

Reviews

A new tool brings the triple bottom line into focus

The quality of corporate environmental reports is patchy – they often lack hard data and key triple bottom line indicators of social, environmental and economic performance.

A universal standard for environmental and social auditing is becoming critical to improving the quality of CSR (corporate social responsibility) reporting by establishing measurable minimum requirements and allowing comparative reporting across individual companies or whole industry sectors.

The US-based Global Reporting Initiative (GRI)¹ is currently the most widely recognised ethical reporting standard, but more granular standards are increasingly needed in some sectors.

In Australia, the University of Sydney has worked with commercial developer Dipolar to create a new software tool called Bottomline³ or BL³ (pronounced 'cubed'). The tool enables companies to generate triple bottom line reports from financial data, without the need for additional data collection.

For example, a company wanting to assess its SO₂ contributions might start with



a set of account items such as stationery, paper, petrol, electricity, gas, insurance, car rental etc. By providing a value of, say, \$100 for paper purchased, BL³ would calculate how many kilograms of SO₂ are embodied in \$100 worth of paper, and so on.

Stephen Gale, Projects Leader Sustainability for Hatch, an engineering consultancy to the mining industry, says Hatch is using BL³ for its own reporting and that of its clients.

'The problem to date with Triple Bottom Line (TBL) reporting has been cost and the lack of a good standard methodology for allocating all impacts,' says Mr Gale, who believes that BL³ is most suited to medium-large organisations.

'BL³ goes much deeper into supply-chain analysis than conventional reporting tools. It acts like a full life-cycle analysis on every item a company procures and sums this to a total impact and allocates a fair share of the national impacts to the company.'

'The benefit of this is that it becomes immediately apparent where supply chain risks and opportunities exist.'

'For instance, BL³ has shown that for Hatch to improve our CO₂ footprint we need to focus on paper consumption as the total paper carbon footprint is several times that of our direct CO₂ emissions.'

'BL³ goes well beyond GRI reporting. The supply chain and impacts are laid out like a map whereas conventional reporting merely provides a few unconnected shreds.'

'It is only by having this level of transparency that society can choose how to spend its ecological inheritance.'

● Mary-Lou Considine

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More information:

Bottomline³: www.bottomline3.com

A case for kicking the habit

Is petroleum bad for our health? Yes, as bad as cigarettes according to US author Terry Tamminen, Special Advisor to California Governor Arnold Schwarzenegger, and a Secretary of California's Environment Protection Agency.

In his new book, *Lives Per Gallon: The True Cost of Our Oil Addiction*, Tamminen argues that America's addiction to oil is taking a significant toll on public health in the US, but also on the environment and national security too. His views, of course, apply just as readily to all oil consuming nations.

Toxins in cigarette smoke, says Tamminen, are the same as in petroleum smoke, which additionally contains lead. His argument, based on both research and anecdotal material, is that, like cigarettes, petroleum fumes can be deadly, causing birth defects, asthma, emphysema and cancer. While oil has been the basis for

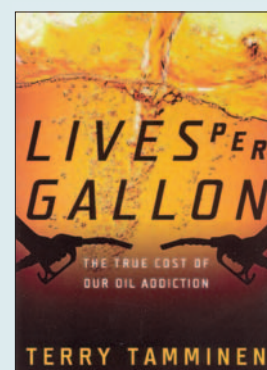
great progress, its significant health impacts have been relatively little discussed.

It's not just 'tailpipe' emissions that are the problem. According to Tamminen, there is a significant human cost in the production, transportation and refining of oil.

He points, for example, to the oil pipeline explosions that have occurred in Nigeria, causing many hundreds of deaths, and the massive spills from offshore oil rigs that dwarf the *Exxon Valdez* oil spill of 1989.

There is also a high security cost – America spends US\$55–96 billion per year to secure its global supply, not including the US\$100 billion-plus per year spent in Iraq.

Tamminen's solutions – more fuel-efficient vehicles and biofuels (including hydrogen) – may seem simplistic to more technically briefed readers, and his style



can be quirky in striving for accessibility, but, overall, his book offers many thought-provoking ideas and a starting perspective on this wider issue of the oil debate.

Lives Per Gallon

The True Cost of Our Oil Addiction
Terry Tamminen

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