

30 May 2017 | Climates' Conversation with the UniMelb community

Climate change: what solutions lie within our supply chains?



A conversation with Climates' UniMelb community including special guests:

- [Robin Mellon](#), Chief Executive Officer, Supply Chain Sustainability School
- Associate Professor [Vikram Bhakoo](#), University of Melbourne

Cory Brown | Our commitment to the COP21 Paris Agreement limits us to a maximum 2 degrees of future warming. However, to achieve this we need maximum 2 degree supply chains, infrastructure and buildings. What does this look like?

The first step for decarbonisation should be for businesses (and consumers) to understand their supply chains, however, supply chains are increasingly globalised and complex making this task difficult. Associate Professor Vikram Bhakoo (University of Melbourne) demonstrated the globalised nature of manufacturing with even seemingly simple items like jackets having components shipped in from 16 different countries (faux fur, zips, buttons etc), with labels only reflecting where the jackets were assembled. The problem is, many businesses (let alone consumers) have little understanding of their supply chains, and many cannot even name all of the countries their supply chains touch.

The lifecycle analysis of all the components contributed by our supply chains is critical to understanding the sustainability of products but this analysis is highly complex.

As an example of the complexity and difficulty in understanding supply chains, Robin Mellon (CEO, [Supply Chain Sustainability School](#)) talked about section 1502 of the *Dodd-Frank Act*, which requires additional reporting requirements for businesses that use 'conflict minerals'. The SEC estimates that 75 percent of the companies potentially using conflict minerals fall under this act, and an underwhelming number of listed firms could categorically confirm that their supply chains did not include minerals from conflict zones.

Robin also talked about how businesses and consumers are now starting to think about the people and communities involved in production when they think of the sustainability of products, and that modern slavery is the next major concern for our supply chains. However, meaningful action to alleviate modern day slavery requires business to take leadership on eradication because most supply chains include some form of slavery today, and it will require organisations taking real responsibility for their supply chains. In 2016, an estimated 45.8 million people were caught in some form of modern slavery.

Robin encourages everyone to jump on [Slavery Footprint](#), and said - *"I am someone who is consciously minimising my consumption [in a lot of ways], and still, based on some basic stats I could have 52 slaves working for me – one is too many"*. He also recommended 'A brewing Storm' by the [Climate Institute](#) (2016) as compulsory reading for those interested in sustainable supply chains. The report explains:

- There is already evidence that changing climatic patterns are affecting coffee yields.
- Based on current projections we expect that the global area suitable for coffee production to halve by 2050 – and suitable land will gradually move to higher altitudes and latitudes (polewards).
- Most producers are small hold farmers so they cannot move their land to adapt and their livelihoods are at risk.

Vikram encouraged us to dig deeper than the corporate sustainability statements (which can often be fluff) to see what businesses are actually doing and what their supply chains look like.

Robin gave numerous examples of businesses who are getting things right with their supply chains:

- [Mirvac](#), who see sustainability as a key part to their procurement decisions. For a basic understanding, take a look at their 2016 Supplier Report, which details their Supplier Questionnaire questions and answers in the back, and gives some case studies of working with smaller businesses towards bigger goals.
- [Patagonia](#) is an example of a company that are trying to reduce their harm and increase their transparency, but are also open about the fact that supply chains are complex and they are not perfect but ask for people to provide them information if they get it wrong). Patagonia's '[Footprint Chronicles](#)' demonstrates their transparent supply chains.

Further reading

Both Robin and Vikram left the conversation with a range of tips and resources that we as consumers can engage with to better understand our supply chains.

Fishing

- The recent article in The Economist outlines the issues facing the world's oceans and the supply chains that depend on them: <http://www.economist.com/news/leaders/21722647-ocean-sustains-humanity-humanity-treats-it-contempt-how-improve-health>

Fashion and clothing

- Robin mentioned leasing Mud Jeans: <http://www.mudjeans.eu/lease-a-jeans/>
- Recent benchmarking of brands: <https://knowthechain.org/benchmarks/3/>
- Good On You app: <http://goodonyou.eco/>

Modern slavery

- Read more about the topic at the Global Slavery Index website, and find out what governments are doing in response: <https://www.globalslaveryindex.org/>
- Complete the 'Slavery Calculator': Find out how many slaves work to support your lifestyle: <http://slaveryfootprint.org/survey>
- The Supply Chain Sustainability School's [submission](#) to the Australian Government's Modern Slavery Act Inquiry.

Supply chain risks (and opportunities)

- EY's article outlines the main areas of risk for Supply Chain Operations (SCO): <http://www.ey.com/us/en/services/specialty-services/climate-change-and-sustainability-services/five-areas-of-highly-charged-risk-for-supply-chain-operations>
- ISO20400 (International Standard on Sustainable Procurement) - Read more and watch the short video on this newly-released guidance standard: www.iso20400.org

Rating tools

There are some great tools for our built environment out there, including:

- Green Star, for buildings and communities: www.gbca.org.au
- Infrastructure Sustainability, from ISCA: www.isca.org.au
- The Social Enterprise World Forum <http://www.sewf2017.org/programme>

Feeling inspired to make change?

- Get involved by volunteering your skills with Climates
- Divest your financial services from fossil fuels
- Pledge to reduce your emissions
- Look after your mental health and that of your mates

Visit climates.org.au/empoweryourself for more information.

Next conversation with Climates' UniMelb community

29 June 2017

Climate science with the CSIRO

John Clarke, CSIRO - book your place [here!](#)

Upcoming conversations at nearby communities

28 June 2017 with the RMIT community

Science as denial? Witnessing multiple climate realities

Blanche Verlie, RMIT University - book your place [here!](#)