

Green Finance: The Greater Manchester Opportunity

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Foreword

At The Co-operative Bank, we believe there is a need to make wholesale changes as to how green finance is used by the financial industry. Green finance needs to drive real incentives toward renewable energy projects and energy-efficient initiatives rather than reaping benefits after the fact.

For Greater Manchester to become a green finance hub, communication between counterparties is essential. Critical success factors for advancing green finance and ambitious net-zero goals must not rely on goodwill but on firm accountability frameworks, particularly with a 2038 carbon-neutral goal across Greater Manchester.

We welcome the push from Manchester Investment Development Agency Service (MIDAS) to ensure everyone is brought along on this net-zero journey. To that end, it is important that this research utilises the good work that others like the Green Finance Institute (GFI), have already completed. At The Co-operative Bank, we strongly believe that this continued collaborative approach is the right way forward. A council-backed plan will be invaluable to support not just our own business and our commitments to the communities around us but also Greater Manchester's ability to act as a role model for the nation as others learn from our successes in using green finance to unlock the opportunities that a net-zero country presents.

Gary McDermott, chief commercial officer of The Co-operative Bank

Introduction

The sustainability and resilience of the global financial system, along with the implications of climate change, will continue to be crucial considerations in setting policy and business strategies. To help the shift to a sustainable economic model for both industries and consumers, the finance industry must also adopt and promote the same agenda.

Around the world, various policy initiatives have placed targets for achieving net-zero goals in both international and domestic law, with varying deadlines for these objectives. The UK has set a target to reach net-zero carbon emissions by 2050 through the Climate Change Act. Additionally, the UK's Green Finance Strategy aims to transform financial practices for a greener future, emphasising sustainability, transparency, and alignment with net-zero goals.

As set out in the Green Finance Strategy, supplying the goods and services necessary to reach global net-zero ambitions could be valued at up to £1tn for UK businesses by 2030. To meet the UK's net-zero goals, an additional capital investment of £50–60bn will be required each year. Furthermore, to achieve domestic nature-related goals, an investment of £44–97bn is needed over the next ten years.

Progress thus far has been limited, but there are encouraging signs. The report titled *The UK's net-zero economy: The scale and geography of the net-zero economy in the UK* published by the Energy and Climate Intelligence Unit (ECIU), revealed that the UK's net-zero economy grew by 9% in 2023, according to an analysis by the CBI Economics and The Data City. This growth brought its net-zero gross value add (GVA) to £74bn, which is equivalent to 3.8% of the UK economy, supporting 765,700 full-time equivalent (FTE) jobs, accounting for nearly 3% of total UK employment.

Additionally, based on the number of companies, green finance ranks as the ninth largest sub-sector in the UK's net-zero economy, comprising 816 companies out of approximately 37,000 net-zero companies.

Many localities, including global cities and regions, have expressed a desire to become leaders in green finance and related areas; however, they have faced challenges in converting this aspiration into real outcomes. Omdia's *IT Enterprise Insights (ITEI) 2024* survey, which examined how financial institutions are working to implement sustainability, revealed a consistent set of problems: confusion over language, shifting outcomes, and inconsistent metrics.

This white paper highlights the need to identify practical success factors that can promote and amplify a vibrant green finance sector to achieve net-zero ambitions. It also examines ways to overcome the factors that hinder sustainable action, helping businesses transition to net zero. Additionally, the paper addresses the lack of credible, quantitative research on how financial institutions approach issues around environmental sustainability and the barriers that prevent them from engaging more fully at a regional level.

