TCFD), particularly their core elements of recommended climate-related financial disclosures: governance, strategy, risk,

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19 July 2018
New Zealand Productivity Commission
PO Box 8036
The Terrace
Wellington 6143

To whom it may concern,

Thank you for the opportunity to contribute to this important conversation.

Please find attached the final version of *Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors*, which forms the bulk of the McGuinness Institute's submission in support of a low-emissions economy.

Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors is particularly relevant regarding some of the sections in Chapter 6: Investment, including 'Climate related financial disclosure requirements' (pp. 148–151), 'Existing reporting requirements' (pp. 151–152), 'Industry-developed reporting requirements' (p. 152) and 'Government-mandated reporting requirements' (pp. 152–154). Our research highlights the current extent of climate change reporting in New Zealand and, in our opinion, the current standard is not sufficient to build an informed society capable of withstanding the effects of climate change.

Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors draws on the core elements of recommended climate-related financial disclosures from the Task Force on Climate-related Financial Disclosures (TCFD): governance, strategy, risk management and metrics and targets. In the context of our research, these were adapted further into six categories of climate change information:

1. climate change risks,
2. emission metrics,
3. emission costs,
4. emission controls,
5. emission targets and
6. climate change initiatives.

These elements are mapped on a diagram of problem solving, linking: risk to identifying the problem (Phase 1), metrics and costs to understanding and benchmarking a problem (Phase 2) and controls, targets and initiatives to managing a problem (Phase 3).

Our overall observations and recommendations are found in Section 9.

Please do not hesitate to contact me if you have any questions or would like to discuss any of this research in further detail.

Yours sincerely,



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companies, government departments, and councils to report on their climate impact, and, regardless of legislation, most organisations do not seem to be motivated to report themselves. Therefore, climate change reporting requires urgent, yet considered, reassessment.

As a result, the Institute organised a lunchtime event on 8 August 2018, which gathered climate change experts, researchers and policy analysts. The goal was to discuss their current work programmes and research intentions so that we could map the landscape of New Zealand's current and future research on climate change. The lunchtime event was also an opportunity for the Institute to share [Working Paper 2018/03 – Analysis of Climate Change Reporting in the Public and Private Sectors](#).



Read the blog about the event [here](#). There is scope for further discussion in this area and the Institute is considering opportunities to facilitate a more formal workshop in the future.

Going forward we will focus on:

30 May 2019: A Point of Vanishing Stability discussion event

The Institute hosted an evening event at the [National Library of New Zealand](#). The event brought together [Chlöe Swarbrick MP](#), [Adrian Orr](#), [Dr Anita Wreford](#), [Roger Dennis](#), [Conal Smith](#), [Dame Dr Claudia Orange](#), [Dr Carwyn Jones](#) and Singapore-based futurist [Aaron Maniam](#) to discuss various types of climate risk and how these can best be managed. The goal of this event was to contribute to the development of a climate strategy for New Zealand that provides an urgent yet considered response to climate change ([#ClimateStrategyNZ](#)). The speakers explored ideas of what a successful strategy might look like, using a wellbeing lens. The date was chosen to link with the release of New Zealand's first *Wellbeing Budget*.



Find out more about the event [here](#). We will be publishing various outputs from the event over the coming weeks including a blog post, think piece, video and photos (see photo of the event plenary below).



November/December 2019: Report 18 – Crowdsourced Climate Strategy for New Zealand

Our work on various aspects of climate change throughout 2019 contributes to the scoping for this tentative [Project 2058 report](#). In response to our observation that New Zealand does not have a single whole-of-government comprehensive climate change strategy, we have decided to attempt a McGuinness Institute climate strategy for New Zealand. This will rely on crowdsourcing ideas through our various events and building on the work we have done to understand the New Zealand climate change landscape. Our broader goal in this work is to contribute to the dialogue around an integrated climate strategy and, where possible, to inspire others to create their own climate strategy for New Zealand, thereby providing policy-makers with a suite of options for the best way forward.

5.3 OneOceanNZ

This project aims to promote the stewardship of a healthy and productive ocean. Learn more on the [OneOceanNZ website](#). This project is largely on hold while we gain a deeper understanding of the impacts of climate change on our oceans.

5.4 PublicScienceNZ

This project aims to contribute to a discussion on how to invest in science for the long-term benefit of New Zealand. It also encompasses our work on genetic modification and pandemic management. Learn more on the [PublicScienceNZ website](#). This project is largely on hold while we gain a deeper understanding of the impacts of climate change on publicly funded science research.

