

"turnaround money" in Mannheim

Future of Fair Finance, Mannheim, 16. November 2022

Markus Duscha, Fair Finance Institute, Heidelberg, Germany



1. Introduction: City of Mannheim

Mannheim: Some Facts



- **Located** in Baden-Württemberg (Germany)
- **A cultural and economic center** of metropolitan area Rhein-Neckar
- **Inhabitants:** 326.000 [2021]
- **Companies:** 9.000 [2021]
- **Diversity** of industries: for example electrical, mechanical engineering and chemical industry; about 3/4 of the employees in Mannheim work in a variety of services
- **Top start-up city** in Baden-Württemberg known for innovation and creativity

Sources: mannheim.de [2022], pinterest.com [2022]

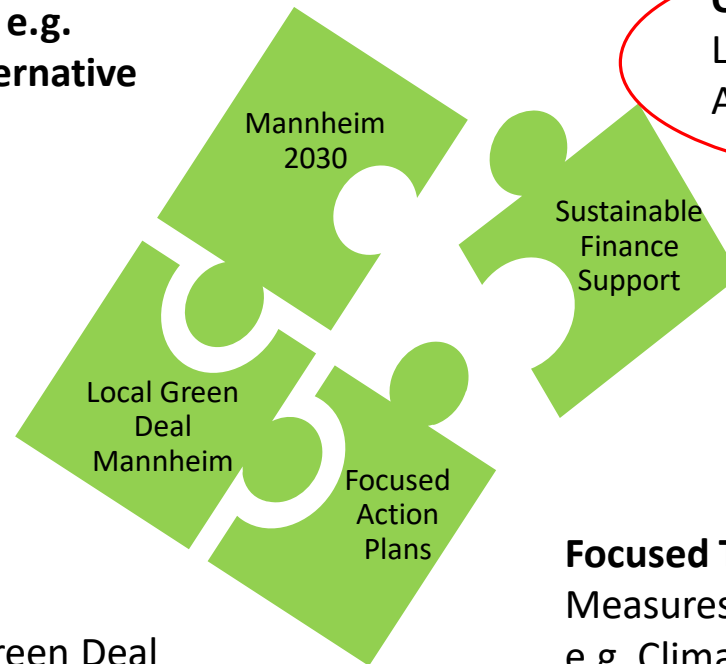
Mannheim: Goals and Strategies

Mannheim 2030: Strategic Goals, e.g.

- **Climate, Environment and Alternative mobility**
→ **Climate neutral by 2030**
- Democracy, Engagement and Participation
- Digitalization, Innovation and Sustainable value Creation
- International Cooperation
- ...

Local Green Deal Mannheim

- Local Adaption of European Green Deal



Our Proposal:

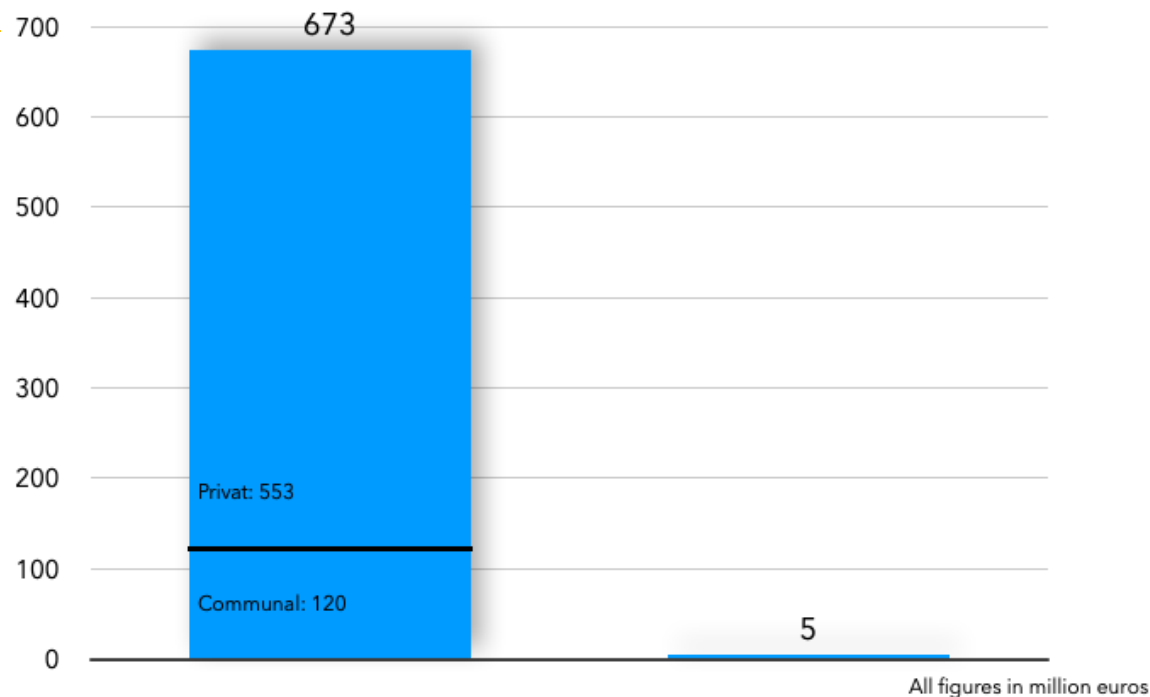
Local Sustainable Finance
Action Plan Mannheim