Some financial
institutions struggle
to adopt sustainable
business practices

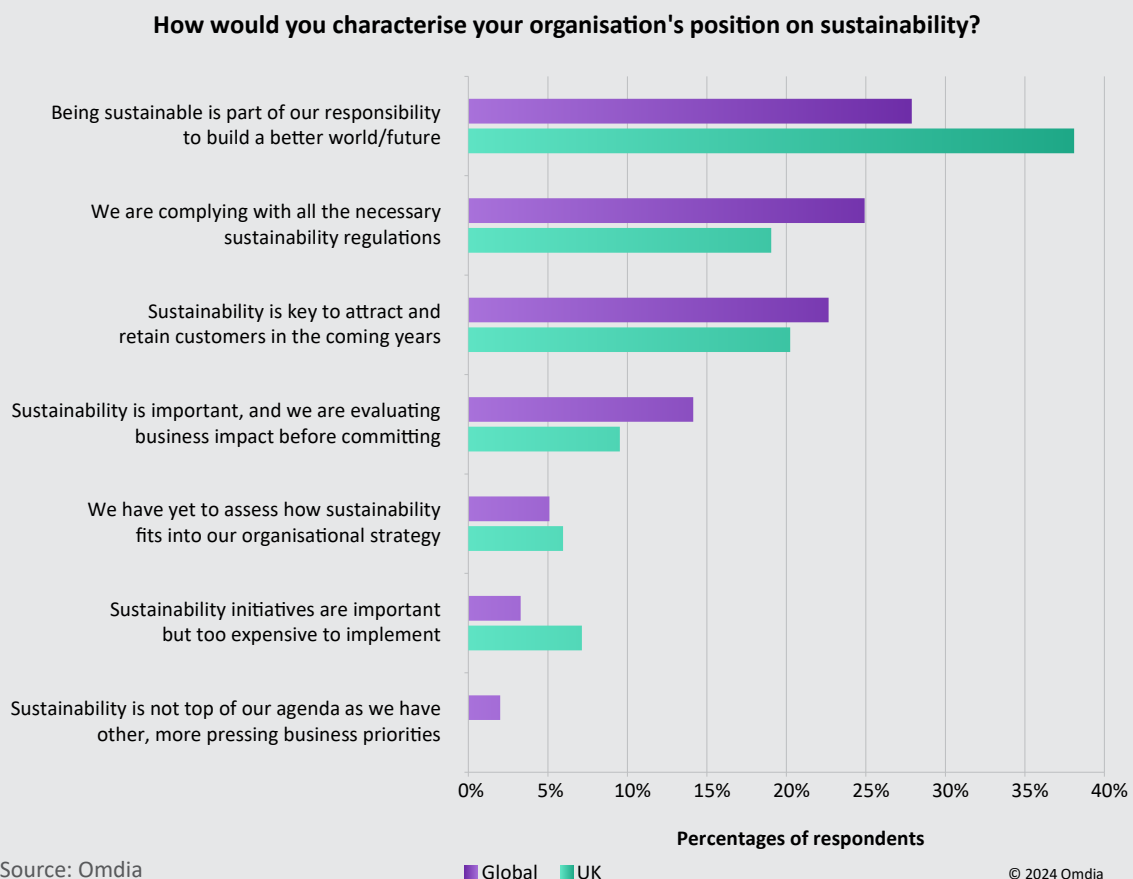


Understanding how financial institutions approach issues of environmental sustainability and net-zero initiatives is crucial. This is because it will define their ability to deliver a specific set of green finance products and services. In turn, this affects how a given locality can support these institutions in their efforts. According to Omdia's *ITEI 2024* survey, many businesses are still in the early stages of building their sustainability strategies and deploying technological solutions to achieve their sustainability goals. The key concern is the lack of a clear definition of sustainability, which is hindering banks from implementing it into their businesses in a way that is consistent with their broader strategic objectives. Over the next five years, almost all commercial organisations—especially those in the finance sector—should anticipate more formal laws regarding sustainability than in the past, shifting the focus to compliance rather than aspiration.

Position on sustainability is morally motivated

In the UK, 38% of financial institutions claimed that they view sustainability as a moral obligation, believing it is the right thing to do for future generations. This is significantly higher than the global average of 28%. Similarly, 20% of UK's respondents claimed that communicating sustainability to customers is very important to them.

