

# Learning from Regionalwert in Germany: Financing localised food systems

Sustainable Food Systems Planning



**GREEN FUTURE  
ASSOCIATES**

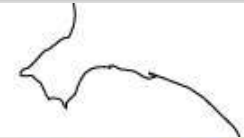
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Regionalwert AG Freiburg  
Regionalwert AG Freiburg  
Sustainable Food Systems Planning  
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Five UK pioneer urban agriculture/ local food enterprises addressing the **challenges of scaling up**

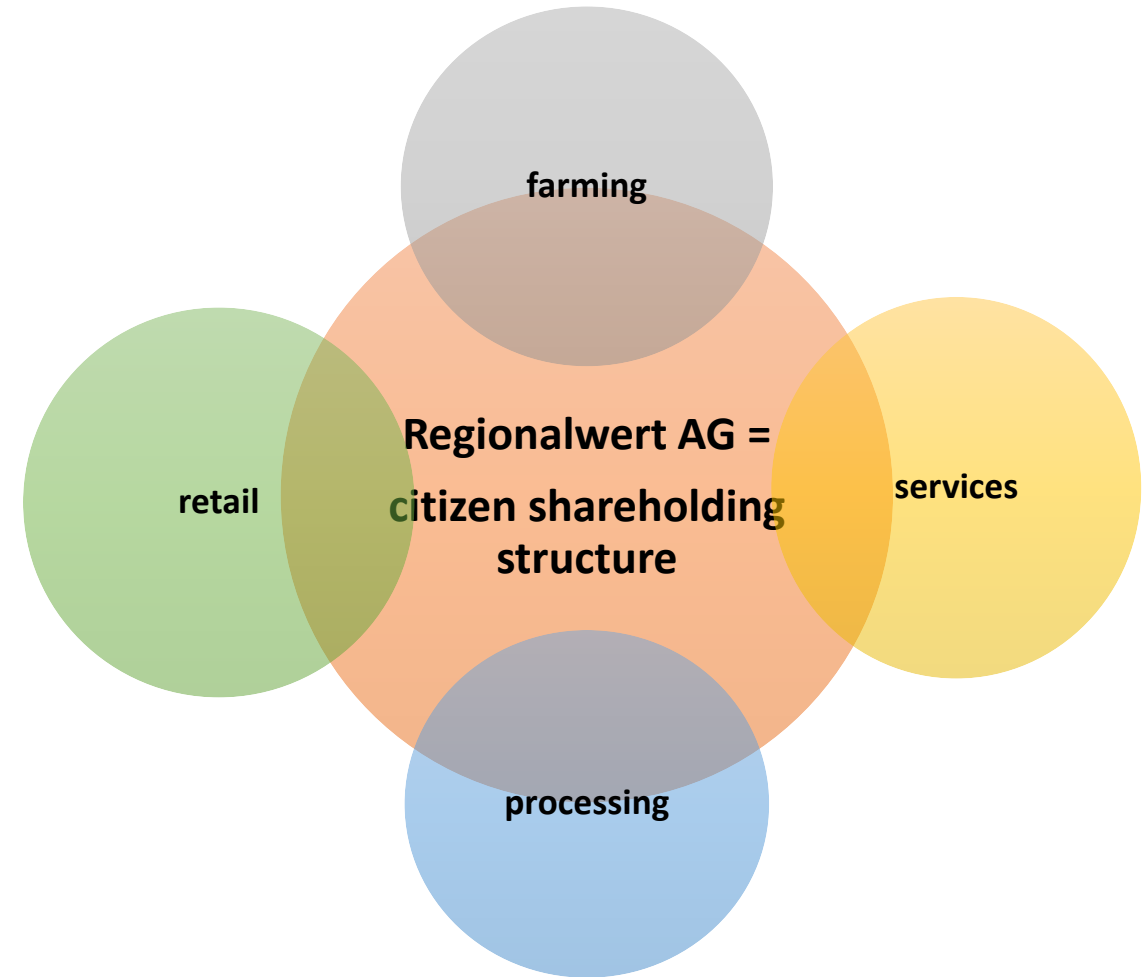


- Access to land, security of tenure
- Access to finance
- Productivity, scale and range
- Marketing, sales & distribution
- Commercial viability
- Commercial collaboration

# Regionalwert AG = *Regional value ltd*

A citizen shareholder company that:

- **offers shares to local citizens**
- uses those funds to **invest in and support organic businesses within the local network**; from agricultural production, processing, catering to retail and support services
- aims for **regional food sovereignty** through growing self-sufficient regional supply chains



