

According to OECD and Eurostat definitions, the Green Economy includes enterprises engaged in activities to measure, prevent, limit, minimize or eliminate environmental impacts. These companies use clean technologies to produce goods and services that reduce environmental risk, pollution and consumption of resources. However, it is very difficult to clearly identify the companies in this sector. Therefore, two methods are used in this report to illustrate the Green Economy in South Tyrol. On the one hand, a questionnaire survey is used to determine which commercial enterprises exhibit above-average ecological behavior. To identify companies with green activities, the fields of activity of corporations, cooperatives and consortia are also analyzed in detail.

The survey shows that every fifth commercial company in South Tyrol (approx. 7,500 companies) actively takes measures to reduce the environmental impact of its own products and production processes, for example by using renewable energies or reducing the energy consumption of its products. About 420 companies (1.1 percent) produce or capitalize on products or technical solutions to reduce environmental pollution. After all, around 460 companies (1.2 percent) are in possession of an environmental certificate. A total of almost 8,000 South Tyrolean companies (21.3 percent) can be classified as Green Companies according to at least one of these three approaches.

In all cases it can be observed, that the proportion of Green Companies increases significantly with the number of employees. For example, while only every sixth company with up to five

employees takes one or more environmentally friendly measures, the proportion rises to around one third for medium-sized companies and to just under three quarters for companies with 250 or more employees.

If the fields of activity of corporations, cooperatives and consortia are examined, approximately 1,000 companies can be classified as "green". A large proportion of these are active in the renewable energy sector, with 75 percent involved in energy production and 14 percent in the production and installation of energy production equipment. The remaining companies include waste and water disposal activities as well as consulting activities in the environmental sector.

An analysis of the balance sheets of corporations operating in the green sector reveals several specialities. On average, they employ significantly fewer people than companies in other sectors, with more than half of them having no employees. Green Corporations also have an above-average debt-equity ratio, which is attributable to the high capital requirement, for example for the construction of solar parks or wind power plants. Finally, the balance sheets of these corporations show – also thanks to state subsidies – a high cash flow which makes it possible to finance them with debt capital.