Figure 1: Financial institutions' stance on sustainability



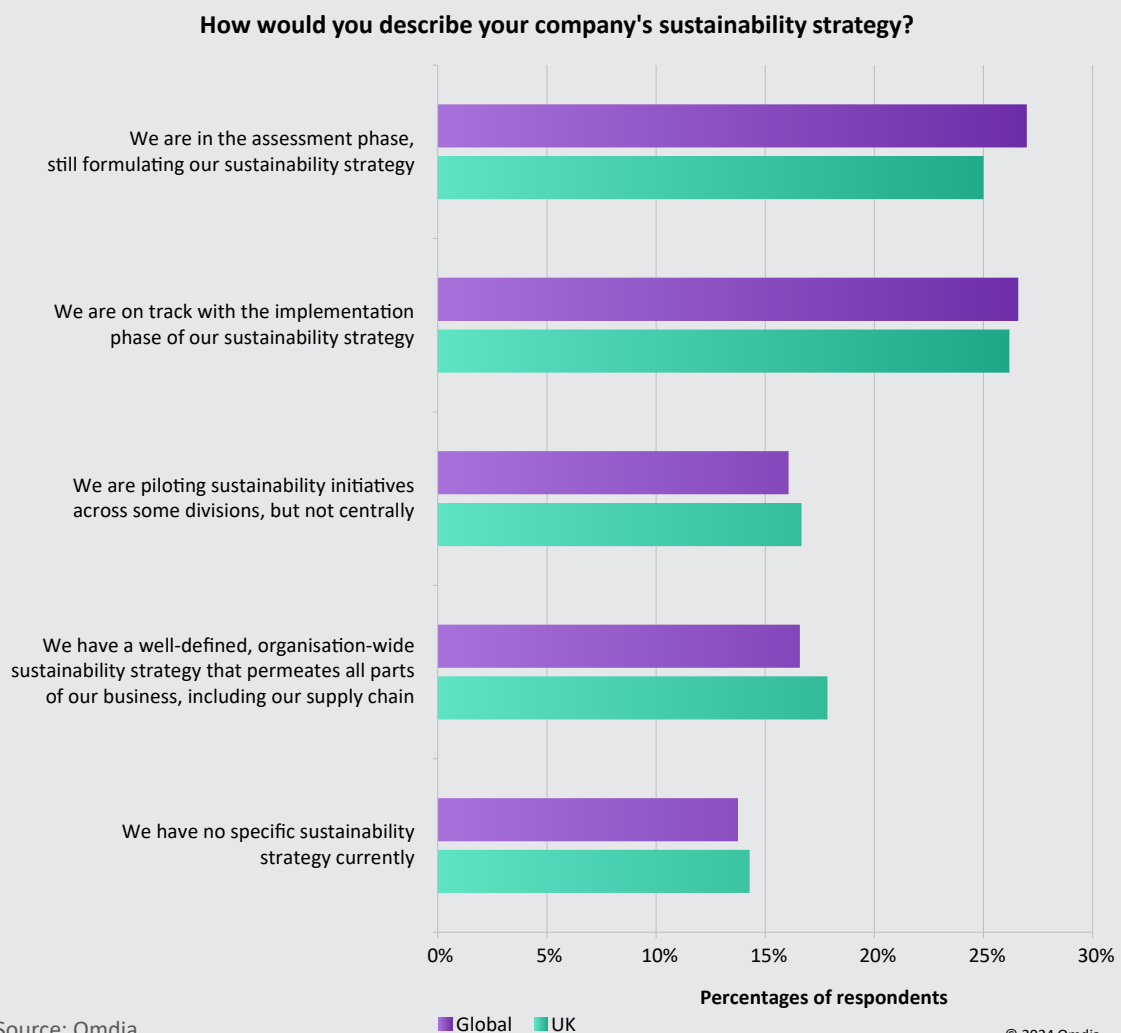
Furthermore, 19% of respondents stated that they are complying with all regulatory requirements. However, there are few regulations regarding sustainability; they mainly exist at the level of guidance or best practice, making compliance with formal regulations relatively easy.

In addition to this, because banks offer services, most of the regulatory burden falls on their suppliers. Consequently, the sustainability question shifts to how banks are driving it through their supply chains.

Financial institutions are still formulating their sustainability strategy

Many banks still lack a fully functional sustainability policy, and a significant number are still in the analysis phase, despite sustainability being a strategic concern for several decades. In the UK, only 18% of financial institutions reported having a well-defined sustainability strategy that includes their supply chain, which is slightly higher than the global average of 17%.

Figure 2: Financial institutions' sustainability strategy



Many businesses are still in the initial phases of developing their sustainability strategies and deploying technological solutions to meet their sustainability targets. The primary challenge is the lack of a clear definition of sustainability, which hinders banks' efforts to incorporate it into their operations in a manner that aligns with their broader strategic goals.

This highlights the broader problem identified in the introduction. Progress on sustainability has been limited because of vague terms of engagement and inconsistent metrics. As a result, companies struggle to understand clearly what actions they are expected to take.

