

PRE-BUDGET COMMENT ON GREEN INVESTMENT BANK

Leadership in Green Finance needs credible Green Investment Bank

London, 21 March 2011 – In advance of Wednesday's budget, the UK Sustainable Investment and Finance Association (UKSIF) has called for a clear government commitment in the budget that the planned UK Green Investment Bank will have the power to issue bonds as soon as it is fully operational and will aim to ramp up to large scale bond issuance within the next three years.

Commenting on press rumours that the decision on whether the bank can borrow may be delayed, Penny Shepherd MBE, UKSIF chief executive, said:

"Today, the UK is widely recognised as a global leader in green financial services. There is a real risk that our international competitiveness in this growing market will be seriously damaged if we are not seen to recognise the urgency of financing our own low carbon transition. The Green Investment Bank must have a clear and rapid timetable for large-scale bond issuance both to support the UK's continued leadership in this important sector of financial services and to enable the broader UK economy to benefit from green growth."

In February 2011, UKSIF supported a letter to the Prime Minister from Chief Executives and other senior figures from seven major UK investment institutions, representing over £500bn AUM, welcoming the creation of a UK Green Investment Bank. The executives highlighted the significant investment needed in low carbon infrastructure in the UK and expressed interest in considering future investments in the Bank's securities. They said that a Green Investment Bank "could play an important role to enable and accelerate this major low carbon investment".

About UKSIF

UKSIF, the sustainable investment and finance association, promotes responsible investment and other forms of finance that support sustainable economic development, enhance quality of life and safeguard the environment. Founded in 1991, UKSIF has over 250 members including pension funds, asset managers, investment consultants, financial advisers, research providers, banks and non-governmental organisations. For more information, visit www.uksif.org.

About other recent UKSIF comment on the Green Investment Bank

Please see *UKSIF welcomes Environmental Audit Committee report on The Green Investment Bank* at www.uksif.org/about/Latest_News#5388978 and *Investors signal appetite for UK Green Investment Bank* at www.uksif.org/about/Latest_News#5388747.

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