# RWAG's in Germany

## The networks

- the original network: Freiburg
- Other networks: Munich/Isar-Inn, Rhineland, Berlin, Hamburg
- 2 further networks currently in development, 3 further regions with interest

## Scale

- Existing networks include appr 30 businesses



# The concept



Watch later

Share

farm



e.g. support new entrants, continually improve the ratio of qualified employed staff to seasonal labour, plan in good time for the farm's succession, etc

dairy



e.g. use seeds, breeding stock, energy and fertilisers from regional and organic sources where possible, actively increase soil fertility, etc

shop



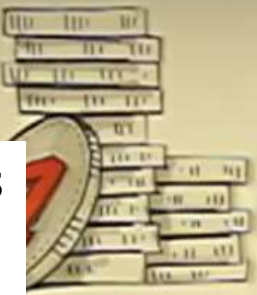
e.g. source as much as possible produce and services from RWAG partners, commitment to report on social and regional indicators, etc

restaurant



Source: screenshot video [www.regionalwert-berlin](http://www.regionalwert-berlin)

Local citizens becoming shareholders



citizen shareholder company manages the funds and citizen stakeholders decide on investment decisions



Shares



# RWAG citizen shareholder model – **legal and financial set up**

**= Buergeraktiengesellschaft: for-profit shareholder company that is not stock-listed and where shares can only be exchanged, or bought at seasoned equity offerings**

## Example RWAG Freiburg

- total shares: 7900 @ 500 Euro per share, 750 shareholders
- capital assets: appr € 3.9 million (end 2019)

## Example RWAG Hamburg

- total shares: 4400 @ 500 Euro/ share resulting from founding and two seasoned equity offerings
- capital assets: appr € 2.2 million (end 2019)
- invested capital: 325.000 in 4 businesses



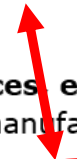
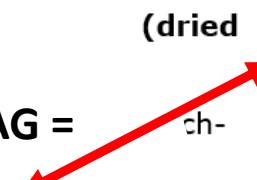
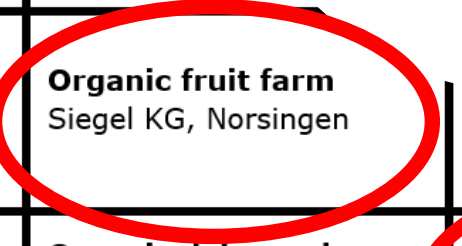
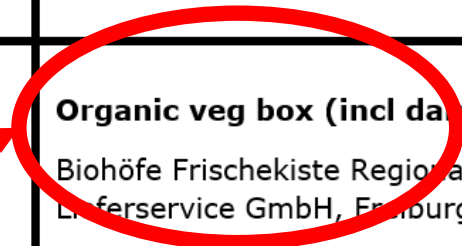
# RWAG Freiburg network – relationship between partners

Services	Farming	Processing/ catering	Retail
<b>Researchers</b> Forschungsgesellschaft Die Argonauten e.V. Freiburg	<b>Organic horticultural holding</b> Querbeet, Eichstetten	<b>Bio-Catering</b> Maria Mocellin, Freiburg	<b>Organic wholesale</b> Großhandel für Naturkost Bodan GmbH, Überlingen
<b>Farm machinery hire and retail equipment</b> Regionalwert Immobilien- und Einrichtungs- Vermietungs UG&Co.KG	<b>Organic dairy and cheesemakers</b> Breitenwegerhof KG Eichstetten	<b>Processing organic (dried foods)</b> Troki Manufaktur, Breisach-Gündlingen	<b>Organic veg box (incl dairy)</b> Biohöfe Frischekiste Regionalwert Lieferservice GmbH, Freiburg
<b>Accountancy services</b> Regionalwert Dienstleistungs GmbH, Müllheim	<b>Organic vineyard</b> Weingut Andreas Dilger, Freiburg	<b>Organic Icecream manufacturer and distributor</b> Bolleschlotzer Eis Manufaktur	<b>Organic shops</b> <ul style="list-style-type: none"> <li>• Biowelt Konstanz</li> <li>• Regionalwert Biomarkt</li> <li>• Naturalia Rinklin Naturkost GmbH</li> <li>• Regionalwert Biomarkt Waage GmbH</li> <li>• Regionalwert Biomarkt Breisach GmbH, Breisach</li> </ul>
<b>RWAG brandowner and consultancy services</b> Regionalwert Treuhand UG& Co.KG, Emmendingen	<b>Organic fruit farm</b> Siegel KG, Norsingen	<b>Processing organic (soups, sauces, etc)</b> Regionalwert Biomanufaktur GmbH	
<b>Consultancy</b> (start up, marketing, etc) RegioGründerWerk UG Emmendingen	<b>Organic dairy and arable farm</b> Hof Gasswies, Klettgau	<b>Organic restaurant</b> <b>Adelhaus Bio Restaurant Cafe</b>	
<b>Consultancy (start ups, marketing, business development, etc)</b> Regio-Werk UG	<b>Organic pig farm</b> Markstallhof von Familie Denk	<b>Catering nurseries in rural communities</b> Zwergenküche GmbH, Endingen	