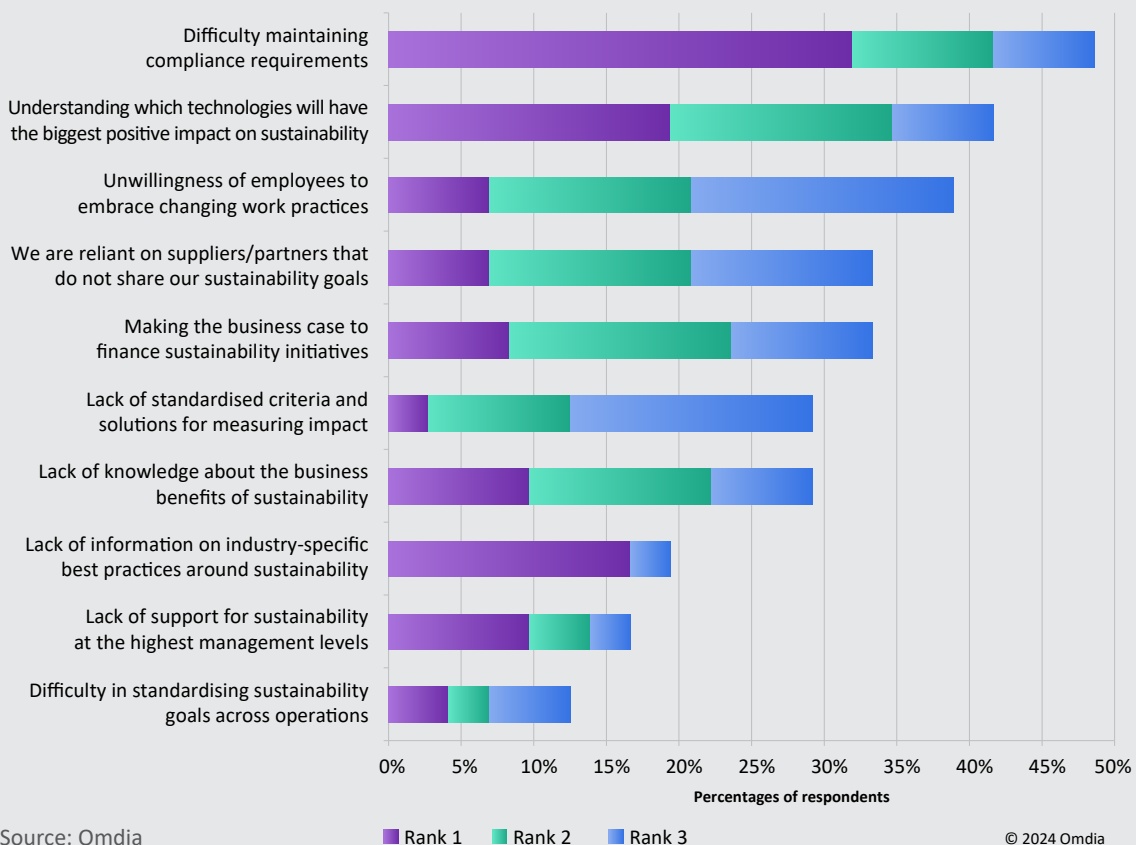
A conclusion that can be drawn from this is that an opportunity is being missed. Companies aspire to adopt sustainable business practices because they view it as a moral imperative; however, the current circumstances have not yet enabled these practices to thrive as envisioned in major policy documents. Moreover, this data highlights a related challenge in providing goods and services that are definitively green. Financial institutions may be hesitant to develop products based on vague definitions that are hard to quantify and verify.

Challenges reported in advancing sustainability are wide-ranging

The data also clearly demonstrates a set of challenges stemming from the lack of a universal definition. Financial institutions reported that their number one challenge, by some margin, is staying updated with changing recommendations, standards, and policies.

Figure 3: Challenges in advancing sustainability among financial institutions

What have been the biggest challenges and issues in advancing sustainability for your organisation (UK)?



Allied with this, almost half of UK respondents (49%) cited the lack of clear metrics or standards as their top challenge overall, followed by 42% who lack the understanding of which technologies have the biggest impact. A further 39% noted the lack of engagement and motivation from employees, while 33% were challenged by relying on suppliers or partners who did not share their sustainability vision.

In the next five years, most commercial organisations—especially in the finance sector—will face stricter sustainability regulations. This will move their focus from aspirational goals to legal compliance. Local governments, in turn, will play a crucial role in fostering conditions that enable businesses to meet these new regulatory requirements effectively and make a meaningful impact.

Governments have a responsibility to create the conditions for companies to remain compliant and impactful

Omdia's data on the extent to which finance companies have successfully implemented sustainability policies, particularly regarding the factors they feel inhibit them, is useful because it indicates the role local policymakers can play.

The key role of policymakers at all levels is to provide very clear direction on the requirements of sustainability policies and to establish a robust set of measures for assessing performance.

However, to provide that clarity to companies, policymakers must organise their work to follow the same principles. They must have the same clarity of purpose and measurement that they require from a company.

Therefore, a key requirement is a set of success factors or similar metrics that give a template for assessing any given locality and its green finance offerings.

Six success factors for advancing green finance



Achieving net-zero targets requires billions of investments in green finance. However, balancing economic growth with sustainability and addressing the complexities of implementing green finance frameworks remains challenging. To address this, there must be a well-established ecosystem and network that supports investors and businesses at local, national, and international levels. Currently, this landscape is largely perceived as fragmented.

The focus on green finance is lacking owing to several barriers

Despite developments, many businesses are still in the early stages of building their sustainability strategies and, by extension, their portfolios of green products or services. There are several significant barriers that prevent green finance from moving from a niche market to the mainstream. These include the following:

- **Confused and conflicting terminology:** Omdia's own data on sustainability and organisational change revealed that existing businesses face a key barrier in keeping updated with existing and future regulations and turning them into normalised behaviours. This challenge is particularly pronounced in finance businesses, which are subject to more regulations than most other sectors.
- **Fragmented market:** Existing green finance activities are often sector- or outcome-specific. They also tend to be small-scale, have restrictive terms, and lack broad public awareness, relying on people who have a particular interest in environmental issues to find them rather than building awareness with the public at large.
- **Investor knowledge:** For new companies, having access to patient, knowledgeable capital and risk-tolerant investors for environmental projects is crucial. Green projects often have a reputation—often without evidence—of being commendable but not particularly profitable. Investments in these projects are typically made with good intentions and careful consideration but very rarely with a primary focus on financial returns. Changing this mindset is key.
- **Sustainability in methods and outcomes:** Investing in nature and climate is ineffective if the organisations responsible for these efforts lack clear and compliant environmental credentials. Therefore, any credible green finance analysis must consider the growing scrutiny that service businesses face regarding their value chains. This assessment goes beyond just projects and companies that produce goods.