5.5 TacklingPovertyNZ

This project aims to build and share ideas on how to tackle poverty. Learn more about this project on the [TacklingPovertyNZ website](#). This project is largely on hold while we gain a deeper understanding of the impacts of climate change on poverty.

5.6 TalentNZ

This project aims to contribute to Sir Paul Callaghan's vision of making New Zealand 'a place where talent wants to live'. To learn more about this project, please see the [TalentNZ website](#). This project is largely on hold while we gain a deeper understanding of the impacts of climate change on the skills and expertise our young people will require in the medium term.

6. Acknowledgements

It is always amazing to see what a small team of focused people can achieve. We could not accomplish what we do without the guidance and hard work of a number of people.

We would like to particularly acknowledge the ongoing financial and administrative support of Willis Bond, without which we could not achieve what we do.

6.1 Our patrons

The patrons act as both anchor and sail; their guidance and support is vital, particularly when we are looking for guidance on how to develop or progress a policy idea. Thank you to Professor Lionel Carter, Roger Dennis, Sue Elliott, Dr Bronwyn Hayward, Professor Mark Henaghan, Dr Carwyn Jones, Girol Karacaoglu, Todd Kriebler, Councillor Dr Ella Lawton, Bill Moran, Dame Dr Claudia Orange, James Palmer, Neville Peat, Dame Diane Robertson, Professor Jacqueline Rowarth, Dr J. Morgan Williams, and the late Sir Paul Callaghan, Jan Lee Martin and Kevin Simpkins.

In 2019 we are delighted to welcome Cath Gilmour to the team as a new patron. Cath helped us with the 2016 [TacklingPovertyNZ workshop](#) in Queenstown.

Special thanks must go to Alison Nevill for her regular visits to the Institute most weeks to review and support our work.

6.2 Our staff

It has been a busy time at the Institute. We are pleased to announce that Eleanor Merton is now our Head of Research; her skills and knowledge guide our work. She is supported by our editor Ella Reilly. Together they keep a tight control on our work and ensure our research findings are clear, concise and useful.

In other news, we are delighted that two of our staff members (Daniela Rodriguez and Holly Diepraam) are engaged to their long-term partners and two other staff members have recently had babies (Sophie Peat and Kate McGuinness)!

Since May 2018 we have welcomed four new staff members:

- Kate McGuinness joined the Institute in August 2018 to assist with the *Āpōpō Journal* and social media. She has since gone on maternity leave with her second child.
- Holly Diepraam joined the Institute in September 2018 as a research analyst after being a participant at the *WakaNZ* workshop. She holds a Bachelor of Cultural Studies (Hons) in Māori and Indigenous Studies from the University of Canterbury.
- Billie McGuinness joined us in October 2018 as an assistant designer while she completes her Bachelor of Visual Communication Design (Hons) at Massey University.
- Becky Jenkins joined us as our new full time designer in February 2019 after completing her Bachelor of Visual Communication Design (Hons) at Massey University.

and three returning staff members:

- Freya Tearney returned to the Institute as a research analyst in January 2019 after working in the UK. She will be working part time while she completes her Masters (MPPE).
- Isabella Smith (March) and Reuben Brady (February) both left and returned to the Institute as research analysts at the start of 2019. Isabella was travelling overseas and Reuben was studying in Dunedin.

Sadly, we have also farewelled two permanent staff:

- Ashley Brown left the Institute in October 2018. Ash had worked at the Institute as a designer since 2016; over that time she became a key member of the management team.
- Madeleine Foreman left the Institute at the end of February 2019 to join the team at Stats NZ. Maddy has worked at the Institute since 2014; over that time she has proven to be a very logical and critical thinker.

and four interns:

- Caitlin Salter left the Institute in June 2018 to pursue her journalism career in Auckland.
- Nicholas Shackleton left the Institute in June 2018 to pursue life as a freelance photographer and creative.
- Emily Fischer left the Institute at the end of 2018 to take up a role at Vodafone.
- Wei Kai Chen left the Institute in April 2019 to take up a position at Stats NZ.

We wish them the very best in their endeavours.

7. HOW YOU CAN HELP [top](#)

7. How you can help

Thank you for your continued interest and support. If you can help with any of the following in 2019, please do not hesitate to engage with us:

- Share this newsletter with your networks.
- Share and promote the third edition of *Nation Dates* and recommend further dates to be included in the fourth edition by emailing us at nationdatesnz@mcguinnessinstitute.org.
- Register your interest in attending our upcoming events via links [here](#).

Thank you again for your support.

Connect with McGuinness Institute (Te Hononga Waka)

Forward this newsletter to a friend

Phone: 04 499 8888

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