Focused Thematic Action Plans

Measures for Realisation
e.g. Climate Mitigation Action Plan 2030
(Klimaschutz-Aktionsplan)

Mannheim: Financial Key Points (Example Climate Mitigation)

Financial Key Points Climate Mitigation



Annual investment requirements for climate protection in Mannheim*

For comparison: Climate funds etc. (annual) of the city of Mannheim 2022**

Conclusion:

Huge financial needs beyond existing climate budget

Sources:

* GermanZero (2021): Klimastadtplan Mannheim, S. 28 (Investitionsbedarf pro Jahr)

** Mannheim: <https://www.mannheim.de/de/presse/einjahreshaushalt-2022-der-stadt-mannheim-beschlossen> und https://www.mannheim.de/sites/default/files/2022-03/Haushaltsplan-der-Stadt-Mannheim_2022.pdf , p. 453, p. 597

2. Project Steps so far



Our steps so far

Interviews (Jan. – Jun.) with

- City Administration Mannheim (4x)
- Companies (2x)
- Banks (3x)
- Universities / Education (2x)



Analysis Report (Jul.)

Workshop (Aug.) discussing ideas with participants of

- City Administration Mannheim
- Banks
- Chamber of Commerce and Industry („IHK“)
- Civil Society Organisation



3. Proposal for an Action Plan Mannheim

Action Plan: Overview

- **29 measures** to connect people, companies, finance and environment
- **Combination** of existing and new ideas
- **Not exhaustive**
- **Clustered** by action fields
- **Prioritized** based on need, use and realisation
- **Including explicit ideas** how to get into action
- **Bottom-Up:** Based on needs analysis by interviews and research
- **Fitted into relevant city strategies** of Mannheim

Proposal for an Action Plan for Mannheim: Overview

Coordination

Sustainable Finance Agency Mannheim

Training, Orientation, Motivation

Investment Criteria as part of the Local Green Deal

Communication of Best Practices

First Guidance to Sustainable Finance (Advice for Inhabitants and Companies)

Networking / Other events

Marketplace / Excursion Sustainable Investments

Sustainability Finance Database Mannheim

Banks as Facilitators / Networking Enabler

Round Table Local Banks (CEOs)

Banking Network Breakfast (Focus on Sustainable Finance)

Rhein-Neckar Technology Ventures: Integrate Ecological and Social Criteria

Urban ThinkersCampus (UTC): Integrate Sustainable Finance

Future of Fair Finance (Event Series)

Regional Complementary Money

Business / Economy

Advanced training program for companies (Focus on Sustainable Finance)

Initiative Industrial Location and Climate Protection Alliance Mannheim

Innovation Center GreenTech: Integrate Sustainable Finance Information and Offerings of IHK Rhein-Neckar