Recently, the increasing cost of capital and a squeeze on living expenses have made it more difficult to persuade people to prioritise concepts like net zero over their immediate concerns. These factors have also made venture capital harder to come by, particularly for nascent technologies.

Having a community full of engaged local entrepreneurs who can obtain some seed capital is not enough if they cannot access the support needed to take their businesses through a commercial journey to scale. Similarly, a region without a credible research footprint and strong intellectual property protections would be of little interest to investors.

Six critical success factors for advancing green finance

Cities around the world are striving to establish themselves as hubs for green finance. However, efforts to define the criteria for evaluating the quality of their offerings and to help stakeholders effectively compare these offerings have had limited success. Therefore, when considering how to establish, sustain, and promote a green finance industry in a locale, it is essential to align ambition with a rigorous analytical framework. This framework must provide a very clear measure of current progress and a roadmap for future capacity.

Omdia believes the following six key factors are crucial to success:

- **Availability of good quality green consumer finance products:** Clear and well-defined personal financial products designed for consumers that promote, reward, or respond to environmental concerns.
- **Measurable green finance activity in the business-to-business (B2B) market:** Commercial financial products that either (or, ideally, both) finance the transition to greener business processes or finance explicitly green projects, accompanied by appropriate metrics and safeguards against greenwashing.
- **Investment in green projects and sustainability-focused companies through traditional means:** Although green finance in its direct form should be welcomed and supported through any means available, there also must be a vibrant traditional venture capital and investment market. This market can help finance green projects even if the investors did not initially intend to focus on green initiatives.
- **Engaged and proactive public and civic sectors:** A key barrier to driving net zero and green finance is that investments often seem risky, and market validations are limited. The public sector plays a key role in creating the seed conditions for the commercial sector to build on. This involves taking on early-stage risks and liabilities, developing minimum viable products, and providing broad policy support. Additionally, civil society is critical in leading public behaviour change, education, and awareness work.
- **A well-developed and connected support sector:** To scale green finance and net zero agendas to the required level, a locale must have access to professional services that support the applied work. This includes lawyers, engineers, accountants, architects, and other relevant professionals who are trained and knowledgeable about green projects.
- **A vibrant knowledge-transfer sector:** To drive the technological delivery of net zero and allied environmental projects, a vibrant and well-resourced university and research sector is essential, along with support for research on measurement and impact.

The success factors are not intended to be considered independently; they are mutually constitutive and benefit from scale and agglomeration. The greater the presence of each factor and the more densely these factors are concentrated, the more successful a locale is likely to be.

The purpose of setting out a series of factors is to create a system that allows any specific locale to be evaluated based on the presence, concentration, and potential leverage of these factors at local, national, and international levels.

Greater Manchester is
positioning itself as a
hub for green finance
and green fintech



To attract green finance investments, a well-networked local ecosystem with skilled talent, support services, and an engaged civic sector is essential. This must be placed on the right scale; while national efforts are important, genuine progress is more likely to be made at the regional level. Collaboration among policymakers, financial institutions, and investors is crucial for creating an enabling environment for green finance. Moreover, acknowledging existing resources and celebrating success stories are equally important.

The Greater Manchester city region offers a comprehensive policy offer aimed at supporting the transition to net-zero emissions. It also aims to create hospitable conditions for green finance investors seeking a base and for potential customers interested in green finance products. The city region has a policy offer that not only seeks to originate and promote green projects from a net-zero perspective but also makes commercial sense to green finance operators.

Delivery update: Greater Manchester has achieved a greater economic impact compared with other regions in the UK

A proto-powerhouse

The delivery of the policy thus far has led to the southeast area of Greater Manchester being recognised as a northern powerhouse for net-zero initiatives. Net-zero economic activities account for an estimated 15.9% of the total local economic activities in Stockport, Cheadle, and Hazel Grove, which represent the highest proportions in England and Wales. Among these, Stockport stands out as the largest constituency in absolute terms, with the net-zero economy contributing £375m in gross value added (GVA) and supporting 2,521 jobs in 2022. A substantial part of this net-zero economy comprises companies listed in the Renewable Energy Planning Database, including key players, such as Balfour Beatty, Renewable Planet, and Learnd, all of which are based in the area.