# RWAG Freiburg network – examples of investments

Services	Farming	Processing/ catering	Retail
<b>Researchers</b> Forschungsgesellschaft Die Argonauten e.V. Freiburg	<b>Organic horticultural holding</b> Querbeet, Eichstetten	<b>Bio-Catering</b> Mocellin, Freiburg	<b>Organic wholesale</b> Großhandel für Naturkost Bodan GmbH, Überlingen
<b>Farm machinery hire and retail equipment</b> Regionalwert Immobilien- und Einrichtungs- Vermietungs UG&Co.KG	<b>Organic dairy cheesemaker</b> Breitenweger Eichstetten	(dried ch-	<b>Organic veg box (incl dairy)</b> Biohöfe Frischekiste Regionalwert Lieferservice GmbH, Freiburg
<b>Accountancy services</b> Regionalwert Dienstleistungs GmbH, Müllheim	<b>Organic vine</b> Weingut Andre Freiburg	zer Eis	<b>Organic shops</b> <ul style="list-style-type: none"> <li>• Biowelt Konstanz</li> <li>• Regionalwert Biomarkt</li> <li>• Naturalis Ranklin Naturkost GmbH</li> <li>• Regionalwert Biomarkt Waage GmbH</li> <li>• Regionalwert Biomarkt Breisach GmbH, Breisach</li> </ul>
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**Regionalwert AG =  
for-profit  
shareholder  
company**





# Horticultural holding

Gemüsegärtnerei

Querbeet

- ca. 15ha, 2500 sqm greenhouse space, long-standing biodynamic holding
- to enable succession from outside the family real estate now owned by RWAG, the business is run as a farm tenancy
- selling their produce to retail partners in the RWAG networks, e.g. they are the main supplier for the RWAG veg box and the RWAG organic shops (Biomaerkte)
- rotation includes clover lay on 1/3 of the land, that's harvested by RWAG dairy farmer who in return provides compost to Querbeet



Photos: RWAG Freiburg

# Fruit farm

## Obstgut Siegel KG

- fruit farm, 15ha
- succession from outside the family, highly qualified but lack of sufficient own capital, conversion to organic after succession
- to enable succession RWAG set up jointly a limited company with a private person and the ltd company that bought additional land
- total of 70ha managed bio-dynamically
- sales through farm shop and RWAG partner businesses



Joel Siegel, Obstbautechniker



# Regionalwert

Lieferservice GmbH  
Biohofe Frischekiste

- regionalwert`s own veg box
- delivery to private households and offices
- **RWAG and founders invested starting capital of 50.000€**
- service business to the RWAG partner businesses - > 70% of produce from the network



Photos: RWAG Freiburg



# Regionalwert Biomarkt Waage Emmendingen

- RWAG financed tripling of retail space (160 -> 500qm) which led to doubling of turnover
- financing of retail fittings through RWAG subsidiary Regionalwert Immo (buying/renting/leasing farm equipment, retail fittings, etc)
- operates under RWAG branding



Photo: screen shot <http://www.waage-emmendingen.de/bildergalerie/>





# Restaurant, Das Adelhaus, Freiburg

- unusually **RWAG run the business themselves** as it was seen to be a key missing element of the network
- ingredients/menu is seasonal and vegetarian
- menu planning follows availability of produce from the network, chefs will be involved in production planning in future

## → Das Adelhaus

### Fakten zum Bio-Restaurant

Die Gaststätte bietet Platz für 70 Gäste. Im Außenbereich, auf dem Adelhauserklosterplatz, gibt es in der warmen Jahreszeit noch einmal so viele Sitzplätze. Montag bis Donnerstag ist geöffnet von 11 bis 23 Uhr, Freitag und Samstag von 11 bis 0 Uhr.

