

## **Common Good Account & Common Good Center**

Idea and service offer to establishment

### **Genossenschaft für Gemeinwohl (GfG)**

Vienna, October 2020

#### **I. Key words:**

Economy for the Common Good, Common Good Account, Common Good Center, Common Good Assessment, Common Good Council, Common Good Loan, Common Good Balance Sheet

#### **II. Context:**

- Global ecological and social problems trigger and enhance a trend towards sustainable finance and ethical enterprise: an Economy for the Common Good
- Consumers will increasingly demand ethical accounts; responsible entrepreneurs and businesses will increasingly demand common good loans
- Policy makers will follow and support pioneers: EU directive on non-financial reporting, EU Action Plan on Sustainable Finance, ...
- The ecosystem of the Economy for the Common Good unfolds and differentiates: More and more instruments such as the Common Good Balance Sheet, the Common Good Account or the Common Good Index are developed and applied – and will create increasingly synergies
- A first prototype of a Common Good Account – a joint venture of Raiffeisenbank Gunskirchen and Genossenschaft für Gemeinwohl – in a region of Austria succeeded, some 500 accounts have been opened

#### **III. Idea:**

- The Cooperative for the Common Good assesses the bank how to establish a Common Good Center. [Gemeinwohlkonto](#)
- The Common Good Center is based on a separate accounting circuit within its ordinary balance sheet. On the liabilities side, it offers Common Good Current Accounts, Common Good Business Accounts and Common Good Savings Accounts. On the asset side, it grants loans for 100% sustainable investments. Both sides keep balance on a daily base which is possible thanks to „flexible“ clientes on the liability side who give the bank the permission to shift their (cash) deposits between the sustainable circuit / Common Good Center and the ordinary balance sheet / bank. A Common Good Council watches over the coherence of the loan granting business.
- As for the loans, there are three strategic lines:
  - a) loans without further assessment to clearly sustainable sectors such as certified organic agriculture, certified fair trade, defined renewable energies, social housing, sustainable transport etc.

b) ECG companies or B Corps with an audited balance sheet; the loan conditions could be differentiated according to the balance sheet score (e. g. in steps of 200 / 20 points) – in addition to the legally binding risk assessment (Basel III); both risk spreads (financial and ethical) could be interlinked.

c) Individual loans on base of an individual (project-specific) Common Good Assessment for organisations active in traditional sectors and without common good balance sheet.

#### **IV. Contributions of the GfG:**

- brand „Common Good Account“
- Consultancy & support for establishment of the Common Good Center
- Common Good Assessment
- Forwarding of Account clients and Marketing support through the national ECG association

If clients become members of the GfG, this takes the role of support in account marketing (liability side) and the ECG the role of loan marketing (asset side): a powerful triangle!

#### **V. Zu verhandelnde Gegenleistungen:**

- Consultancy fee
- Commission for opened Common Good Account
- Or/and: steady Common Good Account commission
- Optional: Membership in the (European) Cooperative for the Common Good

#### **VI: Advantages:**

- a) Innovation in the financial sector which contributes to resolve global problems („Sustainable Finance“)
- c) 100% transparent banking
- d) Dissemination of the common good assessment → „System Change“!
- e) Support of the ECG movement and ECG companies / B Corps (movement)

#### **VII. Next steps:**

- Contact the founder of the ECG movement and member of the supervisory council of the GfG, Christian Felber: [info@christian-felber.at](mailto:info@christian-felber.at) or the CEO Fritz Fessler [fritz.fessler@gemeinwohl.coop](mailto:fritz.fessler@gemeinwohl.coop)
- Add-on option: The bank could to a Common Good Balance Sheet (NFI report) itself:  
<https://www.ecogood.org/apply-ecg/common-good-matrix/>