These three constituencies are also located adjacent to each other in the Southeast of Greater Manchester. The demographic conditions in these areas have created a favourable environment for the initiation and sustainability of green projects. Comparatively higher levels of education and income are linked to a greater willingness to prioritise environmental concerns in decision-making processes. Perhaps not coincidentally, these three areas see the most strongly contested elections in the Greater Manchester area. Collectively, they represent clear proof that all of the policy work being done has the potential to generate significant economic activity both nationally and internationally, moving beyond a few isolated projects to a sustained shift in how the economy operates.

The current policy agenda seeks to expand the impressive achievements seen in the southeastern part of Greater Manchester throughout the entire city region. Economic tracking data suggests that this approach is beginning to yield positive results. According to CBI Economics' definition of economic activity related to achieving net-zero ambition, Greater Manchester significantly outperformed other UK regions in terms of economic impact from net zero. The findings indicated that in Greater Manchester, net zero contributed £3.4bn in absolute value to the local economy, or 2.6% net zero GVA share of the local economy, generating 35,612 jobs in the sector (**Table 1**).

Table 1: Net-zero economy in the UK, 2023

Parliamentary constituencies	Absolute value to the local economy (£m)	Net-zero jobs (total)	Working age population	Value per net-zero job	Value per head	Net-zero percentage
Greater Manchester	3,382	35,612	1,356,900	£94,967.99	£2,492.45	2.62%
West Midlands	2,391	27,534	1,409,700	£86,838.09	£1,696.11	1.95%
West Yorkshire	1,938	22,810	1,121,500	£84,962.74	£1,728.04	2.03%
Merseyside	858	11,725	676,600	£73,176.97	£1,268.11	1.73%

Source: ECIU, analysis by CBI Economics and The Data City, 2024, and NOMIS, 2024

Greater Manchester aims to achieve carbon neutrality by 2038, which is 12 years ahead of the UK Government's goal

Greater Manchester's environmental ambitions and subsequent policies are outlined in a five-year environmental strategy. Central to the five-year strategy is decarbonisation, with the specific aim of becoming a carbon-neutral city region by 2038, which is 12 years ahead of the UK Government's goal. This commitment is reflected across six action areas included in the five-year strategy: energy supply; travel and transport; homes, workplaces and public buildings; consumption and production of resources; the natural environment; and resilience and adaptation to climate change.

Greater Manchester's strategy for decarbonisation was brought to life through the Local Area Energy Plan (LAEP), which identified the need for £12.5bn investment to achieve a regional net-zero goal. Of this investment, a total of £7m was secured through a local net-zero accelerator pilot to attract private capital for advancing decarbonisation efforts. The LAEP outlines several key actions, including retrofitting 140,000 additional homes, installing nearly 2GW of additional rooftop solar panels on residential properties, transitioning vehicles to electric alternatives, and connecting more homes to heat networks.

The natural environment action area of the strategy focuses on financing environmental projects with support from the Greater Manchester Environment Fund. This fund seeks to strategically align and mobilise existing resources to attract further private and philanthropic investments, ultimately creating a self-sustaining local impact investment sector.

Additionally, a £15m low-carbon fund has been created to stimulate investments in renewable energy. This initiative reinforces the region's strong low-carbon goods and services sector, which generated £510m in sales and £625m in GVA in the 2019/20 fiscal year, employing 171 FTEs across eight companies.

Greater Manchester's goal of achieving carbon neutrality by 2038 is driving the demand for innovative green solutions, making it a promising region for the expansion of green fintech.

The journey to 2038: Exploring policies, companies, and programs that are taking green finance in Greater Manchester further

Broadening success through green finance

Greater Manchester's appeal to potential investors lies in the ease of accessing key success factors that contribute to the growth of green finance. In addition, investors can capitalise on these opportunities at a lower cost compared with other city regions in the UK and around Europe. With rising capital costs and increasing input costs, investment cases are under unprecedented scrutiny. However, Greater Manchester can demonstrate a realistic and compelling investment profile for investors and innovators alike. Companies that choose to invest in Greater Manchester's green finance sector benefit from established and effective policy frameworks, as well as access to research, expertise, and a highly skilled workforce. They also receive support from a range of services and tap into an engaged and receptive consumer market.

Greater Manchester has made significant progress in bridging the gap between aspiration and delivery in green finance. The city region now boasts a history of launching a series of green debt finance offers up to hundreds of millions of pounds, with NatWest and The Co-operative Bank having direct experience in structuring and successfully marketing green bonds. Greater Manchester also boasts organisations that are developing large-scale data collection and analysis capabilities. These efforts are aimed at supporting the development of business cases for green finance products in terms of credible research on potential and actual green efficacy, as well as traditional risk metrics.

Figure 4 shows a snapshot of the developed support network in Greater Manchester, demonstrating that the city region possesses all the necessary success factors for green finance.