Financing by city itself

Urban support program Climate & Energy

Participation budget: City Mannheim

Participation fund Economic Development: Support Ecological and Social Criteria

Align City Investments with sustainability criteria

Financing by other sectors

SK Rhein Neckar Nord Sustainability Investment

Rhein-Neckar „LebensWert“ of VR-Bank Rhein-Neckar

Banks and Insurance companies deepen their Alignment with Sustainability

Mediation of public Support programs in the direction of Sustainability

Support of sustainable Start-Ups: Guarantees für Venture Capital

Standardized loan offers for Homeowners' associations

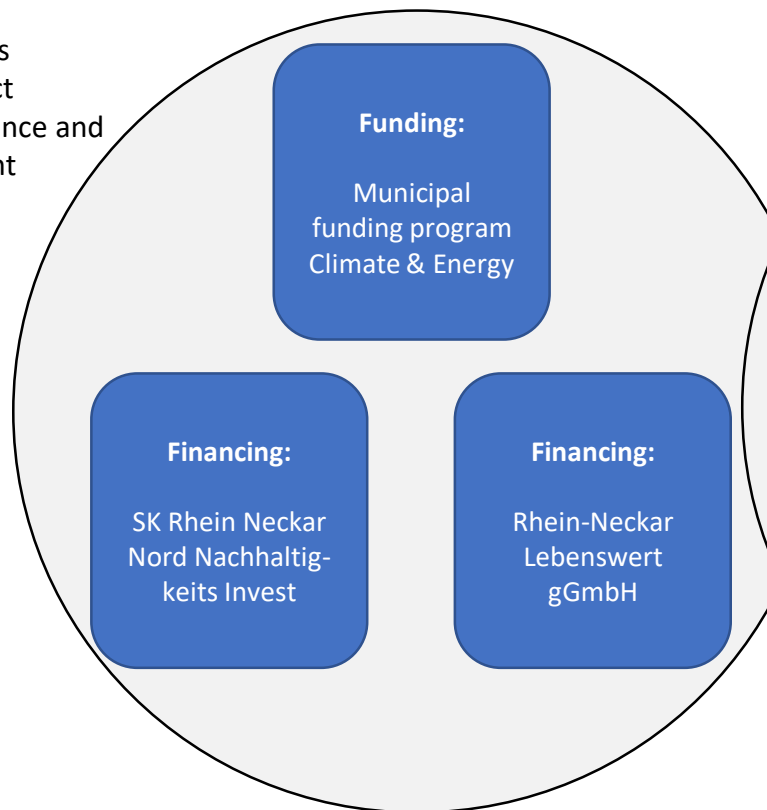
Source of finance for structural support of non-government organizations

