

UKSIF

UK Sustainable Investment
and Finance Association

REACTION: Publish green finance plan, urges UK sustainable finance body

- Climate-neutral target for UK welcomed by sustainable finance industry
- Ministers urged to publish Green Finance Strategy setting out how Govt will secure new low-carbon investment
- New Strategy should set out how Govt will protect savers from climate risk

London – 2nd May 2019

The UK Sustainable Investment and Finance Association (UKSIF) welcomes the Committee on Climate Change's report recommending the UK sets a target for net zero greenhouse gas emissions by 2050. UKSIF calls on Ministers not to delay their 'Green Finance Strategy', which was due to be published in Spring 2019, and to use it to set out a plan to achieve net zero.

The Committee on Climate Change have previously estimated that reducing emissions will cost 1-2% of GDP. UKSIF calls on Ministers to produce an ambitious 'Green Finance Strategy' that sets out how the Government will attract the additional new investment needed to go further and reduce the UK's emissions to net zero by 2050. The strategy should also set out measures to improve the way the financial system manages climate-related financial risks, better protecting long-term investors such as pension funds.

Comment

Ben Nemes, Head of Public Policy at the UK Sustainable Investment and Finance Association, said:

"It is not possible to stop climate change without ending the UK's contribution to greenhouse gases in the atmosphere. Setting a net zero target for the UK is clearly the right thing to do.

"But a net zero target is just the start of the next mountain to climb. Getting there will require radical and unprecedented changes in all parts of the economy.

"Ministers must publish an ambitious Green Finance Strategy setting out how they will mobilise billions of pounds of investment in new clean energy, transport, heating and industry, and how they will make sure that people's investments, savings and pensions are protected from climate-related financial risk."

Notes to editors

- The Committee on Climate Change has estimated that meeting existing carbon targets will cost around 1% of UK GDP. See, for example: <https://www.theccc.org.uk/publication/reducing-uk-emissions-2018-progress-report-to-parliament/> (p. 113)
- In 2017 HM Treasury and the Department for Business, Energy and Industrial Strategy [established](#) a 'Green Finance Taskforce' to make recommendations on how to grow green

finance in the UK and accelerate low-carbon investment. The Taskforce [reported](#) in March 2018. The Government [promised to respond by publishing](#) a 'Green Finance Strategy'.

- In June 2018, Parliament's Environmental Audit Committee warned that climate change poses a financial risk to pension funds, and recommended that large asset owners report their exposure to climate change risks:

<https://www.parliament.uk/business/committees/committees-a-z/commons-select/environmental-audit-committee/news-parliament-2017/greening-finance-report-published-17-19/>

- On Friday 26th April Bloomberg reported that the Green Finance Strategy has been delayed: <https://www.bloomberg.com/news/articles/2019-04-26/u-k-is-said-to-delay-green-finance-plan-amid-debate-on-ambition>

The UK Sustainable Investment and Finance Association (UKSIF) is the membership organisation for those in the finance industry committed to growing sustainable and responsible finance in the UK. Our vision is a fair, inclusive and sustainable financial system that works for the benefit of society and the environment. UKSIF was created in 1991 and has over 240 members and affiliates including Barclays, RBS, Standard Chartered, London Stock Exchange Group, Aviva as well as financial advisers, institutional and retail fund managers, pension funds, banks, research providers, consultants and NGOs.

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