Das Mittagsangebot besteht aus zwei Tagesmenüs und einem großen Buffet. Dort gibt es neben den Salaten auch zwei Suppen und eine Auswahl warmer Komponenten wie Kartoffeln, Gemüse und Bratlinge. Abgerechnet wird alles nach Gewicht für 2,20 Euro je 100 g.

Am Kuchenbuffet können die Cafégäste zwischen fast 20 verschiedenen Kuchen wählen.



AUTORIN:  
*Brigitte Stein*

**DARUM GEHT'S:**  
**Unternehmen können mehr, wenn sie in einem Netzwerk arbeiten. Davon kann die Entwicklung der Öko-Branche in einer ganzen Region profitieren. Die Regionalwert AG Freiburg macht es vor.**

**E**in Wunschtraum, der völlig unerreichbar schien, ist für Jonas Schmidt wahr geworden: Direkt nach Abschluss seines Studiums ist er mit 34 Jahren Geschäftsführer eines gut frequentierten Bio-Restaurants mitten in Freiburg. Bis zu 400 Essen verzehren die Gäste des Adelhaus täglich. hinzu kommen



Der ruhige Adelhauserklosterplatz im Zentrum der quirligen Fahrradstadt Freiburg empfängt Gäste des Bio-Restaurants. Hier verwirklichen Jonas Schmidt und Christian Hiß (v. l.) die Idee einer regionalen Wertschöpfungskette vom Anbau bis zur Gastronomie.

# RWAG citizen shareholder model – **types of membership** (example Hamburg)

- 1) Investment partnership**
- 2) Licence partnership**
- 3) Financing of particular items**



# RWAG citizen shareholder model – **types of membership** (example Hamburg)

## **1) Investment partnership**

- RWAG becomes a partial shareholder to support a particular project, or buys part or all of the business
- suitable for start ups, expanding businesses, businesses with need for investment, farms looking for non-family succession, businesses re-structuring
- investment conditions include: meeting membership criteria, organic certification (or conversion plan) for farms, non farming businesses commit to relevant criteria and sourcing where possible from RWAG partners
- costs: RWAG profit & loss share, share of costs for contract and due diligence checks

# RWAG citizen shareholder model – **types of membership** (example Hamburg)

## **2) Licence partnership**

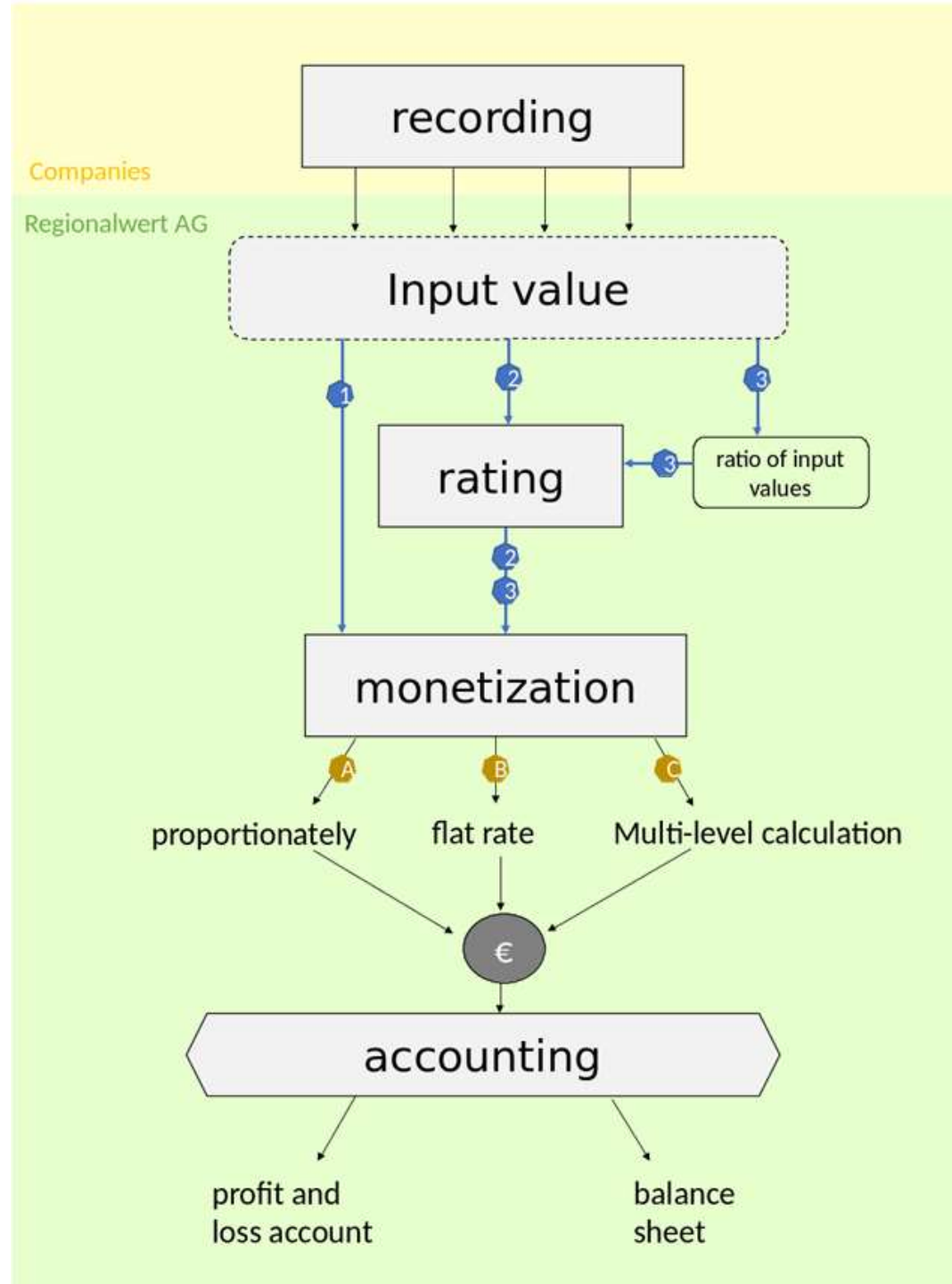
- businesses become members of the network but no investment
- suitable for businesses wanting to benefit from the network but not requiring investment, for businesses who want to support the network including service providers
- cost: 0.05 – 0.1% of previous year's turnover; max 6.000 Euro/ year

