

SUSTAINABILITY IN A THREATENED WORLD

By Fiona Harper

As a recent publication summarised "...we are writing against darkening skies. In the first half of 2008, the scientific evidence that global warming is reaching a dangerous tipping point is incontrovertible. In the second half of 2008, the world's financial system shattered. The post-2008 world requires a new spirit of stewardship in business leaders, a focus on building businesses that are both environmentally and financially sustainable. The broken financial system needs a new approach, a new moral philosophy of business".

The Chairman of the International Panel on Climate Change said "If there is no action before 2012 it will be too late. What we do in the next two years will determine our future. This is the defining moment". Many businesses, faced with the irrefutable evidence of impending climatic disaster, wait for governments to intervene but economist Nicholas Stern warns that "climatic change will result in the greatest and widest ranging market failure ever seen if businesses fail to become sustainable". The sheer weight of combined population growth, climate change, land scarcity and energy shortage is likely to destabilise global society, spark conflict and result in the death of millions of people. Ben Verwaayen CEO of British Telecom states "Climate change must be the number one priority for governments and business".

The following facts are a siren warning:-

- sea levels are rising at 20 times the average rate for the last 3,000 years and could result in the loss of the planet's most valuable real estate and production facilities;
- the polar ice caps, which act as the earth's reflective coolant, retreated from 1.6M square miles in 2005 to 1.05M square miles in 2007;
- melting has destabilised the base of the Greenland and Antarctica ice sheets and real potential exists for huge chunks to break off and cause catastrophic rises in sea level;
- melting of the permafrost in Siberia is releasing massive quantities of previously ice trapped methane.

These facts are massively impacting business. Large organisations are having to look at where climate related weakness will affect food chains. The successful prevention of US energy company TXU from opening 11 coal fuelled power stations was an environmental lobby milestone. The desirability of products is rapidly changing, for example carbonated bottled water is becoming a pariah. Customers and employees are asking ethical questions and demanding a new breed of "ethical CEO".

Whilst geologists are keenly aware that climatic change has been integral to the planet's history and not induced by pollution alone, none the less, the climatic crisis still exists and the mining sector will be involved in this potential catastrophe. Venmyn has always intended to be at the forefront of innovative change and has taken leadership roles in creating industry codes and standards of practice. Whilst our own carbon footprint is low, we have a moral obligation to ask our clients serious questions as to whether the projects we assess are contributing to the planetary disaster or are being managed in a sustainable manner. As an independent technical consultant, we can no longer just ask the question, "Is this project economically viable?". The balance is so precarious at present, that we have to align ourselves with the innovative leaders of the planet and ask the infinitely more crucial question, "Can this company proceed with the project without being the feather that tipped the scales to bring climatic disaster upon us all?".

Source: Richard Reeves and John Knell "The 80 Minute MBA "