Figure 4: A snapshot of Greater Manchester's support network in advancing green finance

Scale	B2C green finance	B2B green finance	Net-zero companies	Government and civil society	Support sector	Knowledge transfer
Local	NatWest	Barclays*	Bruntwood	Greater Manchester Combined Authority (GMCA)	Addleshaw Goddard	Manchester Metropolitan University
	Yorkshire Building Society	HSBC**	SciTech		Brabners	
		NatWest***	Footasylum	Groundwork Greater Manchester non-profit organisation	Deloitte	University of Manchester
	The Co-operative Bank	Sustainable Ventures	Haon Earth		Pineapple Partnerships	
			Holiferm	LAEP	Pinsent Masons	University of Salford
		The Co-operative Bank****	Legal & General		PWC	
			Vector Homes	The Clean Growth Grand Challenge	Sero	
				The Climate Change Action Plan	Squire Patton Boggs	
				The Greater Manchester Environment Fund	Tallarna	
				The Green City Region initiative	The Green Finance Institute	
National	Halifax	Barclays	Aviva	LAEPs	Addleshaw Goddard	University of Cambridge
	Nationwide	HSBC	Barratt Developments	Places for People	Brabners	
	NatWest	NatWest		UK Green Finance Strategy	Deloitte	University of Oxford
	Yorkshire Building Society	Sustainable Ventures	Bruntwood SciTech		Pineapple Partnerships	
			Legal & General		Pinsent Masons	
					PWC	
					Sero	
					Squire Patton Boggs	
					Tallarna	
					GFI	

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Notes: *Barclays, through Barclays Sustainable Impact Capital, was among a group of investors that invested £3m to support the UK expansion of Sustainable Ventures in November 2023. **A retailer, Footasylum, headquartered in Rochdale, secured a £35m revolving credit facility (RCF) in October 2024 from HSBC UK. The funding package includes a Sustainability Improvement Loan, which links the cost of borrowing to Footasylum's sustainability performance, tracked using an EcoVadis environmental, social, and governance (ESG) rating. ***A consortium including NatWest, Places for People, Pineapple Partnerships, British Gas, Sero, and Tallarna is piloting a new financial model to accelerate the retrofit of thousands of social homes across the nation, including Manchester and the Northwest. ****The Co-operative Bank has issued four green bonds for £850m since its inaugural green bond in 2022. The proceeds from these bonds are specifically allocated for green building projects. NatWest has served as the GSS Framework Structurer and has been mandated for each of the green bonds issued.

Source: Omdia

Andrew Ruffler, director of Sustainable Ventures North, stated the following:

At Sustainable Ventures, we support climate tech startups and entrepreneurs across the UK to scale through investment, workspaces and venture support.

We selected Manchester for the first phase of our UK expansion due to its emerging climate tech scene and the opportunity to help address the twin challenges of climate change and resource scarcity through commercial solutions. Greater Manchester brings a unique blend of devolved authority, established public and private sector collaboration, and impressive higher education assets, for example, Salford's Energy House 2.0.

The support we have received from the city region since landing in February 2024 has been phenomenal, having been welcomed by the private, public and academic communities alike. We are now excited to replicate the success of our London HQ, which is currently home to over 130 climate startups, by launching our new Manchester base in the forthcoming £1.7bn sister regeneration scheme.

Case Study 1: Bruntwood SciTech secured green financing to develop a tech hub in Manchester as part of its UK expansion

Bruntwood SciTech, a leading property provider in the science and technology sectors in the UK, secured £100m in additional funding in April 2023 from major banks, including HSBC UK, Lloyds Bank, NatWest, and Santander UK. This financing is part of a £380m sustainability-linked package that supports Bruntwood's joint venture with Legal & General. The funding will enable rapid growth to meet the infrastructure needs of the life sciences, technology, and innovation sectors across the UK.

Key objectives of this initiative include expanding sustainable infrastructure, accelerating decarbonisation efforts for new buildings by 2030, and reaching net-zero emissions across its entire portfolio by 2050. Shoosmiths represents the lenders, while Addleshaw Goddard acts on behalf of Bruntwood SciTech. CBRE provides property valuations, ensuring that the financial and environmental objectives are aligned.

A focal point of this funding is the development of No.3 Circle Square, a 15-story, 267,000 sq. ft tech hub located in Manchester's Circle Square neighbourhood. This building is designed to achieve net-zero embodied carbon, along with BREEAM Excellent and NABERS 5-Star ratings. The facility will feature all-electric heating and cooling systems, advanced ventilation, rooftop solar panels, and landscaped gardens to enhance biodiversity.

The Circle Square development will foster a growing tech community by housing industry leaders, such as Hewlett Packard Enterprise and Octopus Energy while prioritising green travel options. Bruntwood SciTech's expansion, underpinned by green financing and sustainable goals, is poised to meet the rising demand for innovation-driven workspaces while promoting environmental stewardship. The £100m financing marks a pivotal investment in sustainable infrastructure for the science and technology sectors in the UK.

