

Climate Finance and the Manufacturing Industry



Sustainable Finance and Climate Protection

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Research question

The ClimFiSoc-subproject explores how the sustainable finance architecture lands in the industrial region of Eastern Westphalia-Lippe. It investigates the prevailing regional and industrial logics of (sustainable) finance reflecting the current sustainable finance endeavour. It seeks to understand plural institutional logics at play and the conflicts and compromises between them. The aim is to identify pathways of the sustainable agenda for a green transformation of the economy.

Regional focus

Project partner:



Source: owl maschinenbau e.V.

Mixed-method design

- Quantitative SME-Survey (Europe)
- Qualitative focus groups (4)
- Expert interviews (19)
- Participatory observation of practitioner workshops and webinars (19)
- SME case study (5)

Qualitative SME case study

	SME 1	SME 2	SME 3	SME 4	SME 5
Industry	Mechanical engineering	Mechanical engineering	Polymer processing	Mechanical engineering	Mechanical engineering
Employees	~120	15	~150	~180	~100
Value chain sustainability data query	X	X	X	X	X
Systematic resource planning	X		X		X
VSME reporting					X

Source: own composition

Results

- Regional logics of finance (equity, promotional loans, ‚house bank‘ principle) prevail
- Logic of information (‚ticking the box‘-practice) vs. logic of knowledge (transformation as ‚wicked-problem‘)
- Relevance of ‚intermediaries‘: translation between policy and practice (e.g. efficiency agencies, industry networks, industrial sustainability initiatives)
- Contradiction between a logic of ‚Ordnungspolitik‘ (regulatory policy) vs. politics of transparency

Recommendations

- SMEs need green demand/ sales markets. State can act as green ‚outcome buyer‘ (instead of subsidizing green technology investments, only).
- SMEs need planning security: less, but relevant and strict KPIs/ thresholds (more ‚brown penalizing‘)
- SME-ready digital single access point for sustainability reporting.
- Long-term funding of regional embedded innovation networks and initiatives, as well as a reliable public-sector transformation consultancy for SMEs.