



**Sustainable  
Finance**

## **Press Release**

### **New impetus for sustainable transformation: Four trend-setting discussion papers for the German economy**

November 24 – The Federal Government's Sustainable Finance Advisory Committee (SFB) has written four landmark discussion papers on the topic of "Sustainable transformation financing", which address the key challenges and solutions for a sustainable transformation in various economic sectors. Against the backdrop of the Federal Constitutional Court's ruling on the supplementary budget, the issue of financing sustainable transformation will continue to be of enormous importance. The papers offer practical recommendations for small and medium-sized enterprises (SMEs), start-ups in the field of hardware financing, industrial companies and the expansion of sustainable infrastructure in Germany.

The Sustainable Finance Advisory Committee has decided to publish the results of the discussion papers in stages. It will start on November 24 with the publication of the discussion paper on SMEs.

#### **SME discussion paper: Financing impulses for sustainable development**

The first discussion paper focuses on practical solutions for transformation financing and support for SMEs that are not directly affected by sustainability reporting. The recommendations emphasize the particular challenges faced by SMEs in the socio-ecological transformation and the need for effective interaction between private and public capital in order to overcome financing bottlenecks.

#### **Discussion paper Startups Hardware Financing: Closing financing gaps**

The second discussion paper highlights the existence of financing gaps in the area of hardware financing for start-ups. The results of the studies show that targeted regulation, publicly supported programs and facilitation for institutional investors are considered key components to improve the financing situation for hardware startups.

#### **Discussion paper on transformation financing for industrial companies: Focus on a CO<sub>2</sub>-neutral economy**

The third discussion paper analyses the financing needs of capital-intensive industrial companies when implementing decarbonization projects. It emphasizes the importance of clear, reliable and long-term strategies by the German government in order to maintain the competitiveness of German industry and prevent the relocation of production sites.

#### **Discussion paper on the expansion of sustainable infrastructure: in cooperation between the public and private sectors**

The fourth discussion paper focuses on the expansion of sustainable infrastructure in Germany. It addresses the role of municipalities and municipal companies, which are crucial for the successful implementation of investment programs in sustainable infrastructure. The recommendations focus on how private capital can be harnessed to create future-proof and sustainable infrastructure.

The discussion papers mark a significant step towards a sustainable and future-proof economy. The Federal Government's Sustainable Finance Advisory Committee encourages further discussions and new forms of cooperation in order to put the proposed measures into practice and work together on a sustainable transformation.

The breadth of the topics addressed shows that a successful, sustainable transformation can only be achieved if all parts of the economy and society are addressed.

Silke Stremmlau, Chairwoman of the SFB, explains: "Especially after the ruling from Karlsruhe, the focus on the possibilities of the private financial market to finance and support the transformation of the German economy is increasing. The majority of German financial market players are prepared to make significant investments in climate neutrality if the right framework conditions are in place. New financing models between public and private funds can promote this."

The full texts of the discussion papers (german versions only) will be available on the website of the Sustainable Finance Advisory Committee once they have been published ([LINK](#)).

Dates of the expected publications

- Discussion Paper SMEs: November 24, 2023
- Discussion Paper Startups: December 01, 2023
- Discussion Paper Industrial Companies: December 08, 2023
- Discussion Paper Infrastructure: December 15, 2023

Berlin, November 24, 2023

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#### **The Sustainable Finance Advisory Committee**

The German Sustainable Finance Advisory Committee advises the German Federal Government on sustainability aspects in the financial system. Consisting of 34 experts from the financial sector, the real economy, civil society and academia, and supported by 19 observers, it acts independently. It supports the German Federal Government in the implementation and further development of the German Sustainable Finance Strategy and advises relevant stakeholders on how to position themselves.