Local Green Deal Foundation/Fonds

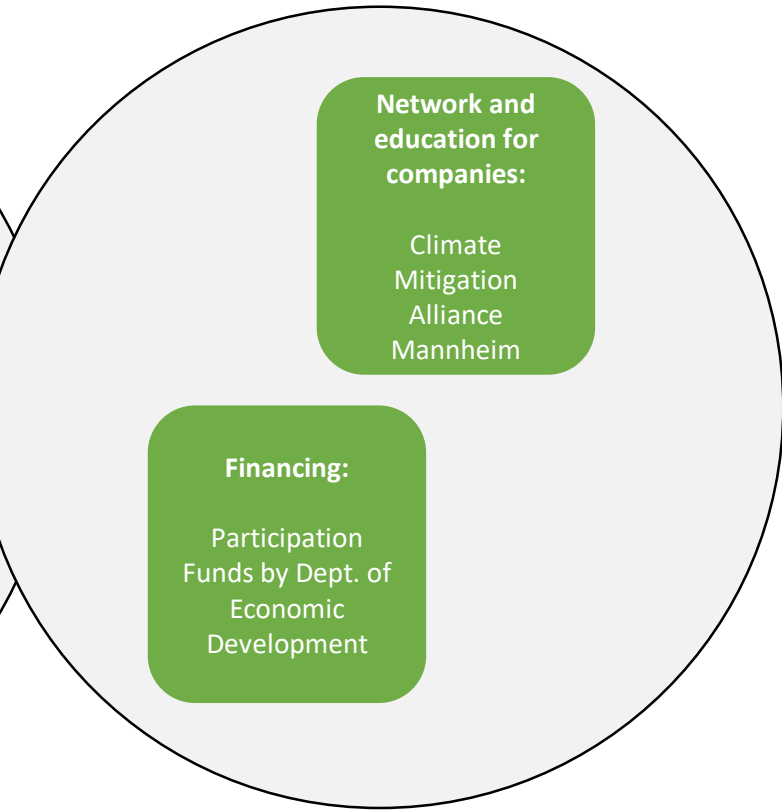
Action Plan: Existing Measures

Examples

1) Measures that connect already finance and environment



2) Measures that could be developed by adding minimum one of these aspects



Action Plan: New Measures

Examples

First Guidance to Sustainable Finance (for citizens)



Advanced Trainings: Companies and Sustainable Finance



Local Green Deal: Financing Criteria



Fotos: v.l.n.r.: Christina Reinl, Fotolia, Kindl Media

Coordination: „Sustainable Finance Agency Mannheim“

Action Plan: Example of a Measures „Profile“

See next slide

Status Idea	Start 2024	Duration ongoing	Connected actions e.g., <u>BOM 1</u> (Investment criteria) & Further actions within this action plan
<p>Short description</p> <p>A special funding source could be set up to finance "deals" that are agreed as part of the Local Green Deal of the City of Mannheim and that cannot be realized through the municipal budget or other private funding sources. What exactly is fundable through this source could be defined using the "Local Green investment guidelines" (included as BOM 1).</p> <p>Such a fund should be fed by as many different entities as possible, if necessary, even as part of a deal: "We support the Local Green Deal financially with xy Euro per year (or share of profit / revenue)" as a commitment to support the Local Green Deal. In this way, the fund pursues the goal of enabling financial participation by the population and local companies for Local Green Deal projects that can be experienced.</p> <p>Next steps</p> <ul style="list-style-type: none"> e.g. organization of a workshop with interested parties and potential supporters and deposit sources of this kind of tool. 			
Effort & expenses		<p>One-time: If solutions from other cities can be used (see "further examples" below): low. If not, a few person-months must be expected for the conception. Ongoing: no specification as it highly depends on the design and size of the fund</p>	
Target group(s)		<p>Direct: Implementers of LGD projects Indirect: Target groups of LGD projects</p>	
Responsible organizations		<p>For initiating such a fund: e.g. the city of Mannheim. Who will be the actual sponsor of the fund is still to be determined.</p>	
Further organizations involved		<p>E.g., locally based banks, citizens, companies</p>	
Notes, effects & further examples		<p>Note the "Local Climate Funds" project as part of the National Climate Initiative, in which comparable approaches are being considered and advanced.</p>	

3. Outlook Mannheim & Some Conclusions



Outlook

Next steps

- Today: one more workshop this afternoon in Mannheim
- Final review of the proposal of the action plan
- Further dissemination, adaptation and hopefully integration into the strategy of Mannheim

Outlook: Action!

Together.Financing.Environment

Some Conclusions: Action Plans in different Cities/Regions

In some aspects the action plans look similar

- Cross cutting activities (coordination, events)
- And special activities (target groups, topics, forms of financing)
- Further coordination in each city seems essential to support this approach

But the plans are very individual in other aspects

- Who are the initiators or institutions in charge for the different activities?
- Which topics are important (housing, mobility, agriculture, circular economy ...)?

Some Conclusions: Action Plans in different Cities/Regions

In some aspects the action plans look similar

- Cross cutting activities (coordination, events)
- And special activities (target groups, topics, forms of financing)
- Further coordination in each city seems essential to support this approach

But the plans are very individual in other aspects

- Who are the initiators or institutions in charge for the different activities?
- Which topics are important (housing, mobility, agriculture, circular economy ...)?

THANK YOU VERY MUCH!



Markus Duscha, markus.duscha@fair-finance-institute.de, Tel: +49 6221 4263793



Christian Röser, c.roeser@starkmacher.eu, Tel: +49 621 49602693 oder 0173 6386691



www.turnaroundmoney.net

Supported by:



based on a decision of
the German Bundestag