





THE NEW ZEALAND SUSTAINABILITY DASHBOARD FRAMEWORK

Building practical tools for sustainability assessment, auditing, reporting and learning is the main aim of the New Zealand Sustainability Dashboard (NZSD) project.¹

NZSD PILLARS AND GOALS

Globally and nationally, consumers and producers are interested in knowing about the sustainability of the goods and services they purchase or sell. There are dozens, even hundreds, of schemes worldwide that offer information and rankings of the sustainability credentials of individual products and industry supply chains.

The NZSD offers a **structured framework based on international best practices** that has identified the four pillars of sustainability set out in Figure 1.

The overarching goals and goal per pillar have been developed in alignment with Government strategies, Māori cultural values and international sustainability assessment systems, especially the SAFA framework².

A prioritisation methodology is currently being developed for helping users identify and prioritise the subset of indicators and measures suitable for their own specific commercial, social and environmental goals.



Figure 1: The overarching goal and the four pillars of the NZSD framework.

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¹ For more information on the project, please check the NZSD project website (www.nzdashboard.org.nz), and refer to the <u>Research summary</u>

² United Nation's Food and Agricultural Organisation's Sustainability Assessment of Food and Agricultural systems



NZSD FRAMEWORK STRUCTURE

Within each pillar a hierarchy of five levels (Figure 2) has been created. The first describes the goal for the pillar, which is broken into the outcomes if that goal is achieved. Each outcome is further divided into objectives, or the intent of these outcomes. The achievement or movement towards the objectives will be shown by indicators for which measurements can be developed by each end-user of the Dashboard in consultation with the Dashboard team and other stakeholders.



Figure 2: Outline of NZSD framework structure

The four pillars' goals and their structure are detailed below.

For more information on the definition of each outcomes, objectives and indicators, please refer to the <u>full</u> research report (13/09).

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GOOD GOVERNANCE – Ensures sound decision-making and implementation

Good governance facilitates an active participation of all stakeholders. It ensures the legitimacy or the rights of an enterprise to operate and it determines how rigorous sustainability management is incorporated into the operation and culture of an enterprise. Hence good governance will contribute to growth and financial stability by underpinning market confidence, financial market integrity and economic efficiency.

Governance is one of the overarching dimensions proposed for the NZSD framework. The inclusion of governance alongside the other key pillars of social, environmental and economic sustainability in the NZSD framework is in line with SAFA and other business approaches, such as the UN Principles for Responsible Investment, the UN Global Compact and the GRI G4 Guidelines.

Economics is about maximising social welfare subject to resource constraints. The NZSD is attempting to serve enterprises at many levels – owner-operated farm business, agribusinesses such as wineries and packhouses, to provide audit and quality oversight, and to possibly generate sector, regional and national information. Therefore, while there is a focus on the 'enterprise' level in this report there is a need to keep in mind that there is an overall generic quality to the NZSD framework. Hence, it must be emphasised that the economic pillar is about resilience, and not just about financial performance.

AGRO-ENVIRONMENTAL INTEGRITY -Sustains natural capital, enhances natural heritage values and meets global environmental obligations.

Agro-environmental integrity is defined as the state which sustains the full potential of land and its natural capital, ecosystem processes and services to efficiently and indefinitely produce healthy, high quality food and fibre while enhancing natural heritage values and meeting global environmental change obligations.

There is very little consensus on how to define 'social sustainability', beyond the fact that it varies with the social and cultural context within which it is being defined. This has obviously led to many issues regarding its measurement and therefore its usefulness to enterprises and governments. especially in international and cross-cultural situations. The concepts of quality of life and social well-being have more recently emerged as common aspects of sustainability, leading to even further debate regarding the realisation and measurement of such goals.

ECONOMIC RESILIENCE – sustains an economy through change and shocks

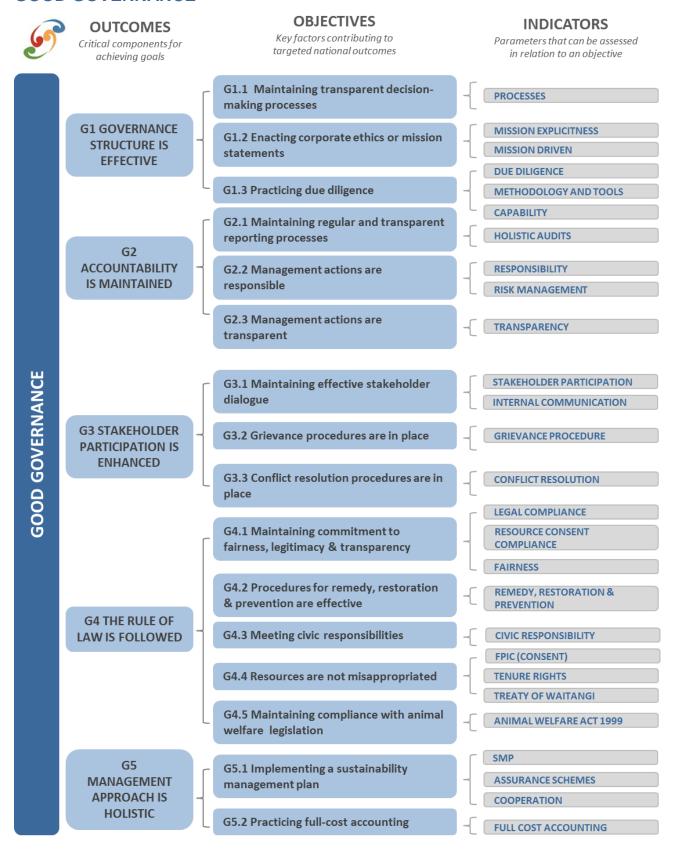
To be economically resilient an enterprise's financial well-being is maintained, its vulnerability minimised, the products it produces are of good quality, accompanied by adequate information, and efficiently produced, and it creates value in the local community.

