

## BUILDING A COMMUNITY OF PRACTICE: SUSTAINABILITY MONITORING AND REPORTING





This research identified opportunities for greater collaboration between the NZ Sustainability Dashboard (NZSD) research team, regional and central government, and the NZSD's industry partners. The purpose of this enhanced collaboration would be to create a 'community of practice' to improve and harmonise the monitoring and reporting frameworks and systems being developed by all of these parties.

### Building a Community of Practice

Regional and central government have invested considerable resources in improving monitoring and reporting practices. The NZSD believes that consciously fostering that kind of community would help maximise the value of that investment. Our research found:

#### WHAT IS A COMMUNITY OF PRACTICE?

*"A group of people who share a concern for something they all actively do and who want to learn how to do it better through regular interactions."*

-  Many projects sponsored by central or local government are communities of practice to some degree. For example, the Land, Air, Water Aotearoa initiative<sup>1</sup> and the Environmental Monitoring and Reporting project. However, they were not specifically designed with community of practice outcomes in mind.
-  There is no single entity that captures the range of sustainability monitoring and reporting as well as the NZSD's four pillars.
-  The dozens of 'sustainability' frameworks in use can create confusion. A 2015 workshop found that the term currently encompasses a wide range of concepts including frameworks, methodologies, indices, reporting frameworks, standards and certifications, guidance, principles and agreements.<sup>2</sup> Refining the term would make it clearer and more useful to end-users.
-  The NZSD is well placed strategically to engage more actively in the existing sustainability forums rather than initiating the creation of a new 'sustainability reporting' community of practice.

### Contributing to National Environmental Reporting

The legislation enacting New Zealand's first mandatory environmental reporting came into force in late September 2015. Under the Act, the Government Statistician and the Ministry for the Environment (MfE) are responsible for environmental reporting. The purpose of the legislation is simply 'to require regular reports on New Zealand's environment.' This Act also sets out a general structure for the scope of reporting and timing of reports. However, the ultimate value

**OPPORTUNITY:** Provision of more relevant and better quality data

#### NEXT STEPS:

- Purposely align and package the NZSD's four pillars (environment, governance, social and economic) to better contribute to national reporting.
- Collaborate with MfE and Statistics NZ to better align data collected by NZSD companies to the needs of the Environmental Reporting Act.
- Share procedures developed for improving the analysis and interpretation of NZSD data.

<sup>1</sup> <http://www.lawa.org.nz/>

<sup>2</sup> [http://media.wix.com/ugd/ee198d\\_d5113dd03ea447a1bf57398e0e3aea2c.pdf](http://media.wix.com/ugd/ee198d_d5113dd03ea447a1bf57398e0e3aea2c.pdf)



of reports produced will depend on the quality of underlying data and the choice of indicators.

Currently, much available data are poor quality, their scope is limited, and they are not clearly linked to well-structured indicators.

## Connecting with Treasury's Living Standards Framework

The NZ Treasury developed the 'Living Standards Framework' (LSF) in 2011 to assist policy analysis and development. The framework is an effort by Treasury to acknowledge that living standards are not driven solely by economic well-being. As a result, the framework considers sustainability in terms of maintaining and enhancing natural, human, social and economic capital for future generations.

In December 2015, the NZSD attended an LSF workshop to explore the potential for a closer relationship with NZSD. Fifty-eight 'sustainability' frameworks were identified in the workshop discussions, with the core elements of widely used frameworks including a clear definition of what success or desired state is, guiding principles or operating criteria, and strategic planning and reporting components.

Feedback from the workshop indicated that refining the definition of a 'sustainability framework' could make it more useful and reduce confusion.

Interestingly, another message from the workshop was that creating a community of active participants from government, business and civil society would be a useful step in getting greater uptake and use of the Living Standards Framework:

*Such a community and its conversations would lead to more collaboration, including defining roles, sharing knowledge, combining resources and collaborative work on how to deal with the trade-offs between LSF dimensions, to allow transparent decision-making.*

**OPPORTUNITY:** The workshop report suggested a 'state of the nation' report to publish information on the current state of sustainability, using data from multiple sources.

### NEXT STEPS:





- Identify the NZSD's points of difference to distinguish itself in a marketplace crowded with sustainability frameworks.
- Collaborate with the Living Standards Framework and others to advance a 'community' to share information and improve practices.

## Our survey of regional councils' interests and needs

Regional councils are heavily involved in regulating, monitoring and reporting on a large number of activities related to the NZSD. This research surveyed councils to clarify what they need in terms of sustainability reporting and how the NZSD could be most helpful.

Regional councils were surveyed through the individual convenors of the council Special Interest Groups (SIGs). Special Interest Groups are made up of regional sector staff with a particular professional background, discipline or interest. There are approximately 20 SIGs operating across the regional sector. Because the NZSD covers such a broad base it is relevant to a number of SIGs.<sup>3</sup>

The main message from the survey responses was that while the NZSD was not well known, councils have a very high level of interest in what it is trying to do.

-  Three-quarters of councils said data on the environmental, economic, social and cultural sustainability of primary industry would be extremely or very useful.
-  Many councils wanted a harmonised sustainability assessment framework that could contribute to a national picture of sustainability.
-  More than 80% of councils were interested in collaborating with the NZSD project.
-  Almost all councils said they would share data with primary producers to help them improve the sustainability of their own operations.

<sup>3</sup> The survey received 27 responses from 17 separate SIGs, as well as some individual councils.



The NZSD's four pillars are well aligned with the councils' primary interests. Environmental integrity was ranked first or second by 96% of councils. Economic resilience was ranked second or third by 72% of councils. Social well-being was ranked third or fourth by 83%. Good governance was ranked last by 52% of councils.

In terms of the services provided by the NZSD, 'standardised sustainability monitoring and reporting tools' at 59% and a 'harmonised sustainability assessment framework to provide a national picture of sustainability' at 55% stood out as highly useful for regional councils. This echoes the Treasury workshop's conclusion that end-users can be confused by the large number of sustainability frameworks available. There is an opportunity for the NZSD to reduce the confusion among end-users.

Lastly, the survey asked whether credible reporting on sustainability performance might reduce councils' need to adopt regulations. Responses were mixed, but most felt that it would have only a small impact on the need for regulations.

**OPPORTUNITY:** Strong interest from regional councils in collaborating with the NZSD not only to contribute to its development but also to use its products and services.

**NEXT STEPS:**

- Run a workshop that includes representatives from councils, government agencies, and producers to refine the feedback received from the survey and to explore the reaction from primary industries.

## Next Steps for the NZSD

There are a number of key actions to progress based on this research.

- At the regional council level, the NZSD is best known for its association with biodiversity monitoring. However, the NZSD is less well known in relation to soil status and water quality/yield. The relevance of the NZSD to these high profile issues needs to be promoted more widely.
- For the NZSD to collaborate more closely with regulators, it will be essential to reassure primary producers that such collaboration also will benefit the industries that provide the data. To do this, the NZSD will need to overcome industry's wariness about how the data will be used.
- To expand the NZSD's impact beyond primary producers, the project should develop an engagement plan to connect with several governmental initiatives, including:
  - Land, Air, Water Aotearoa (regional councils and MfE)
  - Environmental Monitoring and Reporting (regional councils and MfE)
  - Livings Standards Framework (Treasury)
  - Regional Council Special Interest Groups
  - Environmental Reporting Act (MfE and Statistics NZ)

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