## **3) Financing of specific items**

- RWAG buys facilities, land, machinery, tools or retail fittings for example and rents or leases to businesses across the supply chain
- suitable for businesses with a specific financing need, especially those who do not desire an equity share
- costs: case by case basis

# RWAG assessment and monetarization of sustainability performance (true cost/impact accounting)

- transitioning from reporting on social and environmental criteria and performance to a sophisticated system of attributing a monetary value to the positive impacts
- this will be reflected on the P&L and balance sheet
- the aim is to create a new fund to pay for social and environmental values created
- the vision is for this system to become the basis of public subsidy



<b>Social matters</b>	specialist knowledge	<b>Ecology</b>	Soil fertility
	<ul style="list-style-type: none"> <li>- Skilled workers</li> <li>- Apprentice</li> <li>- External training</li> </ul>		<ul style="list-style-type: none"> <li>- nitrogen balance</li> <li>- type of nitrogen</li> <li>- area trimming</li> <li>- compost</li> <li>- catch crop</li> <li>- crop rotation</li> <li>- erosion control</li> <li>- Biodynamic preparations</li> </ul>
	Social commitment		agrobiodiversity
	<ul style="list-style-type: none"> <li>- Interns</li> <li>- Educational initiatives</li> <li>- Research</li> <li>- inclusion</li> </ul>		<ul style="list-style-type: none"> <li>- Seeds and seedlings</li> <li>- Production of seeds and seedlings</li> <li>- Access to genetic resources</li> <li>- concentrated feed</li> <li>- Diversity within the farm</li> <li>- habitat creation</li> <li>- plant protection</li> </ul>
	<b>Regional economy</b>		Economic sovereignty
	<ul style="list-style-type: none"> <li>- Value-added stages cow/pig/chicken</li> <li>- direct marketing</li> <li>- Highest Turnover Customer</li> <li>- Highest Turnover Product</li> <li>- Inter-company cooperation</li> <li>- seasonal workers</li> <li>- Energy</li> <li>- Closed resource cycles</li> </ul>	<ul style="list-style-type: none"> <li>- stable conditions</li> <li>- Area per animal</li> <li>- transport</li> <li>- use of antibiotics</li> <li>- Interventions on animals</li> <li>- Life performance dairy cows</li> </ul>	

See a short film about Regionalwert AG here  
<https://www.accesstoland.eu/Regionalwert-AG-Help-for-farms-in-crisis-Made-in-Germany>

For a pdf copy on the 2019 review '*Growing successful urban agriculture in the UK*' by Joy Carey and Katrin Hochberg, please contact  
[joy@joycarey.co.uk](mailto:joy@joycarey.co.uk)

**We hope this has been a useful discussion, thanks for your participation.**