The environmental pillar has been defined taking into account several special features of New Zealand's ecology, including the need to safeguard threatened indigenous species, maintain biosecurity for production and conservation systems, enrich relatively new soils (derived recently from forests) for agriculture, or prevent erosion. In addition, special features of New Zealand's society and economy need to be recognised if these ecological challenges and opportunities are to be achieved, especially the highly intensive form of agriculture that is already very efficient, the low level of regulation for what happens (or does not happen) on private land, or the inclusion of Māori.

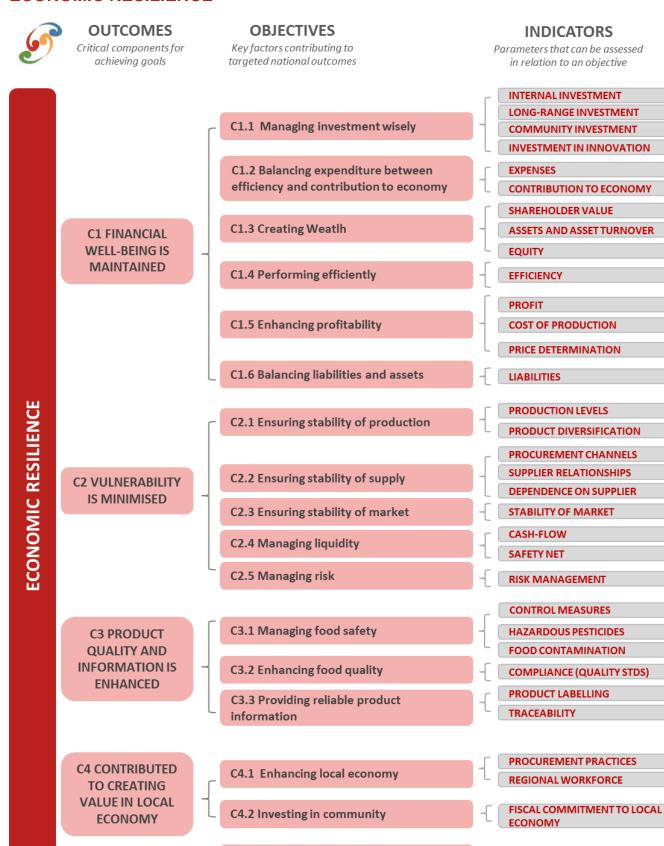
SOCIAL WELL-BEING - Ensures livelihood opportunities and respects social and cultural principles of all society.

Social well-being is achieved when the respect for rights of equal access to employment and participation in the value-chain and of safe and healthy working environments and the development of supportive communities facilitate the pursuit of the livelihood aspirations of all members of society.

GOOD GOVERNANCE



ECONOMIC RESILIENCE



C5.1 Enhancing production

C5.2 Enhancing productivity

C5 PRODUCTION IS

EFFICIENT

PRODUCTION

LABOUR PRODUCTIVITY

CAPITAL PRODUCTIVITY

AGRO-ENVIROMENTAL INTEGRITY

OUTCOMES

Critical components for achieving goals

OBJECTIVES

Key factors contributing to targeted national outcomes

INDICATORS

Parameters that can be assessed in relation to an objective

E1 NATURAL **CAPITAL** MAINTAINED E1.1 Maintaining

ecosystem processes

E1.2 Reducing agricultural pest threats

E1.3 Limiting environmental

NEW AGRICULTURAL DISEASE, WEED & PEST SPECIES

AGRICULTURAL DISEASE, WEED & PEST DOMINANCE

pollutants

ENVIRONMENTAL RISK OF TOXINS ECOSYSTEM LEVELS OF PERSISTENT TOXINS

E2 RESILIENCE SECURED **FOR FUTURE USE** E2.1 Minimising material & energy subsidies

E2.2 Maintaining agrobiodiversity

NON-RENEWABLE MATERIALS

ENERGY USE

SOIL STATUS

LAND COVER

POLLINATION

WATER QUALITY & YIELD

ECOSYSTEM DISRUPTION

GENETIC STOCK

BENEFICIAL SPECIES STATUS

LANDSCAPE FUNCTIONAL HETEROGENEITY

OCCUPANCY OF ENVIRONMENTAL RANGE

E3 CONTRIBUTED TO NATIONAL **'NATURAL** HERITAGE' GOALS E3.1 Improving ecosystem representation & composition

ECOSYSTEM REPRESENTATION & PROTECTION ECOSYSTEM COMPOSITION

E3.2 Preventing extinctions & declines

STATUS OF THREATENED SPECIES

E.3.3 Reducing conservation pest threats

NEW CONSERVATION WEED & PEST SPECIES CONSERVATION WEED & PEST DOMINANCE

E4 GLOBAL **ENVIRONMENTAL** CHANGE **OBLIGATIONS** MET

E4.1 Reducing emissions

E4.2 Increasing carbon sequestration

GREENHOUSE GAS EMISSIONS

CARBON STORAGE & FLUXES

SOCIAL WELL-BEING