Case study 2: GFI and GMCA launched a partnership to drive energy-efficient homes and financial solutions across Greater Manchester

In September 2022, GFI and GMCA launched a pioneering partnership to provide practical and innovative financial solutions in support of energy-efficiency improvements for privately owned and rented homes across the city region. This initiative is part of GMCA's three-year retrofit GM strategy spearheaded by the Greater Manchester Retrofit Task Force, which was established in July 2021 to address the climate crisis. This initiative focuses on developing innovative financial solutions and creating the necessary skills and job opportunities to expand the supply chain.

The task force unites industry leaders, academic institutions, non-governmental organisations, financiers, and the public sector to develop a comprehensive plan for Greater Manchester to establish itself as a leader in retrofitting.

As part of its ongoing partnership with the GMCA, the GFI hosted its inaugural Green Mortgage Summit in Manchester in June 2023. The summit brought together key industry stakeholders to explore the requirements for scaling the green mortgage market and how collaboration can facilitate the decarbonisation of more homes.

Following the success of the summit, GFI collaborated with GMCA to develop a training programme aimed at upskilling the regional mortgage broker community. The aim was to tackle the lack of awareness surrounding green finance products and home energy efficiency. More than 20 firms received training enabled through GMCA sponsorship, with a collective workforce of approximately 500, reaching more than 9,000 customers each year. This initiative has contributed to the increasing adoption of the GFI's Green Home Finance Principles among lenders in Greater Manchester, leading to the availability of over 60 green mortgage products in the market.

Conclusion

The sustainability agenda in the UK has faced challenges in bridging the gap between ambitious goals and their practical implementation. While there is broad consensus that a green future is desirable, ongoing issues with defining key terms and measuring progress have prevented green finance products from gaining mainstream traction.

This report has demonstrated the essential elements required for a region to succeed in green finance. Based on the available evidence, this report noted that it is possible to identify a series of success factors that give a framework for measuring how well a locale can support and promote the creation and proliferation of green finance activities.

Greater Manchester has been showcased as the locale where ambition translates into action across all these success factors. The city region is well-prepared for the upcoming commercial future rather than the idealised version that some may envision.

The current commercial environment, concerning risk capital, growth, and taxes, is as challenging as it has been in a generation. However, Greater Manchester offers an unparalleled mix of factors that balance the requirement for a vibrant knowledge economy and start-up scene with the raw commercial reality, where costs are lower in the northwest. Additionally, the local, regional and national public sectors are committed to sharing risk and creating opportunities in collaboration with the private sector.

As a result, Greater Manchester is well-positioned as the leading region in the UK for green finance. As investors scrutinise business plans and pitches, they are increasingly looking for greater cost discipline, improved capital efficiency, and strong sustainability credentials in the companies they invest in. In this context, Greater Manchester presents compelling opportunities in terms of scaling, adoption, and the unit economics of green finance and fintech. This is especially true given the city region's applied experience in creating and launching green finance products, such as green mortgages and bonds.

With a developed and dynamic network of green finance projects, net-zero companies, local policies, and engaged support and knowledge transfer sectors, the Greater Manchester city region is primed to propel the green finance agenda and set an example for other regions to follow.

Appendix

Methodology

The white paper, commissioned by MIDAS, uses Omdia's proprietary global *ITEI 2024* survey to demonstrate the current progress, challenges, and priorities related to sustainability in financial services. The survey gathers data from over 6,800 interviews with CIOs and other senior IT decision-makers across 60 countries worldwide. It examines industry technology trends across 16 major sectors, including financial services, merchants and retail sectors.

About MIDAS

Established in 1997, MIDAS is the inward investment agency for Greater Manchester, with the strategic aim of securing new investment and employment for the city region.

Owned by the Greater Manchester Combined Authority (GMCA) and as part of the Growth Company, MIDAS delivers inward investment based on the city-region's frontier sectors (*Creative, Digital and Technology; Advanced Manufacturing and Materials; Low Carbon; Financial, Professional and Business Services and Life Sciences*). MIDAS has been working in partnership with Greater Manchester's ten local authorities for over 20 years to attract companies into the region and create further expansion from existing foreign investors.

Operating within the national framework of Inward Investment activity, coordinated at a national level by Department for International Trade (DIT), MIDAS proactively targets large companies and SMEs from its priority international markets (*Europe, US, India, China and Japan*) to set up and therefore contribute to the region's economic development and jobs creation. MIDAS also account manages over 380 companies across Greater Manchester to identify and support further growth opportunities.

This supports the Greater Manchester International Strategy and the Greater Manchester Local Industrial Strategy. Inward investment will increase the productivity and competitiveness of the priority sectors in Greater Manchester and support the development of a resilient ecosystem.

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We hope that this analysis will help you make informed and imaginative business decisions. If you have further requirements, Omdia's consulting team may be able to help your company identify future trends and opportunities.

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