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Corporate Environmental Reporting: A New Zealand perspective.

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Abstract

Corporate Environmental Reporting is an environmental management practice that is gaining momentum internationally, and in New Zealand. In this study, four leading New Zealand Corporate Environmental Reports were compared on content, and disclosure, and it was found that the level of reporting was low, with the scope of reporting content very narrow. In comparison with international reporting surveys, the New Zealand reports compared very unfavourably; in most instances, the level of reporting in the international reports was double compared to the New Zealand reports. However, the New Zealand reports were following international trends in reporting, in terms of a high qualitative content, and limited reporting in financial and sustainable development issues.

A sample of stakeholders was also surveyed on the content areas of environmental reports, and the importance that they would give to each reporting area. From the analysis, it was found that there was a large gap between the performance of the reports sampled and the expectations of the stakeholders, with some stakeholder groups indicating higher information needs than others.

Through face-to-face interviews, the process that the reporting companies followed to publish their environmental report was established. This process was then compared to the narrow range of content, and to the stakeholder expectation gap found in the preceding analysis. Overall, it was concluded that the strong and pervasive environmental management legislation in New Zealand was having a considerable influence on the content of the New Zealand reports. Because of this, the practice and content of environmental reporting in New Zealand have lacked definition.

Overall, it was concluded that the level of reporting from the sample of New Zealand reports was poor, and that because of the low level of reporting there was a gap between report performance and stakeholder expectations. From these conclusions it is recommended that the Government should instigate a programme defining the role and content of Corporate Environmental Reporting in New Zealand. It was also recommended that environmental reporting becomes mandatory in New Zealand.

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